

AMERICAN LEISURE HOLDINGS, INC.
Form 10QSB/A
May 22, 2007

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

**FORM 10-QSB/A
Amendment No. 1**

(Mark One)

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

For the quarterly period ended March 31, 2007

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

For the transition period from _____ to _____

Commission file number 333-48312

AMERICAN LEISURE HOLDINGS, INC.

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

Nevada 75-2877111
(State of (I.R.S.
organization) Employer
Identification
No.)

2460 Sand Lake Road, Orlando, FL 32809
(Address of principal executive offices) (Zip Code)

Issuer's telephone number: **(407) 251-2240**

Check 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 .

As of May 21, 2007, 10,877,974 shares of Common Stock of the issuer were outstanding ("Common Stock").

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

Traditional Small Business Disclosure Format (Check One): Yes No .

This amended report on Form 10-QSB is being filed by the Registrant to correct its disclosure of long-term debt and note payable and notes payable to related parties, as disclosed under "Liquidity and Capital Resources" below, as well as certain other minor formatting errors which were present in its Form 10-QSB for the period ending March 31, 2007, as originally filed.

PART I. FINANCIAL INFORMATION**ITEM 1. FINANCIAL STATEMENTS****AMERICAN LEISURE HOLDINGS, INC. AND SUBSIDIARIES****CONSOLIDATED BALANCE SHEETS**

As of March 31, 2007 and December 31, 2006

	March 31, 2007	December 31, 2006
	Unaudited	
ASSETS		
CURRENT ASSETS:		
Cash	\$ 898,890	\$ 1,110,000
Cash - restricted	1,042,423	1,030,921
Accounts receivable, net	2,547,791	3,148,730
Other receivable	188,044	217,233
Prepaid expenses and other	1,827,728	1,775,614
Total Current Assets	6,504,876	7,282,498
PROPERTY AND EQUIPMENT, NET	8,907,089	9,170,540
LAND HELD FOR DEVELOPMENT	92,551,890	71,930,263
OTHER ASSETS		
Cash - restricted	9,862,344	10,364,681
Prepaid sales commissions	9,921,577	9,804,036
Prepaid sales commissions - affiliated entity	3,518,351	3,443,851
Goodwill	4,559,134	4,559,134
Trademark	943,750	950,000
Other	2,136,467	2,638,475
Total Other Assets	30,941,623	31,760,177
TOTAL ASSETS	\$ 138,905,478	\$ 120,143,478
LIABILITIES AND STOCKHOLDERS'		
EQUITY (DEFICIT)		
CURRENT LIABILITIES:		
Current maturities of long-term debt and notes payable	\$ 30,052,353	\$ 35,681,931
Current maturities of notes payable-related parties	8,045,166	7,480,395
Accounts payable and accrued expenses	5,226,856	4,518,175
Accounts payable - related party	11,466,820	3,739,042
Accrued expenses - officers	3,014,000	2,795,000
Other	2,010,057	2,417,214
Total Current Liabilities	59,815,252	56,631,757
Long-term debt and notes payable	38,362,233	21,583,106
Notes payable - related parties	3,353,252	3,353,252
Put liability	985,000	985,000
Deposits on unit pre-sales	37,409,312	37,465,685
Total liabilities	139,925,049	120,018,800
Commitments and contingencies		
STOCKHOLDERS' EQUITY (DEFICIT):		

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Preferred stock; 1,000,000 shares authorized; \$.01 par value; 1,000,000 Series "A" shares issued and outstanding at March 31, 2007 and December 31, 2006	10,000	10,000
Preferred stock; 100,000 shares authorized; \$.01 par value; 2,825 Series "B" shares issued and outstanding at March 31, 2007 and December 31, 2006	28	28
Preferred stock; 28,000 shares authorized; \$.01 par value 27,189 Series "C" shares issued and outstanding at March 31, 2007 and December 31, 2006	272	272
Preferred stock; 50,000 shares authorized; \$.001 par value; 32,249 Series "E" shares issued and outstanding at March 31, 2007 and outstanding at December 31, 2006	32	32
Preferred stock; 150,000 shares authorized; \$.01 par value; 0 Series "F" shares issued and outstanding at March 31, 2007 and December 31, 2006	-	-
Common stock, \$.001 par value; 100,000,000 shares authorized; 10,877,974 shares issued and outstanding at March 31, 2007 and December 31, 2006, respectively	10,878	10,878
Additional paid-in capital	21,966,470	21,710,830
Accumulated deficit	(23,007,251)	(21,607,362)
Total stockholders' equity (deficit)	(1,019,571)	124,678
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIT)	\$ 138,905,478	120,143,478

See accompanying notes to financial statements.

AMERICAN LEISURE HOLDINGS, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS
Three Months Ended March 31, 2007 and 2006

	Three Months Ended March 31, 2007 Unaudited	Three Months Ended March 31, 2006 Unaudited
Revenue		
Service revenues	\$ 6,497,139	\$ 1,662,295
Undeveloped land sales	-	13,129,246
Total revenue	6,497,139	14,791,541
Cost of service revenues	(5,763,350)	(1,465,171)
Cost of undeveloped land sales	-	(9,796,634)
Total costs	(5,763,350)	(11,261,805)
Gross margin	733,789	3,529,736
Operating expenses:		
Depreciation and amortization	(233,250)	(342,358)
General and administrative expenses	(875,760)	(867,788)
Total operating expenses	(1,109,010)	(1,210,146)
Income (loss) from operations	(375,221)	2,319,590
Interest expense	(1,020,769)	(1,240,148)
Equity in operations of unconsolidated affiliate	-	64,484
Income (loss) from operations before income taxes	(1,395,990)	1,143,926
Provision for income taxes	(3,899)	(1,399)
Net income (loss)	\$ (1,399,889)	\$ 1,142,527
Net income (loss) per share:		
Basic and diluted	\$ (0.16)	\$ 0.07
Weighted average shares outstanding		
Basic and diluted	10,877,974	10,620,530

See accompanying notes to financial statements.

