AMERICAN POST TENSION, INC.
Form 10-Q
May 15, 2009

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

FORM 10-Q

(Mark One)

[X] QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the Quarterly Period Ended March 31, 2009

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: 0-50090

AMERICAN POST TENSION, INC.
(Exact name of registrant as specified in its charter)

Delaware	13-3926203
(State or other jurisdiction of incorporation or organization)	(IRS Employer Identification No.)
1179 Center Point Drive, Henderson, NV	89074
(Address of principal executive offices)	(Zip Code)

(702) 565-7866
(Registrant?s Telephone Number, Including Area Code)

(Former name, former address and former fiscal year, if changed since last report)

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 [X] 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. (Check one):

Large accelerated filer [ ]Accelerated filer [ ]Non-accelerated filer [ ]
Smaller reporting company [ ]
(Do not check if a smaller reporting company)

Indicate by check mark whether registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes [ ] No [ ]

As of May 1, 2009, the registrant had 34,366,600 shares of Common Stock $0.0001 par value) outstanding.

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FORWARD-LOOKING INFORMATION

To the extent that the information presented in this Quarterly Report on Form 10-Q for the quarter ended March 31, 2009 discusses financial projections, information or expectations about our products, services, or markets, or otherwise makes statements about future events or statements regarding the intent, belief or current expectations of American Post Tension, Inc. and its subsidiary (collectively the ?Company?), its directors or its officers with respect to, among other things, future events and financial trends affecting the Company, such statements are forward-looking. We are making these forward-looking statements in reliance on the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Although we believe that the expectations reflected in these forward-looking statements are based on reasonable assumptions, there are a number of risks and uncertainties that could cause actual results to differ materially from such forward-looking statements. Forward-looking statements are typically identified by the words ?believes,? ?expects,? ?anticipates,? and similar expressions. In addition, any statements that refer to expectations or other characterizations of future events or circumstances are forward-looking statements. Readers are cautioned that any such forward-looking statements are not guarantees of future performance and that matters referred to in such forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Such factors include, among other things, the pace of residential construction in our geographic markets, changes in mortgage interest rates, prices and availability of raw materials and supplies, our ability to locate, acquire, pay for, and integrate other businesses that complement ours, our ability to expand our business into the commercial construction field, our ability to attract and retain qualified personnel if and as our business grows, and risks associated with our stock being classified as a ?penny stock.? We undertake no obligation to publicly update or revise these forward-looking statements because of new information, future events or otherwise, except as required by law.

PART 1. FINANCIAL INFORMATION.
Item 1. Financial Statements.

AMERICAN POST TENSION, INC.
UNAUDITED CONDENSED CONSOLIDATED BALANCE SHEET

	March 31, 2009 (Unaudited)	December 31, 2008 (Audited)
ASSETS		
Current assets:		
Cash and cash equivalents	$ 274,374	$ 472,280
Accounts receivable, net of allowance for doubtful accounts of $75,000	1,620,272	1,402,819
Inventory	1,006,675	646,033
Prepaid expenses	107,034	10,427
Total current assets	3,008,355	2,531,559
Property and equipment, net of accumulated depreciation of $1,469,811 at March 31, 2009 and $1,427,759 at December 31, 2008	806,738	848,790
Other assets	613	11,230
Total assets	$ 3,815,706	$ 3,391,579
LIABILITIES AND SHAREHOLDER EQUITY		
Current liabilities:		
Accounts payable and accrued expenses	$ 910,692	$ 121,813
Accrued interest	--	1,080
Line of credit	820,000	840,000
Total current liabilities	1,730,692	961,813
Long-term liabilities	--	--
Total liabilities	1,730,692	961,813

Shareholder equity		
Preferred stock, $0.0001 par value, 1,000,000 shares authorized, no shares issued at December 31, 2008 and March 31, 2009	--	--
Common stock, $0.0001 par value, 50,000,000 shares authorized, 34,366,600 issued at December 31, 2008 and at March 31, 2009	3,436	3,436
Additional paid in capital	5,174,707	5,174,707
Retained earnings	(3,093,129)	(2,748,377)
Total shareholder equity	2,085,014	2,429,766
Total liabilities and shareholder equity	$ 3,815,706	$ 3,391,579

The accompanying notes are an integral part of these financial statements

AMERICAN POST TENSION, INC.

