

AMERICAN INTERNATIONAL VENTURES INC /DE/  
Form 10QSB  
April 01, 2004

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

FORM 10-QSB

(Mark One)

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES  
EXCHANGE ACT OF 1934 for the period ended November 30, 2003

TRANSITION REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES  
EXCHANGE Act of 1934 for the transition period from \_\_\_\_ to \_\_\_\_.

Commission File Number 0-30368

American International Ventures, Inc.

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(Name of Small Business Issuer in its charter)

Delaware

22-3489463

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(State or other jurisdiction of (I.R.S. Employer Identification no.)  
incorporation or organization)

260 Garibaldi Avenue, Lodi, New Jersey 07644

-----  
(Address of principal executive offices)

(973) 335-4400

-----  
(Registrant's telephone number, including area code)

Securities registered under Section 12 (b) of the Act:

Title of each class to be registered	Name of exchange on which each class is to be registered
None	None

Securities registered under Section 12(g) of the Act:

Common Stock

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(Title of Class)

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 proceeding 12 months and (2) has been subject to such filing requirements for the past 90 days.

(1) Yes: [ ] No: [X]

(2) Yes: [X] No: [ ]

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Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of November 30, 2003: 15,598,544 shares of Common Stock, \$.00001 par value.

Transitional Small Business Issuer Format (Check One):

Yes: No:  X

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## Part I

### **Item 1. Financial Statements.**

AMERICAN INTERNATIONAL VENTURES, INC.

**BALANCE SHEETS**

**ASSETS**

November 30, 2003

May 31, 2003

(Unaudited)

(Audited)

**Current Assets**

Cash

\$ 73,524

\$ 85,468

Marketable securities

20,500

60,300

Prepaid expense

150

150

**Total current assets**

94,174

145,918

**Fixed Assets**

Office furniture and equipment

11,567

11,567

Less, accumulated depreciation

10,009

8,853

**Net fixed assets**

1,558

2,714

**Other Assets**

Mineral rights

3,273

3,273

**Total other assets**

3,273

3,273

\_\_\_\_\_

\_\_\_\_\_

**TOTAL ASSETS**

\$ 99,005

\$ 151,905

**LIABILITIES AND STOCKHOLDERS DEFICIT**

**Current Liabilities**

Accounts payable and accrued expenses

\$ 26,474

\$ 30,508

Stockholder advance

143

143

**Total current liabilities**

26,617

30,651

**Stockholders Deficit**

Common stock authorized, 50,000,000

shares of \$.00001 par value; issued 17,350,210

and 20,350,210 shares, respectively

173

203

Capital in excess of par value

1,606,897

1,606,867

Accumulated deficit

(748,050)

(738,984)

Common stock held in treasury - 1,751,666

shares, at cost

(807,132)

(807,132)

Accumulated other comprehensive income

20,500

60,300

**Total stockholders deficit**

72,388

121,254

**TOTAL LIABILITIES AND**

\_\_\_\_\_

**STOCKHOLDERS DEFICIT**

\$ 99,005

\$ 151,905

The accompanying notes are an integral part of these financial statements.

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**AMERICAN INTERNATIONAL VENTURES, INC.**  
**CONSOLIDATED STATEMENTS OF OPERATIONS**  
**For the Six Month Periods Ended November 30,**  
**(Unaudited)**



2003

2002

Administrative Expenses

\$ 45,897

\$ 65,886

\_\_\_\_\_

\_\_\_\_\_

Operating loss

(45,897)

(65,886)

Other Income and Expense:

Interest income

45

-

Interest expense

(80)

(275)

Profit on sales of securities

36,866

2,039

Loss from Continuing Operations

(9,066)

(64,122)

Discontinued Operations:

Loss from operations of discontinued segment

-

(57,336)

Net Loss

(9,066)

(121,458)

Other Comprehensive Loss:

Unrealized gain on securities held for sale

(1,365)

-

Holding loss on securities sold

during the period

(1,569)

(1,061)

Reclassification adjustment for gain

included in net loss

(36,866)

(2,039)

Total other comprehensive loss

(39,800)

(3,100)

Total Comprehensive Loss

\$(48,866)

\$(124,558)

Loss Per Share:

Basic and Diluted

\$ -

\$(.01)

Weighted Average Number of Shares Outstanding

17,981,877

19,933,210

The accompanying notes are an integral part of these financial statements.

