

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

FORM 10-Q/A
(Amendment No. 1)

- QUARTERLY REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
 - TRANSITION REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
- For the quarterly period ended March 31, 2009

Commission file number: 000-51317

THE CENTER FOR WOUND HEALING, INC.
(Name of Small Business Issuer in Its Charter)

Nevada 87-0618831

(State or jurisdiction of (IRS Employer ID Number)
Incorporation or organization)

155 White Plains Road, Suite 200, Tarrytown, NY 10591
[Address of Principal Executive Offices]

Registrant's telephone number, including area code: (914) 372-3150

Securities registered under Section 12(b) of the Exchange Act:

None

Securities registered under Section 12(g) of the Exchange Act:

Common Stock, \$0.001 par value per share
(Title of Class)

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 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 (Do not check if a smaller reporting company) Smaller reporting company

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

YES NO

State the number of shares outstanding of each of the Issuer's classes of common equity, as of the latest practicable date: As of March 31, 2009, there were 23,373,281 shares of common stock issued and outstanding.

EXPLANATORY NOTE

We filed our Quarterly Report on Form 10-Q for the nine months ended March 31, 2009 with the Securities and Exchange Commission (the "SEC") on May 13, 2009. We are filing this Amendment No. 1 on the Form 10-Q/A on October 9, 2009 to amend and restate our unaudited condensed consolidated financial statements for the nine months ended March 31, 2009 and the related footnote disclosures to reflect the correction of an error, all as more fully described in the following paragraph.

During the preparation of its consolidated financial statements for the fiscal year ended June 30, 2009, the Company discovered that the initial recording of a financing transaction entered into on March 31, 2008 had incorrectly accounted for certain elements of the transaction related to the pricing of warrants to purchase shares of the Company's common stock, the amortization of costs associated with such financing, and the issuance of appropriate number of warrants to a former debt holder and to Bison Capital Equity Partners II-A, L.P. and Bison Capital Equity Partners II-B, L.P. (collectively, the "Bison Capital Entities"), with which the Company consummated a financing transaction on March 31, 2008 (the "Bison Note"). As it effects the March 31, 2009 filing, it was determined that shareholders' equity was understated, long-term liabilities and other assets were overstated, and interest expense was overstated, resulting in an overstated net loss for the nine months ended March 31, 2009. In conjunction with the Company's review and correction of the accounting for the warrants, the Company has issued the requisite additional warrants associated with the January 2008 private financing, and the requisite additional warrants associated with the Bison Capital Entities warrant agreement provisions.

This amendment No. 1 to our Quarterly Report on Form 10-Q/A for the nine months ended March 31, 2009 amends only the following items:

PART I, Item 1 – Unaudited Interim Condensed Consolidated Financial Statements, and the Notes to Condensed Consolidated Financial Statements

PART I, Item 2 – Management's Discussion and Analysis or Plan of Operation was amended to reflect the corrections to the Company's reported operating results, cash flows and statement of financial position.

THE CENTER FOR WOUND HEALING, INC.
Report on Form 10-Q/A
March 31, 2009

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ITEM 1. UNAUDITED INTERIM FINANCIAL STATEMENTS

THE CENTER FOR WOUND HEALING, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS
AS AT

	<u>March 31,</u> <u>2009</u> <u>(Unaudited)</u> <u>(as Restated)</u>	<u>June 30,</u> <u>2008</u> <u>(as Restated)</u>
ASSETS		
CURRENT ASSETS		
Cash in bank	\$ 249,846	\$ 55,139
Accounts receivable, net of allowance for doubtful accounts of \$2,423,203 and \$2,941,917 respectively	16,393,988	14,563,325
Notes Receivable	449,584	460,872
Income tax refunds receivable		2,090
Prepaid expenses and other current assets	198,317	398,631
Total current assets	17,291,735	15,480,057
Notes Receivable	-	134,295
Property and equipment, net	8,240,780	8,886,005
Intangible assets	3,018,017	4,402,495
Goodwill	751,957	751,957
Other assets	1,679,853	1,507,192
TOTAL ASSETS	\$ 30,982,342	\$ 31,162,001
LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES		
Accounts payable and accrued expenses	\$ 3,456,987	\$ 4,105,548
Current maturities of capital leases	182,720	526,107
Short-term borrowings	2,054,989	4,200,000
Notes payable	1,956,124	939,856
Payable to former Majority Members	268,033	618,033
Total current liabilities	7,918,853	10,389,544
15% senior secured note payable, net of current maturities	13,576,022	9,968,740
Notes payable, net of current maturities	426,970	782,133
Capital lease obligations, net of current maturities	25,513	131,774
Minority interest in consolidated subsidiaries	527,296	580,558
TOTAL LIABILITIES	22,474,654	21,852,749
COMMITMENTS AND CONTINGENCIES		
STOCKHOLDERS' EQUITY		
Preferred stock, \$0.001 par value; 10,000,000 shares authorized; none outstanding	-	-
Common stock, \$0.001 par value; 290,000,000 shares authorized; 23,373,281 issued and outstanding	23,373	23,373
Additional paid-in capital	31,190,294	29,764,982
Accumulated deficit	(22,705,979)	(20,479,103)
TOTAL STOCKHOLDERS' EQUITY	8,507,688	9,309,252
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	\$ 30,982,342	\$ 31,162,001

See notes to unaudited consolidated financial statements.

THE CENTER FOR WOUND HEALING, INC. AND SUBSIDIARIES
 CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

	For The Three Months Ended		For The Nine Months Ended	
	March 31,		March 31,	
	2009	2008	2009	2008
	(unaudited)		(unaudited)	
	(as Restated)		(as Restated)	
REVENUES				
Treatment fees	\$ 6,884,971	\$ 6,498,789	\$ 21,489,871	\$ 18,911,023
OPERATING EXPENSES				
Cost of services	3,642,684	3,330,333	11,045,076	9,657,058
Sales and marketing	41,116	7,794	133,934	44,888
General and administration	2,254,613	2,244,197	7,538,282	6,408,455
Depreciation and amortization	251,388	117,781	732,975	297,632
Bad debts	240,000	1,902	684,006	216,458
TOTAL OPERATING EXPENSES	6,429,801	5,702,007	20,134,273	16,624,491
OPERATING INCOME	455,170	796,782	1,355,598	2,286,532
OTHER EXPENSES				
Interest expense	1,264,923	1,563,156	3,517,568	5,433,643
Interest Income	(5,555)	-	(18,888)	-
Minority interest in net (income) loss of consolidated subsidiaries	54,278	275,138	7,890	181,770
Loss on disposal of property and equipment	-	-	-	68,880
Other Expenses	-	20,866	-	20,866
TOTAL OTHER EXPENSES	1,313,646	1,859,160	3,506,569	5,705,159
LOSS BEFORE PROVISION FOR INCOME TAXES	(858,476)	(1,062,378)	(2,150,972)	(3,418,627)
PROVISION FOR INCOME TAXES - CURRENT	17,897	7,140	75,904	18,845
NET LOSS	\$ (876,373)	\$ (1,069,518)	\$ (2,226,876)	\$ (3,437,472)
NET LOSS PER COMMON SHARE BASIC AND DILUTED	\$ (0.04)	\$ (0.05)	\$ (0.13)	\$ (0.15)
WEIGHTED AVERAGE NUMBER OF COMMON SHARES - BASIC AND DILUTED	23,373,281	22,985,781	23,373,281	22,932,108

See notes to unaudited consolidated financial statements.