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

For the Three Months Ended March 31, 2009 and 2008

	Three Months Ended March 31,	
	2009	2008
Sales	$1,819,080	$3,034,336
Cost of sales	1,504,432	2,381,403
Gross margin	314,648	652,933
Other costs and expenses		
Selling, general and administrative	653,013	1,019,192
Income (loss)from operations	(338,365)	(366,259)
Other income and expense		
Other income, net	1,980	3,004
Interest income (expense), net	(8,367)	6,290
Net income before income tax	$(344,752)	$(356,965)
Provision for income tax	--	131,066
Net loss	$(344,752)	$(225,899)
Net loss per share-basic	$ (0.01)	$ (0.01)
Net loss per share-diluted	$ (0.01	$ (0.01)
Weighted average common Shares outstanding:		
Basic	34,366,600	34,291,600
Diluted	34,366,600	34,291,600

The accompanying notes are an integral part of these financial statements

AMERICAN POST TENSION, INC.
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOW
For the Three Months Ended March 31, 2009 and 2008

	Three Months Ended March 31, 2009	2008
Net loss	$ (344,752)	$ (225,899)
Adjustment to reconcile net income to net		
Cash provided by (used in) operations:		
Depreciation	42,052	49,945
Changes in assets and liabilities:		
(Increase) decrease in:		
Accounts receivable	(217,453)	(420,445)
Inventory	(360,642	609,174
Prepaid expenses and other assets	(85,990)	23,859
Deferred tax asset		(131,067)
Increase (decrease) in:		
Accounts payable and accrued expenses	788,879	230,776
Net cash provided by (used in) operations	(177,906)	136,343
Cash flows from investing activities:		
Acquisition (sale) of property and equipment	--	(8,047)
Net cash provided by investing activities	--	(8,047)
Cash flows from financing activities:		
Repayment of shareholder loans	--	(138,409)
Decrease in line of credit	(20,000)	--
Net cash provided by financing activities	(20,000)	(138,409)
Net increase (decrease) in cash	(197,906)	(10,113)
Cash, beginning of period	472,280	1,206,064
Cash, end of period	$ 274,374	$1,195,951

The accompanying notes are an integral part of these financial statements

AMERICAN POST TENSION, INC.
NOTES TO THE UNAUDITED
CONDENSED FINANCIAL STATEMENTS
FOR THE THREE MONTHS AND NINE MONTHS
ENDED MARCH 31, 2009 AND 2008

Note 1: BASIS OF PRESENTATION OF INTERIM PERIOD

The accompanying unaudited financial statements of the Company at March 31, 2009 and 2008 have been prepared in accordance with generally accepted accounting principles (?GAAP?) for interim financial statements, instructions to Form 10-Q, and Regulation S-X. Accordingly, certain information and footnote disclosures normally included in financial statements prepared in accordance with GAAP have been condensed or omitted.

These condensed financial statements should be read in conjunction with the financial statements and notes thereto included in the Company?s annual report on Form 10-K for the year ended December 31, 2008. In management?s opinion, all adjustments (consisting only of normal recurring adjustments) considered necessary for a fair presentation to make the Company?s financial statements not misleading have been included. The results of operations for the periods ended March 31, 2009 and 2008 presented are not necessarily indicative of the results to be expected for the full year. The December 31, 2008 balance sheet has been derived from the Company?s audited financial statements included in the Company?s annual report on Form 10-K for the year ended December 31, 2008.

Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported revenues and expenses during the reporting periods. Actual results could differ from those estimates.

Fair Value

In September 2006, the Financial Accounting Standards Board (the ?FASB?) issued Statement of Financial Accounting Standards (?SFAS?) No. 157, ?Fair Value Measurement? (?SFAS 157?). This statement defines fair value, establishes a framework for measuring fair value in GAAP, and expands disclosure about fair value measurements. This statement is effective for financial statements for fiscal years beginning after November 15, 2007, and interim periods within those fiscal years. Earlier application is encouraged, provided that the reporting entity has not yet issued financial statements for that fiscal year, including financial statements for an interim period within that fiscal year. The Company adopted SFAS 157 on January 1, 2008. Adoption of this statement did not have a material impact on the financial statements of the Company.

