

# MEDICAL INNOVATION HOLDINGS, INC.

## **FORM 10QSB** (Quarterly Report of Financial Condition)

Filed 03/24/08 for the Period Ending 03/24/08

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Sector	Consumer Cyclicals
Fiscal Year	04/30

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

**FORM 10-QSB**

(Mark One)

**QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE  
ACT OF 1934**

For the quarter ended January 31, 2008

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 000-27211*

**MEDINA INTERNATIONAL HOLDINGS, INC.**  
(Exact name of registrant as specified in its charter)

Colorado

-----  
State or other jurisdiction of  
incorporation or organization

84-1469319

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

255 South Leland Norton Way, San Bernadino, CA 92408  
(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code: (909) 522-4414

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 a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes  No

Number of shares issued and outstanding of the registrant's class of common stock as of March 14, 2008: 35,660,091 shares of common stock

The Company did not recognize revenues for the quarter ended January 31, 2008.

Transitional Small Business Disclosure Format: Yes  No

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**PART I**

**ITEM 1. FINANCIAL STATEMENTS**

**JASPERS + HALL, PC**  
**CERTIFIED PUBLIC ACCOUNTANTS**  
9175 Kenyon Avenue, Suite 100  
Denver, CO 80237  
303-796-0099

**REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

To the Board of Directors  
Medina International Holdings, Inc. and Subsidiary

We have reviewed the accompanying consolidated balance sheets of Medina International Holdings, Inc. and Subsidiary as of January 31, 2008 and 2007 and the related consolidated statements of operations for the three and nine-months ended January 31, 2008 and 2007 and the related consolidated statements of cash flows for the nine-months ended January 31, 2008 and 2007. These financial statements are the responsibility of the Company's management.

We conducted our reviews in accordance with the standards of the Public Company Accounting Oversight Board (United States). A review of interim financial information consists principally of applying analytical procedures to financial data and making inquiries of persons responsible for financial and accounting matters. It is substantially less in scope than an audit conducted in accordance with the standards of the Public Company Accounting Oversight Board (United States), the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Based on our reviews, we are not aware of any material modifications that should be made to the accompanying financial statements for them to be in conformity with accounting principles generally accepted in the United States.

The accompanying financial statements have been prepared assuming that the Company will continue as a going concern. As discussed in Note 1, conditions exist which raise substantial doubt about the Company's ability to continue as a going concern. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

Jaspers + Hall, PC

*/s/Jaspers + Hall, PC*  
-----  
*March 24, 2008*

MEDINA INTERNATIONAL HOLDINGS, INC. AND SUBSIDIARY  
(A Development Stage Company)  
CONSOLIDATED BALANCE SHEET

	January 31, 2008	April 30, 2007
	----- (Unaudited)	----- (Audited)
<b>ASSETS</b>		
Current Assets:		
Cash	\$ 25	\$ 5,136
Other receivables	118	118
Inventory	68,813	54,557
Total current assets	----- 68,956	----- 59,811
Fixed Assets:		
Watercraft molds	342,941	320,465
Office equipment	20,740	-
Manufacturing tools	12,249	-
Accumulated Depreciation	(42,939)	-
Total fixed assets	----- 332,991	----- 320,465
Other Assets:		
Advance - vendor	24,000	-
Investment	50,000	25,000
Total other assets	----- 74,000	----- 25,000
<b>TOTAL ASSETS</b>	----- \$ 475,947	----- \$ 405,276
<b>LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIT)</b>		
Current liabilities:		
Bank Overdraft	\$ 1,020	\$ -
Accounts payable and accrued interest	207,653	144,737
Lines of Credit	17,032	28,805
Customer Deposit	20,500	20,500
Notes payable	15,000	10,000
Related Parties - short-term borrowings from shareholders	334,379	261,588
Total current liabilities	----- 595,584	----- 465,630
Stockholders' equity (deficit):		
Preferred stock, \$0.0001 par value, 100,000,000 shares authorized, none issued and outstanding	-	-
Common stock, \$0.0001 par value, 100,000,000 shares authorized, 35,660,091 and 30,324,541 shares issued and outstanding on January 31, 2008 and April 30, 2007, respectively	3,566	3,032
Additional paid-in capital	2,439,271	1,697,102
Shares committed to be issued	240,688	30,625
Subscription receivable	(3,000)	(4,000)
Accumulated deficit during the development stage	(2,800,162)	(1,787,113)
Total stockholders' equity (deficit)	----- (119,637)	----- (60,354)
<b>TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIT)</b>	----- \$ 475,947	----- \$ 405,276
=====		

See accountants' review report and notes to these consolidated financial statements.