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#

**AMERICAN INTERNATIONAL VENTURES, INC.**

**CONSOLIDATED STATEMENTS OF OPERATIONS**

For the Three Month Periods Ended November 30,

(Unaudited)

2003

2002

Administrative Expenses

\$ 17,870

\$ 20,707

\_\_\_\_\_

\_\_\_\_\_

Operating loss

(17,870)

(20,707)

Other Income and Expense:

Interest income

45

-

Interest expense

(80)

(275)

Gain on sales of securities

12,241

2,039

Loss from Continuing Operations

(5,664)

(18,943)

Discontinued Operations:

Loss from operations of discontinued segment

-

(27,976)

Net Loss

(5,664)

(46,919)

Other Comprehensive Income (Loss):

Unrealized gain on securities held for sale

9,250

-

Holding gain on securities sold

during the period

1,779

(1,061)

Reclassification adjustment for gain

included in net loss

(12,241)

(2,039)

Total other comprehensive loss

(1,212)

(3,100)

Total Comprehensive Loss

\$ (6,876)

\$ (50,019)

Loss Per Share:

Basic and Diluted

\$ -

\$ -

—

Weighted average number of shares outstanding

17,365,211

20,283,543

The accompanying notes are an integral part of these financial statements.

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**AMERICAN INTERNATIONAL VENTURES, INC.**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**For the Six Month Periods Ended November 30,**  
**(Unaudited)**

2003

2002

**Cash Flows From Operations:**

Net loss from continuing operations

\$ (9,066)

\$ (64,122)

Adjustments to reconcile net loss to net cash

consumed by operating activities:

Depreciation

1,156

1,156

Changes in current assets and liabilities:

Increase (decrease) in accounts payable and

accrued expenses

(4,034)

4,317

Decrease in accounts receivable

-

10,400

Discontinued operations

-

(14,290)

Net cash consumed by operating activities



(11,944)

(62,539)

**Cash Flows From Investing Activities:**

Investment in mineral rights

-

(3,273)

\_\_\_\_\_

\_\_\_\_\_

Net cash consumed by investing activities

\_\_\_\_\_

(3,273)

**Cash Flows From Financing Activities:**

Proceeds of sales of common stock

-

114,500

Decrease in stockholder advances

-

(1,050)

Discontinued operations

-

17,337

Net cash provided by  
financing activities

-

130,787

\_\_\_\_\_

\_\_\_\_\_

Net increase (decrease) in cash

(11,944)

64,975

Cash balance, beginning of period

85,468

7,370

\_\_\_\_\_

\_\_\_\_\_

**Cash balance, end of period**

\$ 73,524

\$ 72,345

The accompanying notes are an integral part of these financial statements.

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**AMERICAN INTERNATIONAL VENTURES, INC.**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**November 30, 2003**

**(Unaudited)**

**1.**

**BASIS OF PRESENTATION**

The unaudited interim consolidated financial statements of American International Ventures, Inc. and its subsidiary ("the Company") as of November 30, 2003 and for the three and six month periods ended November 30, 2003 and 2002, have been prepared in accordance accounting principles generally accepted in the United States of America. In the opinion of management, such information contains all adjustments, consisting only of normal recurring adjustments, necessary for a fair presentation of the results for such periods. The results of operations for the six months ended November 30, 2003 are not necessarily indicative of the results to be expected for the full fiscal year ending May 31, 2004.

Certain information and disclosures normally included in the notes to financial statements have been condensed or omitted as permitted by the rules and regulations of the Securities and Exchange Commission, although the Company believes the disclosure is adequate to make the information presented not misleading. The accompanying unaudited financial statements should be read in conjunction with the financial statements of the Company for the year ended May 31, 2003.