AMERICAN POST TENSION, INC.
NOTES TO THE UNAUDITED
CONDENSED FINANCIAL STATEMENTS
FOR THE THREE MONTHS AND NINE MONTHS
ENDED MARCH 31, 2009 AND 2008

Note 1: BASIS OF PRESENTATION OF INTERIM PERIOD (continued)

Recent Pronouncements

The Company has reviewed all recently issued, but not yet effective accounting pronouncements and does not believe the future adoption of any such pronouncements may be expected to cause a material impact on its financial condition or the results of its operations.

In March 2008, the FASB issued SFAS No. 161, ?Disclosures about Derivative Instruments and Hedging Activities? (?SFAS 161?). SFAS 161 requires companies with derivative instruments to disclose information that should enable financial-statement users to understand how and why a company uses derivative instruments, how derivative instruments and related hedged items are accounted for under FASB Statement No. 133 ?Accounting for Derivative Instruments and Hedging Activities? and how derivative instruments and related hedged items affect a company?s financial position, financial performance and cash flows. SFAS 161 is effective for financial statements issued for fiscal years and interim periods beginning after November 15, 2008. The adoption of this statement did not have a material effect on the Company?s future financial position or results of operations.

In December 2007, the FASB issued SFAS No. 160, ?Non-controlling Interests in Consolidated Financial Statements-An Amendment of ARB No. 51? (?SFAS 160?). SFAS 160 establishes new accounting and reporting standards for the non-controlling interest in a subsidiary and for the deconsolidation of a subsidiary. SFAS 160 is effective for fiscal years beginning on or after December 15, 2008. The adoption of this statement did not have a material effect on the Company?s future financial position or results of operations.

AMERICAN POST TENSION, INC.
NOTES TO THE UNAUDITED
CONDENSED FINANCIAL STATEMENTS
FOR THE THREE MONTHS AND NINE MONTHS
ENDED MARCH 31, 2009 AND 2007

Note 1: BASIS OF PRESENTATION OF INTERIM PERIOD (continued)

In May 2008, the FASB issued FAS No. 162, "The Hierarchy of Generally Accepted Accounting Principles". FAS No. 162 identifies the sources of accounting principles and the framework for selecting the principles to be used in the preparation of financial statements of nongovernmental entities that are presented in conformity with generally accepted accounting principles in the United States. It is effective 60 days following the SEC's approval of the Public Company Accounting Oversight Board amendments to AU Section 411, "The Meaning of Present Fairly in Conformity With Generally Accepted Accounting Principles". The adoption of this statement is not expected to have a material effect on the Company's financial statements.

Note 2 ACCOUNTS RECEIVABLE

Accounts receivable are summarized as follows:

	March 31, 2009	December 31, 2008
Accounts receivable	$ 1,695,272	$ 1,477,819
Allowance for doubtful accounts	(75,000)	(75,000)
Net amount	$ 1,620,272	$ 1,402,819

The Company?s top ten customers comprised 68% of sales during the three month period ending March 31, 2009. The top ten customers comprised 58% of sales during the twelve months ended December 31, 2008.

Note 3: RELATED PARTY TRANSACTIONS

The Company leases substantially all of its office, maintenance and warehouse facilities from entities that are owned and/or controlled by Ed Hohman, President, and John Hohman, Chief Operating Officer, who are the

Company?s principal shareholders. Rents were paid or accrued in favor of the shareholders in the amount of $60,000 during the three months ended March 31, 2009 and $248,160 during the twelve months ended December 31, 2008.

Note 4: SHAREHOLDER LOANS AND LONG TERM DEBT

During the year ended December 31, 2008, the Company entered into a line of credit agreement with the Bank of Nevada in the total amount of $1,700,000, which is guaranteed by our principal officers, Edward Hohman and John Hohman and secured by assets of the Company. This line, which carries

Note 4: SHAREHOLDER LOANS AND LONG TERM DEBT (continued)

an interest rate of 6% on outstanding balances, had $820,000 outstanding on it at March 31, 2009. The line matures on July 24, 2009 and is renewable annually.

Note 5: INCOME TAXES

The Company accounts for income taxes under Statement of Financial Accounting Standards No. 109, ?Accounting for Income Taxes (?SFAS No.109?). SFAS No.109 requires the recognition of deferred tax assets and liabilities for both the expected impact of differences between the financial statements and tax basis of assets and liabilities, and for the expected future tax benefit to be derived from tax loss and tax credit carry-forwards. SFAS No. 109 additionally requires the establishment of a valuation allowance to reflect the likelihood of realization of deferred tax assets. Prior to 2003, the Company and its stockholders elected to be taxed under subchapter S of the Internal Revenue Code. As a result, all income and losses were reported by the Company?s stockholders. The following is a reconciliation of income taxes computed using the statutory Federal rate to the income tax expense in the financial statements for March 31, 2009.