MEDINA INTERNATIONAL HOLDINGS, INC. AND SUBSIDIARY  
(A Development Stage Company)  
CONSOLIDATED STATEMENT OF OPERATIONS  
(Unaudited)

	Three Months Ended		Nine Months Ended		March 16, 1998 (Inception) to January 31, 2008
	2008	January 31, 2007	2008	January 31, 2007	
Revenues	\$ -	\$ -	\$ 192,800	\$ -	\$ 217,800
Cost of Goods Sold	270	-	86,994	-	87,264
Gross Profit	(270)	-	105,806	-	130,536
Operating expenses:					
Selling Expense	158	-	8,403	-	35,786
Administrative expenses	260,660	29,275	1,085,226	541,500	2,873,248
Loss from operations	(260,818)	(29,275)	(987,823)	(541,500)	(2,778,498)
Other income (expense):					
Interest income	-	-	-	-	26,580
Interest expense	(9,967)	(4,860)	(25,226)	(12,485)	(48,244)
Total Other income (expense):	(9,967)	(4,860)	(25,226)	(12,485)	(21,664)
Net loss	\$ (271,055)	\$ (34,135)	\$ (1,013,049)	\$ (553,985)	\$ (2,800,162)
Weighted average number of common shares outstanding	33,802,898	25,969,245	32,062,672	22,846,625	
Net loss per share	\$ (0.01)	*	\$ (0.03)	\$ (0.02)	

\* Less than \$(0.01) per share.

See accountants' review report and notes to these consolidated financial statements.

MEDINA INTERNATIONAL HOLDINGS, INC. AND SUBSIDIARY  
(A Development Stage Company)  
CONSOLIDATED STATEMENT OF CASH FLOWS  
(Unaudited)

	2008	January 31, 2007	March 16, 1998 (Inception) to January 31, 2008
Cash flows from operating activities:			
Net loss	\$ (1,013,049)	\$ (553,985)	\$ (2,800,162)
Adjustments to reconcile net loss to net cash used in operating activities:			
Common stock issued in exchange for services	911,766	472,152	2,416,025
Settlement of debt	2,000	17,000	20,700
Depreciation	42,939	-	42,939
Changes in operating assets and liabilities:			
Increase in other receivable	-	(5,118)	(118)
Increase in inventory	(14,256)	-	(68,814)
Decrease in prepaid expenses	-	800	-
Increase in accounts payable and accrued interest	62,916	41,883	207,654
Increase in customer deposits	-	3,500	20,500
Total adjustments	1,005,365	530,217	2,638,886
Net cash used in operating activities	(7,684)	(23,768)	(161,276)
Cash flows from investing activities:			
Increase in investment securities	(25,000)	-	(25,000)
Purchase of fixed assets	(22,476)	(147,857)	(342,941)
Net cash used in investing activities	(47,476)	(147,857)	(367,941)
Cash flows from financing activities:			
Bank overdraft	1,020	-	1,020
Proceeds from notes payables, related party	39,802	102,157	281,767
Proceeds from note payable	5,000	-	15,000
Payments (proceeds) from lines of credit	(11,773)	25,953	36,655
Proceeds from the issuance of common stock	16,000	43,000	194,800
Net cash provided by financing activities	50,049	171,110	529,242
Net (decrease) increase in cash and cash equivalents	(5,111)	(515)	25
Cash and cash equivalents - beginning of period	5,136	1,968	-
Cash and cash equivalents - end of period	\$ 25	\$ 1,453	\$ 25
Supplemental disclosure of cash flow information:			
Interest Paid	\$ 6,603	\$ -	\$ 6,603
Taxes paid	\$ -	\$ -	\$ -
Non-cash financing and investing activities:			
Increase in office equipment and tools	\$ 32,989	\$ -	\$ 32,989
Advance to vendor in exchange for 150,0000 shares of common stock	\$ 30,000	\$ -	\$ 30,000

See accountants' review report and notes to these consolidated financial statements.

MEDINA INTERNATIONAL AND SUBSIDIARY  
(A Development Stage Company)  
CONSOLIDATED CHANGES IN STOCKHOLDERS' EQUITY (DEFICIT)  
January 31, 2008