**THE CENTER FOR WOUND HEALING, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
FOR THE NINE MONTHS ENDED MARCH 31, 2009**

	<u>Common Stock</u>		<u>Additional Paid-</u>	<u>Accumulated</u>	<u>Total</u>
	<u>Shares</u>	<u>Amount</u>	<u>in Capital</u>	<u>Deficit</u>	<u>(as Restated)</u>
			<u>(as Restated)</u>	<u>(as Restated)</u>	<u>(as Restated)</u>
Balance at June 30, 2008	23,373,281	\$ 23,373	\$ 29,764,982	\$ (20,479,103)	\$ 9,309,252
Share-Based Compensation (Unaudited)	-	-	1,425,312	-	1,425,312.5
Net loss (Unaudited) (Restated)	-	-	-	(2,226,876)	(2,226,876)
Balance at March 31, 2009(Unaudited) (Restated)	<u>23,373,281</u>	<u>\$ 23,373</u>	<u>\$ 31,190,294</u>	<u>\$ (22,705,979)</u>	<u>\$ 8,507,688</u>

See notes to unaudited consolidated financial statements.

THE CENTER FOR WOUND HEALING, INC. AND SUBSIDIARIES
 CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
 For The Nine Months Ended March 31,
 (UNAUDITED)

	<u>2009</u> (as Restated)	<u>2008</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Net loss	\$ (2,226,876)	\$ (3,437,472)
Adjustments to reconcile net loss to net cash provided by operating activities		
Depreciation and amortization	3,545,388	2,888,672
Interest charged for beneficial conversion features of 8% senior convertible debentures	-	912,524
Interest charged for amortization of deferred financing costs	172,596	1,951,771
Bad debts	684,006	216,458
Minority interest in net (income) of consolidated subsidiaries	7,890	181,770
Loss on disposal of property and equipment	-	68,880
Interest accrued for convertible debenture and notes payable	3,101,348	664,659
Amortization of stock options	1,425,312	1,351,118
Changes in operating assets and liabilities:		
Accounts and notes receivable	(2,369,087)	(2,445,796)
Prepaid expenses and other current assets	212,826	(40,253)
Other assets	(311,289)	-
Accounts payable and accrued expenses	(706,006)	(1,814,474)
Income taxes	3,690	863,739
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>3,539,798</u>	<u>1,361,596</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of property and equipment	(1,515,686)	(2,766,096)
Proceeds from sale of property and equipment	-	45,000
(Increase) in security deposits	(11,616)	(459)
NET CASH USED IN INVESTING ACTIVITIES	<u>(1,527,302)</u>	<u>(2,721,555)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Principal payments on capital lease obligations	(449,648)	(1,106,717)
Advances from (repayments to) affiliates	(3,056)	134,459
Net (repayment) proceeds from bank line of credit	(2,145,011)	1,000,000
Proceeds from issuance of 15% senior subordinated note payable	-	17,500,000
Proceeds from notes payable	2,000,000	1,600,000
Payment of 8% senior convertible debenture	-	(7,398,125)
Payments to former majority members	(350,000)	(30,241)
Deferred financing costs	(36,462)	(2,916,461)
Repayment of notes and loans	(832,911)	(3,401,601)
Distributions to LLC members	(701)	(276,004)
NET CASH USED IN (PROVIDED BY) FINANCING ACTIVITIES	<u>(1,817,789)</u>	<u>5,105,310</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	194,707	3,745,351
CASH AND CASH EQUIVALENTS – BEGINNING OF PERIOD	55,139	216,458
CASH AND CASH EQUIVALENTS – END OF PERIOD	<u>\$ 249,846</u>	<u>\$ 3,961,809</u>
SUPPLEMENTAL DISCLOSURES OF NON-CASH INVESTING AND FINANCING ACTIVITIES:		
Cash paid during the nine month period:		
Interest	\$ 268,437	\$ 1,904,690
Income taxes	\$ 75,904	\$ 21,185
Non -cash financing and investing activities:		
Equipment acquired through capital lease obligation		\$ 217,148
Warrants and common stock issued in payment of accrued interest		\$ 839,659
Issuance of common stock in connection with MedAir settlement		\$ 825,000
Issuance of common stock in connection with Warantz settlement		\$ 75,000
Debt issued in connection with Intangible asset acquired		\$ 2,617,744
Warrants issued in connection with Bison Financing		\$ 8,391,893

See notes to unaudited consolidated financial statements.

THE CENTER FOR WOUND HEALING, INC. AND SUBSIDIARIES
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
March 31, 2009
(Unaudited)

Note 1 - Organization and Nature of Business

The Center for Wound Healing, Inc. ("CFWH" or the "Company") (formerly known as American Hyperbaric, Inc.) was organized in the State of Florida on May 25, 2005. CFWH develops and manages comprehensive wound care centers, which are marketed as "THE CENTER FOR WOUND HEALING™," throughout the United States. These centers render the specialized service of hyperbaric medicine. They are developed in partnerships with acute care hospitals. CFWH can be contracted to startup and manage the wound care program as well as offer a turnkey operation including the furnishing of hyperbaric oxygen chambers to hospitals.

As of March 31, 2009, CFWH operates thirty-four (34) wound care and hyperbaric centers with various institutions. Such centers operate as either a wholly-owned limited liability company of CFWH or CFWH owns the majority interest in the limited liability company. CFWH is headquartered in Tarrytown, New York. Currently, the Company has signed agreements to open and manage three (3) additional wound care and hyperbaric centers.