**2.**

#### **SUPPLEMENTARY CASH FLOWS INFORMATION**

There was no cash paid for income taxes during either of the periods presented. Payments for interest were \$80 in the 2003 period and \$275 in the 2002 period.

**3.**

#### **COMMON STOCK**

On April 26, 2002, common stock totaling 1,500,000 shares was issued to each of two officers of the Company on condition that the officers arrange for the acquisition by the Company of specified quantities of gold resources. These goals were not met and on October 23, 2003 the Board of Directors cancelled the entire 3,000,000 shares.

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## **Item 2. Management's Discussion and Analysis.**

### **Overview**

The Company is an exploration stage company engaged in the acquisition, exploration, and development of mineral properties. The Company has acquired a mining property located in Nye County, Nevada, known as the Bruner Property. The Company intends to carry out exploration work on the Bruner Property in order to ascertain whether the property possesses commercially exploitable quantities of gold and silver.

### **Six Month Period ended November 30, 2003 compared with Six Month Period ended November 30, 2002.**

The Company had no revenues for the 2003 and 2002 periods.

During the six month period in 2003, the Company incurred \$45,897 in general and administrative expenses, which represents a decrease of \$19,989 or 30.3% from \$65,886 incurred in 2002. The decrease is due principally to a reduction in professional fees and travel expenses for the 2003 period. Profit on the sale of securities for the 2003 period was \$36,566, which relate to the securities of Birch Mountain acquired by the Company in 1999. During the 2003 period, the Company sold 130,000 common shares of Birch Mountain. Loss from continuing operations in the 2003 period was \$9,066. Continuing operations relate to the activities of the Company without its former subsidiary, GetToner.com, Inc., which the Company divested in April 2003. For the 2002 period, the Company has a loss from discontinued operations in the amount of \$57,336 relating to the operations of a former subsidiary, GetToner.com, Inc. The Company had no loss from discontinued operations for the 2003 period. Net loss for the 2003 period was \$9,066, representing a decrease of \$112,392 or 92.5%, from a net of loss of \$121,458 for the 2002 period. The decrease in net loss is attributable to the elimination of the loss from discontinued operations for the 2003 period.

Other Comprehensive Loss describes changes in value of the Birch Mountain securities owned by the Company that occurred during the 2003 period. An unrealized loss in the amount of \$1,365 represents the decrease in value of the

Birch Mountain stock still owned by the Company at November 30, 2003. The holding loss on securities sold during the 2003 and 2002 periods respectively are \$1,569 and \$1,061. These amounts represent the decrease in value that occurred prior to sale of securities sold each period. The reclassification adjustment for gain included in net loss for the 2003 and 2002 periods respective are \$36,866 and \$2,039. These amounts are the transfer to net loss of the gain recognized on securities sold during the respective 2003 and 2002 periods. These represent amounts transferred from the Other Comprehensive Income category to the Other Income category. Total other comprehensive loss for the 2003 period was \$39,800 contrasted with \$3,100 for the 2002 period. Total comprehensive loss for the 2003 period was \$48,866, representing a reduction of \$75,692 or 60.8%, from \$124,558 for the 2002. The reduction is due to the reasons discussed above.

### **Liquidity And Capital Resources.**

As of November 30, 2003, the Company's working capital was \$67,557, and as of May 31, 2003, the Company's working capital was \$115,267. The change in working capital is due principally to the operating loss of the Company for six month period in 2003.