	Common Shares	Stock Amount	Additional Paid-In Capital	Shares Committed to Be issued	Subscription Receivable	Deficit Accum. During the Development Stage	Totals
Balance - March 16, 1998	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Stock issued for services	2,400,000	240	1,760	-	-	-	2,000
Stock issued for cash	300,000	30	24,970	-	(10,500)	-	14,500
Net loss for year	-	-	-	-	-	(2,793)	(2,793)
Balance - April 30, 1999	2,700,000	270	26,730	-	(10,500)	(2,793)	13,707
Cash payment of subscription receivable	-	-	-	-	10,250	-	10,250
Net loss for year	-	-	-	-	-	(5,253)	(5,253)
Balance - April 30, 2000	2,700,000	270	26,730	-	(250)	(8,046)	18,704
Net loss for year	-	-	-	-	-	(21,426)	(21,426)
Balance - April 30, 2001	2,700,000	270	26,730	-	(250)	(29,472)	(2,722)
Net income for year	-	-	-	-	-	4,881	4,881
Balance - April 30, 2002	2,700,000	270	26,730	-	(250)	(24,591)	2,159
Net loss for year	-	-	-	-	-	(4,610)	(4,610)
Balance - April 30, 2003	2,700,000	270	26,730	-	(250)	(29,201)	(2,451)
Net loss for year	-	-	-	-	-	(7,397)	(7,397)
Balance - April 30, 2004	2,700,000	270	26,730	-	(250)	(36,598)	(9,848)
Stock issued for services	24,120,000	2,412	-	-	-	-	2,412
Subscription receivable	-	-	(250)	-	250	-	-
Net loss for year	-	-	-	-	-	(61,682)	(61,682)
Balance - April 30, 2005	26,820,000	2,682	26,480	-	-	(98,280)	(69,118)
Stock issued for services	1,954,109	195	976,860	-	-	-	977,055
Stock issued for royalties	3,600	1	1,799	-	-	-	1,800
Stock issued for rent	1,250	-	625	-	-	-	625
Stock issued for license	33,332	3	16,663	-	-	-	16,666
Stock issued for consideration	50,000	5	24,995	-	-	-	25,000
Stock issued for cash	126,100	13	63,037	-	-	-	63,050
Net loss for year	-	-	-	-	-	(1,039,512)	(1,039,512)
Balance - April 30, 2006	28,988,391	2,899	1,110,459	-	-	(1,137,792)	(24,434)
Stock issued for services	670,000	67	334,933	-	-	-	335,000
Stock issued for consulting	225,000	22	112,478	-	-	-	112,500
Stock issued for royalties	3,200	0	1,600	-	-	-	1,600
Stock issued for rent	450	0	225	-	-	-	225
Stock issued to Directors	37,500	4	18,746	-	-	-	18,750
Stock issued for conversion of loan	100,000	10	18,690	-	-	-	18,700
Stock issued for cash	100,000	10	49,990	-	(4,000)	-	46,000
Stock issued for cash	200,000	20	49,980	-	-	-	50,000
Shares to be committed to be issued	-	-	-	30,625	-	-	30,625
Net loss for year	-	-	-	-	-	(649,321)	(649,321)
Balance - April 30, 2007	30,324,541	3,032	1,697,101	30,625	(4,000)	(1,787,113)	(60,355)
Stock issued for consulting	5,123,000	512	700,138	-	-	-	700,650
Stock issued for royalties	12,200	2	1,627	-	-	-	1,629
Stock issued to Directors	75,000	8	24,742	-	-	-	24,750
Stock issued for cash	124,000	12	14,989	-	1,000	-	16,000
Shares issued for rent - mailbox	1,350	-	675	-	-	-	675
Shares to be committed to be issued	-	-	-	210,063	-	-	210,063
Net loss	-	-	-	-	-	(1,013,049)	(1,013,049)
Balance - January 31, 2008	35,660,091	\$ 3,566	\$ 2,439,271	\$ 240,688	\$ (3,000)	\$ (2,800,162)	\$ (119,637)

See accountants' review report and notes to these consolidated financial statements.



**MEDINA INTERNATIONAL HOLDINGS, INC. AND SUBSIDIARY**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

(Unaudited)

January 31, 2008

**Note 1. BASIS OF PRESENTATION, BUSINESS, AND MANagements PLANS:**

**BASIS OF PRESENTATION:**

**Presentation of Interim Information:**

The accompanying condensed consolidated financial statements include the accounts of Medina International Holdings, Inc., a Colorado corporation (the Company), and its wholly-owned subsidiary, Medina Marine, Inc. (Medina Marine). All significant intercompany accounts and transactions have been eliminated in consolidation.

In the opinion of the management of the Company, the accompanying unaudited consolidated financial statements include all material adjustments, including all normal and recurring adjustments, considered necessary to present fairly the financial position and operating results of the Company for the periods presented. The financial statements and notes are presented as permitted by Form 10-QSB, and do not contain certain information included in the Company's Annual Report on Form 10-KSB for the fiscal year ended April 30, 2007. It is the Company's opinion that when the interim financial statements are read in conjunction with the April 30, 2007 Annual Report on Form 10-KSB, the disclosures are adequate to make the information presented not misleading. Interim results are not necessarily indicative of results for a full year or any future period.

**Development Stage Company**

The Company has not earned any significant revenues from its limited principal operations. Accordingly, the Company's activities have been accounted for as those of a "Development Stage Enterprise" as set forth in Financial Accounting Standards Board ("FASB") Statement No. 7 ("SFAS 7"). Among the disclosures required by SFAS 7 are that the Company's financial statements be identified as those of a development stage company, and that the statements of operation, stockholders' equity (deficit) and cash flows disclose activity since the date of the Company's inception.

**Business**

The Company's business activities are focused on the design, manufacturing and sale of recreational and commercial boats through its wholly-owned subsidiary, Medina Marine, Inc. The Company intends to focus its efforts on marketing its commercial watercraft to fire, rescue and law enforcement agencies and those other agencies involved in water rescue and water patrol.

**Management's Plan and Going Concern**

In view of the matters described above, recoverability of a major portion of the recorded asset amounts shown in the accompanying balance sheet is dependent upon continued operations of the Company, which in turn is dependent upon the Company's ability to raise additional capital, obtain financing and to succeed in its future operations. The financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts or amounts and classification of liabilities that might be necessary should the company be unable to continue as a going concern.

