

BAZI INTERNATIONAL, INC.
Form 10-Q
August 16, 2010

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

FORM 10-Q

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

For the quarterly period ended June 30, 2010

- ☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(D) OF THE SECURITIES EXCHANGE ACT

For the transition period from N/A to N/A

Commission file No. 000-50875

BAZI INTERNATIONAL, INC.
(Exact name of small business issuer as specified in its charter)

Nevada
(State of incorporation)

84-1575085
(I.R.S. Employer Identification Number)

1730 Blake Street, Suite 305
Denver, CO 80202
(Address of principal executive offices)

(303) 316-8577
(Issuer's telephone number)

Indicate by check mark whether the Registrant (1) has filed all reports required 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 (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files).

Yes ☐ No ☐

Indicate by check mark whether the Registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer. See definition of "accelerated filer and large accelerated filer" in Rule 12b-2 of the Exchange Act. (Check one):

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

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes ☐ No ☒

As of August 16, 2010 the Company had 18,367,170 shares of its \$.001 par value common stock issued and outstanding.

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PART I
FINANCIAL INFORMATION

Item 1. FINANCIAL STATEMENTS

BAZI INTERNATIONAL, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS (Unaudited)

	June 30, 2010	December 31, 2009*
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 241,278	\$ 45,289
Accounts receivable, net of allowance for doubtful accounts of \$838 and \$1,205, respectively	6,924	8,754
Inventory, net of allowance for obsolescence of \$82,153 and \$113,790, respectively	126,500	222,847
Prepaid expenses and other current assets	64,102	173,933
Total current assets	438,804	450,823
Intangible assets, net	25,958	26,973
Property and equipment, net	18,046	17,224
Deferred Finance Costs	416,658	-
Total assets	\$ 899,466	\$ 495,020
LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)		
Current liabilities:		
Accounts payable	\$ 440,441	\$ 554,675
Return reserve	63,756	134,836
Accrued payroll and benefits	47,162	60,668
Accrued interest	42,691	-
Other accrued expenses	83,227	114,973
Total Current Liabilities	677,277	865,152
Long term Liabilities		
Senior Notes Payable	1,348,692	-
Total Liabilities	2,025,969	865,152
Commitments and Contingencies		
SHAREHOLDERS' EQUITY (DEFICIT):		
Preferred stock, authorized 5,000,000 shares, \$.001 par value, none issued or outstanding	-	-
Common stock, authorized 50,000,000 shares, \$.001 par value 15,867,170 and 15,697,170 shares issued and outstanding, respectively	15,867	15,697
Additional paid in capital	24,850,959	24,215,754
Accumulated (deficit)	(25,993,329)	(24,601,583)

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Total shareholders' equity (deficit)	(1,126,503)	(370,132)
Total liabilities and shareholders' equity	\$ 899,466	\$ 495,020

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

* Derived from audited Financial Statements.

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BAZI INTERNATIONAL, INC.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS (Unaudited)
Three and Six Months Ended June 30, 2010 and 2009

	For the Three Months Ended June 30, 2010	For the Three Months Ended June 30, 2009	For the Six Months Ended June 30, 2010	For the Six Months Ended June 30, 2009
Net sales	\$ 583,276	\$ 1,733,282	\$ 1,326,129	\$ 3,049,705
Cost of goods sold	193,088	415,765	375,690	751,469
Gross profit	390,188	1,317,517	950,439	2,298,236