APOGEE ROBOTICS INC
Form 10-Q
February 17, 2009

U. S. 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 December 31, 2008

[ ]

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

For the transition period from _____ to _____

Commission File No. 0-12792

APOGEE ROBOTICS, INC.
(Name of Small Business Issuer in its Charter)

Delaware	84-0916585
(State or Other Jurisdiction of incorporation or organization)	(I.R.S. Employer I.D. No.)

1077 Ala Napunani Street, Honolulu, HI 96818
(Address of Principal Executive Offices)

Issuer s Telephone Number: (808) 429-5954

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Sections 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 [X] No [ ]

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

Large accelerated filer__ Accelerated filer___ Non-accelerated filer__ Small reporting company [X]_ _

APPLICABLE ONLY TO CORPORATE ISSUERS: Indicate the number of shares outstanding of each of the Registrant's classes of common stock, as of the latest practicable date:

February 17, 2009

Common Voting Stock: 993,901

Apogee Robotics, Inc.
(As Successor)
Balance Sheets

	December 31, 2008 (Unaudited)	June 30, 2008
Assets		
Current Assets		
Cash	$ -	$ -
Total Current Assets	-	-
Total Assets	$ -	$ -
Liabilities & Stockholders' Deficiency		
Current Liabilities		
Due to affiliates	22,956	3,136
Total Current Liabilities	22,956	3,136
Stockholders' Deficiency:		
Common stock - 300,000,000 shares authorized,		
$0.001 par value, 993,900 shares issued		
and outstanding	994	994
Additional paid-in-capital	91,082	91,082
Accumulated deficit	(115,032)	(95,212)
Total Stockholders' Deficiency	(22,956)	(3,136)
Total Liabilities & Stockholders' Deficiency	$ -	$ -

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

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Apogee Robotics, Inc.
(As Successor)
Statements of Operations
(Unaudited)

	For the quarter ended December 31,		For the six months ended December 31,	
	2008	2007	2008	2007
Revenue	$ -	$ -	$ -	$ -
Costs & Expenses				
General & Administrative	12,201	17,360	19,820	39,924
Total Costs & Expenses	12,201	17,360	19,820	39,924
Loss from operations	(12,201)	(17,360)	(19,820)	(39,924)
Income tax expense	-	-	-	-
Net Loss	$ (12,201)	$ (17,360)	$ (19,820)	$ (39,924)
Basic & diluted per share amounts:				
Continuing operations				
Basic & diluted	$ (0.01)	$ (0.02)	$ (0.01)	$ (0.04)
Net Loss Per Share - Basic & diluted	$ (0.01)	$ (0.02)	$ (0.01)	$ (0.04)

Weighted average number of shares outstanding during the period basic and diluted	993,901	993,901	993,901	993,901

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

Apogee Robotics, Inc.
(As Successor)
Statement of Cash Flows

(Unaudited)

	For the six months ended December 31	
	2008	2007
Cash flows from operating activities:		
Net loss	$ (19,820)	$ (39,924)
Adjustments required to reconcile net loss:		
Fair value of service rendered by related parties	-	6,000
Expenses paid by shareholder	19,820	76
Increase in accounts payable & accrued expense	-	7,110
Cash used by operating activities	-	(26,738)
Cash provided by investing activities	-	-
Cash flows from financing activities		
Proceeds from issuance of common stock	-	31,494
Cash provided by financing activities	-	31,494
Change in cash	-	4,756
Cash - beginning of period	-	-
Cash - end of period	$ -	$ 4,756
Supplemental disclosure of cash flow information:		
Cash paid for interest	$ -	$ -
Cash paid for taxes	$ -	$ -

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

APOGEE ROBOTICS, INC.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2008

(UNAUDITED)

1. BASIS OF PRESENTATION

THE COMPANY: Apogee Robotics, Inc. ("Apogee" or the "Company") was founded as a Colorado corporation on June 29, 1983 and was reinstated by Colorado on March 15, 2007. Prior to filing for Chapter 11 bankruptcy on December 9, 1994, Apogee developed advanced material handling systems utilizing automatic guided vehicle systems ("AGVS"), for use in manufacturing plants, warehouses, offices and other facilities. Apogee's AGVS were computer or microprocessor controlled, driverless vehicles equipped with various material handling devices to automatically transport materials for pick-up to various destinations under the supervision of computer systems.

