

Edgar Filing: ROAMING MESSENGER INC - Form 10QSB

ROAMING MESSENGER INC
Form 10QSB
May 14, 2004

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 QUARTER ENDED MARCH 31, 2004

Commission file number 0-13215

ROAMING MESSENGER, INC.

(Exact name of Registrant as Specified in its Charter)

Nevada

30-0050402

(State of Incorporation)

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

6144 Calle Real Suite, 200, Santa Barbara, California 93117

(Address of principal executive offices) (Zip Code)

(805) 683-7626

Registrant's telephone number, including area code

Securities registered pursuant to Section 12(B) of the Act:

Title of Each Class -----	Name of Each Exchange On Which Registered -----
COMMON STOCK	OTC

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 12, 13 or 15(d) of the Securities Exchange Act of 1934 during the proceeding 12 months and (2) has been subject to such filing requirements for the past 90 days.

Yes X No

Indicate the number of shares outstanding of each of the issuer's classes of common stock as of the latest practicable date:

As of May 10, 2004 the number of shares outstanding of the registrant's only class of common stock was 171,823,765.

Transitional Small Business Disclosure Format (check one):

Yes ----- No X

Edgar Filing: ROAMING MESSENGER INC - Form 10QSB

TABLE OF CONTENTS

	Page

PART I - FINANCIAL INFORMATION	
Item 1. Condensed Consolidated Financial Statements.....	3
Balance Sheets as of March 31, 2004 (unaudited) and June 30, 2003....	4
Statements of Operations for the Three and Nine Months ended March 31, 2004 and 2003 (unaudited).....	5
Statements of Cash Flows for the Nine Months ended March 31, 2004 and 2003 (unaudited).....	6
Notes to Condensed Consolidated Financial Statements (unaudited).....	7
Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.....	9
Item 3. Controls and Procedures.....	12
PART II - OTHER INFORMATION	
Item 1. Legal Proceedings	12
Item 2. Changes in Securities.....	13
Item 3. Defaults upon Senior Securities.....	14
Item 4. Submission of Matters to a Vote of Security Holders.....	14
Item 5. Other Information.....	14
Item 6. Exhibits and Reports on Form 8-K.....	14
Signatures.....	15

-2-

PART I. FINANCIAL INFORMATION

Item 1. CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

ACCOUNTANTS' REVIEW REPORT

Board of Directors
Roaming Messenger, Inc. and Subsidiary

We have reviewed the accompanying consolidated balance sheets of Roaming Messenger, Inc. and Subsidiary as of March 31, 2004 and June 30, 2003 and the consolidated statements of operations for the three months and nine months ended March 31, 2004 and 2003, and the consolidated statements of cash flows for the nine months ended March 31, 2004 and 2003. All information included in these

Edgar Filing: ROAMING MESSENGER INC - Form 10QSB

financial statements is the representation of the management of Roaming Messenger, Inc.

We conducted our reviews in accordance with standards established by the American Institute of Certified Public Accountants. A review of interim financial information consists principally of applying analytical procedures to financial data and making inquiries of persons responsible for financial and accounting matters. It is substantially less in scope than an audit in accordance with generally accepted auditing standards, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

Based on our reviews, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with accounting principles generally accepted in the United States of America.

/s/Rose, Snyder & Jacobs

Rose, Snyder & Jacobs
A Corporation of Certified Public Accountants
Encino, California

May 3, 2004

-3-

ROAMING MESSENGER, INC. AND SUBSIDIARY CONSOLIDATED BALANCE SHEETS

ASSETS

	(Unaudited) March 31, 2004 -----
CURRENT ASSETS	
Cash	\$ 1,663,014
Accounts receivable, net of allowance for doubtful account of \$0	102,159
Prepaid expenses	72,925

TOTAL CURRENT ASSETS	1,838,098

PROPERTY & EQUIPMENT	
Furniture, Fixtures & Equipment	83,084
Computer Equipment	191,229
Commerce Server	50,000
Computer Software	3,535
Tenant Improvements	42,194