During fiscal year 1999 and continuing through February 2001, prior to the acquisition of GetToner.com, Inc., the Company's former subsidiary, the Company's capital requirements have been insignificant due to its relatively limited operations. During this period its capital requirements have been funded principally through the private placement of its common stock and from loans from the Company's President and Chairman. During fiscal 2001 and in connection with the acquisition of GetToner.com, the Company raised \$153,500 from the private placement of 1,800,000 shares of common stock at prices ranging from \$0.06 to \$0.10 per unit. The proceeds were used to fund the operation of GetToner. In February 2001, the Company and its Chairman and President each agreed to certain compensation arrangements for the one-year period ending May 31, 2001. In consideration for acting as chairman and president of the Company for such period, the Company issued 300,000 shares of common stock of each such officer. In addition, during February 2001, the Company issued 191,000 shares of common stock in exchange for cancellation of a loan in the amount of \$19,035 in favor of the Company's Chairman and issued 181,000 shares of common stock in exchange for cancellation of a loan in the amount of \$18,129 in favor of the Company's President. During fiscal 2002, the Company raised \$35,000 in gross proceeds in connection with the private placement of 140,000 units. Each unit consisted of one share of common stock and one half of a stock purchase warrant exercisable one year from the issue date at a price of \$0.50. The warrants have expired unexercised. During fiscal period ending May 31, 2003, the Company raised \$149,500 in gross proceeds in connection with the private placement of 598,000 units. Each unit consisted of one share of common stock and one half of a stock purchase warrant exercisable one year from the issue date at a price of \$1.00. The warrants have expired unexercised.

The Company's plan of operations for the next 12 months consists of a two phase exploratory program on the Bruner property. The initial phase of geological exploration work consists of sampling and limited core hole drilling. The estimated cost of this work is \$50,000 to \$60,000. Additional work likely will be required to be conducted on the property, however, the nature and amount of such work will be dependent upon the results of the initial phase, and can not be predicted at this time. At the present time, the Company does not have any agreements or arrangements with its officers for the payment of salaries. Although the Company expects to compensate such officers from time to time through the issuance of stock options or stock grants. The Company has no other capital commitments at this time. The Company intends to finance its plan of operations through the private placement of its capital stock, through

debt financing, or though the sale of its assets in the form of common stock of Birch Mountain Resources Ltd. As of May 31, 2003, the value of the Birch Mountain common stock (based upon the closing price of November 30, 2003) was \$20,500. At this time, the Company has no commitments for any such financing. No assurances can be given that the Company will be successful in these endeavors. If the Company is unsuccessful in these endeavors, it will have a material adverse impact on Company and its ability to conduct its business in the future.

**Risk Factors.**

See the Company's Annual Report on Form 10-KSB for the period ending May 31, 2003 ( Form 10-KSB ) for additional statements concerning operations and future capital requirements. Certain risks exist with respect to the Company and its business, which risks include: its limited assets, absence of significant operating revenue, and the need for additional capital. Readers are urged to refer to the section entitled "Cautionary Statements" in the Company's Form 10-KSB for a broader discussion of such risks and uncertainties.

**Item 3. Effectiveness of the registrant's disclosure controls and procedures.**

At November 30, 2003, the Company carried out an evaluation of the effectiveness of the Company's disclosure controls and procedures (as defined by Rule 13a-14(c) under the Securities Exchange Act of 1934) under the supervision and with the participation of the Company's chief executive officer and chief financial officer. Based on and as of the date of such evaluation, the aforementioned officers have concluded that the Company's disclosure controls and procedures have functioned effectively so as to provide those officers the information necessary whether:

(i) this quarterly report on Form 10 QSB contains any untrue statement of a material fact or omits to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this quarterly report on Form 10-QSB, and (ii) the financial statements, and other financial information included in this quarterly report on Form 10-QSB, fairly present in all material respects the financial condition, results of operations and cash flows of the Company as of, and for, the periods presented in this quarterly report on Form 10-QSB.

There have been no significant changes in the Company's internal controls or in other factors since the date of the President's and Principal Financial Officer's evaluation that could significantly affect these internal controls, including any corrective actions with regards to significant deficiencies and material weaknesses.

**PART II**

**Item 1. Legal Proceedings.**

None

**Item 2. Changes in Securities.**

None

**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). Furnish the Exhibits required by Item 601 of Regulation S-B.

Exhibit 31 Certification Pursuant To Section 302 Of The Sarbanes-Oxley Act Of 2002.

Exhibit 32 Certification Pursuant To Section 906 Of The Sarbanes-Oxley Act Of 2002.

(b) Reports on Form 8-K.

None

**SIGNATURES**

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

Dated: March 31, 2004



AMERICAN INTERNATIONAL VENTURES, INC.

/s/ Jack Wagenti

Jack Wagenti

President and

Principal Accounting Officer