The Financial Statements presented herein have been prepared by us in accordance with the accounting policies described in our June 30, 2008 Annual Report on Form 10-KSB and should be read in conjunction with the Notes to Financial Statements which appear in that report.

The preparation of these financial statements in conformity with accounting principles generally accepted in the United States requires us to make estimates and judgments that affect the reported amounts of assets, liabilities, revenues and expenses, and related disclosure of contingent assets and liabilities. On an on going basis, we evaluate our estimates, including those related intangible assets, income taxes, insurance obligations and contingencies and litigation. We base our estimates on historical experience and on various other assumptions that are believed to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities that are not readily apparent from other resources. Actual results may differ from these estimates under different assumptions or conditions.

In the opinion of management, the information furnished in this Form 10-Q reflects all adjustments necessary for a fair statement of the financial position and results of operations and cash flows as of and for the three-month and six month periods ended December 31, 2008 and 2007. All such adjustments are of a normal recurring nature. The Consolidated Financial Statements have been prepared in accordance with the instructions to Form 10-Q and therefore do not include some information and notes necessary to conform with annual reporting requirements.

BANKRUPTCY PROCEEDINGS: On December 9, 1994 the Company and its wholly owned subsidiary AGV Acquisitions, Inc. filed voluntary Chapter 11 petitions under the U.S. Bankruptcy Code in the U.S. Bankruptcy Court for the District of Colorado (case nos. 94-22194-MSK and 94-22193-CEM) which cases were Jointly Administered. On June 17, 1997 the cases were converted to a Chapter 7 bankruptcy. As a result of the filing, all of our properties were transferred to a United States Trustee and we terminated all of our business operations. The Bankruptcy Trustee has disposed of all of the assets. On February 24, 2006 this Chapter 7

APOGEE ROBOTICS, INC.

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bankruptcy was closed by the U.S. Bankruptcy Court District of Colorado. For at least the past approximate ten years, the registrant has not engaged in any business operations.

LARIMER COUNTY COURT, COLORADO PROCEEDINGS: Pursuant to its Order dated February 6, 2007 (the "Order"), the District Court, Larimer County, Colorado appointed Corporate Services International, Inc. custodian of the registrant for the purpose of appointing new officers and directors and with full authority to conduct the affairs of the Registrant as stated in C.R.S.A. ss.7-114-303(3)(II)(b) which allows the Custodian to exercise all powers of the Board of Directors and Officers. Corporate Services International, Inc. is a personal services corporation for which Michael Anthony is the sole shareholder, officer and director.

FRESH-START ACCOUNTING: We adopted "fresh-start" accounting as of June 18, 1997 in accordance with procedures specified by AICPA Statement of Position ("SOP") No. 90-7, "Financial Reporting by Entities in Reorganization under the Bankruptcy Code. The results of the discontinued component have been reclassified from continuing operations to discontinued operations.

In accordance with SOP No. 90-7, the reorganized value of the Company was allocated to the Company's assets based on procedures specified by SFAS No. 141, "Business Combinations". Each liability existing at the plan sale date, other than deferred taxes, was stated at the present value of the amounts to be paid at appropriate market rates. It was determined that the Company's reorganization value computed immediately before June 17, 1997 was $0. We adopted "fresh-start" accounting because holders of existing voting shares immediately before filing and confirmation of the sale received less than 50% of the voting shares of the emerging entity and its reorganization value is less than its post-petition liabilities and allowed claims.

