

SECURED DIVERSIFIED INVESTMENT LTD  
Form 10QSB/A  
June 04, 2007

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**  
Washington, DC 20549

**FORM 10-QSB/A**

Quarterly Report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

For the quarterly period ended March 31, 2007

Transition Report pursuant to 13 or 15(d) of the Securities Exchange Act of 1934

For the transition period \_\_\_\_\_ to \_\_\_\_\_

Commission File Number: 000-30653

Secured Diversified Investment, Ltd.  
(Exact name of small business issuer as specified in its charter)

Nevada  
(State or other jurisdiction of incorporation or organization)

80-0068489  
(IRS Employer Identification No.)

12202 North Scottsdale Road, Phoenix, AZ 85054  
(Address of principal executive offices)

949 851-1069  
(Issuer's telephone number)

\_\_\_\_\_  
(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 Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the issuer 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 in Rule 12b-2 of the Exchange Act).  Yes  No

State the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date: 2,896,820 Common Shares as of May 15, 2007.

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

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Table of Contents

**Explanatory Note**

The purpose of this Amendment No. 1 is to remedy the inadvertently filed Quarterly Report on Form 10-QSB submitted to the United States Securities and Exchange Commission on May 21, 2007 that did not have a final review of the auditor.

2

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Table of Contents

TABLE OF CONTENTS

		<u>Page</u>
<u>PART I - FINANCIAL INFORMATION</u>		
<u>Item 1.</u>	<u>Financial Statements</u>	<u>4</u>
<u>Item 2.</u>	<u>Management's Discussion and Analysis or Plan of Operation</u>	<u>5</u>
<u>Item 3.</u>	<u>Controls and Procedures</u>	<u>13</u>
<u>PART II - OTHER INFORMATION</u>		
<u>Item 1.</u>	<u>Legal Proceedings</u>	<u>14</u>
<u>Item 2.</u>	<u>Unregistered Sales of Equity Securities and Use of Proceeds</u>	<u>14</u>
<u>Item 3.</u>	<u>Defaults Upon Senior Securities</u>	<u>14</u>
<u>Item 4.</u>	<u>Submission of Matters to a Vote of Security Holders</u>	<u>14</u>
<u>Item 5.</u>	<u>Other Information</u>	<u>14</u>
<u>Item 6.</u>	<u>Exhibits</u>	<u>14</u>

Table of Contents

**PART I - FINANCIAL INFORMATION**

**Item 1. Financial Statements**

Our unaudited financial statements included in this Form 10-QSB are as follows:

<u>F-1</u>	<u>Balance Sheet as of March 31, 2007:</u>
<u>F-2</u>	<u>Statements of Operations for the three months ended March 31, 2007 and 2006:</u>
<u>F-3</u>	<u>Statements of Cash Flows for the three months ended March 31, 2007 and 2006:</u>
<u>F-4</u>	<u>Notes to Financial Statements:</u>

These unaudited financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America for interim financial information and the SEC instructions to Form 10-QSB. In the opinion of management, all adjustments considered necessary for a fair presentation have been included. Operating results for the interim period ended March 31, 2007 are not necessarily indicative of the results that can be expected for the full year.

Table of Contents

**SECURED DIVERSIFIED INVESTMENT, LTD.**  
**Consolidated Balance Sheet**  
**March 31, 2007**  
(Unaudited)

**ASSETS**

Properties, net of accumulated depreciation of \$116,376	\$ 1,524,231
Cash and cash equivalents	2,752
Prepaid expenses	6,249
Restricted cash	72,432
Asset held for sale	17,513
Other assets	1,696
<b>Total Assets</b>	<b>\$ 1,624,874</b>

**LIABILITIES AND STOCKHOLDERS' DEFICIT**

Mortgages payable	\$ 1,136,207
Mortgages payable, related parties	138,630
Notes payable, related parties	3,275
Interest payable	47,371
Payroll liabilities	22,607
Accounts payable, accrued expenses and other liabilities	212,800
<b>Total Liabilities</b>	<b>1,560,890</b>

Minority Interest	84,275
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**STOCKHOLDERS' DEFICIT**

Series A Preferred Stock, 375,000 shares authorized, \$0.01 par value, 355,978 shares issued & outstanding	3,559
Series B Preferred Stock, 1,000,000 shares authorized, \$0.01 par value, 8,044 shares issued & outstanding	80
Series C Preferred Stock, 1,125,000 shares authorized, \$0.01 par value, 0 shares issued & outstanding	-
Common Stock, 100,000,000 shares authorized, \$0.001 par value, 2,896,820 shares issued and outstanding	2,897
Paid In Capital	8,812,272

Unissued shares	5,830
Accumulated Deficit	(8,844,931)
<b>Total Stockholders' Deficit</b>	<b>(20,291)</b>
<b>Total Liabilities and Stockholder's Deficit</b>	<b>\$ 1,624,874</b>

**See accompanying notes**

F-1

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Table of Contents

**SECURED DIVERSIFIED INVESTMENT, LTD**  
**Consolidated Statement of Operations**  
**(Unaudited)**

**For the three month periods ended**  
**March 31,**

	2007	2006
<b>Net revenues</b>		
Rental income	\$ 73,985	\$ 76,940
<b>Operating expenses</b>		
General and administrative expenses	151,752	247,568
Operating loss	(77,767)	(170,628)
<b>Other income (expenses)</b>		
Interest expense	(34,434)	(37,369)
Interest income	144	143
Minority interest	7,460	5,336
Gain on settlement of debt	9,998	-
Others	(3,305)	134,318
Total other income (expenses)	(20,136)	102,428
Loss from continued operation	(97,903)	(68,200)
Loss from discontinued operation	(6,031)	-
Net loss	\$ (103,934)	\$ (68,200)
Net income (loss) per share, continuing operations	\$ (0.03)	\$ (0.00)
Net income (loss) per share, discontinued operations	\$ (0.00)	\$ -
Basic earnings (loss) per common share	\$ (0.04)	\$ (0.00)
*Basic and diluted weight average shares	2,896,820	23,674,472

\*Basic and diluted weighted average number of shares are same for the period ended March 31, 2006 due to its anti-dilutive nature

**See accompanying notes**

Table of Contents

**SECURED DIVERSIFIED INVESTMENT, LTD**  
**Consolidated Statement of Cash Flow**  
**(Unaudited)**

For the three month periods  
ended  
March 31,

	2007	2006
<b>Cash flows from operating activities:</b>		
Net loss	\$ (103,934)	\$ (68,200)
Adjustment to reconcile net loss to net cash used in operating activities:		
Depreciation and Amortization	7,430	10,646
Bad debt expense	(1,449)	-
Minority Interest	(7,460)	(5,336)
Shares cancelled	-	(11,250)
Loss from discontinued operations	6,031	-
Gain on settlement of debt	(9,998)	(134,318)
Increase (decrease) in assets and liabilities		
Receivables	-	1,164
Note Receivable	-	32,277
Accounts payable and other payables	81,649	(6,140)
Accrued interest added to notes payable	7,938	8,507
Payroll liabilities	19,142	(910)
Prepaid Expenses and other assets	(4,658)	598