Note 2 - Summary of Significant Accounting Policies

a. **Basis of Presentation:** The accompanying interim financial statements of the Company for the three and nine months ended March 31, 2009, have been prepared in accordance with accounting principles generally accepted for interim financial statements presentation and in accordance with the instructions to Regulation S-X. Accordingly, they do not include all of the information and footnotes required by accounting principles generally accepted in the United States of America for complete financial statement presentation. In the opinion of management, all adjustments for a fair statement of the results of operations and financial position for the interim periods presented have been included. All such adjustments are of a normal recurring nature. The accompanying financial statements and the information included under the heading Management's Discussion and Analysis of Financial Condition and Results of Operations should be read in conjunction with the Company's Form 10-KSB/A as of June 30, 2008, filed with the Securities and Exchange Commission ("Commission") on October 9, 2009. Interim results are not necessarily indicative of the results for a full year.

b. Principles of Consolidation. The accompanying consolidated financial statements include the accounts of CFWH and its wholly-owned and majority-owned subsidiaries (collectively, the "Company"). Acquisitions of entities under common control are accounted for under the pooling method of accounting at their historical costs in accordance with Statement of Financial Accounting Standards ("SFAS") No.141, "Business Combinations". All other acquisitions of majority ownership interests are accounted for under the purchase method of accounting and reflect the fair value of net assets acquired at the date of acquisition. All intercompany profits, transactions, and balances have been eliminated. Minority interests in the net assets and earnings or losses of the Company's majority-owned subsidiaries are reflected in the caption "Minority interest in consolidated subsidiaries" in the accompanying consolidated balance sheet and the caption "Minority interest in net loss of consolidated subsidiaries" in the accompanying consolidated statement of operations. Minority interest adjusts the Company's consolidated results of operations to reflect only the Company's share of the earnings or losses of the majority owned LLCs and adjust the Company's net assets to reflect only the Company's share of the net assets of the majority-owned LLCs.

c. Restatement of Condensed Consolidated Financial Statements. The condensed consolidated financial statements have been restated for the nine months ended March 31, 2009 to reflect the correction of errors in the accounting for the warrant issuance and warrant valuation, and the debt issuance costs associated with the Company's 15% Senior Secured Subordinated Promissory Note (the "Bison Note"). The number of warrants to be issued were initially reported incorrectly and the respective accounting impacts of such reporting error were initially reflected in the Company's accounts in the original March 31, 2009 Form 10Q. The number of warrants issuable, the warrant's fair-value and related treatment of debt discount costs have been revised by the Company to reflect their proper accounting treatment, accordingly on October 9, 2009, the Company has filed amended Forms 10-QSB/A, 10-KSB/A, and 10-Q/A for the nine month, annual, three and six month periods ended March 31, 2008, June 30, 2008, September 30, 2008 and December 31, 2008 respectively, which supplement this amended filing.

The effect of the restatement on the Company's condensed consolidated financial statements as of March 31, 2009, and for the nine months ended March 31, 2009 are shown below:

	As of March 31, 2009		
	(As Previously Reported)	Adjustments	Restatement
ASSETS			
CURRENT ASSETS			
Total current assets	\$ 17,291,735	\$ -	\$ 17,291,735
Property and equipment, net	8,240,780	-	8,240,780
Intangible assets	3,018,017	-	3,018,017
Goodwill	751,957	-	751,957
Other assets	2,722,780	(1,042,928)	1,679,852
TOTAL ASSETS	\$ 32,025,269	\$ (1,042,928)	\$ 30,982,341
LIABILITIES AND STOCKHOLDERS' EQUITY			
CURRENT LIABILITIES			
15% senior secured subordinated promissory note	\$ 2,462,109	\$ (505,985)	\$ 1,956,124
Other current liabilities	5,962,729	-	5,962,729
Total current liabilities	8,424,838	(505,985)	7,918,853
15% senior secured subordinated promissory note	17,713,336	(4,137,314)	13,576,022
Notes payable, net current maturities	1,608,215	(1,181,245)	426,970
Capital lease obligations, net of current maturities	25,512	-	25,512
Minority interest in consolidated subsidiaries	490,839	36,457	527,296
TOTAL LIABILITIES	\$ 28,262,740	\$ (5,788,087)	\$ 22,474,653
STOCKHOLDERS' EQUITY			
Common Stock	23,373	-	23,373
Additional paid-in capital	27,645,600	3,544,694	31,190,294
Accumulated deficit	(23,906,444)	1,200,465	(22,705,979)
TOTAL STOCKHOLDERS'S EQUITY	3,762,529	4,745,159	8,507,688
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	\$ 32,025,269	\$ (1,042,928)	\$ 30,982,341

	For the Three Months Ended As of March 31, 2009		
	(As Previously Reported)	Adjustments	Restatement
REVENUES			
OPERATING EXPENSES:	\$ 6,884,971	\$ -	\$ 6,884,971
General and administrative expenses	2,254,664	(51)	2,254,613
Other operating expenses	4,175,188	-	4,175,188
TOTAL OPERATING EXPENSES	6,429,852	(51)	6,429,801
OPERATING INCOME	455,119	51	455,170
OTHER EXPENSE (INCOME)			
Interest expense	1,404,067	(139,144)	1,264,923
Interest income	(5,555)	-	(5,555)
Minority interest in net loss (income) of consolidated	62,270	(7,992)	54,278
TOTAL OTHER EXPENSE (INCOME)	1,460,782	(147,136)	1,313,646
OPERATING INCOME (LOSS)	(1,005,663)	147,187	(858,476)
PROVISION (BENEFIT) FOR INCOME TAXES	17,897	-	17,897
NET (LOSS)	\$ (1,023,560)	\$ 147,187	\$ (876,373)
NET (LOSS) PER COMMON SHARE-BASIC AND DILUTED	\$ (0.04)	\$ -	\$ (0.04)
WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING - BASIC AND DILUTED			
	23,373,281		23,373,281

	For the Nine Months Ended As of March 31, 2009		
	(As Previously Reported)	Adjustments	Restatement
REVENUES	\$ 21,489,871	\$ -	\$ 21,489,871
OPERATING EXPENSES:			
General and administrative expenses	7,538,282	-	7,538,282
Other operating expenses	12,595,991	-	12,595,991
TOTAL OPERATING EXPENSES	20,134,273	-	20,134,273
OPERATING INCOME	1,355,598	-	1,355,598
OTHER EXPENSE (INCOME)			
Interest expense	4,291,637	(774,069)	3,517,568
Interest income	(18,888)	-	(18,888)
Minority interest in net loss (income) of consolidated	(6,214)	14,104	7,890
TOTAL OTHER EXPENSE (INCOME)	4,266,535	(759,965)	3,506,570
OPERATING INCOME (LOSS)	(2,910,937)	759,965	(2,150,972)
PROVISION (BENEFIT) FOR INCOME TAXES	75,904	-	75,904
NET (LOSS)	\$ (2,986,841)	\$ 759,965	\$ (2,226,876)
NET (LOSS) PER COMMON SHARE-BASIC AND DILUTED	\$ (0.13)	\$ -	\$ (0.10)
WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING - BASIC AND DILUTED	23,373,281		23,373,281

