

Clearfield, Inc.
Form 10QSB
February 13, 2008

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-QSB

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended December 31, 2007

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

Commission File Number 0-16106

Clearfield, Inc.
(Exact name of Registrant as specified in its charter)

Minnesota
(State or other jurisdiction of incorporation or organization)

41-1347235
(I.R.S. Employer Identification No.)

5480 Nathan Lane North, Suite 120, Plymouth, Minnesota 55442
(Address of principal executive offices and zip code)

(763) 476-6866
(Registrant's telephone number, including area code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15 (d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to the filing requirement for the past 90 days.

Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer (as defined in Rule 12b-2 of the Exchange Act).

Large accelerated filer Accelerated filer Non-accelerated filer

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes No

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Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date:

Class:	January 23, 2008
Common stock, par value \$.01	11,872,331

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PART I. FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

CLEARFIELD, INC.
 CONSOLIDATED CONDENSED BALANCE SHEETS
 (Unaudited)

	December 31, 2007	September 30, 2007
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 1,158,117	\$ 3,304,645
Available for sale securities	5,050,000	2,825,000
Accounts receivable, net	1,771,608	2,418,651
Inventories	1,565,345	1,595,282
Other current assets	167,557	102,473
Total current assets	9,712,627	10,246,051
PROPERTY, PLANT AND EQUIPMENT, net	1,798,226	1,773,739
OTHER ASSETS		
Goodwill	2,570,511	2,570,511
Other	284,309	281,589
Notes receivable	466,303	469,678
TOTAL OTHER ASSETS	3,321,123	3,321,778
TOTAL ASSETS	\$ 14,831,976	\$ 15,341,568

SEE ACCOMPANYING NOTES TO CONSOLIDATED CONDENSED FINANCIAL STATEMENTS

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CLEARFIELD, INC.
CONSOLIDATED CONDENSED BALANCE SHEETS
(Unaudited)

	December 31, 2007	September 30, 2007
LIABILITIES AND SHAREHOLDERS' EQUITY		
CURRENT LIABILITIES		
Current maturities of long term debt	\$ 65,734	\$ 68,215
Accounts payable	1,019,283	1,176,280
Accrued compensation	620,574	958,023
Accrued expenses	134,765	107,209
Current liabilities of discontinued operations	-	205,885
Total current liabilities	1,840,356	2,515,612
LONG-TERM DEBT, net of current maturities	80,163	95,207
DEFERRED RENT	87,340	85,059
DEFERRED INCOME TAXES	101,971	77,701
OTHER LONG TERM LIABILITIES	102,277	150,470
LONG TERM OBLIGATIONS OF DISCONTINUED OPERATIONS	-	204,832
Total Liabilities	2,212,107	3,128,881
SHAREHOLDERS' EQUITY		
Undesignated shares, 4,999,500 authorized shares: no shares issued and outstanding	-	-
Preferred stock, \$.01 par value; 500 shares; no shares outstanding	-	-
Common stock, \$.01 par value; 50,000,000 authorized shares; 11,872,331 shares issued and outstanding at December 31, 2007 and September 30, 2007	118,723	118,723
Additional paid-in capital	52,049,021	52,037,207
Accumulated deficit	(39,547,875)	(39,943,243)
TOTAL SHAREHOLDERS' EQUITY	12,619,869	12,212,687
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	\$ 14,831,976	\$ 15,341,568

SEE ACCOMPANYING NOTES TO CONSOLIDATED CONDENSED FINANCIAL STATEMENTS

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CLEARFIELD, INC.
CONSOLIDATED CONDENSED STATEMENTS OF OPERATIONS
(Unaudited)

	Three Months Ended December 31,	
	2007	2006
Revenues	\$ 4,697,440	\$ 4,504,508
Cost of revenues	3,247,969	3,149,315
Gross profit	1,449,471	1,355,193
Operating expenses:		
Selling, general and administrative	1,422,459	1,430,288
(Gain) loss on sale of assets, net	-	(727)
	1,422,459	1,429,561
Income (loss) from continuing operations	27,012	(74,368)