In the Company's Annual Report on Form 10-KSB for the fiscal year ended April 30, 2007, the Report of the Independent Registered Public Accounting Firm includes an explanatory paragraph that describes substantial doubt about the Company's ability to continue as a going concern. The Company's interim financial statements for the nine months ended January 31, 2008 have been prepared on a going concern basis, which contemplates the realization of assets and the settlement of liabilities and commitments in the normal course of business. The Company's operations generated no income during the nine months ended January 31, 2008. On January 31, 2008, the Company's accumulated deficit is \$2,800,162 and its current liabilities exceed current assets by \$526,628.

Management has taken various steps to revise its operating and financial requirements, which we believe are sufficient to provide the Company with the ability to continue on in the subsequent year. Management devoted considerable effort during the nine months ended January 31, 2008 towards management of liabilities and improving the Company's operations. Management believes that the above actions will allow the Company to continue its operations through the next fiscal year.

The future success of the Company is likely dependent on its ability to attain additional capital to develop its proposed products and ultimately, upon its ability to attain future profitable operations. There can be no assurance that the Company will be successful in obtaining such financing, or that it will attain positive cash flow from operations.

## **Note 2. Summary of Significant Accounting Policies:**

### **Use of Estimates**

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

### **Revenue Recognition**

Revenue recognition is recognized when earned. The Company's revenue recognition policies are in compliance with Staff accounting bulletin (SAB) 104. Sales revenue is recognized at the date of shipment to customers when a formal arrangement exists, the price is fixed or determinable, the delivery is completed, no other significant obligations of the Company exist and collectibility is reasonably assured. Payments received before all of the relevant criteria for revenue recognition are satisfied are recorded as unearned revenue.

### **Income Taxes**

Deferred income tax assets and liabilities are computed annually for differences between the financial statements and tax basis of assets and liabilities that will result in taxable or deductible amounts in the future based on enacted laws and rates applicable to the periods in which the differences are expected to affect taxable income (loss). Valuation allowance is established when necessary to reduce deferred tax assets to the amount expected to be realized.

## **Comprehensive Loss**

Accounting principles generally require that recognized revenue, expenses, gains and losses be included in net income. Certain statements, however, require entities to report specific changes in assets and liabilities, such as unrealized gains and losses on available-for-sale securities, as a separate component of the equity section of the balance sheet. Such items, along with net income, are components of other comprehensive income.

## **Issuance of Shares for Services**

The Company accounts for the issuance of equity instruments to acquire goods and services based on the fair value of the goods and services or the fair value of the equity instrument at the time of issuance, whichever is more reliably measurable.

## **Fair Value of Financial Instruments**

Statement of Financial Accounting Standard No. 107, "Disclosures about Fair Value of Financial Instruments", requires that the Company disclose estimated fair values of financial instruments. The carrying amounts reported in the statements of financial position for current assets and current liabilities qualifying, as financial instruments are a reasonable estimate of fair value.

## **Basic and Diluted Net Loss per Share**

Net loss per share is calculated in accordance with the Statement of Financial Accounting Standards No. 128 (SFAS No. 128), "Earnings per Share". SFAS No. 128 superseded Accounting Principles Board Opinion No.15 (APB No. 15). Net loss per share for all periods presented has been restated to reflect the adoption of SFAS No. 128. Basic net loss per share is based upon the weighted average number of common shares outstanding. Diluted net loss per share is based on the assumption that all dilutive convertible shares and stock options were converted or exercised. Dilution is computed by applying the treasury stock method. Under this method, options and warrants are assumed to be exercised at the beginning of the period (or at the time of issuance, if later), and as if funds obtained thereby were used to purchase common stock at the average market price during the period.

## **International trade and currency risks**

The company is involved in export trade to other nations and is subject to numerous risks. These risks involve increase of freight cost, demurrages in foreign ports, and collections of invoice amounts from international customers.

## **RECENTLY ISSUED ACCOUNTING PRONOUNCEMENTS:**

In February 2006, the FASB issued SFAS 155, Accounting for Certain Hybrid Financial Instruments, which amends SFAS 133, Accounting for Derivative Instruments and Hedging Activities, and SFAS 140, Accounting for Transfers and Servicing of Financial Assets and Extinguishments of Liabilities - a replacement of FASB Statement No. 125. SFAS 155 allows financial instruments that contain an embedded derivative and that otherwise would require bifurcation to account for as a whole on a fair value basis, at the holder's election. SFAS 155 also clarifies and amends certain other provisions of SFAS 133 and SFAS 140. SFAS 155 is effective for the Company for all financial instruments issued or acquired after the beginning its fiscal year ending April 30, 2008. The adoption of SFAS 155 did not have an impact on the Company's financial statements.

In June 2006, the FASB issued Interpretation No. 48, Accounting for Uncertainty in Income Taxes - An Interpretation of FASB Statement No. 109, (FIN 48). FIN 48 clarifies the accounting for uncertainty in income taxes recognized in an enterprise's financial statements in accordance with FASB Statement No. 109, Accounting for Income Taxes. FIN 48 also prescribes a recognition threshold and measurement attribute for the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return that results in a tax benefit. Additionally, FIN 48 provides guidance on de-recognition, income statement classification of interest and penalties, accounting in interim periods, disclosure, and transition. This interpretation is effective for the Company on May 1, 2007. The adoption of FIN 48 did not have a material impact on the Company's consolidated financial statements.

