

EUROPEAN MICRO HOLDINGS INC
Form 10QSB
October 16, 2006

UNITED STATES SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D. C. 20549

FORM 10-QSB

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

FOR THE QUARTERLY PERIOD ENDED DECEMBER 31, 2001

Commission File Number 333-44393

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

For the transition period from _____ TO _____

EUROPEAN MICRO HOLDINGS, INC.

(Exact name of registrant as specified in charter)

Nevada

(State or other jurisdiction of incorporation or
organization)

65-0803752

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

450 Fairway Drive, Suite 105, Deerfield Beach,

Florida

(Address of principal executive offices)

33441

(Zip)

(954) 596-0249

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 Securities Exchange Act of 1934 during the past twelve 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

APPLICABLE ONLY TO ISSUERS INVOLVED IN BANKRUPTCY
PROCEEDINGS DURING THE PRECEDING FIVE YEARS

Check whether the registrant filed all documents and reports required to be filed by Sections 12, 13 or 15(d) of the Exchange Act subsequent to the distribution of securities under a plan confirmed by a court. Yes No

APPLICABLE ONLY TO CORPORATE ISSUERS:

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Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date: **As of [July 31, 2006], the Company had 5,029,667 shares of common stock issued and outstanding.**

Transitional Small Business Disclosure Format: Yes No

PART I

Financial Information

Item 1. Financial Statements.

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European Micro Holdings, Inc. and Subsidiaries

Condensed Consolidated Statement of Net Assets in liquidation as of December 31, 2001

(Liquidation Basis)

(In thousands)

(Unaudited)

	December 31, 2001
ASSETS	
ASSETS:	
Property and equipment held for sale	\$ 2,185
Cash	73
Accounts receivable, net	247
Inventories, net	64
Prepaid expenses	87
Income taxes receivable	790
Other assets	452
TOTAL ASSETS	\$ 3,898
LIABILITIES	
LIABILITIES:	
Current portion of long-term borrowings	\$ 1,266
Accounts payable	216
Accrued expenses and other liabilities	739
Due to related parties	696
TOTAL LIABILITIES	\$ 2,917
COMMITMENT AND CONTINGENCIES	
NET ASSETS IN LIQUIDATION (available to holders of Common Stock)	\$ 981

See accompanying notes to condensed consolidated financial statements.

European Micro Holdings, Inc. and Subsidiaries

Condensed Consolidated Statements of Changes in Net Assets for the Three and Six Months Ended December 31, 2001 (Liquidation Basis) and Condensed Consolidated Statements of Operations for the Three and Six Months Ended

December 31, 2000 (Going Concern Basis)

(In thousands, except share and per share data)

(Unaudited)

	Three Months ended December 31,		Six Months ended December 31,	
	2001	2000	2001	2000
SALES:				
Net sales to unrelated parties	\$ 1,294	\$ 26,657	\$ 10,930	\$ 55,671
Net sales to related parties	-	93	-	147
Total net sales	1,294	26,750	10,930	55,818
COST OF GOODS SOLD:				
Cost of goods sold to unrelated parties	(1,157)	(23,900)	(9,555)	(49,758)
Cost of goods sold to related parties	-	(89)	-	(143)
Total cost of goods sold	(1,157)	(23,989)	(9,555)	(49,901)
GROSS PROFIT	137	2,761	1,375	5,917
OPERATING EXPENSE:				
Selling, general and administrative expenses	(203)	(2,596)	(1,579)	(5,479)
INCOME (LOSS) FROM OPERATIONS	(66)	165	(204)	438
OTHER INCOME (EXPENSE)				
Interest expense, net	(51)	(260)	(209)	(556)
Forgiveness of debt	—	—	686	—
Loss on rescission of American Micro purchase	—	—	(1,345)	—
TOTAL OTHER INCOME (EXPENSE)	(51)	(260)	(868)	(556)
LOSS BEFORE INCOME TAXES	(117)	(95)	(1,072)	(118)
Income tax (expense) benefit	18	(59)	(29)	