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ATSI COMMUNICATIONS INC/DE
Form 10-Q/A
January 02, 2004

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

FORM 10-QA

(MARK ONE)

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15 (d) OF THE SECURITIES
EXCHANGE ACT OF 1934
For the quarterly period ended October 31, 2002

Or

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 1-15687

ATSI COMMUNICATIONS, INC.
(EXACT NAME OF REGISTRANT AS SPECIFIED IN ITS CHARTER)

DELAWARE
(STATE OR OTHER JURISDICTION
OF INCORPORATION OR ORGANIZATION)

74-2849995
(IRS EMPLOYER
IDENTIFICATION NO.)

8600 WURZBACH ROAD, SUITE 700W
SAN ANTONIO, TEXAS
(ADDRESS OF PRINCIPAL EXECUTIVE OFFICES)

78240
(ZIP CODE)

(210) 614-7240
(REGISTRANT'S TELEPHONE NUMBER, INCLUDING AREA CODE)

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 is an accelerated filer (as
defined in Rule 12b-2 of the Exchange Act) Yes No
--- ---

THE NUMBER OF SHARES OUTSTANDING OF THE REGISTRANT'S COMMON STOCK AT DECEMBER
31, 2003 WAS 103,638,690

=====

ATSI COMMUNICATIONS, INC.
AND SUBSIDIARIES

QUARTERLY REPORT ON FORM 10-QA
FOR THE QUARTER ENDED OCTOBER 31, 2002

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PART 1. FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

ATSI COMMUNICATIONS, INC.
AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(in thousands except share information)

| | July 31, | October 20 |
|--|----------|---------------|
| | 2002 | (unau |
| ASSETS | | |
| ----- | | |
| CURRENT ASSETS: | | |
| Cash | \$ 27 | \$ |
| Accounts receivable, net of allowance of \$198 and \$159, respectively | 1,082 | |
| Inventory | 59 | |
| Prepaid & Other current assets | 634 | |
| | 1,802 | |
| Total current assets | | |
| | 19,901 | |
| PROPERTY AND EQUIPMENT | | |

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| | | |
|--|-----------|----|
| Less - Accumulated depreciation and amortization | (14,785) | |
| | 5,116 | |
| Net property and equipment | 5,116 | |
| | | |
| OTHER ASSETS, net | | |
| Goodwill, net | 1,393 | |
| Concession License, net | 2,000 | |
| Other | 146 | |
| | 10,457 | |
| Total assets | \$ 10,457 | \$ |
| | | |
| | | |
| LIABILITIES AND STOCKHOLDERS' DEFICIT | | |
| ----- | | |
| CURRENT LIABILITIES: | | |
| Accounts payable | 7,523 | |
| Accrued liabilities | 2,657 | |
| Note payable | 1,473 | |
| Current portion of obligations under capital leases | 3,207 | |
| Deferred revenue | 111 | |
| | 14,971 | |
| Total current liabilities | 14,971 | |
| | | |
| LONG-TERM LIABILITIES: | | |
| Obligations under capital leases, less current portion | 67 | |
| Advance payables | 275 | |
| Other | 75 | |
| | 417 | |
| Total long-term liabilities | 417 | |
| | | |
| COMMITMENTS AND CONTINGENCIES | | |
| | - | |
| | | |
| REDEEMABLE PREFERRED STOCK: | | |
| Series D Cumulative Preferred Stock, 3000 shares authorized, 742 shares issued and Outstanding. | 765 | |
| Series E Cumulative Preferred Stock, 10,000 shares authorized, 1,455 and 1,170 shares issued, respectively. | 1,415 | |
| | | |
| STOCKHOLDERS' EQUITY (DEFICIT): | | |
| Preferred Stock, \$0.001 par value, 10,000,000 shares authorized, | | |
| Series A Cumulative Convertible Preferred Stock, 50,000 shares authorized, 4,370 shares issued and outstanding. | - | |
| Series F Cumulative Convertible Preferred Stock, 10,000 shares and 8,510 shares issued and outstanding, respectively. | - | |
| Series G Cumulative Convertible Preferred Stock, 42,000 shares authorized, 6,500 shares issued and outstanding. | - | |
| Common stock, \$0.001, 200,000,000 shares authorized, 94,790,855 and 100,395,120 issued and outstanding, respectively. | 95 | |
| Additional Paid in Capital | 59,891 | |
| Accumulated deficit | (67,493) | |
| Warrants Outstanding | 1,031 | |
| Other Comprehensive Loss | (636) | |
| | (7,112) | |
| Total stockholders' deficit | (7,112) | |
| | | |
| Total liabilities and stockholders' deficit | \$ 10,457 | \$ |
| | | |