

Edgar Filing: TRANSPORTATION LOGISTICS INTL INC - Form 10QSB

TRANSPORTATION LOGISTICS INTL INC  
Form 10QSB  
November 19, 2003

U. S. Securities and Exchange Commission  
Washington, D. C. 20549

FORM 10-QSB

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

For the quarterly period ended September 30, 2003

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

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

Commission File No. 0-25319

TRANSPORTATION LOGISTICS INT'L, INC.

-----  
(Name of Small Business Issuer in its Charter)

Colorado

84-1191355

-----  
(State or Other Jurisdiction of  
incorporation or organization)

(I.R.S. Employer I.D. No.)

136 Freeway Drive East, East Orange, NJ 07018

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(Address of Principal Executive Offices)

Issuer's Telephone Number: (973) 266-7020

Indicate by check mark whether the Registrant (1) has filed all reports  
required to be filed by Sections 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

APPLICABLE ONLY TO CORPORATE ISSUERS: Indicate the number of shares  
outstanding of each of the Registrant's classes of common stock, as of the  
latest practicable date:

November 18, 2003

Common Voting Stock: 41,548,338

Transitional Small Business Disclosure Format (check one): Yes  No

PART 1 - FINANCIAL INFORMATION

Transportation Logistics Int'l Inc. and Subsidiaries  
Consolidated Condensed Interim Balance Sheet

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September 30, 2003

Assets	\$ -
	=====
Liabilities and Stockholders' Equity	
Current Liabilities	
Convertible debenture	200,000
Net liabilities of discontinued operations	308,966
	-----
Total Current Liabilities	508,966
Loan payable - officer	871,825
	-----
Total Liabilities	1,380,791
	-----
Stockholders' Equity	
Common stock, no par value; 50,000,000 shares authorized, 40,631,990 shares issued and 40,396,338 outstanding	3,659,492
Additional paid-in capital - stock options	36,748
Retained earnings	(3,582,544)
Less: treasury stock, 235,652 shares at cost	(522,537)
Consulting services to be provided	(971,950)
	-----
Total Stockholders' Equity	(1,380,791)
	-----
Total Liabilities and Stockholders' Equity	\$ -
	=====

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Transportation Logistics Int'l Inc. and Subsidiaries  
Consolidated Condensed Interim Statements of Operations

	Three Months Ended		Nine Months Ended	
	September 30,		September 30,	
	2003	2002	2003	2002
	-----		-----	
	Restated		Restated	
Revenues	\$ -	\$ -	\$ -	\$ -
Operating Expenses	-	-	-	-
	-----	-----	-----	-----

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Gross Profit	-	-	-	-
Operating Expenses				
Selling, general and administrative	-	-	-	-
Stock issued for consulting services	-	25,080	123,550	75,920
Total Operating Expenses	-	25,080	123,550	75,920
Loss Before Discontinued Operations	-	(25,080)	(123,550)	(75,920)
Income (Loss) From Discontinued Operations	-	(48,799)	(357,046)	124,528
Net Income (Loss)	\$ -	\$ (73,879)	\$ (480,596)	\$ 48,608
Earnings Per Share:				
Income (loss) continuing operations	\$ -	\$ -	\$ -	\$ -
Income (loss) from discontinued operations	-	-	(0.01)	-
Basic and diluted earnings per share	\$ -	\$ -	\$ (0.01)	\$ -
Weighted Average Number of Common Shares Outstanding:				
Basic and diluted	40,396,338	41,409,205	40,396,338	41,409,205

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Transportation Logistics Int'l Inc. and Subsidiaries  
Consolidated Condensed Interim Statements of Cash Flows

	Nine Months Ended September 30,	
	2003	2002
		Restated
Cash Used in Operating Activities		
Continued	\$ -	\$ -
Discontinued	(2,757)	(23,667)
Net Cash Used in Operating Activities	(2,757)	(23,667)

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Net Decrease in Cash and Equivalents	(2,757)	(23,667)
Cash and Equivalents at Beginning of Period	2,757	23,667
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Cash and Equivalents at End of Period	\$ -	\$ -
	=====	=====

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### Transportation Logistics Int'l Inc. and Subsidiaries Notes to the Consolidated Condensed Interim Financial Statements

#### BASIS OF PRESENTATION

The accompanying unaudited condensed financial statements have been prepared in accordance with generally accepted accounting principles for interim financial information and with the instructions to Item 310 of Regulation S-B. Accordingly, they do not include all of the information and footnotes required by generally accepted accounting principles for complete financial statements. In the opinion of management, all adjustments (consisting of normal recurring accruals) considered necessary for a fair presentation have been included.