	370,042
Less: Accumulated depreciation & amortization	(243,106)

NET PROPERTY & EQUIPMENT	126,936

OTHER ASSETS	
Lease deposit	7,029
Other assets	1,876

Edgar Filing: ROAMING MESSENGER INC - Form 10QSB

TOTAL OTHER ASSETS	8,905
TOTAL ASSETS	\$ 1,973,939
LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)	
CURRENT LIABILITIES	
Accounts payable	\$ 38,379
Accrued liabilities	15,346
Officer salaries payable	243,731
Staff salaries payable	42,710
Note payable	45,500
Current portion - obligations under capitalized leases	19,462
TOTAL CURRENT LIABILITIES	405,128
LONG TERM LIABILITIES	
Obligations under capitalized leases	13,447
Deposit - shareholder	-
TOTAL LONG TERM LIABILITIES	13,447
TOTAL LIABILITIES	418,575
SHAREHOLDERS' EQUITY (DEFICIT)	
Capital Stock	174,297
Additional Paid-in Capital	3,735,193
Stock Issuance Costs	(103,029)
Accumulated deficit	(2,251,097)
TOTAL SHAREHOLDERS' EQUITY (DEFICIT)	1,555,364
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)	\$ 1,973,939

Prepared without audit.
See accountants' review report and
notes to financial statements.

-4-

ROAMING MESSENGER, INC. AND SUBSIDIARY
UNAUDITED CONSOLIDATED STATEMENTS OF OPERATIONS

	Three months ended March 31, 2004	Nine months ended March 31, 2004	Three months ended March 31, 2003
REVENUE	\$ 234,701	\$ 688,827	\$ 235,000
COST OF REVENUE	(25,088)	(85,039)	(25,000)

Edgar Filing: ROAMING MESSENGER INC - Form 10QSB

GROSS PROFIT	209,613	603,788	210,
OPERATING EXPENSES			
Selling, general and administrative expenses	443,351	953,219	205,
Depreciation and amortization	15,153	41,946	12,
Research and development	109,492	194,892	36,
	-----	-----	-----
TOTAL OPERATING EXPENSES	567,996	1,190,057	254,
	-----	-----	-----
OTHER INCOME (EXPENSES)			
Interest income	2,194	4,026	
Interest expense	(3,433)	(12,589)	(5,
Other expense	-	-	
	-----	-----	-----
TOTAL OTHER INCOME (EXPENSES)	(1,239)	(8,563)	(5,
	-----	-----	-----
NET LOSS	\$ (359,622)	\$ (594,832)	\$ (49,
	=====	=====	=====
BASIC AND DILUTED LOSS PER SHARE	\$ (0.00)	\$ (0.00)	\$ (0,
	=====	=====	=====
WEIGHTED AVERAGE NUMBER OF SHARES	167,747,115	157,989,963	129,984,
	=====	=====	=====

Prepared without audit.
See accountants' review report and notes to financial statements.

-5-

ROAMING MESSENGER, INC. AND SUBSIDIARY
UNAUDITED CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE NINE MONTHS ENDED MARCH 31, 2004 AND 2003

	Nine months ended March 31, 2004

CASH FLOWS FROM OPERATING ACTIVITIES:	
Net loss	\$ (594,832)
Adjustment to reconcile net loss to net cash used in operating activities:	
Depreciation and amortization	41,946
Decrease (increase) in account receivable	(25,261)
Decrease (increase) in prepaid expenses	(40,065)
Decrease (increase) in accounts payable	33,755
Decrease (increase) in officer salaries payable	(63,635)
Decrease (increase) in other liabilities	(7,433)

Edgar Filing: ROAMING MESSENGER INC - Form 10QSB

NET CASH USED IN OPERATING ACTIVITIES	(655,525)