In September 2006, the FASB issued SFAS No. 157, Fair Value Measurements. This statement defines fair value, establishes a framework for measuring fair value in generally accepted accounting principles, and expands disclosures about fair value measurements. This statement applies under other accounting pronouncements that require or permit fair value measurements. SFAS No. 157 is effective for the Company for its fiscal year beginning on May 1, 2008. The Company is currently assessing the impact the adoption of SFAS No. 157 may have on its consolidated financial statements.

In February 2007, the FASB issued SFAS No. 159, The Fair Value Option for Financial Assets and Financial Liabilities (SFAS No. 159). SFAS No. 159 permits entities to choose to measure, on an item-by-item basis, specified financial instruments and certain other items at fair value. Unrealized gains and losses on items for which the fair value option has been elected are required to be reported in earnings at each reporting date. SFAS No. 159 is effective for fiscal years beginning after November 15, 2007, the provisions of which are required to be applied prospectively. We believe that SFAS 159 should not have a material impact on our financial position or results of operations

In December 2007, the FASB issued SFAS No. 141 (Revised 2007), Business Combinations, or SFAS No. 141R. SFAS No. 141R will change the accounting for business combinations. Under SFAS No. 141R, an acquiring entity will be required to recognize all the assets acquired and liabilities assumed in a transaction at the acquisition-date fair value with limited exceptions. SFAS No. 141R will change the accounting treatment and disclosure for certain specific items in a business combination. SFAS No. 141R applies prospectively to business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after December 15, 2008. Accordingly, any business combinations we engage in will be recorded and disclosed following existing GAAP until January 1, 2009. We expect SFAS No. 141R will have an impact on accounting for business combinations once adopted but the effect is dependent upon acquisitions at that time. We are still assessing the impact of this pronouncement.

In December 2007, the FASB issued SFAS No. 160, "Noncontrolling Interests in Consolidated Financial Statements--An Amendment of ARB No. 51, or SFAS No. 160". SFAS No. 160 establishes new accounting and reporting standards for the noncontrolling interest in a subsidiary and for the deconsolidation of a subsidiary. SFAS No. 160 is effective for fiscal years beginning on or after December 15, 2008. We believe that SFAS 160 should not have a material impact on our financial position or results of operations.

**Note 3. Other Receivable:**

As of January 31, 2008, there was \$118 in other receivables.

**Note 4. Inventory:**

At January 31, 2008, inventory consisted of the following:

Finished Goods:	\$	6,138
Parts		30,620
Work in progress		32,055
		-----
Total Inventory	\$	68,813
		-----

**Note 5. Fixed Assets:**

At January 31, 2008, fixed assets consisted of the following:

Mold - 12' Fire/Rescue boat (WIP)-	\$	7,628
Mold - 15' Fire/Rescue boat -		66,778
Mold - 21' Fire/Rescue boat -		268,535
Office Equipment-		20,740
Manufacturing Tools -		12,249
		-----
Total Fixed Assets	\$	375,930
		-----

The company purchased office equipment and manufacturing tools valued at \$32,790 from Mr. Daniel Medina, president and director of the Company.

**Note 6. Other Assets:**

The Company has entered into an agreement with a unrelated third party vendor, to fabricate upholstery for watercrafts in exchange for 150,000 shares of common stock of the Company. The Company valued the stock as per the agreement at \$0.20/share. As of January 31, 2008, vendor advances consisted of \$24,000.

**Note 7. Investment:**

During the nine months ended January 31, 2008, the Company acquired a position in Nexgen, Inc. ("Nexgen"), a private entity for \$25,000, in cash. Nexgen is a license holder for new patent involving fire extinguishers.

Prior the year ended April 30, 2006, the Company purchased 500,000 shares of the common stock of Genesis Companies Group, Inc. in exchange for 50,000 shares of the Company's common stock valued at \$25,000 (\$0.50 per share).

**Note 8. Line of Credit:**

The Company has a demand bank line of credit totaling \$10,000, under which the Company may borrow on an unsecured basis at the bank's prime rate. As of January 31, 2008, \$9,817 was outstanding under this line of credit.

Medina Marine, Inc. has a credit card credit limit of \$7,500, under which Medina Marine may borrow on an unsecured basis at the bank's prime rate. As of January 31, 2008, \$7,215 was owed on the credit card. This credit card's credit limit was increased to \$7,500 during the period ended January 31, 2008.

**Note 9. Note Payables:**

As of January 31, 2008, note payable consisted of the following:

Genesis Companies Group, Inc.	\$	5,000
Loan proceeds received		10,000
		-----
Total	\$	15,000
		=====

**Note 10. Related Parties - Short-term Borrowings:**

As of current period ended January 31, 2008, short-term borrowings from related parties consisted of the following principal amounts:

President and director	\$	107,075
CFO and director		227,304
		-----
Total	\$	334,379
		=====

These notes are unsecured; bear interest at 8.5%, and due on demand.

**Note 11. Stockholders' Deficit:**

As of January 31, 2008, the Company has 35,660,091 of its common stock issued and outstanding.