#### DISCONTINUATION OF OPERATIONS

As of June 30, 2003 the Company had discontinued all of its operations. Historical results have been restated, therefore, to reflect the discontinuation.

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#### ITEM 2. MANAGEMENT DISCUSSION AND ANALYSIS

##### Results of Operations

Effective as of June 30, 2003, the Company terminated the operations of Xcalibur Xpress, the only operation which had been continuing prior to that date. The Company is liquidating the assets of Xcalibur Xpress and is using the proceeds to reduce its debts.

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The Company has no business operations at this time. The Company is negotiating with various entities for one or more acquisitions of operating companies in the field of transportation and logistics. Any such acquisition, however, will involve the issuance of a large number of shares of capital stock.

### Liquidity and Capital Resources

The Company has no operating assets and \$1,380,791 in net liabilities. The Company will be unable to satisfy its liabilities unless its creditors agree to compromise their claims in connection with the Company's acquisition of an operating business.

### ITEM 3. CONTROLS AND PROCEDURES

Michael Margolies, our Chief Executive Officer and Chief Financial Officer, performed an evaluation of the Company's disclosure controls and procedures as of September 30, 2003. Based on his evaluation, he concluded that the controls and procedures in place are sufficient to assure that material information concerning the Company which could affect the disclosures in the Company's quarterly and annual reports is made known to him by the other officers and employees of the Company, and that the communications occur with promptness sufficient to assure the inclusion of the information in the then-current report.

There have been no significant changes in the Company's internal controls or in other factors that could significantly affect those controls subsequent to the date on which Mr. Margolies performed his evaluation.

### PART II - OTHER INFORMATION

Item 6. Exhibits and reports on Form 8-K.

Reports on Form 8-K. None

Exhibits:

- 31 Rule 13a-14(a) Certification
- 32 Rule 13a-14(b) Certification

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### SIGNATURES

Pursuant to the requirements 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.

TRANSPORTATION LOGISTICS INT'L, INC.

Date: November 18, 2003

By: /s/ Michael Margolies

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Michael Margolies, Chief Executive Officer,  
Chief Financial Officer, Chief Accounting  
Officer

\* \* \* \* \*

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## EXHIBIT 31: Rule 13a-14(a) Certification

I, Michael Margolies, certify that:

1. I have reviewed this quarterly report on Form 10-QSB of Transportation Logistics Int'l, 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 small business issuer as of, and for, the periods presented in this report;

4. The small business issuer's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-14 and 15d-14) for the small business issuer and have:

a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the small business issuer, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) Evaluated the effectiveness of the small business issuer's disclosure controls and procedures and presented in this report our 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

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c) Disclosed in this report any change in the small business issuer's internal controls over financial reporting that occurred during the small business issuer's most recent fiscal quarter (the small business issuer's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the small business issuer's internal control over financial reporting; and

5. The small business issuer's other certifying officers and I have disclosed, based on our most recent evaluation of internal controls over financial reporting, to the small business issuer's auditors and the audit committee of the small business issuer's board of directors (or persons performing the equivalent functions):

a) All significant deficiencies and material weaknesses in the design or operation of internal controls over financial reporting which are reasonably likely to adversely affect the small business issuer'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 small business issuer's internal controls over financial reporting.

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Date: November 18, 2003

/s/ Michael Margolies

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Michael Margolies, Chief Executive Officer

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EXHIBIT 32: Rule 13a-14(b) Certification

The undersigned officer certifies that this report fully complies with the requirements of Section 13(a) of the Securities Exchange Act of 1934, and that the information contained in the report fairly presents, in all material respects, the financial condition and results of operations of Transportation Logistics Int'l, Inc.

A signed original of this written statement required by Section 906 has been provided Transportation Logistics Int'l, Inc. and will be retained by Transportation Logistics Int'l, Inc. and furnished to the Securities and Exchange Commission or its staff upon request.

Date: November 18, 2003

/s/ Michael Margolies

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Michael Margolies (Chief executive officer)