2. NEW ACCOUNTING STANDARDS

In May 2008, the Financial Accounting Standards Board issued Statement of Financial Accounting Standard (SFAS) No. 162, "The Hierarchy of Generally Accepted Accounting Principles . SFAS 162 identifies the sources of accounting principles and the framework for selecting the principles used in the preparation of financial statements of nongovernmental entities that are presented in conformity with generally accepted accounting principles (GAAP) in the United States. SFAS 162 is effective 60 days following the SEC s approval of the Public Company Accounting Oversight Board amendments to AU Section 411, The Meaning of Present Fairly in Conformity With Generally

Accepted Accounting Principles. The Company is currently evaluating the impact of SFAS 162 on its financial statements but does not expect it to have a material effect.

In March 2008, the FASB issued Statement of Financial Accounting Standards (SFAS) No. 161, *Disclosures about Derivative Instruments and Hedging Activities, an amendment of FASB Statement No. 133,* which requires additional disclosures about the objectives of the derivative instruments and hedging activities, the method of accounting for such instruments under SFAS No. 133 and its related interpretations, and a tabular disclosure of the effects of such instruments and related hedged

APOGEE ROBOTICS, INC.

NOTES TO FINANCIAL STATEMENTS

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items on our financial position, financial performance, and cash flows. SFAS No. 161 is effective beginning January 1, 2009. We do not expect the adoption of SFAS No. 161 will have a material impact on our financial statements.

In December 2007, the FASB issued SFAS No. 160, Noncontrolling Interests in Consolidated Financial Statements - an amendment of Accounting Research Bulletin No. 51 (SFAS 160), which establishes accounting and reporting standards for ownership interests in subsidiaries held by parties other than the parent, the amount of consolidated net income attributable to the parent and to the non-controlling interest, changes in a parent s ownership interest and the valuation of retained non-controlling equity investments when a subsidiary is deconsolidated. The Statement also establishes reporting requirements that provide sufficient disclosures that clearly identify and distinguish between the interests of the parent and the interests of the non-controlling owners. SFAS 160 is effective for fiscal years beginning after December 15, 2008. The Company has not determined the effect that the application of SFAS 160 will have on its financial statements.

In December 2007, Statement of Financial Accounting Standards No. 141(R), *Business Combinations,* was issued. SFAS No. 141R replaces SFAS No. 141, *Business Combinations.* SFAS 141R retains the fundamental requirements in SFAS 141 that the acquisition method of accounting (which SFAS 141 called the *purchase method*) be used for all business combinations and for an acquirer to be identified for each business combination. SFAS 141R requires an acquirer to recognize the assets acquired, the liabilities assumed, and any non-controlling interest in the acquiree at the acquisition date, measured at their fair values as of that date, with limited exceptions. This replaces SFAS 141 s cost-allocation process, which required the cost of an acquisition to be allocated to the individual assets acquired and liabilities assumed based on their estimated fair values. SFAS 141R also requires the acquirer in a business combination achieved in stages (sometimes referred to as a step acquisition) to recognize the identifiable assets and liabilities, as well as the non-controlling interest in the acquiree, at the full amounts of their fair values (or other amounts determined in accordance with SFAS 141R). SFAS 141R applies prospectively to business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after December 15, 2008. An entity may not apply it before that date. The Company is currently evaluating the impact that adopting SFAS No. 141R will have on its financial statements.

In June 2007, the FASB issued FASB Staff Position No. EITF 07-3, Accounting for Nonrefundable Advance Payments for Goods or Services Received for use in Future Research and Development Activities (FSP EITF 07-3), which addresses whether nonrefundable advance payments for goods or services that used or rendered for research and development activities should be expensed when the advance payment is made or when the research and development activity has been performed. The Company is evaluating the impact that this statement will have on its financial statements.

In February 2007, the FASB issued SFAS No. 159, The Fair Value Option for Financial Assets and Financial Liabilities Including an Amendment of FASB Statement No. 115 (FAS 159).

APOGEE ROBOTICS, INC.