	Nine Months Ended March 31, 2009		
	(As Previously reported)	(adjustment)	(as Restated)
CASH FLOWS FROM OPERATING ACTIVITIES			
Net loss	\$ (2,986,841)	\$ 759,965	\$ (2,226,876)
Adjustments to reconcile net loss to net cash provided by operating activities:			
Depreciation and amortization	3,545,388	-	3,545,388
Bad debts	684,006	-	684,006
Interest charged for amortization of deferred financing costs	445,162	-	445,162
Minority interest in net income of consolidated subsidiaries	(6,214)	14,104	7,890
Interest accrued for convertible debenture and notes payable	3,583,927	(486,263)	3,097,664
Amortization of stock options	1,425,312	-	1,425,312
Changes in operating assets and liabilities:			
Accounts and notes receivable	(2,369,087)	-	(2,369,087)
Prepaid expenses and other current assets	212,826	-	212,826
Other assets	(311,289)	-	(311,289)
Accounts payable and accrued expenses	(645,555)	-	(645,555)
Income Taxes	3,690	-	3,690
NET CASH PROVIDED BY OPERATING ACTIVITIES	3,581,325	287,806	3,869,131
CASH FLOWS FROM INVESTING ACTIVITIES			
NET CASH USED IN INVESTING ACTIVITIES	(1,527,302)	-	(1,527,302)
CASH FLOWS FROM FINANCING ACTIVITIES			
Principal payments on capital lease obligations	(449,647)	-	(449,647)
Advances from affiliates	(3,056)	-	(3,056)
Net (repayment) proceeds from bank line of credit	(2,145,011)	-	(2,145,011)
Proceeds from notes payable	2,000,000	-	2,000,000
Payments to former majority members	(350,000)	-	(350,000)
Deferred financing costs	(36,462)	(287,806)	(324,268)
Repayment of notes and loans	(813,988)	-	(813,988)
Distributions to LLC members	(61,152)	-	(61,152)
NET CASH USED IN FINANCING ACTIVITIES	(1,859,316)	(287,806)	(2,147,122)
NET INCREASE IN CASH AND CASH EQUIVALENTS	194,707	-	194,707
CASH AND CASH EQUIVALENTS – BEGINNING OF PERIOD	55,139	-	55,139
CASH AND CASH EQUIVALENTS – END OF PERIOD	\$ 249,846	\$ -	\$ 249,846

d. **Revenue Recognition.** Patient service revenue is recognized when the service is rendered and the amount due is estimable, in accordance with the terms of the individual contracts with hospitals. Generally, the contracts provide for a flat fee per patient treatment, which may be derived from amounts allowable by third party payers. Although revenue is recognized at the time of service, the hospitals are usually not billed for the service until the hospital is paid by the third party payers. As a result, the accounts receivable of the Company include amounts not yet billed to the hospitals. As of March 31, 2009 approximately \$11.8 million of Accounts Receivable were unbilled.

e. **Use of Estimates.** The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of commitments and contingencies, if any, at the date of the financial statements, and revenue and expenses during the reporting period. Actual results could differ from those estimates. Significant estimates made by management include the collectability of accounts receivable, the impairment of long-lived and intangible assets, and the fair value of stock and warrants issued.

f. Fair Value of Financial Instruments. On July 1, 2008, the Company adopted Statement of Financial Accounting Standards (“SFAS”) No. 157, “Fair Value Measurements” and SFAS No. 159, “The Fair Value Option for Financial Assets and Financial Liabilities”. The carrying amounts of current assets and current liabilities approximate fair value due to the short-term maturities of the instruments. The carrying amounts of capital lease obligations approximate their fair values and the current interest rates on such instruments approximate current market interest rates on similar instruments. See Note 6 on the carrying value of debt issued.

g. Earnings Per Share. Basic net earnings (loss) per share is calculated based on the weighted average number of common shares outstanding for each period. Diluted loss per share includes potentially dilutive securities such as outstanding options and warrants, using various methods such as the treasury stock or modified treasury stock method in the determination of dilutive shares outstanding during each reporting period. Common shares issuable upon the exercise of warrants and options outstanding that could potentially dilute basic EPS in the future were not included in the computation of diluted EPS because to do so would have been anti-dilutive for the periods presented.

h. Stock Based Compensation. The Company applies FASB Statement No. 123 R, “Share Based Payment” in accounting for its stock-based compensation plans. Statement 123R requires all share based payments to employees, including grants of employee stock options, to be recognized as an expense based on fair values measured on award grant dates.

i. Income Taxes. The Company uses the asset and liability method of accounting for income taxes in accordance with FAS 109, “Accounting for Income Taxes”. Under the asset and liability method, deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts and the tax bases of existing assets and liabilities. A valuation allowance against deferred tax assets is provided when it is more likely than not that the deferred tax asset will not be fully realized.

The Company adopted the provisions of FIN 48 on July 1, 2007. FIN 48 clarifies the accounting for uncertainty in income taxes recognized in an enterprise’s financial statements in accordance with SFAS No. 109, “Accounting for Income Taxes”, and prescribes a recognition threshold and measurement process for financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. FIN 48 also provides guidance on derecognition, classification, interest and penalties, accounting in interim periods, disclosure and transition. The adoption of FIN 48 did not have a material effect on the Company’s consolidated financial position or results of operation. We classify interest and penalties, if any, associated with our uncertain tax positions as a component of income tax expense. No interest and penalties related to uncertain tax positions were accrued at March 31, 2009.

During the nine months ended March 31, 2009, the Company recognized no adjustments for uncertain tax benefits. The Company is subject to U.S. federal and state examinations by tax authorities for all years since its inception. The Company does not expect any significant changes to its unrecognized tax positions during the next 12 months.

Note 3 – Employee Stock Compensation

The Company’s Amended 2006 Stock Plan (the “Plan”) permits the issuance of restricted stock, stock appreciation rights, options to purchase our common stock, deferred stock and other stock-based awards, not to exceed 7,500,000 shares of our common stock, to employees, outside directors, and consultants. All stock options under the Plan are granted at or above the fair market value of the common stock at the grant date. Employee stock options vest ratably and generally expire in a range of 5 to 10 years from the grant date.

The fair value of each time-based option award is estimated on the date of grant using a Black-Scholes option pricing model with the following assumptions:

	For the Nine Months Ended March 31, 2009
Average Expected life (years)	5.8
Average risk free interest rate	4.48%
Expected volatility	87%
Expected dividend rate	0%
Expected forfeiture rate	1%

Stock compensation expense related to stock options was \$167,394 and \$1,425,312 for the three and nine months ended March 31, 2009. This amount is included in the Condensed Consolidated Statements of Operations within the general and administrative expenses line item.

The number of warrants issuable, the warrant’s fair-value and related treatment of debt discount costs have been revised by the Company to reflect their proper accounting treatment, accordingly on October 9, 2009, the Company has filed amended Forms 10-QSB/A, 10-KSB/A, and 10-Q/A for the nine month, annual, three and six month periods ended March 31, 2008, June 30, 2008, September 30, 2008 and December 31, 2008, respectively, which supplement this amended filing.

There were 1,752,500 stock options granted during the nine months ended March 31, 2009. The following table represents our stock options and warrants granted, exercised, and forfeited during the first nine months of fiscal 2009.

Stock Options	Number of Shares	Weighted Average Exercise Price	Weighted Average Remaining Contractual Terms (Years)	Aggregated Intrinsic Value
Outstanding at June 30, 2008	1,857,667	\$ 3.37	5.64	\$ -
Granted	1,752,500	1.05		
Exercised	-	-		-
Cancelled	57,667	-		-
Outstanding at December 31, 2008	3,552,500	\$ 1.15	5.94	\$ -
Exercisable at December 31, 2008	2,187,500	\$ 1.21	5.44	\$ -

As of March 31, 2009, there was \$811,955 of unrecognized compensation cost.

