

GREYSTONE LOGISTICS, INC.  
Form 10-Q  
January 19, 2011

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UNITED STATES

SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

Form 10-Q

(Mark One)

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934 FOR THE QUARTERLY PERIOD ENDED November 30, 2010

TRANSITION REPORT UNDER SECTION 13 OR 15(d) OF THE EXCHANGE ACT OF 1934 FOR THE TRANSITION PERIOD FROM \_\_\_\_\_ TO \_\_\_\_\_

Commission file number 000-26331

GREYSTONE LOGISTICS, INC.

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(Exact name of registrant as specified in its charter)

Oklahoma  
(State or other jurisdiction of incorporation or organization)

75-2954680  
(I.R.S. Employer Identification No.)

1613 East 15th Street, Tulsa, Oklahoma 74120

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(Address of principal executive offices) (Zip Code)

(918) 583-7441

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(Registrant's telephone number, including area code)

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(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 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

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Indicate by check mark whether the registrant has submitted electronically and posted on its Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (Section 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to post and submit such files). Yes  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.

Large accelerated filer  Accelerated filer  Non-accelerated filer  Smaller reporting company  
(Do not check if a smaller reporting company)

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

Applicable only to corporate issuers

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date: January 12, 2011 - 26,111,201

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GREYSTONE LOGISTICS, INC.  
FORM 10-Q  
For the Period Ended August 31, 2010

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## ITEM 1. FINANCIAL STATEMENTS.

## Greystone Logistics, Inc. and Subsidiaries

## Consolidated Balance Sheets

Assets	November 30, 2010 (Unaudited)	May 31, 2010
Current Assets:		
Cash	\$ 174,654	\$ 163,749
Accounts receivable	1,574,484	1,605,160
Inventory	588,596	649,943
Prepaid expenses and other	61,906	68,673
Total Current Assets	2,399,640	2,487,525
Property, Plant and Equipment, net of accumulated depreciation of \$5,365,901 and \$4,885,135 at November 30, 2010 and May 31, 2010, respectively	6,070,672	5,779,245
Assets of Greystone Real Estate, LLC, net of accumulated depreciation of \$323,426 and \$298,386 at November 30, 2010 and May 31, 2010, respectively	1,740,920	1,765,960
Other Assets, net	86,690	95,176
Total Assets	\$ 10,297,922	\$ 10,127,906
Liabilities and Deficit		
Current Liabilities:		
Current portion of long-term debt	\$ 9,463,286	\$ 8,950,837
Advances payable - related party	782,580	851,581
Current portion of Greystone Real Estate, LLC long-term debt	56,810	55,067
Accounts payable and accrued expenses	1,945,378	1,301,344
Accounts payable and accrued expenses - related parties	1,744,220	1,660,195
Preferred dividends payable	2,445,067	2,282,122
Total Current Liabilities	16,437,341	15,101,146
Long-Term Debt, net of current portion	1,373,451	1,549,486
Long-Term Debt of Greystone Real Estate, LLC, net of current portion	1,129,962	1,158,810
Deficit:		

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Preferred stock, \$0.0001 par value, 20,750,000 shares authorized, 50,000 shares issued and outstanding, liquidation preference of \$5,000,000	5	5
Common stock, \$0.0001 par value, 5,000,000,000 shares authorized, 26,111,201 shares issued and outstanding	2,611	2,611
Additional paid-in capital	53,065,301	53,017,317
Accumulated deficit	(62,578,565)	(61,527,891)
Total Greystone Stockholders' Deficit	(9,510,648 )	(8,507,958 )
Non-controlling interest	867,816	826,422
Total Deficit	(8,642,832 )	(7,681,536 )
 Total Liabilities and Deficit	 \$ 10,297,922	 \$ 10,127,906

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

Greystone Logistics, Inc. and Subsidiaries  
 Consolidated Statements of Operations  
 (Unaudited)

	Six Months Ended November 30,	
	2010	2009
Sales	\$ 10,047,081	\$ 7,626,246
Cost of Sales	9,519,823	6,178,091
Gross Profit	527,258	1,448,155
General, Selling and Administration Expenses	988,781	985,738
Operating Income (Loss)	(461,523 )	462,417
Other Income (Expense):		
Other Income	7,650	26,667