CASH FLOWS FROM INVESTING ACTIVITIES:	
Purchase of property & equipment	(25,507)

NET CASH USED IN INVESTING ACTIVITIES	(25,507)

CASH FLOWS FROM FINANCING ACTIVITIES:	
Issuance of common stock	2,352,047
Deposit for shares of common stock	-
Payment on note payable	(4,500)
Payments on capitalized lease obligations	(20,909)
Issuance of common stock for services	40,000

NET CASH PROVIDED BY FINANCING ACTIVITIES	2,286,638

NET INCREASE (DECREASE) IN CASH	1,605,606

CASH AT BEGINNING OF PERIOD	57,408

CASH AT END OF PERIOD	\$ 1,663,014
=====	
Supplementary disclosures:	
Interest paid	\$ 12,589
=====	
Capitalized leases contracted:	\$ 12,125
=====	

Prepared without audit.
See accountants' review report and
notes to financial statements.

-6-

ROAMING MESSENGER, INC. AND SUBSIDIARIES
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
MARCH 31, 2004

1. BASIS OF PRESENTATION

The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with generally accepted accounting principles for interim financial information and with the instructions to Form 10-Q and Rule 10-01 of Regulation S-X. 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 normal recurring adjustments considered necessary for a fair presentation have been included. Operating results for the nine-month period ended March 31, 2004 are not necessarily indicative of the results that may be expected for the year ending June 30, 2004. For further information refer to the financial statements and footnotes thereto

Edgar Filing: ROAMING MESSENGER INC - Form 10QSB

included in the Company's Form 10-SB for the year ended June 30, 2003.

2. CAPITAL STOCK

The weighted average number of shares used for the basic and diluted loss per share for 2003 has been restated to reflect the recapitalization transaction that occurred in April 2003. The weighted average number of shares used for the calculation of diluted loss per share is the same as the one used for the basic loss per share. The inclusion of any potential shares to be issued would have had an anti-dilutive effect due to the Company generating a loss.

3. STOCK OPTIONS AND WARRANTS

Stock-Based Compensation

The Company accounts for employee stock option grants in accordance with Accounting Principles Board Opinion No. 25, Accounting for Stock Issued to Employees and related interpretations (APB 25), and has adopted the "disclosure only" alternative described in Statement of Financial Accounting Standards (SFAS) No. 123, Accounting for Stock-Based Compensation, amended by SFAS No. 148 Accounting for Stock-Based Compensation-Transition and Disclosure.

SFAS No. 123, Accounting for Stock-Based Compensation, requires pro forma information regarding net income (loss) using compensation that would have been incurred if the Company had accounted for its employee stock options under the fair value method of that statement. Options to purchase 2,465,994 and 0 shares of Roaming Messenger, Inc. were granted during the nine months ended March 31, 2004 and 2003, respectively. The fair value of options granted, which have been estimated at \$60,982 and \$0, respectively, at the date of grant were determined using the Black-Scholes Option pricing model with the following assumptions:

	2004 ----	2003 ----
Risk free interest rate	3.18% - 3.83%	N/A
Stock volatility factor	0.01	N/A
Weighted average expected option life	4 years	N/A
Expected dividend yield	None	N/A

Prepared without audit.
See accountants' review report.

- 7 -

ROAMING MESSENGER, INC. AND SUBSIDIARIES
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
MARCH 31, 2004

3. STOCK OPTIONS AND WARRANTS (Continued)

The pro forma net loss and loss per share had the Company accounted for the options using FAS 123 would have been as follows:

	Three Months Ended	Nine Months Ended	Three End
--	-----------------------	----------------------	--------------

Edgar Filing: ROAMING MESSENGER INC - Form 10QSB

	March 31, 2004	March 31, 2004	Mar 31, 2004
Net loss as reported	\$ (359,622)	\$ (594,832)	\$ (49,832)
Add: Stock-based employee compensation expense included in reported net loss	-	-	-
Deduct: Stock-based employee compensation expense determined under fair value based method for all awards	(14,402)	(22,832)	(22,832)
Pro forma net loss	\$ (374,024)	\$ (617,664)	\$ (49,832)
Basic and diluted pro forma loss per share	\$ (0.00)	\$ (0.00)	\$ (0.00)

