

MOTORCAR PARTS AMERICA INC

Form NT 10-Q

February 15, 2007

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**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549  
FORM 12b-25  
NOTIFICATION OF LATE FILING**

(Check one):  Form 10-K  Form 20-F  Form 11-K  Form 10-Q  Form 10-D  Form N-SAR  Form N-CSR

For Period Ended: December 31, 2006

Transition Report on  
Form 10-K

Transition Report on  
Form 20-F

Transition Report on  
Form 11-K

Transition Report on  
Form 10-Q

Transition Report on  
Form N-SAR

For the Transition Period  
Ended:

*Read Instruction (on back page) Before Preparing Form. Please Print or Type.*

**Nothing in this form shall be construed to imply that the Commission has verified any information contained herein.**

If the notification relates to a portion of the filing checked above, identify the Item(s) to which the notification relates:

**PART I REGISTRANT INFORMATION**

Motorcar Parts of America, Inc.

Full Name of Registrant

Former Name if Applicable

2929 California Street

Address of Principal Executive Office (*Street and Number*)

Torrance, CA 90503

City, State and Zip Code

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**PART II RULES 12b-25(b) AND (c)**

If the subject report could not be filed without unreasonable effort or expense and the registrant seeks relief pursuant to Rule 12b-25(b), the following should be completed. (Check box if appropriate)

- (a) The reason described in reasonable detail in Part III of this form could not be eliminated without unreasonable effort or expense
- ␣ (b) The subject annual report, semi-annual report, transition report on Form 10-K, Form 20-F, Form 11-K, Form N-SAR or Form N-CSR, or portion thereof, will be filed on or before the fifteenth calendar day following the prescribed due date; or the subject quarterly report or transition report on Form 10-Q or subject distribution report on Form 10-D, or portion thereof, will be filed on or before the fifth calendar day following the prescribed due date; and
- (c) The accountant's statement or other exhibit required by Rule 12b-25(c) has been attached if applicable.

**PART III NARRATIVE**

State below in reasonable detail why Forms 10-K, 20-F, 11-K, 10-Q, 10-D, N-SAR, N-CSR, or the transition report or portion thereof, could not be filed within the prescribed time period.

During the course of the preparation and review of the interim financial statements of Motorcar Parts of America, Inc. (the Company) for the three and six months ended September 30, 2006, initially one error and subsequently two additional errors in certain of the Company's accounts were identified. In summary, these occurred when (i) the Company incorrectly recorded a duplicative entry that continued to recognize a gross profit impact resulting from the accrual for certain cores authorized to be returned, but still in-transit to the Company from its customers, (ii) the Company incorrectly recorded core charge revenue when the amount of revenue was not fixed and determinable and (iii) the Company did not appropriately accrue losses for all probable customer payment discrepancies. As disclosed in its Form 10-K/A for the year ended March 31, 2006 and its Form 10-Q/A for the quarter ended June 30, 2006, the impact of the duplicative entry (i) above on the accumulated deficit at March 31, 2003 is a decrease of \$865,000. The revenue entry (ii) and customer payment discrepancies entry (iii) above did not impact periods prior to April 1, 2003. Because of the efforts devoted to the restatements described above, the Company is unable to finalize its Quarterly Report on Form 10-Q for the three months ended December 31, 2006 by the February 14, 2007 filing deadline. The Company expects to file this Form 10-Q no later than the fifth calendar day following the filing deadline.

The information provided herein may contain forward looking statements. Statements that are not historical facts, including statements about the Company's beliefs and expectations, are forward-looking statements. These statements are based on beliefs and assumptions by the Company's management, and on information currently available to such management. The forward-looking statements are intended to be subject to the safe harbor protection provided by Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. Forward-looking statements include statements preceded by, followed by or that include the words intends, believes, and expects, or similar expressions or future conditional verbs such as may or will. Forward-looking statements speak only as of the date they are made, and the Company undertakes no obligation to update publicly any of them in light of new information or future events. Forward-looking statements involve inherent risks and uncertainties. Management cautions that a number of important factors could cause actual results to differ materially from those contained in any forward-looking statement.

SEC 1344 (03-05) **Persons who  
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number.**

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(Attach extra Sheets if Needed)

**PART IV OTHER INFORMATION**

- (1) Name and telephone number of person to contact in regard to this notification

Mervyn McCulloch

(310)

972-4001

(Name)

(Area Code)

(Telephone Number)

- (2) Have all other periodic reports required under Section 13 or 15(d) of the Securities Exchange Act of 1934 or Section 30 of the Investment Company Act of 1940 during the preceding 12 months or for such shorter period that the registrant was required to file such report(s) been filed? If answer is no, identify report(s).

Yes  No

Form 10-Q for the quarter ended September 30, 2006

- (3) Is it anticipated that any significant change in results of operations from the corresponding period for the last fiscal year will be reflected by the earnings statements to be included in the subject report or portion thereof?

Yes  No

If so, attach an explanation of the anticipated change, both narratively and quantitatively, and, if appropriate, state the reasons why a reasonable estimate of the results cannot be made. Despite a growth in net sales, we anticipate that the results of operations for the three and nine months ended December 31, 2006 will be negatively impacted when compared to the three and nine months ended December 31, 2005 due primarily to a write-down in the second quarter of acquired core inventory, front-loaded marketing allowances in connection with new business, non-cash expenses associated with our recognition under FAS 123R of compensation related to the granting of stock options, and costs associated with compliance with Section 404 of the Sarbanes-Oxley Act of 2002. As the review of these periods continues, we can not, at this time, make a reasonable quantitative estimate of the results for the periods ended December 31, 2006.

Motorcar Parts of America, Inc.

(Name of Registrant as Specified in Charter)

has caused this notification to be signed on its behalf by the undersigned hereunto duly authorized.

Date February 14, 2007

By /s/ Mervyn McCulloch