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Artisanal Brands, Inc.  
Form 10-Q  
January 25, 2012

SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

FORM 10-Q

Quarterly Report Pursuant to Section 13 or 15(d) of the Securities Exchange act of 1934

For the quarterly period ended November 30, 2011.

Transition Report pursuant to Section 13 or 15(d) of the Securities Exchange act of 1934

For the transition period from \_\_\_\_\_ to \_\_\_\_\_.

Commission File No. 0-26112

ARTISANAL BRANDS, INC.

(Exact name of registrant as specified in its charter)

New York

(State of Jurisdiction)

41-1759882

(IRS Employer I.D.  
No.)

483 Tenth Avenue, New York,  
New York

(Address of Principal Executive  
offices)

10018

(Zip Code)

Registrant's telephone number, including area code 212-871-3150

Securities registered pursuant to Section 12(g) of the Act:

Title of each class

Common Stock, \$.001 par value per share

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  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

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.

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Large accelerated filer.

Non-accelerated filer.

Accelerated filer.

Smaller reporting company.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). Yes  No

Indicate the number of shares outstanding of each of the issuer's classes of stock, as of the latest practicable date:  
25,232,982 common shares and 7,270,154 Series A preferred shares issued and outstanding as of January 13, 2012. .

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DOCUMENTS INCORPORATED BY REFERENCE

Location in Form 10-Q  
None

Incorporated Document

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ARTISANAL BRANDS, INC.

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PART I

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ARTISANAL BRANDS, INC.  
CONSOLIDATED BALANCE SHEETS

ASSETS

CURRENT ASSETS:	November 30, 2011 (unaudited)	May 31, 2011
Cash	\$ 161,238	\$ 43,547
Accounts receivable, net	253,029	317,751
Inventories	350,496	374,116
Prepaid expenses and other current assets	45,381	28,844
<b>Total Current Assets</b>	<b>810,144</b>	<b>764,258</b>
FIXED ASSETS, net	474,146	546,746
OTHER ASSETS	30,722	33,085
INTANGIBLES - at cost, net	3,510,179	3,552,179
<b>Total Assets</b>	<b>\$ 4,825,191</b>	<b>\$ 4,896,268</b>

LIABILITIES AND SHAREHOLDERS' DEFICIT

CURRENT LIABILITIES:

Accounts payable	\$ 635,447	\$ 719,798
Note payable and current portion of long term debt	1,414,000	1,246,256
Prepaid gift certificates and other deferred revenue	133,889	51,296
Accrued expenses and other current liabilities	479,013	517,618
Accrued payroll taxes	791,267	622,570
<b>Total Current Liabilities</b>	<b>3,453,616</b>	<b>3,157,538</b>

LONG TERM DEBT, net of current portion	3,526,529	3,288,124
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COMMITMENTS AND CONTINGENCY

SHAREHOLDERS' DEFICIT

Preferred stock - \$0.001 par value, 10,000,000 shares authorized, 7,270,154 and 6,405,660 shares issued and outstanding, respectively	7,270	6,405
Common stock - \$0.001 par value, 40,000,000 shares authorized 25,232,982 and 24,200,316	25,233	24,200

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shares issued and outstanding, respectively

Additional paid-in capital	19,194,169	17,028,389
Accumulated deficit	(21,381,626 )	(18,608,388 )
Total shareholders' deficit	(2,154,954 )	(1,549,394 )
Total Liabilities & Shareholders' Deficit	\$ 4,825,191	\$ 4,896,268

See notes to the consolidated financial statements.

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ARTISANAL BRANDS, Inc.  
CONSOLIDATED STATEMENTS OF OPERATIONS  
(Unaudited)

	Three Months Ended		Six Months Ended	
	November 30,		November 30,	
	2011	2010	2011	2010
SALES	\$846,169	\$1,173,313	\$1,605,555	\$2,104,221