Note 4 -Related Party Transactions

a. In December, 2007 and January, 2008 the Company raised a total of \$1.6 million from individual investors in the form of a short term unsecured note, (the "Bridge Financing Note") the terms of which provided the lenders with interest paid in cash or in lieu of cash, and warrants with an exercise price of \$2. These funds were used to fund the \$1.5 million payment due the Bondholders on or before January 31, 2008. Certain members of the Company's board of directors and officers of the Company participated in this Bridge Financing and lent the Company \$600,000 of the total \$1.6 million raised. On March 31, 2008 the entire \$1.6 million Bridge Financing Note was paid in full from the proceeds of the Bison financing with the exception of the \$100,000 interest due the Company's board of directors and officers who participated in the financing, which was paid on October 31, 2008.

b. Certain advances are made to and from affiliates in the ordinary course of business. The balances due to and from affiliates are noninterest bearing and due on demand.

Note 5 – Short-term Borrowings

On December 23, 2008 the Company entered into an \$8.0 million bank line of credit with Signature bank (the "bank") (the "Eighth Amendment"). This line of credit includes a \$6 million revolving line of credit that matures in two years, and a \$2 million term loan that matures in four years and has 48 monthly principal payments of \$41,667. This new lending facility replaces the prior \$6.5 million credit facility (the "Seventh Amendment") that the Company entered into with the bank on March 31, 2008.

For the quarter ended March 31, 2009 the average debt outstanding under the working capital line of credit was \$2.2 million at an average interest rate of 3.8%. The balance outstanding under the line of credit was \$2,054,989 at March 31, 2009.

Note 6 – Notes Payable (Including 15% Senior Secured Subordinated Promissory Note)

Notes Payable as of March 31, 2009 consists of the following:

	(As Previously Reported)	adjusted	As restated
Notes Payable	\$ 21,783,659	\$ (5,824,544)	\$ 15,959,116
Less: Current portion	2,462,109	(505,985)	1,956,124
	<u>\$ 19,321,550</u>	<u>\$ (5,318,559)</u>	<u>\$ 14,002,992</u>

Maturities of the long-term portion of notes payable as of March 31, 2009 are as follows:

	Reported	Restated**
2010	\$ 2,462,109	\$ 4,456,124
2011	2,004,281	2,500,000
2012	1,888,301	2,500,000
2013	1,950,741	12,500,000
2014	13,478,227	-
	<u>\$ 21,783,659</u>	<u>\$ 21,956,124</u>

** The difference between the maturity table amortization and the restated notes payable at March 31, 2009 is attributable to note discount accreting to note principal over maturity of 15% senior secured note payable.

a. The Company periodically buys vans for courtesy transportation of patients to the hyperbaric centers for treatment. These vans are financed by traditional automotive financing. Rates on these loans range to a high of 8%. As of March 31, 2009, the Company has an outstanding balance due on these loans of \$41,512. For the nine months ended March 31, 2009, average monthly principal payments were approximately \$2,638.

b. On March 31, 2008, the Company completed a \$20 million 15% senior secured subordinated financing agreement with Bison Equity Capital Partners (“Bison”) (the “Bison Note”). The Company received \$17.5 million, net of a \$2.5 million discount, and after providing for transaction fees, approximately \$12.3 million was used to retire in its entirety the Secured Convertible Debenture, accrued interest and penalty; the Signature Bank term loan; the CFWH Mezzanine loan and accrued interest; and certain extended accounts payable and other obligations.

The financial terms of the Bison Note are summarized as follows:

- The Note is a five year note maturing March 31, 2013.
- Interest was payable in cash at 12% per annum plus 6% payment in kind (“PIK”) until the payoff conditions, as defined in the Bison Note, were met. As of March 31, 2009, the payoff conditions were met, reducing the interest to the rate of 12% per annum payable in cash plus 3% PIK per annum. The Company has the option of deferring the scheduled payment of interest at the Scheduled Cash Interest Rate for up to 12 months ending on October 31, 2009. Deferred interest is added to the principal balance of the note.

- Principal amortization begins on the second anniversary of the Note and the amortization payment is \$2.5 million per year until the fifth year at which point the Company is obligated to retire in full the balance of the outstanding principal.
- Bison also received warrants equal to 20% of the fully diluted common stock of the Company. The Company has the opportunity to extinguish a certain number of these warrants based upon its achievement of EBITDA and leverage thresholds. The warrants which are calculated to be 7,941,926 at March 31, 2008 are exercisable at \$5.00 per share, have a seven year life and carry standard anti-dilution and registration rights provisions. The Note carries certain EBITDA and leverage ratio covenants, limitations on maximum allowable debt with Signature and other credit parties, limitations on capital expenditures, and limitations on investments and acquisitions.
- The Company determined the relative fair value of warrants to be \$8,391,893 prior to a reduction for the allocation of debt issuance costs of approximately \$1.4 million, and recorded the net-warrant value as a discount to the Bison Note in addition to \$2.5 million cash discount. Additionally, based on relative fair value of the Bison Note and warrants the Company allocated \$3.1 million of expenses related to the transaction as follow: \$1.7 million to deferred expenses and \$1.4 million as an increase to additional paid-in capital. The Company amortizes deferred financing cost, debt discount and records interest expense using effective interest rate, which it determined to approximate 37%.
- The debt is subordinated to Signature Bank.

Note 7 – Income Taxes

- a. The Company's domestic effective income tax rate for the interim periods presented is based on management's estimate of the Company's effective tax rate for the applicable year and differs from the federal statutory income tax rate primarily due to nondeductible permanent differences, state income taxes and changes in the valuation allowance for deferred income taxes. In assessing the realizability of deferred tax assets, management considers whether it is more likely than not that some portion or all of the deferred tax assets will not be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income during the periods in which those temporary differences become deductible.
- b. The Company maintains a full valuation allowance on its deferred tax assets. Accordingly, the Company has not recorded a benefit for income taxes.