NOTES TO FINANCIAL STATEMENTS

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FAS 159 permits companies to choose to measure many financial instruments and certain other items at fair value that are not currently required to be measured at fair value. The objective of FAS 159 is to provide opportunities to mitigate volatility in reported earnings caused by measuring related assets and liabilities differently without having to apply hedge accounting provisions. FAS 159 also establishes presentation and disclosure requirements designed to facilitate comparisons between companies that choose different measurement attributes for similar types of assets and liabilities. SFAS 159 will be effective in the first quarter of fiscal 2009. The Company is evaluating the impact that this statement will have on its consolidated financial statements.

3. COMMITMENTS:

The Company, prior to its bankruptcy, was a party to numerous claims and threatened litigation. As a result of the bankruptcy and the subsequent transfer by the Bankruptcy Trustee of the Company's corporate shell entity free of all liens, claims and encumbrances pursuant to Section 363(f) of the US Bankruptcy Code, the Company is no longer party to any litigation.

The Company is not a party to any leases and does not have any commitments

4. STOCKHOLDERS' EQUITY:

COMMON STOCK:

The Company's Board of Directors and shareholders approved a change of domicile from Colorado to Delaware on December 6, 2007. In connection with the Company's change of domicile from Colorado to Delaware, the Company's authorized capital stock was changed to increase the authorized capital stock to 310,000,000 of which 300,000,000 are classified as common stock, par value $0.001 per share, and 10,000,000 are classified as Preferred Stock, par value $0.001 per share, issuable in series with such powers, designations, preferences and relative, participating, optional or other specific rights, and qualifications, limitations or restrictions thereof, as the Board may fix from time to time by resolution or resolutions.

REVERSE STOCK SPLIT:

On January 7, 2008 we declared a reverse split of our common stock. The formula provided that every fifty (50) issued and outstanding shares of common stock of the Corporation be automatically split into 1 share of common stock. Any resulting share ownership interest of fractional shares was rounded up to the first whole integer in such a manner that all rounding was done to the next single share and each and every shareholder would own at least 1 share. The reverse stock split was effective January 8, 2008 for holders of record at December 6, 2007. Except as otherwise noted, all share, option and warrant numbers in this Report have been restated to give retroactive effect to this reverse split. All per share disclosures retroactively reflect shares outstanding or issuable as though the reverse split had occurred July 1, 2006.

RECENT SALES:

On March 7, 2007 Corporate Services International agreed to contribute a total of $40,000 as paid in capital in exchange for 630,000 (31,500,000 pre-reverse) shares of restricted common stock. The Company agreed to use these funds to pay the costs and expenses necessary to revive business operations. Such expenses include fees to reinstate the corporate charter with the state of Colorado; payment of all past due franchise taxes; settling all past due accounts with the transfer agent; accounting and legal fees; costs associated with bringing current its filings with the Securities and Exchange Commission, etc. As of December 31, 2007 such expenses aggregating $8,506 have been paid and were applied against the subscription receivable. In September, 2007 the balance of $31,494 was paid in cash.

5. CHANGES IN CONTROL

On March 31, 2008 Zhenyu Shang purchased 630,000 shares of the Company s common stock, representing 63.4% of the outstanding shares, from Corporate Services International Inc., which is owned by Michael Anthony, who was the sole officer and sole director of Apogee Robotics. On the same date, pursuant to the Stock Purchase Agreement, Mr. Anthony elected Zhenyu Shang to serve as a member of the Board of Directors, and then Mr. Anthony resigned from his positions as sole member of the Board and as sole officer of Apogee Robotics. Mr. Shang then elected himself to serve as Chief Executive Officer and Chief Financial Officer of Apogee Robotics.

On November 12, 2008 Ligang Shang purchased 630,000 shares of the Company s common stock, representing 63.4% of the outstanding shares, from Zhenyu Shang. On the same date, Zhenyu Shang elected Ligang Shang to serve as a member of the Board of Directors and as the Chief Executive Officer and Chief Financial Officer of Apogee Robotics, and then Zhenyu Shang resigned from his positions as sole member of the Board and as sole officer of Apogee Robotics.

ITEM 2.

