

Edgar Filing: Wi-Tron, Inc. - Form 10-Q

Wi-Tron, Inc.
Form 10-Q
November 19, 2008

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549
FORM 10-Q

QUARTERLY REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
FOR THE QUARTERLY PERIOD ENDED SEPTEMBER 30, 2008.

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

FOR THE TRANSITION PERIOD FROM _____ TO _____

Commission File Number 0-21931

WI-TRON, INC.

(Exact name of small business issuer as specified in its charter)

DELAWARE

(State or other jurisdiction of
incorporation or organization)

22-3440510

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

59 LaGrange Street
Raritan, New Jersey 08869
(Address of principal executive offices)

(908) 253-6870

(Issuer's telephone number)

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 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

The number of shares outstanding of the Issuer's Common Stock, \$.0001 Par Value, as of November 19, 2008 was 76,778,293.

WI-TRON, INC.
FORM 10-QSB
NINE MONTHS ENDED SEPTEMBER 30, 2008

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The following unaudited condensed financial statements have been prepared pursuant to the rules and regulations of the Securities and Exchange Commission. Certain information and note disclosures normally included in annual financial statements prepared in accordance with generally accepted accounting principles have been condensed or omitted pursuant to those rules and regulations, although the company believes that the disclosures made are adequate to make the information not misleading.

It is suggested that these condensed financial statements be read in conjunction with the financial statements and the notes thereto included in the company's latest shareholders' annual report (Form 10-KSB).

PART I - FINANCIAL INFORMATION

Item 1. Financial Statements

**WI-TRON, INC.
BALANCE SHEETS**

ASSETS	September 30 2008 Unaudited	December 31 2007
CURRENT ASSETS		
Cash and cash equivalents	\$ -	\$ 13,917
Accounts receivable, net of allowance for doubtful accounts of \$9,000 and \$702 in 2008 and 2007, respectively	4,625	7,834
Inventories	60,906	42,500
Prepaid expenses and other current assets	783	-
Total current assets	66,314	64,251
PROPERTY AND EQUIPMENT - AT COST		
Machinery and equipment	587,276	587,276
Furniture and fixtures	43,750	43,750
Leasehold improvements	8,141	8,141
	639,167	639,167
Less accumulated depreciation and amortization	(633,212)	(629,965)
	5,955	9,202
SECURITY DEPOSITS AND OTHER NON-CURRENT ASSETS	5,500	5,500
Total Assets	\$ 77,769	\$ 78,953

The accompanying notes are an integral part of these financial statements

WI-TRON, INC.
BALANCE SHEETS
(Continued)

LIABILITIES AND STOCKHOLDERS' DEFICIENCY	September 30 2008 Unaudited	December 31 2007
CURRENT LIABILITIES		
Bank Overdraft	\$ 633	\$ -
Secured note payable in connection with Phoenix investor rescinded agreement - payment in default	10,000	10,000
Notes payable issued in connection with private placement of common stock, including accrued interest of \$56,510 (2008) and \$43,016 (2007) - payment in default	356,516	343,016
Accounts payable	145,453	255,281
Accrued expenses and other current liabilities (including delinquent federal and state payroll taxes, penalties and interest aggregating \$289,520 at September 30, 2008 and \$263,322 at December 31, 2007)	618,649	395,097
Loans payable to Tek, Ltd.	1,130,071	908,662
Advances from customers	42,450	-
Loans payable - officers	8,395	159,511
Total current liabilities	2,312,167	2,071,567
STOCKHOLDERS' (DEFICIENCY)		
Convertible Preferred stock, Series D authorized 1,000,000 shares at \$.0001 par value; issued and outstanding 472,480 shares at September 30, 2008 and no shares December 31, 2007, with a liquidation preference of \$0.01 per share	47	-
Convertible Preferred stock, Series C authorized 5,000,000 shares of \$.0001 par value; no shares issued or outstanding at September 30, 2008 and December 31, 2007 with a liquidation preference of \$2.00 per share	-	-
Common stock - authorized, 100,000,000 shares of \$.0001 par value; shares 76,778,293 and 50,028,293 shares issued and outstanding at September 30, 2008 and December 31, 2007	7,678	5,003
Additional paid-in capital	27,111,737	26,007,755
Accumulated deficit	(29,353,860)	(28,005,372)
Total Stockholders' (Deficiency)	(2,234,398)	(1,992,614)
Total Liabilities and Stockholders' (Deficiency)	\$ 77,769	\$ 78,953

The accompanying notes are an integral part of these financial statements

WI-TRON, INC.
STATEMENTS OF OPERATIONS (Unaudited)

	Three Months Ended September 30		Nine Months Ended September 30	
	2008	2007	2008	2007
Net sales	\$	24,872	16,000	\$