Note 8 - Subsequent Events

a. In April 2009, the Company consolidated its subsidiaries by means of a series of merger transactions (the "Consolidation Transaction") involving those subsidiaries in which there are minority interest holders (the "Interest Holders"). In connection with the Consolidation Transaction, each such Interest Holder received a specified number of shares of our common stock in exchange for his or her interests in the relevant subsidiary(ies), and three Interest Holders received cash and or stock for their interests. The Interest Holders include Paul Basmajian, a director of the Company, and David Walz, an executive of the Company. Upon consummation of the Consolidation Transaction, Mr. Basmajian received 94,443 shares of our common stock, based on a fair value of \$165,276 for all of his interests in our subsidiaries. Upon consummation of the Consolidation Transaction, Mr. Walz received \$80,000 in cash and 30,999 shares of common stock of the Company. The Board, with Mr. Basmajian abstaining, considered and approved the Consolidation Transaction on April 8, 2009. The Company issued a total of 651,975 shares of stock and a total of \$205,000, including \$80,000 paid to Mr. Walz, to consummate these transactions.

b. On April 22, 2009, The Center for Wound Healing, Inc. (the "Company"), Bison Capital Equity Partners II-A, L.P. ("Bison A") and Bison Capital Equity Partners II-B, L.P. ("Bison B" and together with Bison A, the "Purchaser") entered into the First Amendment of Securities Purchase Agreement (the "First Amendment"), amending the Securities Purchase Agreement (the "Securities Purchase Agreement"), dated as of March 31, 2008, by and between the Company and the Purchaser. As reported in the Form 8-K filed by the Company on April 17, 2009, the parties to the Securities Purchase Agreement agreed to amend the Securities Purchase Agreement to reflect the intention of such parties with respect to the Put Price (as defined in the Securities Purchase Agreement). Accordingly, on April 22, 2009, the parties to the Securities Purchase Agreement entered into the First Amendment, which amends and restates the definition of the Put Price. The Purchaser has not exercised its put right or stated any intention to do so. The parties to the Securities Purchase Agreement are in agreement that, if the put was exercised on the date hereof, the Put Price would be equal to approximately \$2,000,000.

ITEM 2. Management's Discussion and Analysis or Plan of Operations:

GENERAL OVERVIEW

The following Management's Discussion and Analysis ("MD&A") is intended to help the reader understand our company. The MD&A is provided as a supplement to, and should be read in conjunction with, our financial statements and the accompanying notes ("Notes").

FORWARD-LOOKING INFORMATION

This Quarterly Report on Form 10-Q/A includes forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. We have based these forward-looking statements on our current expectations and projections about future events. These forward-looking statements are subject to known and unknown risks, uncertainties and assumptions about us that may cause our actual results, levels of activity, performance or achievements to be materially different from any future results, levels of activity, performance or achievements expressed or implied by such forward-looking statements. In some cases, you can identify forward-looking statements by terminology such as "may," "should," "could," "would," "expect," "plan," "anticipate," "believe," "estimate," "continue," or the negative of such terms or other similar expressions. Actual operations and results may differ materially from present plans and projections due to changes in economic conditions, new business opportunities, changed business conditions, and other developments. Other factors that could cause results to differ materially are described in our filings with the Securities and Exchange Commission.

There are several factors that could cause actual results or events to differ materially from those anticipated, and include, but are not limited to, general economic, financial and business conditions, changes in and compliance with governmental laws and regulations, including various state and federal government regulations, our ability to comply with our current financing agreements, our ability to obtain additional financing from outside investors and/or bank and mezzanine lenders, and our ability to generate revenues sufficient to achieve positive cash flow.

We have reviewed our business in the context of the present uncertain economic environment and at this time we do not believe our current business will be adversely affected by the declining general economic activity the country is experiencing. We are being more vigilant with respect to managing our working capital in general and our accounts receivable in particular, and we are more closely scrutinizing the financial well-being of our active and prospective hospital partners' financial conditions, and will act as prudently as we can to ensure the business is operated prudently.

Readers are cautioned not to place undue reliance on the forward-looking statements contained herein, which speak only as of the date hereof. We believe the information contained in this Form 10-Q/A to be accurate as of the date hereof. Changes may occur after that date. We will not update that information except as required by law in the normal course of its public disclosure practices.

Additionally, the following discussion regarding our financial condition and results of operations should be read in conjunction with the financial statements and related notes contained in Item 7 of Part II of Form 10-KSB/A for the year ended June 30, 2008, as amended and filed with the Commission on October 9, 2009.

GENERAL

The Company develops and manages comprehensive wound care centers, which are marketed as “THE CENTER FOR WOUND HEALING™,” in hospitals throughout the United States. These centers render the specialized service of hyperbaric medicine and are developed in partnerships with acute care hospitals. We enter into separate multi-year operating agreements to start up and to manage the wound care program and offer a turnkey operation including the furnishing of hyperbaric oxygen chambers to hospitals. Although there can be no assurance that we will be successful in each instance, our plans for each hospital center require a multi-year commitment contract term so that we can recover our investment in leasehold improvements (a sunk cost and non-transferable asset); our start-up costs, including recruiting and training of personnel; and the amortization of chamber lease financing. Generally, the hospital provides us with appropriate space for each of our centers. We are responsible for the development and management of hyperbaric oxygen services, including providing direct staff and billing support to ensure hospitals are reimbursed appropriately. We also are responsible, at our expense, for designing and installing necessary leasehold improvements of the hospital-provided space and to supply the appropriate number of hyperbaric chambers, which are based upon the anticipated demand for this type of treatment. We acquire the chambers under three-year lease financing transactions with \$1 buyout arrangements (treated as capitalized leases in our accompanying condensed consolidated financial statements). In addition, certain agreements stipulate a per treatment fee. For these agreements, payments are first applied against lease payments with the balance applied to consulting fees. This has allowed us to leverage our resources and maximize the number of centers that we can support. As our operation grows, we have the ability to transfer chambers between institutions to balance demand and maximize the use of our resources.

Our revenues vary based on the demand for treatments and the utilization of our chambers. The demand from the hospitals for our services is dependent upon their abilities to attract patients and their reputation in the medical communities and the geographic areas they serve, as well as on the allowable rates and frequency of reimbursement by health care insurance providers, managed care providers, Medicare, Medicaid and others. We conduct market awareness programs and advertising to promote the utilization of our centers among medical professionals, care-givers and patients. Revenues fluctuate monthly with the number of days per month that the hospitals in which we operate our centers are open.

RESULTS OF OPERATIONS

COMPARISON OF THREE MONTHS ENDED MARCH 31, 2009 TO THE THREE MONTHS ENDED MARCH 31, 2008

REVENUES:

Revenues for the three months ended March 31, 2009 were \$6.9 million, an increase of \$400 thousand or 6.0% over the \$6.5 million of revenues generated in the three months ended March 31, 2008.

OPERATING EXPENSES:

Overview: Operating expenses for the three months ended March 31, 2009 were approximately \$6.4 million or 93.4% of total revenues compared to \$5.7 million or 87.7% of revenues for the three months ended March 31, 2008. The \$700 thousand increase in operating expenses is the result of \$239 thousand increase in bad debt expense; a \$134 thousand increase in depreciation and amortization; and a \$327 thousand increase in a combination of other center related costs including medical supplies, patient transportation and equipment rental expense.

Cost of service: Cost of service expenditures are comprised principally of payroll and payroll related costs for professional and nursing staff required to administer treatments at our centers, and depreciation relating to hyperbaric medical chambers and leasehold improvements. The cost of services for the three months ended March 31, 2009 and 2008 were \$3.6 million and \$3.3 million, respectively. The \$300 thousand increase is due to higher direct labor and contract labor costs associated with the operations of new centers plus increased staffing costs at centers where volume increases required higher staffing levels.

Sales and marketing: Sales and marketing expenditures increased by \$33.3 thousand to \$41.1 thousand compared with three months ended March 31, 2008, due to increased commission expenses paid for business development activities.

