

RADIANT LOGISTICS, INC
Form 10-Q
November 14, 2006
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**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549**

FORM 10-Q

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

For the quarterly period ended: September 30, 2006

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

For the transition period from _____ to _____

Commission File Number: 000-50283

RADIANT LOGISTICS, INC.

(Exact Name of Registrant as Specified in Its Charter)

Delaware
(State or Other Jurisdiction of Incorporation or
Organization)

04-3625550
(IRS Employer Identification No.)

1227 120th Avenue N.E., Bellevue, WA 98005

(Address of Principal Executive Offices)

(425) 943-4599

(Issuer's Telephone Number, including Area Code)

N/A

(Former Name, Former Address, and Former Fiscal Year, if Changed Since Last Report)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Exchange Act 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

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

Large accelerated filer Accelerated filer Non-accelerated filer

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

There were 33,961,639 issued and outstanding shares of the registrant's common stock, par value \$.001 per share, as of November 13, 2006.

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(f/k/a Golf Two, Inc.)****TABLE OF CONTENTS****PART I. FINANCIAL INFORMATION**

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RADIANT LOGISTICS, INC.
(f/k/a Golf Two, Inc.)
Condensed Consolidated Balance Sheets

	September 30, 2006 (unaudited)	June 30, 2006
ASSETS		
Current assets -		
Cash and cash equivalents	\$ 894,711	\$ 510,970
Accounts receivable, net of allowance for doubtful accounts of \$201,682 at September 30, 2006 and \$202,830 at June 30, 2006	8,290,692	8,487,899
Current portion of employee loan receivable and other receivables	41,929	40,329
Prepaid expenses and other current assets	12,276	93,087
Deferred tax asset	232,864	277,417
Total current assets	9,472,472	9,409,702
Furniture and equipment, net (Note 5)	559,359	258,119
Acquired intangibles, net (Note 4)	2,248,641	2,401,600
Goodwill	4,718,189	4,712,062
Employee loan receivable	120,000	120,000
Investment in real estate	40,000	40,000
Deposits and other assets	118,025	103,376
Total long term assets	7,244,855	7,377,038
	\$ 17,276,686	\$ 17,044,859
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities -		
Accounts payable	\$ 4,680,473	\$ 4,096,538
Accrued transportation costs	1,562,873	1,501,374
Commissions payable	506,976	429,312
Other accrued costs	255,684	303,323
Income taxes payable	847,450	1,093,996
Total current liabilities	7,853,456	7,424,543
Long term debt (Note 6)	1,867,838	2,469,936
Deferred tax liability	764,538	816,544
Total long term liabilities	2,632,376	3,286,480
Total liabilities	10,485,832	10,711,023
Commitments & contingencies (Note 6)	—	—
Stockholders' equity:		
Preferred stock, \$0.001 par value, 5,000,000 shares authorized; no shares issued or outstanding	—	—
Common stock, \$0.001 par value, 50,000,000 shares authorized; issued and outstanding: 33,861,639 at September 30, 2006 and 33,611,639 at June 30, 2006	17,567	15,067
Additional paid-in capital	6,885,347	6,590,355

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Accumulated deficit	(112,060)	(271,586)
Total Stockholders' equity	6,790,854	6,333,836
	\$ 17,276,686	\$ 17,044,859

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

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RADIANT LOGISTICS, INC.
(f/k/a Golf Two, Inc.)
Condensed Consolidated Statements of Operations
(unaudited)

	For three months ended September 30,	
	2006	2005
Revenue	\$ 14,417,101	\$ —
Cost of transportation	9,423,319	—
Net revenues	4,993,782	—
Agent Commissions	3,727,317	—
Personnel costs	507,032	—
Selling, general and administrative expenses	405,905	14,075
Depreciation and amortization	186,106	—
Total operating expenses	4,826,360	14,075
Income (loss) from operations	167,422	(14,075)
Other income (expense):		
Interest income	1,805	—
Interest expense	(7,491)	(500)
Other	(402)	—
Total other income (expense)	(6,088)	(500)
Income (loss) before income tax expense	161,334	(14,575)
Income tax expense	1,808	—
Net income (loss)	\$ 159,526	\$ (14,575)
Net income (loss) per common share - basic	\$ 0.00	\$ 0.00
Net income per common share - basic and diluted	\$ 0.00	\$ 0.00
Weighted average basic common shares outstanding	33,652,400	25,964,179
Weighted average diluted common shares outstanding	36,137,182	25,964,179

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

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RADIANT LOGISTICS, INC.
(f/k/a Golf Two, Inc.)
Condensed Consolidated Statement of Stockholders' Equity

	COMMON STOCK		ADDITIONAL	ACCUMULATED	TOTAL
	SHARES	AMOUNT	PAID-IN CAPITAL	DEFICIT	STOCKHOLDERS' EQUITY
Balance at July 1, 2006	33,611,639	\$ 15,067	\$ 6,590,355	\$ (271,586)	\$ 6,333,836
Issuance of common stock for training materials at \$1.01 per share (September 2006) (unaudited)	250,000	2,500	250,000	—	252,500
Share based compensation (unaudited)	—	—	44,992	—	44,992
Net income for the three months ended September 30, 2006 (unaudited)	—	—	—	159,526	159,526
Balance at September 30, 2006	33,861,639	\$ 17,567	\$ 6,885,347	\$ (112,060)	\$ 6,790,854

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

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RADIANT LOGISTICS, INC.
(f/k/a Golf Two, Inc.)
Condensed Consolidated Statements of Cash Flows
(unaudited)

	For three months ended September 30,	
	2006	2005
CASH FLOWS PROVIDED BY (USED FOR) OPERATING ACTIVITIES:		
Net income (loss)	\$ 159,526	\$ (14,575)
ADJUSTMENTS TO RECONCILE NET LOSS TO NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES:		
non-cash contribution to capital (rent)	—	300
non-cash compensation expense (stock options)	44,992	—
amortization of intangibles	152,959	—
amortization of deferred tax	(52,006)	—
depreciation	25,994	—
amortization	7,153	—
change in accounts receivable	(6,128)	—
CHANGE IN ASSETS AND LIABILITIES -		
restricted cash	—	(9,340)
accounts receivables	197,207	—
employee receivable and other receivables	(1,600)	—
prepaid expenses and other current assets	103,562	—
accounts payable and accrued expenses	583,935	500
accrued transportation costs	61,499	—
commission payable	77,664	—
other accrued costs	(47,639)	—
income tax payable	(246,546)	—
Net cash provided by (used for) operating activities	1,060,572	(23,115)
CASH FLOWS PROVIDED BY (USED FOR) INVESTING ACTIVITIES:		
purchase of property and equipment	(74,733)	—
Net cash (used for) investing	(74,733)	—
CASH FLOWS PROVIDED BY (USED FOR) FINANCING ACTIVITIES:		
Net (payment) of credit facility	(602,098)	—
Net cash (used for) financing activities	(602,098)	—
NET INCREASE (DECREASE) IN CASH	383,741	