NEW MEXICO SOFTWARE, INC
Form 10-Q
November 13, 2009

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

FORM 10-Q

(Mark One)

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

For the quarterly period ended September 30, 2009

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

For the transition period from _____ to _____

COMMISSION FILE #333-30176

NEW MEXICO SOFTWARE, INC.
(Exact name of Registrant as specified in charter)

NEVADA	91-1287406
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

5021 Indian School Road, Suite 100
Albuquerque, New Mexico 87110

(Address of principal executive offices)   (Zip Code)

(505) 255-1999
(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 such filing requirements for the past 90 days.   YES [X] NO [ ]

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files).   YES [ ] NO [X]

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer [ ]	Accelerated filer [ ]
Non-accelerated filer [ ]	Smaller reporting company [X]

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).   YES [_] NO [X]

The number of shares outstanding of each of the issuer's classes of common stock at November 10, 2009 was 130,554,124.

TABLE OF CONTENTS

2

ITEM 1.   FINANCIAL STATEMENTS

New Mexico Software, Inc.
Balance Sheet
(Rounded to the nearest thousand)
(UNAUDITED)

		September 30, 2009		December 31, 2008
Assets				
Current assets:				
Cash and cash equivalents	$	123,000	$	68,000
Accounts receivable, net		646,000		363,000
Inventory		6,000		18,000
Prepaid expenses and other assets		39,000		5,000
Total current assets		814,000		454,000
Furniture, equipment and improvements, net		75,000		96,000
Security deposits		4,000		4,000
Total assets	$	893,000	$	554,000
Liabilities and Stockholders' Equity				
Current liabilities:				
Accounts payable	$	631,000	$	282,000
Accrued expenses		91,000		134,000
Customer deposits		21,000		20,000
Deferred revenue		8,000		28,000
Notes payable		40,000		58,000
Capital Lease		14,000		17,000
Total current liabilities		805,000		539,000
Long-term liabilities:				
Capital lease - long-term portion		1,000		8,000
Total long-term liabilities		1,000		8,000
Total liabilities		806,000		547,000
Stockholders' equity:				
Preferred stock, $0.001 par value, 500,000 shares authorized, no shares issued and outstanding as of September 30, 2009		-		-
Common stock, $0.001 par value, 200,000,000 shares				

authorized, 130,554,124 shares issued and outstanding as of September 30, 2009		131,000		128,000
Paid-in capital		14,737,000		14,606,000
Subscriptions payable		21,000		21,000
Deferred compensation		(17,000)		(102,000)
Accumulated deficit		(14,785,000)		(14,646,000)
Total stockholders' equity		87,000		7,000
Total liabilities and stockholder's equity	$	893,000	$	554,000

The accompanying notes are an integral part of these financial statements.

3

New Mexico Software, Inc.
Condensed Consolidated Statements of Operations
(Rounded to the nearest thousand)
(UNAUDITED)

	For the three months ended September 30,		For the nine months ended September 30,	
	2009	2008	2009	2008
Revenue				
Radiological services	$757,000	$336,000	$2,189,000	$357,000
Software usage fees	89,000	102,000	323,000	351,000
Software hosting and maintenance	53,000	74,000	169,000	206,000
Radiological QA services	4,000	-	8,000	-
Custom programming	5,000	5,000	9,000	16,000
Scanning services	-	-	21,000	-
Finance charges	4,000	-		