A summary of the Company's stock option activity and related information follows:

	Three Months ended March 31, 2004		Three Month March 31, 2004
	Options	Weighted average exercise price	Options
Outstanding - beginning of quarter	9,734,994	\$ 0.08	7,932,812
Granted	1,050,000	0.32	-
Exercised	(1,875,000)	-	-
Outstanding - end of quarter	8,909,994	\$ 0.11	7,932,812
Fair value of options granted during the quarter	\$ 47,393		\$ -

The weighted average remaining contractual life of options as of March 31, 2004 was as follows:

Exercise Price	Number of options outstanding	Weighted average remaining contractual life (years)	Options exercisable
\$ 0.11	8,909,994	4.12	5,688,383

Prepared without audit.
See accountants' review report.

-8-

Item 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Edgar Filing: ROAMING MESSENGER INC - Form 10QSB

Cautionary Statements

This Form 10-QSB may contains "forward-looking statements," as that term is used in federal securities laws, about Roaming Messenger, Inc.'s financial condition, results of operations and business. These statements include, among others:

- o statements concerning the potential benefits that Roaming Messenger, Inc. ("RMI" or the "Company") may experience from its business activities and certain transactions it contemplates or has completed; and
- o statements of RMI's expectations, beliefs, future plans and strategies, anticipated developments and other matters that are not historical facts. These statements may be made expressly in this Form 10-QSB. You can find many of these statements by looking for words such as "believes," "expects," "anticipates," "estimates," "opines," or similar expressions used in this Form 10-QSB. These forward-looking statements are subject to numerous assumptions, risks and uncertainties that may cause RMI's actual results to be materially different from any future results expressed or implied by RMI in those statements. The most important facts that could prevent RMI from achieving its stated goals include, but are not limited to, the following:
 - (a) volatility or decline of the Company's stock price;
 - (b) potential fluctuation in quarterly results;
 - (c) failure of the Company to earn revenues or profits;
 - (d) inadequate capital to continue or expand its business, inability to raise additional capital or financing to implement its business plans;
 - (e) failure to commercialize its technology or to make sales;
 - (f) changes in demand for the Company's products and services;
 - (g) rapid and significant changes in markets;
 - (h) litigation with or legal claims and allegations by outside parties;
 - (i) insufficient revenues to cover operating costs.

There is no assurance that the Company will be profitable, the Company may not be able to successfully develop, manage or market its products and services, the Company may not be able to attract or retain qualified executives and technology personnel, the Company may not be able to obtain customers for its products or services, the Company's products and services may become

-9-

obsolete, government regulation may hinder the Company's business, additional dilution in outstanding stock ownership may be incurred due to the issuance of more shares, warrants and stock options, or the exercise of outstanding warrants and stock options, and other risks inherent in the Company's businesses.

Because the statements are subject to risks and uncertainties, actual results may differ materially from those expressed or implied by the

Edgar Filing: ROAMING MESSENGER INC - Form 10QSB

forward-looking statements. RMI cautions you not to place undue reliance on the statements, which speak only as of the date of this Form 10-QSB. The cautionary statements contained or referred to in this section should be considered in connection with any subsequent written or oral forward-looking statements that RMI or persons acting on its behalf may issue. The Company does not undertake any obligation to review or confirm analysts' expectations or estimates or to release publicly any revisions to any forward-looking statements to reflect events or circumstances after the date of this Form 10-QSB, or to reflect the occurrence of unanticipated events.