During the nine months ended January 31, 2008, the Company issued 75,000 shares of its restricted common stock to members of its Board of Directors for their services equaling \$24,750.

During the nine months ended January 31, 2008, the Company issued 9,700 shares of its restricted common stock as royalty fee on its license.

During the nine months ended January 31, 2008, the Company issued 3,573,000 shares of its restricted common stock as payment for services to unrelated third parties totaling \$769,550.

During the nine months ended January 31, 2008, the Company issued 1,350 shares of its restricted common stock as payment on rent totaling \$675.

During the nine months ended January 31, 2008, the Company issued 34,000 shares of its restricted common stock for cash of \$16,000.

## ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

### Cautionary Statement Concerning Forward-Looking Statements

The following discussion should be read in conjunction with our unaudited financial statements and notes thereto included herein. In connection with, and because we desire to take advantage of, the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995, we caution readers regarding certain forward looking statements in the following discussion and elsewhere in this report and in any other statement made by, or on our behalf, whether or not in future filings with the Securities and Exchange Commission. Forward-looking statements are statements not based on historical information and which relate to future operations, strategies, financial results or other developments. Forward looking statements are necessarily based upon estimates and assumptions that are inherently subject to significant business, economic and competitive uncertainties and contingencies, many of which are beyond our control and many of which, with respect to future business decisions, are subject to change. These uncertainties and contingencies can affect actual results and could cause actual results to differ materially from those expressed in any forward looking statements made by, or on our behalf. We disclaim any obligation to update forward-looking statements.

### Results of Operation

#### Results Of Operations For The Three-Months Ended January 31, 2008 Compared To The Three Months Ended January 31, 2007

We did not generate any revenues during the three months ended January 31, 2008 and 2007. During the three months ended, January 31, 2008 we did incur cost of goods sold of \$270.

We incurred total operating expenses of \$260,818 during the three months ended January 31, 2008, as compared to operating expenses \$29,275 during the three months ended January 31, 2007. The operating expenses during the three months ended January 31, 2008, primarily included \$226,238 in stock compensation expense. The operating expenses during the three months ended January 31, 2007 included \$29,275 general and administration expenses.

We recognized an interest expense of \$9,967 during the three months ended January 31, 2008, compared to an interest expense of \$4,860 during the three months ended January 31, 2007. The increase of \$5,107 is due to an increase of funds loaned to the Company.

We recognized a net loss of \$271,055 during the three months ended January 31, 2008, compared to a net loss of \$34,135 during the three months January 31, 2007. The increase of net loss was due to the \$236,649 increase in operating expenses, as discussed above.

#### Results Of Operations For The Nine-Months Ended January 31, 2008 Compared To The Nine Months Ended January 31, 2007

During the nine months ended January 31, 2008 we recognized revenues of \$192,800. During the nine months ended January 31, 2007, we did not recognize any revenues. The increase is due to the increas in sales is due to an increase in our operations and our sales efforts.

During the nine months ended January 31, 2008, we did not incur any cost of sales. During the nine months ended January 31, 2007, we incurred a cost of sale so of \$86,994.

## **Operating Expenses**

We incurred total operating expenses of \$1,093,629 for the nine months ended January 31, 2008, as compared to operating expenses of \$541,500 for the nine months ended January 31, 2007. The increase of \$552,129 in operating expenses is primarily a result in an increase in stock compensation expenses compared to none for the prior period. The operating expenses for the nine months ended January 31, 2008, primarily included \$895,267 in stock compensation expense, \$23,142 in professional fees expenses and \$56,510 in consulting and commission expenses. The operating expenses for the nine months ended January 31, 2007 included \$541,500 for general and administration expenses.

We recognized an interest expense of \$25,226 during the nine months ended January 31, 2008, compared to an interest expense of \$12,485 for the nine months ended of January 31, 2007. The increase of \$12,741 is due to an increase of funds loaned to the Company.

## **Net Loss**

We recognized a net loss of \$1,013,049 for the nine months ended January 31, 2008, compared to a net loss of \$553,985 for the nine months ended January 31, 2007. The increase of \$459,064 was due to \$895,267 increase in stock compensation expense.

## **Liquidity and Capital Resources**

At January 31, 2008, we had \$25 in cash, an inventory (consisting of parts for Vortex and 15' Fire Rescue watercraft and 21' Fire Rescue Boat) of \$68,813 and fixed assets (consisting of molds for the 12', 15' and 21' fire rescue jet, office equipment and manufacturing tools) of \$375,930. Our total current liabilities were \$595,584 as of January 31, 2008, which was represented by mainly accounts payable and accrued interest payable of \$207,653, advances from customers of \$20,500, lines of credits totaling \$17,032 and short-term loans from stockholders totaling \$334,379. At January 31, 2008, our current liabilities exceeded current assets by \$526,627.

We used \$7,684 in operating activities for the nine months ended January 31, 2008 compared to \$23,768 for the nine months ended January 31, 2007.

We used cash of \$47,476 in investing activities during the nine months ended January 31, 2008, of which \$25,000 was used to acquire fire extinguisher backpack license. For the nine months ended January 31, 2007, we had used cash \$147,857 for manufacturing of the molds for the fire and rescue watercrafts.

