

ENVIRO VORAXIAL TECHNOLOGY INC
Form 10-Q
August 14, 2008

U.S. SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

(Mark One)

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

For the quarterly period ended June 30, 2008

TRANSITION REPORT UNDER SECTION 13 OR 15(d) OF THE EXCHANGE ACT

For the transition period from _____ to _____

Commission File Number: 0-27445

Enviro Voraxial Technology, Inc.

(Exact name of Small Business Issuer as specified in its Charter)

IDAHO	82-0266517
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

821 NW 57th Place, Fort Lauderdale, Florida 33309

(Address of principal executive offices)

(954) 958-9968

(Issuer's telephone number)

(Former Name, former address and former fiscal year, if changed since last Report.)

Check mark whether the Issuer (1) has filed all reports required to be filed by Section 13 or 15 (d) of the Securities Exchange Act of 1934 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 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

APPLICABLE ONLY TO CORPORATE ISSUERS

State the number of shares outstanding of each of the issuer's classes of common equity, as of the latest practicable date: June 30, 2008, we had 24,038,801 shares of our Common Stock outstanding.

INDEX

PART I. CONSOLIDATED CONDENSED FINANCIAL INFORMATION		3
Item 1. Consolidated Condensed Financial Statements		3
Condensed Consolidated Balance Sheet – June 30, 2008 (Unaudited)		3
Condensed Consolidated Statements of Operations for the Three Months and Six Months Ended June 30, 2008 and 2007 (Unaudited)		4
Condensed Consolidated Statements of Cash Flows for the Six Months Ended June 30, 2008 and 2007 (Unaudited)		5
Notes to Condensed Consolidated Financial Statements (Unaudited)		6
Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations		15
Item 3. Quantitative and Qualitative Disclosures About Market Risk		17
Item 4T. Controls and Procedures		18
PART II. OTHER INFORMATION		19
Item 1. Legal Proceedings		19
Item 1A. Risk Factors		
Item 2. Unregistered Sales of Equity Securities and Use of Proceeds		19
Item 3. Default Upon Senior Securities		19
Item 4. Submission of Matters to a Vote of Securities		19
Item 5. Other Information		19
Item 6. Exhibits		19
Signatures		20

PART I. CONSOLIDATED CONDENSED FINANCIAL INFORMATION

Item 1. Consolidated Condensed Financial Statements

ENVIRO VORAXIAL TECHNOLOGY, INC. AND SUBSIDIARY
CONSOLIDATED BALANCE SHEETS

	June 30, 2008	December 31, 2007
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	\$ 183,796	\$ 201,066
Accounts receivable, net	-	-
Inventory, net	295,267	295,267
Total current assets	479,063	496,333
FIXED ASSETS, NET	214,917	226,242
OTHER ASSETS	13,695	13,695
Total assets	\$ 707,675	\$ 736,270
LIABILITIES AND SHAREHOLDERS' DEFICIENCY		
CURRENT LIABILITIES:		
Accounts payable and accrued expenses	\$ 941,241	\$ 656,819
Current portion of note payable	30,836	30,836
Total current liabilities	972,077	687,655
LONG TERM NOTE PAYABLE	126,861	141,953
Total liabilities	1,098,938	829,608
COMMITMENTS AND CONTINGENCIES		
SHAREHOLDERS' DEFICIENCY:		
Common stock, \$.001 par value, 42,750,000 shares authorized 23,549,801 and 24,038,801 shares issued and outstanding as of June 30, 2008 and December 31, 2007		
	24,038	23,121
Additional paid-in capital	9,019,941	8,520,857
Accumulated deficit	(9,435,242)	(8,637,316)
Total shareholders' deficiency	(391,263)	(93,338)
Total liabilities and shareholders' deficiency	\$ 707,675	\$ 736,270

The accompanying notes are an integral part of the consolidated financial statements

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ENVIRO VORAXIAL TECHNOLOGY, INC. AND SUBSIDIARY
CONSOLIDATED STATEMENTS OF OPERATIONS

	<u>Three Months Ended June 30,</u>		<u>Six Months Ended June 30,</u>	
	2008	2007 (Restated)	2008	2007 (Restated)
Revenues, net	\$ -	\$ 210,527	\$ 3,500	\$ 264,158
Cost of goods sold	-	25,071	-	36,577
Gross profit (loss)	-	185,456	3,500	227,581
Costs and operating expenses:				
Research and development	185,785	87,253	384,760	169,848
General and administrative	232,573	114,956	409,571	1,201,630
Total costs and operating expenses	418,358	202,209	794,331	1,371,478
Loss from operations	(418,358)	(16,753)	(790,831)	(1,143,897)
Other expenses (incomes):				
Interest expense	(7,095)	-	(7,095)	-
Total other expense	(7,095)	-	(7,095)	-
Provision for income taxes	-	-	-	-
NET LOSS	\$ (425,453)	\$ (16,753)	\$ (797,926)	\$ (1,143,897)
Weighted average number of common shares outstanding-basic & diluted	23,684,635	22,236,960	23,684,635	21,676,264
Basic and diluted loss per common share	\$ (0.02)	\$ (0.00)	\$ (0.03)	\$ (0.05)

The accompanying notes are an integral part of the consolidated financial statements

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ENVIRO VORAXIAL TECHNOLOGY, INC. AND SUBSIDIARY
CONSOLIDATED STATEMENTS OF CASH FLOWS

For the Six Months Ended June 30,

2008

2007

(Restated)

Cash Flows From Operating Activities:		
Net loss	\$ (797,926)	\$ (1,143,897)
Adjustments to reconcile net loss to net cash used by operating activities:		
Depreciation	11,325	556
Common stock issued for services	-	40,000
Amortization of deferred compensation	-	-
Deferred compensation	-	13,333
Issuance of common stock consulting services	-	446,676
Extension of stock options issued		697,500
Changes in assets and liabilities:		
Accounts receivable	-	(8,075)
Inventory	-	(197,127)
Accounts payable and accrued expenses	284,423	(109,333)
Net cash used in operating activities	(502,178)	(260,367)
Cash Flows From Investing Activities:		
Purchase of equipment	-	(5,294)
Net cash used by investing	-	(5,294)

activities

Cash Flows
From
Financing
Activities:

Repayments toward notes payable	(15,092)	-
Issuance of options for reduction in accrued salaries	-	-
Proceeds from sales of common stock	500,000	468,000
Net cash provided by financing activities	484,908	468,000
Net increase (decrease) in cash and cash equivalents	(17,270)	202,339
Cash and cash equivalents, beginning of period	201,066	390,393
Cash and cash equivalents, end of period	\$ 183,796	\$ 592,732
Supplemental Disclosures		
Cash paid during the year for interest	\$ -	\$ -
Cash paid during the year for taxes	\$ -	\$ -
Common stock options issued for accrued salaries	\$ -	\$ 360,000
Common stock issued for consulting services	\$ -	\$ 86,676
Common stock issued	\$ -	\$ 40,000

for consulting
services
deferred

compensation
Extension
of stock
options

\$	-	\$	697,500
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The accompanying notes are an integral part of the consolidated financ