Income tax provision at the federal statutory rate	34%
Effect of operating losses	(34)%

As of March 31, 2009, the Company has net operating losses for Federal income tax purposes totaling approximately $3,093,129. The following is a schedule of deferred tax assets as of March 31, 2009:

Net operating loss	$3,093,129
Future tax benefit at 34%	1,051,664
Less: Valuation allowance	(1,051,664)
Net deferred tax asset	$ --

Under Sections 382 and 269 (the ?shell corporation? rule) of the Code following an ?ownership change,? special limitations (?Section 382 Limitations?) apply to the use by a corporation of its net operating loss, or NOL, carryforwards arising before the ownership change and various other carryforwards of tax attributes (referred to collectively as the ?Applicable Tax Attributes?). The Company had NOL carryforwards due to historical losses of Magic of approximately $364,393 at December 31, 2006. This NOL carryforward will expire through calendar year 2026 if not utilized and is subject to review and possible adjustment by the IRS. As a result of the Merger, the Company experienced an ownership change, and Section 382 Limitations will apply to the Applicable Tax Attributes of the Company.

AMERICAN POST TENSION, INC.
NOTES TO THE UNAUDITED
CONDENSED FINANCIAL STATEMENTS
FOR THE THREE MONTHS AND NINE MONTHS
ENDED MARCH 31, 2009 AND 2008

Note 5: INCOME TAXES (continued)

The Company has adopted the provisions of FIN 48. As a result of the implementation of FIN 48, the Company performed a comprehensive review of its uncertain tax positions in accordance with recognition and measurement standards established by FIN 48. In this regard, an uncertain tax position represents the Company?s expected treatment of a tax position taken in a filed tax return, or expected to be taken in a tax return, that has not been reflected in measuring income tax expense for financial reporting purposes. The Company does not expect any reasonably possible material changes to the estimated amount of liability associated with uncertain tax positions through March 31, 2009. The Company?s continuing policy is to recognize accrued interest and penalties related to income tax matters in income tax expense.

Note 6: EQUITY

There were no shares issued during the quarter ended March 31, 2009.

ITEM 2. MANAGEMENT?S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITIONS AND RESULTS OF OPERATIONS

Three Months Ended March 31, 2009 as compared to Three Months Ended March 31, 2008 Results of Operations

The following table sets forth, for the periods indicated, certain information related to our operations, expressed in dollars and as a percentage of our net sales:

Three Months Ended March 31, 2009:

Net sales

Net sales totaled $1,819,080 for the three months ended March 31, 2009, as compared to $3,034,336 for the same period in 2008, or a decrease of 167%. Home Builders Research reported that new home sales remain down in Las Vegas and the year to date 2009 metro Phoenix housing market continues at a pace belowthat of last year and permit activity is down as well. Our revenue is derived from new construction of residential housing and is directly related to new home sales and permits for new residential construction. The decreased activity of new residential home construction has been pronounced in Las Vegas, Nevada and Phoenix, Arizona has resulted in reduced sales level and gross margin.

Cost of sales

Cost of sales, including all installation expenses, during the three months ended March 31, 2009 was 82.3% of net sales, as compared to 78.5% in 2008. We are anticipating competition to increase and downward pressure on our gross margin during the next year as current and potential competitors seek new revenue streams.

Selling, general and administrative expenses

Selling, general and administrative expenses for the three months ended March 31, 2009 were $653,013 or 35.9% of net sales as compared to $1,019,192 or33.6% of net sales during the same period of the prior year. Selling, general and administrative expenses decreased by $366,179 for the three month period ending March 31, 2009 versus the three month period ending March 31, 2008. Our Chief Executive Officer and Chief Operating Officer, who together own approximately 75% of the outstanding shares of common stock, have salaries of $250,000 per year.

Provision for income taxes

The Company recorded no provision for income taxes for the three months ended March 31, 2009, because of concerns regarding the potential realization of the benefits of the tax loss.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Not applicable

ITEM 4. 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, 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?)). Disclosure controls and procedures are the controls and other procedures that we designed to ensure that we record, process, summarize and report in a timely manner the information we must disclose in reports that we file with or submit to the Securities and Exchange Commission under the Exchange Act. Based on this evaluation, our Chief Executive Officer and our Chief Financial Officer concluded that our disclosure controls and procedures were effective as of the end of the period covered by this report.