During the nine months ended January 31, 2008, we, under financing activities repaid lines of credit, which led to the \$11,773 decrease in the lines of credits. In addition, the Company sold 100,000 shares of its common stock at the rate of \$0.10/share for the quarter ended January 31, 2008, of which \$3000 cash is a subscription receivable.

The Company has an accumulated deficit, at January 31, 2008, of \$2,800,162.

The Company does not have capital sufficient to meet its cash needs, including the costs of compliance with the continuing reporting requirements of the Securities Exchange Act of 1934. Management will have to seek loans or equity placements to cover such cash needs and cover outstanding payables. Lack of existing capital may be a sufficient impediment to prevent us from accomplishing the goal of expanding operations. There is no assurance, however, that without funds we will ultimately be able to carry out our business. We will need to raise additional funds to expand our business activities in the future, and prepare a private offering memorandum to attempt to raise operating capital. No commitments to provide additional funds have been made by our management or other stockholders. Accordingly, there can be no assurance that any additional funds will be available to us to allow us to cover our expenses as they may be incurred. Irrespective of whether our cash assets prove to be inadequate to meet our operational needs, we might seek to compensate providers of services by issuances of stock in lieu of cash.



## **Plan of Operation**

We intend to develop strategies for the growth of our business, both nationally and internationally through the formulation of strategic enterprise partnerships, cooperative alliances and joint ventures. We would search out those business relationships which allow us to augment our current design and manufacturing capabilities and thereby expand our market opportunities. In addition, we will seek out relationships that would allow us to increase our marketing, sales and delivery capabilities.

## **ITEM 3. CONTROLS AND PROCEDURES**

### **Disclosures Controls and Procedures**

#### a. Evaluation of Disclosure Controls and Procedures:

The management of the company has evaluated the effectiveness of the issuer's disclosure controls and procedures as of the end of the period of the report; January 31, 2008 and have concluded that the disclosure controls, internal controls and procedures are effective based upon their evaluation as of the evaluation date.

#### b. Changes in Internal Control over Financial Reporting:

There were no changes in the small business issuers internal control over financial reporting identified in connection with the Company evaluation required by paragraph (d) of Rule 13a-15 or Rule 15d-15 under the Exchange act that occurred during the small business issuers last fiscal quarter that has materially affected or is reasonable likely to materially affect, the small business issuers internal control over financial reporting.

## **PART II. OTHER INFORMATION**

### **ITEM 1. LEGAL PROCEEDINGS -**

NONE

**ITEM 2. CHANGES IN SECURITIES -**

The Company made the following unregistered sales of its securities from November 1, 2007 to January 31, 2008.

DATE OF SALE	TITLE OF SECURITIES	NO. OF SHARES	CONSIDERATION	CLASS OF PURCHASER
12/10/07	Common Stock	258,000	Services	Business Associate
12/10/07	Common Stock	37,500	Services	Directors
12/10/07	Common Stock	9,700	Royalty	Business Associate
12/10/07	Common Stock	100,000	10,000	Business Associate
12/10/07	Common Stock	1,350	Rent	Business Associate
12/18/07	Common Stock	1,500,000	Services	Business Associate

**Exemption From Registration Claimed**

All of the sales by the Company of its unregistered securities were made by the Company in reliance upon Section 4(2) of the Act. The affiliate listed above that purchased the unregistered securities was known to the Company and its management, through pre-existing business relationships. The purchaser was provided access to all material information, which they requested, and all information necessary to verify such information and was afforded access to management of the Company in connection with the purchases. The purchaser of the unregistered securities acquired such securities for investment and not with a view toward distribution, acknowledging such intent to the Company. All certificates or agreements representing such securities that were issued contained restrictive legends, prohibiting further transfer of the securities, without such securities either being first registered or otherwise exempt from registration in any further resale or disposition.

**ITEM 3. DEFAULTS UPON SENIOR SECURITIES -**

NONE

**ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS -**

NONE.

**ITEM 5. OTHER INFORMATION -**

1. Medina International Holdings, Inc. has amended the License Agreements with Mr. Albert Mardikian for the 12' and 15' Fire/Rescue Jet and Fire Pump. The license agreements provide the design and patent used by the Company in the manufacturing of its various fire/rescue jets. Agreement also provides for exclusive rights on 12' and 15' boat design and Non exclusive rights on Fire Pump technology. The Company intends to offer the design for 15 feet fire rescue boats based on the technology as part of its fire/rescue boat sales efforts.

The amended license agreement provides for payment of a royalty that is 2% of sales resulting from use of the design and patent, to be determined on a quarterly basis. The amended license agreement provides for a minimum royalty payment of \$500 per quarter. The amended license agreement has a term of 10 years, starting August 1, 2007 and expiring on July 31, 2017.

2. On August 22, 2007, Medina International Holdings, Inc. and Subsidiary entered into an agreement with Kelly Space and Technology, Inc., a California Corporation, to be the Company's exclusive distributor of the watercraft sales to for the United States Department of Defense if any such sales can be achieved, on August 22, 2007. The Agreement also provides Kelly Space and Technology, Inc. with a non-exclusive distributorship for other customers, not limiting to the boundaries of the United States.