MANAGEMENT S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULT OF OPERATIONS

Results of Operations

We currently have no assets and no operations. During the three months ended December 31, 2008, we realized no revenue and incurred $12,201 in operating expenses. During the six months ended December 31, 2008, we realized no revenue and incurred $19,820 in operating expenses. In the first six months of our 2008 fiscal year, our expenses were considerably higher, $39,924, due to the fact that our management at that time was involved with the procedures needed to re-start the Company after its bankruptcy proceeding.

Control of Apogee Robotics was transferred to Zhenyu Shang on March 31, 2008, and he in turn transferred control to Ligang Shang on November 12, 2008. During their tenure, the Messrs. Shang have financed our operations. We expect that Ligang Shang will continue to fund our operations until we have completed an acquisition of an operating company, and that we will, therefore, have sufficient cash to maintain our existence as a shell company for the next twelve months, if necessary. Our management is not required to fund our operations, however, by any contract or other obligation.

Our major expenses consisted of fees to lawyers and accountants necessary to maintain our standing as a fully-reporting public company and other administration expenses attendant to the trading of our common stock. We do not expect the level of our operating expenses to change in the future until we again undertake to implement a business plan or effect an acquisition.

Liquidity and Capital Resources

At December 31, 2008 we had a working capital deficit of $22,956, due to the fact that we had no assets and owed $22,956. On March 31, 2008, when Zhenyu Shang obtained control of Apogee Robotics, we had no liabilities, as the prior management had liquidated all of them. Since then, Zhenyu Shang and Ligang Shang have paid all of the expenses incurred by Apogee Robotics. Accordingly, our only liabilities at this time are debts to Zhenyu Shang and Ligang Shang.

Our operations consumed no cash during the six months ended December 31, 2008, as our management paid our ongoing expenses, increasing our amounts due to related parties. In the future, unless we achieve the financial and/or operational wherewithal to sustain our operations, it is likely that we will continue to rely on loans and capital contributions to sustain our operations.

To date we have supplied our cash needs by obtaining loans from management and shareholders. We expect that our President will fund our operations until we have completed an acquisition of an operating company and that we will, therefore, have sufficient cash to maintain our existence as a shell company for the next twelve months, if necessary.

Off-Balance Sheet Arrangements

We do not have any off-balance sheet arrangements that have or are reasonably likely to have a current or future effect on our financial condition or results of operations.

ITEM 3

QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Not applicable.

ITEM 4

CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures. Ligang Shang, our Chief Executive Officer and Chief Financial Officer, carried out an evaluation of the effectiveness of the Company s disclosure controls and procedures as of December 31, 2008. Pursuant to Rule13a-15(e) promulgated by the Securities and Exchange Commission pursuant to the Securities Exchange Act of 1934, disclosure controls and procedures means controls and other procedures that are designed to insure that information required to be disclosed by the Company in the reports that it files with the Securities and Exchange Commission is recorded, processed, summarized and reported within the time limits specified in the Commission s rules. Disclosure controls and procedures include, without limitation, controls and procedures designed to insure that information the Company is required to disclose in the reports it files with the Commission is accumulated and communicated to our Chief Executive Officer and Chief Financial Officer as appropriate to allow timely decisions regarding required disclosure. Based on his evaluation, Mr. Shang concluded that the Company s system of disclosure controls and procedures was effective as of December 31, 2008 for the purposes described in this paragraph.

Changes in Internal Controls. There was no change in internal controls over financial reporting (as defined in Rule 13a-15(f) promulgated under the Securities Exchange Act or 1934) identified in connection with the evaluation described in the preceding paragraph that occurred during the Company s second fiscal quarter that has materially affected or is reasonably likely to materially affect the Company s internal control over financial reporting.

PART II - OTHER INFORMATION

Item 6.

Exhibits

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Rule 13a-14(a) Certification

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Rule 13a-14(b) Certification

SIGNATURES

Pursuant to 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.

APOGEE ROBOTICS, INC.

Date: February 17, 2009

By: /s/ Ligang Shang

Ligang Shang, Chief Executive Officer

and Chief Financial Officer