General and administrative: General and administrative expenses are comprised primarily of payroll and payroll related costs, insurance, accounting and professional fees. General and administrative costs increased by \$10 thousand to \$2.3 million or 32.7% of revenues for the three months ended March 31, 2009, compared to \$2.2 million or 34.5% of revenues for the three months ended March 31, 2008.

Depreciation and amortization: Depreciation and amortization expense is related to our corporate leasehold improvements and aggregated \$251 thousand or 3.7% of revenues for the three months ended March 31, 2009, compared to \$118 thousand or 1.8% of total revenues for the 2008 three months. The increase is due to the acquisition of various information technology items necessary for the Company to conduct its business.

Bad debt expense: Bad debt expense was \$240 thousand or 3.5% of total revenues for the three months ended March 31, 2009 compared to \$2 thousand or 0.03% of revenues for the three months ended March 31, 2008. The bad debt provision reflects management's estimate of potential loss associated with the accounts it services.

OTHER INCOME (EXPENSE):

Interest expense: The Company incurred interest expense of approximately \$1.3 million or 18.4% of total revenues for the three months ended March 31, 2009, compared to \$1.6 million or 24.1% of revenues for the 2008 three months. The decrease is due to the elimination of interest costs on subordinated debt existent in the prior period and paid off on March 31, 2008; the interest, warrants and discount on the Bison Note and the amortization of the deferred financing on the Bison Note; and reduced interest costs on borrowed funds due to lower outstanding balances and lower interest rates. Of this total amount, noncash interest related to the beneficial conversion feature of warrants associated with subordinated debt and the deferred financing costs associated with the Bison Financing were \$328 thousand and \$708 thousand for three months March 31, 2009 and 2008, respectively.

Interest Income: Interest income for three months ended March 31, 2009 was \$5.5 thousand, compared to 0 for the 2008 three months.

Minority interest: Minority interest was \$54 thousand and \$275 thousand for the three months ended March 31, 2009 and 2008, respectively.

INCOME TAXES:

The Company incurred \$18 thousand of state and municipal taxes for the three months ended March 31, 2009 versus the income taxes of \$7 thousand for the three months ended March 31, 2008.

NET INCOME (LOSS):

For the three months ended March 31, 2009, the Company's loss was \$0.88 million or (\$.04) cents per share, compared to a net loss of \$1.1 million or (\$.05) cents per share for the 2008 three months.

COMPARISON OF NINE MONTHS ENDED MARCH 31, 2009 TO THE NINE MONTHS ENDED MARCH 31, 2008

REVENUES:

Revenues for the nine months ended March 31, 2009 were \$21.5 million, an increase of \$2.6 million or 13.6% over the nine months ended March 31, 2008, when revenues were \$18.9 million. Revenues increased as a result of higher volume at existing centers plus the inclusion of revenue from centers not open in the prior period.

OPERATING EXPENSES:

Overview: Operating expenses for the nine months ended March 31, 2009 were approximately \$20.1 million, or 93.7% of total revenues compared to \$16.6 million or 87.9% of revenues for the nine months ended March 31, 2008. The \$3.5 million increase is due to a \$2.6 million increase in wound center direct labor and contract labor costs associated with the operations of new centers plus increased staffing costs at centers where volume increases required higher staffing levels; corporate payroll and payroll tax expenses; a \$400 thousand increase in depreciation and amortization expenses due to new wound center leasehold improvements and the purchase of equipment used in them; increased amortization associated with information systems deployed by the company; and a \$500 thousand increase in bad debt expense.

Cost of service: Cost of service expenditures are comprised principally of payroll and payroll related costs for professional and nursing staff required to administer treatments at our centers, equipment and computer hardware, and depreciation relating to hyperbaric medical chambers and leasehold improvements. The cost of services for the nine months ended March 31, 2009 and 2008 were \$11.0 million and \$9.6 million respectively. The \$1.4 million increase is due to higher direct labor and contract labor costs associated with the operations of new centers plus increased staffing costs at centers where volume increases required higher staffing levels, and an increase in amortization and depreciation expenses for leasehold improvements and equipment.

Sales and marketing: Sales and marketing expenditures increased by \$89 thousand to \$134 thousand for the nine months ended March 31, 2009 compared with nine months ended March 31, 2008 due to increased commissions expenses paid for business development activities.

General and administrative: General and administrative expenses are comprised primarily of payroll and payroll related costs, insurance, accounting and professional fees. General and administrative costs increased by \$1.1 million to \$7.5 million or 35.1% of revenues for the nine months ended March 31, 2009, compared to \$6.4 million or 33.9% of revenues for the nine months ended March 31, 2008. The increase is primarily due to higher payroll and payroll related costs for regional management and corporate staff, and an increase in noncash stock compensation expense.

Depreciation and amortization: Depreciation and amortization expense is related to our corporate leasehold improvements which aggregated \$733 thousand or 3.4% of revenues for the nine months ended March 31, 2009, compared to \$298 thousand or 1.6% of total revenues for the 2008 nine months. The increase is due to the acquisition and deployment of various information technology systems and hardware necessary for the Company to conduct its business.

Bad debt expense: Bad debt expense was \$684 thousand or 3.2% of total revenues for the nine months ended March 31, 2009 compared to \$216 thousand or 1.1% of revenues for the nine months ended March 31, 2008. The bad debt provision reflects management's estimate of potential loss associated with the accounts it services.

OTHER INCOME (EXPENSE):

Interest expense: The Company incurred interest expense of approximately \$3.5 million or 16.4% of total revenues for the nine months ended March 31, 2009 compared to \$5.4 million or 28.7% of revenues for the 2008 nine months. The decrease is due to lower interest rates on the term loan and lower amortization of deferred financing costs. Approximately \$3.8 million of the Company's interest costs for the nine months ended March 31, 2009 were for noncash items including the interest, warrants and discount on the Bison Note, and the amortization of the deferred financing on the Bison Note. The noncash interest costs for the nine months ended March 31, 2008 were \$3.4 million.

Interest Income: Interest Income was \$19 thousand for the nine months ended March 31, 2009. There was no interest income for the nine months ended March 31, 2008.

Minority interest: Minority interest was \$8 thousand and \$182 thousand for the nine months ended March 31, 2009 and 2008, respectively.

INCOME TAXES:

The Company incurred \$76 thousand of state and municipal taxes for the nine months ended March 31, 2009 versus the income taxes expense of \$19 thousand for the nine months ended March 31, 2008.

NET INCOME (LOSS):

For the nine months ended March 31, 2009, the Company's net loss was \$2.2 million or (\$.13) cents per share, compared to a net loss of \$3.4 million or (\$.15) cents per share for the 2008 nine months.

LIQUIDITY AND CAPITAL RESOURCES:

Operating Activities: Net cash provided by operating activities was \$3.5 million for the nine months ended March 31, 2009, compared to net cash provided by operating activities of \$1.4 million for the same period in 2008. This increase of \$2.1 million was primarily the result of a \$1.2 million reduction in our net loss, a \$657 thousand increase in depreciation and amortization expense, and reduced accounts payable and accrued expense balances, partially offset by income tax payments and a reduction in non-cash interest amortization.

