

AMERICAN COMMERCE SOLUTIONS Inc
Form 10-Q
October 15, 2015

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington D.C. 20549

FORM 10-Q

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

For the quarterly period ended August 31, 2015

.. 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 33-98682

American Commerce Solutions, Inc.

(Exact Name of Registrant as Specified in Charter)

Florida
(State or Other Jurisdiction of Incorporation or
Organization)

05-0460102
(I.R.S. Employer Identification Number)

1400 Chamber Drive, Bartow, Florida 33830

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(Address of Principal Executive Offices)

(863) 533-0326

(Registrant's Telephone Number, Including Area Code)

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

\$0.001 par value preferred stock
\$0.002 par value common stock

Over the Counter Bulletin Board
Over the Counter Bulletin Board

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes No

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 No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (Section 232.405) during the preceding 12 months. Yes No

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K.

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 definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer	<input type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input type="checkbox"/>	Smaller reporting company	<input checked="" type="checkbox"/>

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

As of October 14, 2015, the Registrant had 1,157,812,573 outstanding shares of its common stock, \$0.002 par value.

Documents incorporated by reference: none

AMERICAN COMMERCE SOLUTIONS, INC.

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PART I – FINANCIAL INFORMATION**ITEM 1.
CONSOLIDATED
FINANCIAL
STATEMENTS****AMERICAN COMMERCE SOLUTIONS, INC. AND SUBSIDIARY
CONSOLIDATED BALANCE SHEETS**

	AUGUST 31, 2015 (unaudited)	FEBRUARY 28, 2015
ASSETS		
CURRENT ASSETS:		
Cash	\$ 11,407	\$ 44,697
Accounts receivable	103,440	97,279
Accounts receivable, factored	20,697	14,617
Inventories	279,929	288,441
Note receivable, related party	1,009,792	1,009,792
Due from related party	493,307	491,807
Other receivables, including related party receivables of \$272,882 and \$247,908, respectively	372,473	317,881
Prepaid expenses	191	-
Total Current Assets	2,291,236	2,264,514
Property and equipment, net of accumulated depreciation of \$3,057,839 and \$2,976,631, respectively	2,461,333	2,518,990
OTHER ASSETS:		
Other assets	3,927	4,364
Investment, available for sale	49,500	55,000
Total Other Assets	53,427	59,364
TOTAL ASSETS	\$ 4,805,996	\$ 4,842,868
LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES:		
Accounts payable, including related party payables of \$1,286 and \$645, respectively	\$ 69,348	\$ 76,157
Accrued expenses, including related party balances of \$8,240 and \$20,276, respectively	49,716	44,018
Accrued interest, including related party balances of \$53,857 and \$48,692, respectively	360,731	344,413
Current portion of notes payable	667,843	248,251
Total Current Liabilities	1,147,638	712,839
LONG-TERM LIABILITIES:		

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Notes payable, net of current portion	-	434,904
Notes payable, related party, net of current portion	332,692	373,024
Due to stockholders	1,717,610	1,601,910
Total Long-Term Liabilities	2,050,302	2,409,838
Total Liabilities	3,197,940	3,122,677
STOCKHOLDERS' EQUITY		
Preferred stock; \$0; 5,000,000 shares authorized:		
Series A; cumulative and convertible; \$0.001 par value; 600 shares authorized		
102 shares issued and outstanding; liquidating preference \$376,125	-	-
Series B; cumulative and convertible; \$0.001 par value; 3,950 shares authorized		
3,944 shares issued and outstanding; liquidating preference \$3,944,617	3	3
Common stock, \$0.002 par value; 1,500,000,000 shares authorized; 1,157,812,573 and 1,157,812,573		
shares issued and 1,157,290,573 and 1,157,290,573 shares outstanding, respectively	2,315,626	2,315,626
Additional paid-in capital	19,084,073	19,084,073
Stock subscription receivable	(10,000)	(10,000)
Accumulated other comprehensive loss	(54,000)	(48,500)
Accumulated deficit	(19,462,120)	(19,355,485)
	1,873,582	1,985,717
Treasury stock at cost; 522,000 shares of common stock	(265,526)	(265,526)
Total Stockholders' Equity	1,608,056	1,720,191
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	\$ 4,805,996	\$ 4,842,868

See notes to the unaudited financial statements

AMERICAN COMMERCE SOLUTIONS, INC. AND SUBSIDIARY
CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS (UNAUDITED)

	For the Three Months Ended		For the Six Months Ended	
	August 31,		August 31,	
	2015	2014	2015	2014
REVENUE:				
Net sales	\$ 543,051	\$ 474,336	\$ 1,054,609	\$ 1,083,222
	543,051	474,336	1,054,609	1,083,222
COST OF GOODS SOLD	260,449	237,167	504,168	495,114
GROSS PROFIT	282,602	237,169	550,441	588,108
SELLING, GENERAL AND ADMINISTRATIVE EXPENSES	324,048	320,308	627,948	678,706
LOSS FROM OPERATIONS	(41,446)	(83,139)	(77,507)	(90,598)
OTHER INCOME (EXPENSE)				
Other income (expense)	-	-	-	84,102
Interest expense	(21,699)	(20,830)	(43,927)	(43,436)
Interest income	7,835	5,501	14,799	11,421
TOTAL OTHER EXPENSE (INCOME)	(13,864)	(15,329)	(29,128)	52,087
NET (LOSS) INCOME	\$ (55,310)	\$ (98,468)	\$ (106,635)	\$ (38,511)
Unrealized gain (loss) on fair value of investment	(16,500)	(30,207)	(5,500)	(51,028)
COMPREHENSIVE (LOSS) INCOME	\$ (71,810)	\$ (128,675)	\$ (112,135)	\$ (89,539)
NET (LOSS) INCOME PER COMMON SHARE, BASIC AND DILUTED	\$ (0.00)	\$ (0.00)	\$ (0.00)	\$ (0.00)
WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING, BASIC AND DILUTED	1,157,290,573	1,035,721,946	1,157,290,573	1,035,721,946

See notes to the unaudited financial statements

**AMERICAN COMMERCE SOLUTIONS, INC. AND SUBSIDIARY
CONSOLIDATED STATEMENT OF CHANGES IN STOCKHOLDERS' EQUITY**

	Preferred Stock		Common Stock		Additional Stock	Accumulated	Treasury	Total
	Shares	Amount	Shares	Amount	Paid-In	Other		
					Subscriptions	Comprehensive		Stockholders'
					Capital Receivable	Income/(Loss)	Deficit	Equity
Balance, February 28, 2014	3,944	\$ 3	1,036,243,946	\$ 2,072,489				