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Stem Cell Therapy International, Inc.
Form 10QSB
February 19, 2008

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-QSB

(Mark One)

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

For the quarterly period ended: December 31, 2007

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

For the transition period from to

Commission file number 0-17232

STEM CELL THERAPY INTERNATIONAL, INC.

(Exact name of small business issuer as specified in its charter)

NEVADA
(State or other jurisdiction of
Incorporation or organization)

88-0374180
(IRS Employer Identification
Number)

2203 N. Lois Avenue, 9th Floor, Tampa, FL 33607

(Address of principal executive offices)

(813) 600-4088

(Issuer's telephone number)

Not applicable

(Former name, former address and former fiscal year, if changed since last
report)

Check whether the issuer (1) 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 ☐

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

State the number of shares outstanding of each of the issuer's classes of common
equity, as of the last practicable date:

37,295,369 shares of common stock, \$0.001 par value, as of January 31, 2008.

Transitional Small Business Disclosure Format (check one): Yes ☐ No ☒

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STEM CELL THERAPY INTERNATIONAL, INC. (A DEVELOPMENT STAGE ENTERPRISE)

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PART I. FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with generally accepted accounting principles for interim financial information and with the instructions for Form 10-QSB and Rule 10-01 of Regulation S-X. Accordingly, they do not include all of the information and

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footnotes required by generally accepted accounting principles for complete financial statements. In the opinion of management, all adjustments considered necessary for a fair presentation have been included. All such adjustments are of a normal recurring nature. Operating results for the three and nine month periods ended December 31, 2007 are not necessarily indicative of the results that may be expected for the year ending March 31, 2008. For further information refer to the consolidated financial statements and footnotes thereto included in the Company's Form 10-KSB for the year ended March 31, 2007, as filed with the Securities and Exchange Commission on July 16, 2007.

Stem Cell Therapy International Inc. (a development stage enterprise)

Condensed Consolidated Balance Sheets

	December 31, 2007	March 31, 2007
	-----	-----
	(unaudited)	
ASSETS		
Current assets:		
Cash	\$ -	\$ 27,905
Inventory	-	5,988
Prepaid expenses	279,508	47,317
	-----	-----
Total current assets	279,508	81,210
Certificate of deposit, restricted	-	3,919
Prepaid expenses and other assets	22,211	53,378
	-----	-----
Total assets	\$ 301,719	\$ 138,507
	=====	=====
LIABILITIES AND STOCKHOLDERS' DEFICIT		
Current liabilities:		
Accounts payable	\$ 51,198	\$ 62,875
Accrued expenses	380,147	245,557
Deferred revenue	-	50,000
Stockholder advances	-	48,753
Due to related party	200,200	225,200

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Total current liabilities	631,545	632,385
Commitments and contingencies (Notes 4 and 8)	-	-
Stockholders' deficit:		
Preferred stock; \$.001 par value; 10,000,000 shares authorized and 500,000 issued and outstanding	500	500
Common stock; \$.001 par value; 100,000,000 shares authorized; 37,295,369 and 34,495,369 issued and outstanding as of December 31, 2007 and March 31, 2007, respectively	37,295	34,495
Additional paid-in capital	1,985,129	660,575
Deficit accumulated during development stage	(2,352,750)	(1,189,448)
Total stockholders' deficit	(329,826)	(493,878)
Total liabilities and stockholders' deficit	\$ 301,719	\$ 138,507

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

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Stem Cell Therapy International Inc. (a development stage enterprise)

Condensed Consolidated Statements of Operations (Unaudited)

	THREE MONTHS ENDED DECEMBER 31,		NINE MONTHS ENDED DECEMBER 31,		DECEMBER 2, (DATE OF IN THROUGH DECEMBER 31
	2007	2006	2007	2006	
Revenue	\$ 30,000	\$ 90,000	\$ 132,960	\$ 236,260	\$ 5
Cost of Goods Sold:					
Cost of goods sold	13,000	32,435	52,268	125,060	2
Loss on firm purchase commitment	-	-	-	116,000	1
Gross margin	17,000	57,565	80,692	(4,800)	1
Operating expenses:					
Selling, general and administrative	362,080	157,363	1,242,360	601,706	2,5

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Loss from operations	(345,080)	(99,798)	(1,161,668)	(606,506)	(2,3
Interest income (expense)	(73)	(219)	(1,634)	2,235	
Net loss before taxes	(345,153)	(100,017)	(1,163,302)	(604,271)	(2,3
Income tax expense	-	-	-	-	
Net loss	(345,153)	(100,017)	(1,163,302)	(604,271)	(2,3
Less: Dividends on preferred stock	-	-	-	-	(
Loss attributable to common shareholders	\$ (345,153)	\$ (100,017)	\$ (1,163,302)	\$ (604,271)	\$ (2,3
Loss per share, basic and diluted	\$ (.01)	\$ (.00)	\$ (.03)	\$ (.02)	\$
Weighted average number of common shares outstanding, basic and diluted	37,196,468	34,495,369	36,222,833	34,248,756	30,5