CURRENT OVERVIEW

The Company has developed a proprietary wireless messaging solution called "Roaming Messenger" for delivering real-time information for homeland security, emergency response, military and enterprise applications. Unlike solutions based on existing messaging technology such as e-mail, text messaging, and voicemail, Roaming Messenger packages time-critical information into "smart courier" messages. These messages automatically roam throughout the wired and wireless worlds - from mobile devices to desktop PCs to central servers - tracking down people and obtaining responses in real-time.

The Roaming Messenger product line is a new line from which the Company has not yet earned significant revenue. The Company has established a number of strategic partners in several vertical markets for beta testing and pilot programs. Roaming Messenger is gaining the most traction in the Public Safety and Emergency Response industry where advanced real-time wireless messaging is a valuable addition to existing solutions. Roaming Messenger is primarily distributed via a Value-Added-Reseller ("VAR") or private labeled model where it is an add-on to existing solutions such as personnel scheduling, threat detection and response, and computer aided dispatch. The Company intends to focus on the Public Safety vertical market over the next few quarters by establishing more channel partners and VARs.

In facilitating longer term strategic plans, the Company is engaged in early developments in the enterprise application sector as well. Current opportunities include Automated Process Control, Mobile Field Service, Remote Monitoring, Mobile Commerce and Mobile Entertainment applications. All of these are expected to be significant market opportunities for the Roaming Messenger technology within the next 2 to 5 years.

The Company conducts most of its operations in its wholly owned subsidiary, Warp 9, Inc. ("W9"), and financial statements for the Company and W9 are consolidated for reporting purposes. In addition to the Roaming Messenger product, W9 currently offers two primary web-based e-commerce software products, Internet Commerce System and Email Marketing System, to the catalog and retail

-10-

industry. These products were introduced for sale to the Business market before the development of the Roaming Messenger product and have been a source of revenue for W9 since 1999. Customers of these e-commerce products pay a recurring monthly fee for their access and use. A majority of the total revenues are recurring monthly revenue from e-commerce products. Every new customer is expected to increase the topline for at least several quarters. From an operational perspective the e-commerce product line is already profitable. Revenue from the past quarters has been relatively stable. The Company anticipates steady growth from the e-commerce products operation as a profit center.

The Company will continue to fulfill its working capital requirements through the private placement of Common Stock. A majority of the investment

Edgar Filing: ROAMING MESSENGER INC - Form 10QSB

proceeds will be allocated for the sales, marketing and technical development of the Roaming Messenger product line. The Company believes most of its rapid growth in revenue and shareholder value, if achieved, will come from the Roaming Messenger product line as the wireless industry continues to grow.

RESULTS OF OPERATIONS FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2004 COMPARED TO THE SAME PERIOD IN 2003

Total revenue for the three-month period ending March 31, 2004 was \$234,701 as compared to \$235,785 for the three-month period ending March 31, 2003.

Operating expenses increased from \$254,245 for the three months ended March 31, 2003 to \$567,996 for the three months ended March 31, 2004. The large increase in operating expenses between the two periods is due to the fact that prior to March 31, 2003, the Company was not a public company and had minimal working capital. Primary sources of increase in operating expenses include: an increase of \$73,242 in Research and Development expenses, and an increase of \$237,839 in Selling and General and Administrative expenses which include additional personnel and new expenses associated with being a public company.

The \$237,829 increase in Selling and General Administrative expenses includes \$40,000 of stock compensation arising from the issuance of 500,000 shares of restricted common stock paid to consultants for services rendered. The share price used for expensing stock compensation is equivalent to the share price of a concurrent private placement of restricted common stock. The Company incurred \$65,000 of cash expense for investor relation services provided by two investor relations firms that have been utilized by the Company.

Operating costs are expected to exceed revenue in the foreseeable future as the Company continues to increase sales and marketing efforts as well as increasing staff.

For the three months ended March 31, 2004, the Company's consolidated net loss was (\$359,622) as compared to a consolidated net loss of (\$49,031) for the three months ended March 31, 2003.