Investing Activities: Net cash used in investing activities was \$1.5 million for the nine months ended March 31, 2009, compared to \$2.7 million of net cash used in investing activities for the same period in 2008.

Financing Activities: Net cash used in financing activities was \$1.8 million for the nine months ended March 31, 2009, compared to net cash provided by financing activities of \$5.3 million in the same period in 2008. The Company retired approximately \$1.3 million of senior bank debt and lease obligations during the nine months ended March 31, 2009.

On December 23, 2008 the Company entered into an \$8.0 million bank line of credit with Signature bank (the "bank") (the "Eighth Amendment"). This line of credit includes a \$6 million revolving line of credit that matures in two years, and a \$2 million term loan that matures in four years and has 48 monthly principal payments of \$41,667. This new lending facility replaces the prior \$6.5 million credit facility (the "Seventh Amendment") that the Company entered into with the bank on March 31, 2008. We were in full compliance with all the terms of the bank financing as of March 31, 2009.

On March 31, 2008, CFWH entered into a financing transaction with Bison Capital Equity Partners II-A, L.P. and Bison Capital Equity Partners II-B, L.P., pursuant to which the Company received a discounted amount of \$17,500,000. For more details, please see Note 6 to the Notes to Condensed Consolidated Financial Statements.

We believe that the bank line of credit and the proceeds from the Bison financing will provide sufficient liquidity for the Company to be able to finance its operations for the next 12 months, subsequent to the filing of this Form 10-Q/A on October 9, 2009

Item 3. Controls and Procedures:

a. Evaluation of Disclosure Controls and Procedures.

Under the supervision and with the participation of our management, including our chief executive officer and chief financial officer, as of the date herein, we evaluated the effectiveness of the design and operation of our disclosure controls and procedures (as such term is defined in Rule 13a-15(e) under the Securities Exchange Act of 1934 (the "Exchange Act")).

The Company maintains a set of disclosure controls and procedures designed to ensure that information required to be disclosed by the Company in the reports filed under the Securities Exchange Act, is recorded, processed, summarized and reported within the time periods specified by the SEC's rules and forms. Disclosure controls are also designed with the objective of ensuring that this information is accumulated and communicated to the Company's management, including the Company's chief executive officer and chief financial officer, as appropriate, to allow timely decisions regarding required disclosure.

In the September 30th Q filing it was reported that information required to be included in the Company's periodic SEC filings was not recorded, processed, summarized, and reported within the time periods specified in the SEC rules and forms. The deficiency consisted primarily of inadequate staffing and supervision that could lead to the untimely identification and resolution of accounting matters and failure to perform timely and effective reviews. The size of the Company was a contributing factor by preventing us from being able to employ sufficient resources to enable us to have adequate segregation of duties within our internal control system.

The Company addressed these deficiencies during the quarter ended December 31, 2008, and expects to continue to improve how it processes and reports information through the normal course of business, including judicious personnel additions to its accounting and financial reporting functions. The company has instituted appropriate controls and procedures with respect to the use of corporate funds.

PART II

ITEM 1. Legal Proceedings:

There is no action, suit, proceeding, inquiry or investigation before or by any public board, government agency, self-regulatory organization or body pending or, to the knowledge of the executive officers of our company or any of our subsidiaries, threatened against or affecting our company, our common stock, any of our subsidiaries or of our company's or our company's subsidiaries' officers or directors in their capacities as such, in which an adverse decision could have a material adverse effect.

ITEM 2. Unregistered Sales of Equity Securities and Use of Proceeds

None

ITEM 3. Default Upon Senior Securities

As of October 9, 2009, the Company is in compliance with its debt covenants.

ITEM 4. Submission of Matters to a Vote of Security Holders:

No matters were submitted to shareholders for the period ended March 31, 2009.

ITEM 5. Other Information:

None.

ITEM 6. Exhibits:

<u>Exhibit No.</u>	<u>Description of Exhibit</u>
31.1	Certification of Chief Executive Officer Pursuant to Section 302 of the Sarbanes-Oxley Act.
31.2	Certification of Chief Financial and Accounting Officer Pursuant to Section 302 of the Sarbanes-Oxley Act.
32.1	Certification of Chief Executive Officer Pursuant to Section 906 of the Sarbanes-Oxley Act.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

<u>Signature</u>	<u>Title</u>	<u>Date</u>
<u>/s/ Andrew G. Barnett</u> Andrew G. Barnett	Chief Executive Officer; Chief Financial Officer; Chief Accounting Officer	October 9, 2009

CERTIFICATION OF CHIEF EXECUTIVE OFFICER PURSUANT TO RULES 13A-14 AND 15D-14
OF THE SECURITIES EXCHANGE ACT OF 1934

I, Andrew G. Barnett, certify that:

1. I have reviewed this quarterly report on Form 10-Q of The Center for Wound Healing, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. I am the registrant's only certifying officer and am responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under my supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to me by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under my supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report, my conclusions about the effectiveness of the disclosure controls and procedures as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's fiscal quarter ending March 31, 2009 that has materially affected, or is reasonably likely to materially affect the registrant's internal control over financial reporting; and
5. I have disclosed, based on my most recent evaluation of internal control over financial reporting, to the registrant's auditor and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Dated: October 9, 2009

/s/ Andrew G. Barnett

Andrew G. Barnett, Chief Executive Officer

A signed original of this written statement required by Section 302 has been provided to the Center for Wound Healing, Inc. and will be retained by the Center for Wound Healing, Inc. and furnished to the Securities and Exchange Commission upon request.

EXHIBIT 31.2

CERTIFICATION OF CHIEF FINANCIAL OFFICER PURSUANT TO RULES 13A-14 AND 15D-14
OF THE SECURITIES EXCHANGE ACT OF 1934

I, Andrew G. Barnett, certify that:

1. I have reviewed this quarterly report on Form 10-Q of The Center for Wound Healing, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under my supervision, to ensure that material information relating to the Issuer, including its consolidated subsidiaries, is made known to me by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under my supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report my conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's fiscal quarter ending March 31, 2009 that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditor and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Dated: October 9, 2009

/s/ Andrew G. Barnett

Andrew G. Barnett, Chief Financial Officer

A signed original of this written statement required by Section 302 has been provided to the Center for Wound Healing, Inc. and will be retained by the Center for Wound Healing, Inc. and furnished to the Securities and Exchange Commission upon request.

Exhibit 32.1

CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT
TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of The Center for Wound Healing, Inc; (the "Company") on Form 10-Q for the quarter ended March 31, 2009, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Andrew G. Barnett, Chief Executive Officer, of the Company, certify, pursuant to 18 U.S.C. 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: October 9, 2009

/s/ Andrew G. Barnett

Andrew G. Barnett, Chief Executive
Officer, Chief Financial Officer and
Chief Accounting Officer