AMERICAN LEISURE HOLDINGS, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
Three Months Ended March 31, 2007 and 2006

	Three Months Ended March 31, 2007 Unaudited	Three Months Ended March 31, 2006 Unaudited
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income (loss)	\$ (1,399,889)	\$ 1,142,527
Adjustments to reconcile net income (loss) to net cash provided (used) by operating activities:		
Depreciation and amortization	306,041	415,372
Non-cash interest expense	635,354	1,240,148
Non-cash warrant compensation	115,544	110,253
Changes in assets and liabilities:		
Increase (decrease) in restricted cash	502,337	(8,074,004)
Increase (decrease) in accounts receivable and other receivables	600,939	962,729
Decrease (increase) in prepaid expenses and other	(9,925)	1,348,704
Increase in prepaid sales commissions	(192,041)	(925,413)
Increase in land held for development	(20,621,627)	(1,230,762)
Increase (decrease) in shareholder advances & notes payable	-	(172,560)
Decrease (increase) in deposits on unit pre-sales	(56,373)	401,666
Increase in accounts payable and accrued expenses	520,524	153,841
Increase in accounts payable - related party	7,727,778	-
Net cash used by operating activities	(11,871,338)	(4,627,499)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Acquisition of fixed assets	(42,590)	(30,176)
Increase in restricted cash	(11,502)	-
Net cash used by investing activities	(54,092)	(30,176)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Payment of notes payable and long-term debt	(995,340)	(129,181)
Proceeds from notes payable and long-term debt	12,144,889	4,896,909
Proceeds from exercise of warrants	-	308
Proceeds from notes payable - related parties	566,137	-
Payments of notes payable - related parties	(1,366)	-
Net cash provided by financing activities	11,714,320	4,768,036

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Net increase (decrease) in cash		(211,110)		110,361
CASH AT BEGINNING PERIOD		1,110,000		225,055
CASH AT END OF PERIOD	\$	898,890	\$	335,416
SUPPLEMENTAL CASH FLOW INFORMATION:				
Cash paid for interest	\$	-	\$	636,065
Cash paid for income taxes	\$	-	\$	-

See accompanying notes to financial statements.

AMERICAN LEISURE HOLDINGS, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
March 31, 2007
(Unaudited)

Note A - Presentation

The consolidated balance sheets of the Company as of March 31, 2007 and December 31, 2006, the related consolidated statements of operations and the consolidated statements of cash flows for the three months ended March 31, 2007 and 2006, (the financial statements), include all adjustments (consisting of normal, recurring adjustments) necessary to summarize fairly the Company's financial position and results of operations. The results of operations for the three months ended March 31, 2007 are not necessarily indicative of the results of operations for the full year or any other interim period. The information included in this Form 10-QSB should be read in conjunction with Management's Discussion and Analysis and Financial Statements and notes thereto included in the Company's December 31, 2006, Form 10-KSB and the Company's Forms 8-K and 8-K/A filings.

Note B - Land held for development

The Company's active developments as of March 31, 2007 include the Tierra del Sol Resort ("TDSR") and the Reedy Creek Development ("RCD"). The TDSR development is a 972-unit resort in Orlando, Florida on 122 acres of undeveloped land. Pre-construction sales commenced in February 2004. The RCD development is 40.68 acres of undeveloped land in Osceola County, Florida located 1.5 miles west of Walt Disney World Orlando Maingate Entrance. The property will be used in the development of vacation second homes with resort amenities.

As of March 31, 2007, Xpress, Ltd., a related party, see Note D, has pre-sold approximately 600 vacation homes in a combination of contracts on town homes and reservations on condominiums for a total sales volume of approximately \$230 million for the TDSR development. In connection with the sales, the Company has received deposits totaling approximately \$37,409,000 and has prepaid sales commissions and advances to various brokers and agents of approximately \$9,922,000 and has prepaid sales commissions of approximately \$3,518,000 to Xpress, Ltd., a related party.

During the three months ended March 31, 2007, the Company capitalized approximately \$19,450,000 on the TDSR development. The majority of these costs were incurred with American Leisure Real Estate Group, Inc., see Note D – Related party transactions, for approximately \$17,101,000. The Company also capitalized interest costs of approximately \$458,000 and building permits and licenses of approximately \$991,000 and various other closing costs and real estate taxes.

During the three months ended March 31, 2007, the Company capitalized approximately \$1,095,000 on the RCD development of which \$807,000 was interest.

The Boulevard Hotel property located in Miami Beach, Florida is undergoing remodeling and refurbishing to convert the property into a timeshare facility. As of March 31, 2007, approximately \$3,763,000 has been incurred in the remodeling and refurbishment and, as of December 31, 2006, approximately \$3,405,000 has been incurred. The Company capitalized \$300,000 in interest costs for the three months ended March 31, 2007.

The land held for development was financed with additional long-term debt of approximately \$12,145,000 and an increase in accounts payable – related party to ALRG, see Note D, of \$7,727,778.

On January 11, 2006, the Company sold 42 acres in the Sonesta Resort for \$9,090,130 to the District and an additional \$4,039,116 in connection with reimbursements for site improvements. The land sold to the District will be used for public infrastructure for the Sonesta Resort, including the creation of roads and for water collection.

Note C - Notes payable - related parties

Notes payable - related parties are as follows:

West Villas, Inc, Orlando Tennis Village, Inc.	
and Main Gate, Inc.	\$ 6,298,937
Roger Maddock	3,353,252
Express Holdings	122,390
Officer of American Leisure	