Disclosure controls and procedures are controls and procedures that are designed to ensure that information required to be disclosed in our reports filed or submitted under the Securities Exchange Act is recorded, processed, summarized and reported, within the time periods specified in the Securities and Exchange Commission?s rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed in our reports filed under the Exchange Act is accumulated and communicated to management, including our principal executive officer and our principal financial officer, as appropriate, to allow timely decisions regarding required disclosure.

(b) Changes in Internal Control over Financial Reporting.

During the quarter ended March 31, 2009, there was no change in our internal control over financial reporting (as such term is defined in Rule 13a-15(f) under the Exchange Act) that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

PART II OTHER INFORMATION

Item 1. Legal Proceedings

We have been involved in various legal and governmental proceedings incidental to our continuing business operations. As of March 31, 2009 there were no continuing legal suits or any known pending litigation related to claimed construction defects as a result of services and products provide to our customers.

On October 26, 2007, the District Council of Iron Workers of the State of California and Vicinity (?Ironworkers?) filed a charge with the National Labor Relations Board alleging that Post Tension of Nevada, Inc. engaged in unfair labor practices in its Phoenix operations. The General Counsel of the Board issued a complaint and notice of hearing based on this charge alleging that Post Tension committed certain unfair labor practices and that the employees had engaged in an unfair labor practice strike. A hearing on this matter was held and the Administrative Law Judge held that a strike by employees was an unfair labor practice strike. The Company is now waiting to determine what periods are covered in the settlement of the issue and estimates that approximately $30,000 in back wages are due.

The Company is also participating in an on-going arbitration dispute with its former Chief Financial Officer, who resigned from the Company in March, 2008, as provide in the contract under which he was employed. The Company also has filed a separate legal proceeding seeking damages from the former CFO in a state court in Las Vegas. Neither the arbitration nor the legal proceeding is expected to have a material effect on our financial results.

ITEM 1A. Risk Factors

Investing in our common stock involves a high degree of risk. Certain of the risks related to an investment in our common stock were disclosed in our Annual Report on Form 10-K for the year ended December 31, 2008, under Item 1A, ?Risk Factors? which is hereby incorporated into this report by this reference. You should carefully consider those risk factors, as well as the following additional risk factors and other information in this report, before deciding whether to invest in shares of our common stock. The decreased activity of new residential home construction has been pronounced in Las Vegas, Nevada and Phoenix, Arizona and has resulted in significantly reduced sales and gross margin. Our revenue is derived primarily from new construction of residential housing and is directly related to new home sales and permits for new residential construction. The recent downturn in residential construction in Las Vegas, Nevada and Phoenix, Arizona has resulted in a significant reduction in our revenues for the three-month period ended March 31, 2009. We cannot predict whether or when residential construction activity will rebound in those markets. Prolonged sluggishness in residential construction, however, can be expected to continue to have a negative impact on our revenues and earnings.

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

There were no issuances of stock during the quarter ended March 31, 2009.

Item 3. Defaults upon Senior Securities

There were no defaults upon senior securities during the three month period ended March 31, 2009.

Item 4. Submission of Matters to a Vote of Security Holders

None

Item 5. Other Information

None

Item 6. Exhibits

31.1 Certification of Chief Executive Officer Pursuant to Section 302 of the Sarbanes-Oxley Act.

31.2 Certification of Principal 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.

32.2 Certification of Principal Financial and Accounting Officer Pursuant to Section 906 of the Sarbanes-Oxley Act.

SIGNATURES:

Pursuant to the requirements of the Securities and Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

May 15, 2009

American Post Tension, Inc.
(Registrant)

By: /s/ Edward Hohman

Edward Hohman
President and Chief Executive Officer (Principal Executive Officer) and

By: /s/ Robert Hipple

Robert Hipple
(Principal Financial Officer)

Exhibit Index

Exhibit No.	Description
31.1	Certification of Chief Executive Officer Pursuant to Section 302 of the Sarbanes-Oxley Act.
31.2.	Certification of Principal 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.
32.2	Certification of Principal Financial and Accounting Officer Pursuant to Section 906 of the Sarbanes-Oxley Act.