The agreement between the Company and Kelly Space and Technology, Inc. will be effective for a period of five (5) years from the date of the signed agreement with an option for Kelly Space and Technology, Inc. to renew agreement for an additional five (5) year period.

## **ITEM 6. EXHIBITS**

The following is a complete list of exhibits filed as part of this Form 10-QSB. Exhibit numbers correspond to the numbers in the Exhibit Table of Item 601.

31.1 Certification by the Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act. 31.2 Certification by the Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act.

32.1 Certification by the Chief Executive Officer pursuant to Section 906 of the Sarbanes-Oxley Act. 32.2 Certification by the Chief Financial Officer pursuant to Section 906 of the Sarbanes-Oxley Act.

**SIGNATURES**

Pursuant to the requirements of Section 12 of the Securities and Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

**MEDINA INTERNATIONAL HOLDINGS, INC.**  
(Registrant)

*Dated: March 20, 2008*

*By: /s/ Daniel Medina*  
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*Daniel Medina, President*

*By: /s/ Madhava Rao Mankal*  
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*Madhava Rao Mankal,*  
*Chief Financial Officer*

**CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER  
PURSUANT TO EXCHANGE ACT RULES 13a-14(a) AND 15d-14(a)**  
(Section 302 of the Sarbanes Oxley Act of 2002)

I, Daniel Medina, certify that:

1. I have reviewed this quarterly report on Form 10-QSB of Medina International Holdings, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the small business issuer as of, and for, the periods presented in this report;
4. The small business issuer's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the small business issuer and have:
  - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision to ensure that material information relating to the small business issuer, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b. [Paragraph omitted in accordance with SEC transition instructions contained in SEC Release 34-47986 as extended in SEC Release 34-52492.]
  - c. Evaluated the effectiveness of the small business issuer's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d. Disclosed in this report any change in the small business issuer's internal control over financial reporting that occurred during the small business issuer's most recent fiscal quarter (the small business issuer's 4th quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the small business issuer's internal control over financial reporting; and

5. The small business issuer's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the small business issuer's auditors and the audit committee of the small business issuer's board of directors (or persons performing the equivalent functions):

a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the small business issuer's ability to record, process, summarize and report financial information; and

b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the small business issuer's internal control over financial reporting.

*Date: March 24, 2008*

*/s/Daniel Medina*

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*Daniel Median  
President*

**CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER  
PURSUANT TO EXCHANGE ACT RULES 13a-14(a) AND 15d-14(a)**  
(Section 302 of the Sarbanes Oxley Act of 2002)

I, Rao Mankal, certify that:

1. I have reviewed this quarterly report on Form 10-QSB of Medina International Holdings, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the small business issuer as of, and for, the periods presented in this report;
4. The small business issuer's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the small business issuer and have:
  - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision to ensure that material information relating to the small business issuer, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b. [Paragraph omitted in accordance with SEC transition instructions contained in SEC Release 34-47986 as extended in SEC Release 34-52492.]
  - c. Evaluated the effectiveness of the small business issuer's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d. Disclosed in this report any change in the small business issuer's internal control over financial reporting that occurred during the small business issuer's most recent fiscal quarter (the small business issuer's 4th quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the small business issuer's internal control over financial reporting; and

5. The small business issuer's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the small business issuer's auditors and the audit committee of the small business issuer's board of directors (or persons performing the equivalent functions):

a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the small business issuer's ability to record, process, summarize and report financial information; and

b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the small business issuer's internal control over financial reporting.

Date: March 24, 2008

Name: Rao Mankal

*/s/Rao Mankal*

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*Position: CFO*



**EXHIBIT 32**

**CERTIFICATION PURSUANT TO  
18 U.S.C. SECTION 1350,  
AS ADOPTED PURSUANT TO**

SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

**CERTIFICATION PURSUANT TO  
18 U.S.C. SECTION 1350,  
AS ADOPTED PURSUANT TO**

SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Medina International Holdings, Inc. (the "Company") on Form 10-QSB for the period ending January 31, 2008 as filed with the Securities and Exchange Commission on the date hereof (the "Report"). I, Daniel Medina, President of the company, certify, pursuant to 18 USC Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to the best of my knowledge and belief.

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

*/s/ Daniel Medina*

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*Daniel Medina, President*

*Date: March 24, 2008*

**EXHIBIT 32**

**CERTIFICATION PURSUANT TO  
18 U.S.C. SECTION 1350,  
AS ADOPTED PURSUANT TO**

SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

**CERTIFICATION PURSUANT TO  
18 U.S.C. SECTION 1350,  
AS ADOPTED PURSUANT TO**

SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Medina International Holdings, Inc. (the "Company") on Form 10-QSB for the period ending January 31, 2008 as filed with the Securities and Exchange Commission on the date hereof (the "Report"). I, Rao Mankal, President of the company, certify, pursuant to 18 USC Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to the best of my knowledge and belief.

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

*/s/ Rao Mankal*

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*Rao Mankal, CFO*

*Date: March 24, 2008*