

WUHAN GENERAL GROUP (CHINA), INC
Form 10QSB
November 14, 2007

**UNITED STATES
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, 2007

OR

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

For the transition period from _____ to _____

Commission file number 033-25350-FW

WUHAN GENERAL GROUP (CHINA), INC.
(Exact Name of Small Business Issuer as Specified in Its Charter)

Nevada
(State of other jurisdiction of
incorporation or organization)

84-1092589
(I.R.S. Employer
Identification No.)

Canglongdao Science Park of Wuhan East Lake Hi-Tech Development Zone,
Wuhan, Hubei 430200, People's Republic of China
(Address of Principal Executive Offices)

86-138-7113-6999
(Issuer's Telephone Number, Including Area Code)

Check whether the issuer: (1) filed all reports required to be filed by Section 13 or 15(d) of the Exchange Act during the past 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 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: 19,712,446 shares of Common Stock, \$.0001 par value per share, outstanding as of November 14, 2007.

Transitional Small Business Disclosure Format: Yes No

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PART I

FINANCIAL INFORMATION

Item 1. Financial Statements.

Wuhan General Group (China), Inc.
Consolidated Balance Sheets
At September 30, 2007, and December 31, 2006
(Stated in US Dollars)

	Note	September 30, 2007 (unaudited)	December 31, 2006 (audited)
ASSETS			
Cash	2(e)	3,411,690	248,243
Restricted Cash	3	8,808,513	382,530
Notes Receivable	4	987,401	1,535,868
Accounts Receivable	2(f),5	31,412,707	12,488,083
Other Receivable		2,598,356	8,810,699
Inventory	2(g),6	9,254,143	4,544,662
Advances to Suppliers		7,921,193	2,746,325
Advances to Employees	7	291,090	255,836
Prepaid Taxes		47,188	3,889
Real Property Available for Sale		1,097,327	-
Total Current Assets		65,829,608	31,016,135
Property, Plant & Equipment, <i>net</i>	2(h),8	18,927,339	17,252,577
Land Use Rights, <i>net</i>	2(j),10	1,790,580	1,749,740
Construction in Progress	9	9,482,036	35,304
Intangible Assets, <i>net</i>	2(i),11	374,630	364,565
Total Assets		\$ 96,404,193	\$ 50,418,321
LIABILITIES & STOCKHOLDERS' EQUITY			
Liabilities			
Bank Loans & Notes	12	24,828,456	13,545,059
Accounts Payable		7,962,974	8,531,852
Accrued Liabilities	13	1,374,252	354,169
Contract Payable	14	-	1,137,623
Taxes Payable		905,586	1,723,544
Other Payable		2,575,985	4,594,639
Dividend Payable		599,250	-
Customer Deposits		5,053,854	1,587,306
Total Current Liabilities		43,300,357	31,474,192
Total Liabilities		43,300,357	31,474,192

Wuhan General Group (China), Inc.
Consolidated Balance Sheets
At September 30, 2007, and December 31, 2006
(Stated in US Dollars)

	Note	September 30, 2007 (unaudited)	December 31, 2006 (audited)
<u>Stockholders' Equity</u>			
Preferred Stock - \$0.0001 Par Value 50,000,000 Shares Authorized; 10,287,554 Shares of Series A Convertible Preferred Stock Issued & Outstanding at September 30, 2007	15	1,029	-
Additional Paid in Capital - Preferred Stock		13,466,990	-
Additional Paid in Capital - Warrants	15	6,572,334	-
Common Stock - \$0.0001 Par Value 100,000,000 Shares Authorized; 19,712,446 Shares Issued & Outstanding at September 30, 2007, December 31, 2006.	15	1,971	1,971
Additional Paid in Capital		12,349,602	12,349,602
Statutory Reserve	2(t),16	622,151	622,151