-11-

LIQUIDITY AND CAPITAL RESOURCES

The Company had cash at March 31, 2004 of \$1,663,014 as compared to cash of \$57,408 as of June 30, 2003. The Company had net working capital (i.e. the difference between current assets and current liabilities) of \$1,432,970 at March 31, 2004 as compared to a working capital deficit of (\$316,436) at June 30, 2003. Cash flow utilized by operating activities was (\$655,525) for the nine months ended March 31, 2004 as compared to cash utilized for operating activities of (\$156,582) during the nine months ended March 31, 2003. Cash flow used in investing activities was (\$25,507) for the nine months ended March 31, 2004 as compared to cash used in investing activities of (\$3,708) during the nine months ended March 31, 2003. Cash flow from financing activities was \$2,286,638 for the nine months ended March 31, 2004 as compared to cash provided by financing activities of \$133,607 during the nine months ended March 31, 2003. For the nine months ended March 31, 2004, the Company's capital needs have primarily been met from the proceeds of a series of private placements of Common Stock made by the Company. See "Part II - Item 2. Changes in Securities."

The Company will need to obtain additional operating capital to permit continuing execution of its business plan. The Company anticipates that it will obtain the additional working capital it requires through the private placement of Common Stock to domestic accredited investors pursuant to Regulation D of the

Edgar Filing: ROAMING MESSENGER INC - Form 10QSB

Securities Act of 1933, as amended (the "Act"), and to offshore investors pursuant to Regulation S of the Act. There is no assurance that the Company will obtain the additional working capital that it needs through the private placement of Common Stock. The Company has incurred operating deficits since inception, which are expected to continue until its business model is fully developed.

Item 3. CONTROLS AND PROCEDURES

The Company's Chairman, Chief Executive Officer, and Chief Financial Officer has evaluated the effectiveness of the Company's disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended) as of the end of the period covered by this quarterly report and, based on this evaluation, has concluded that the disclosure controls and procedures are effective.

There have been no changes in the Company's internal control over financial reporting that occurred during the Company's third fiscal quarter that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting.

PART II. - OTHER INFORMATION

Item 1. LEGAL PROCEEDINGS

None.

-12-

Item 2. CHANGES IN SECURITIES

In a series of private placements of the Company's common stock made by the Company to accredited investors from April 8, 2003 to January 15, 2004 pursuant to Rule 506 of Regulation D of the Securities Act of 1933, as amended (the "Act"), the Company sold a total of 4,871,763 shares of common stock for a price of \$0.08 per share, 1,000,000 of which were sold during the quarter ending March 31, 2004 raising gross proceeds of \$80,000. This offering was completed and terminated on January 15, 2004.

In a private placement of the Company's common stock made by the Company to accredited investors from February 1, 2004 to February 10, 2004 pursuant to Rule 506 of Regulation D of the Act, the Company sold 1,622,500 shares of common stock at a price of \$0.16 per share, which raised gross proceeds of \$260,000. This offering was completed and terminated on February 10, 2004.

In a private placement of the Company's common stock made by the Company to accredited investors from February 23, 2004 to March 10, 2004 pursuant to Rule 506 of Regulation D of the Act, the Company sold 1,500,000 shares of common stock at a price of \$0.35 per share, which raised gross proceeds of \$525,000. This offering was completed and terminated on March 10, 2004.

In a private placement of the Company's common stock made by the Company to accredited investors from March 15, 2004 to May 15, 2004 pursuant to Rule 506 of Regulation D of the Act, the Company intends to sell 2,000,000 shares of common stock at a price of \$0.50 per share. Total gross proceeds from this offering during the quarter ended March 31, 2004 was \$0. Total gross proceeds from this offering as of May 10, 2004 were \$210,000 from the sale of

Edgar Filing: ROAMING MESSENGER INC - Form 10QSB

420,000 shares. This offering has not been terminated and can be terminated at the discretion of the Company.

In a private placement of the Company's common stock made by the Company from July 23, 2003 to April 20, 2004 pursuant to Regulation S of the Act at a variable price equal to 28% of the closing bid price on the date of the purchase of the stock, the Company raised gross proceeds of approximately \$114,669, during the quarter ending March 31, 2004. The total gross proceeds raised in this offering from July 23, 2003 to April 20, 2004, was \$1,096,416 from the sale of 13,181,027 shares. This offering was terminated on April 20, 2004.

In a private placement of the Company's common stock made by the Company from November 5, 2003 to March 31, 2004 pursuant to Regulation S of the Act at a variable price equal to 33% of the closing bid price on the date of the purchase of the stock, the Company raised gross proceeds of \$58,211 during the quarter ending March 31, 2004. The gross proceeds raised in this offering as of May 10, 2004 were \$81,886 from the sale of 446,900 shares. The Company is offering a total of 3,000,000 shares pursuant to this private placement, which has not been terminated and can be terminated at the discretion of the Company with five (5) days prior written notice to the purchaser.

-13-

In the quarter ended March 31, 2004, an officer of the Company exercised 1,875,000 stock options at an exercise price of \$0.08 per share. The Company received gross proceeds of \$150,000 for the issuance of 1,875,000 shares of restricted and unregistered common stock to the officer.

In January 2004, the Company entered into a consulting agreement with an investor relations firm where the Company issued 400,000 shares of restricted and unregistered common stock for services rendered.

Item 3. DEFAULTS UPON SENIOR SECURITIES

None.

Item 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

None.

Item 5. OTHER INFORMATION

None.

Item 6. EXHIBITS AND REPORTS ON FORM 8-K

(a) Exhibits

EXHIBIT NO.	DESCRIPTION
3.1	Articles of Incorporation (1)
3.2	Bylaws (1)
4.1	Specimen Certificate for Common Stock (1)
4.2	Non-Qualified Employee Stock Option Plan (2)
10.1	First Agreement and Plan of Reorganization between Latinocare Management Corporation, a Nevada corporation, and Warp 9, Inc., a Delaware corporation (3)
10.2	Second Agreement and Plan of Reorganization between Latinocare Management Corporation, a Nevada corporation, and Warp 9, Inc., a Delaware corporation (4)

Edgar Filing: ROAMING MESSENGER INC - Form 10QSB

10.3 Exchange Agreement and Representations for Shareholders of
Warp 9, Inc.(3)
31.1 Section 302 Certification
32.1 Section 906 Certification

-
- (1) Incorporated by reference from the exhibits included with the Company's prior Report on Form 10-KSB filed with the Securities and Exchange Commission, dated March 31, 2003.
 - (2) Incorporated by reference from the exhibits included in the Company's Information Statement filed with the Securities and Exchange Commission, dated August 1, 2003.
 - (3) Incorporated by reference from the exhibits included with the Company's prior Report on Form SC 14F1 filed with the Securities and Exchange Commission, dated April 8, 2003.

-14-

- (4) Incorporated by reference from the exhibits included with the Company's prior Report on Form 8K filed with the Securities and Exchange Commission, dated May 30, 2003.

(b) The following is a list of Current Reports on Form 8-K filed by the Company during and subsequent to the quarter for which this report is filed.

None.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, as amended, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Dated: May 10, 2004

ROAMING MESSENGER, INC.

By: \s\ Jonathan Lei

Jonathan Lei, Chairman of the Board,
Chief Executive Officer, President
Chief Financial Officer, and Secretary

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

By: \s\ Jonathan Lei

Dated: May 10, 2004

Jonathan Lei, Chairman of the Board,
Chief Executive Officer, President
Chief Financial Officer, and Secretary

By: \s\ Louie Ucciferri

Dated: May 10, 2004

Louie Ucciferri, Director

By: \s\ Tom Djokovich

Dated: May 10, 2004

Edgar Filing: ROAMING MESSENGER INC - Form 10QSB

Tom Djokovich, Director

-15-