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OMNI MEDICAL HOLDINGS INC

Form 8-K/A

November 25, 2003

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 8-K/A-2

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act

September 5, 2003

-----  
Date of Report  
(Date of Earliest Event Reported)

Omni Medical Holdings, Inc.

-----  
(Exact Name of Registrant as Specified in its Charter)

Utah	0-26177	87-0425275
----	-----	-----
(State or other Jurisdiction)	(Commission File No.)	(IRS Employer I.D. No.)

1107 Mt. Rushmore Road, Suite 2  
Rapid City, South Dakota 57701

-----  
(Address of Principal Executive Offices)

(605) 718-0380

-----  
Registrant's Telephone Number

Piezo Instruments, Inc.  
4685 South Highland Drive, #202  
Salt Lake City, Utah 84117

-----  
(Former Name or Former Address if changed Since Last Report)

Item 7. Financial Statements, Pro Forma Financial Information and Exhibits.

-----  
(a) Financial Statements of Businesses Acquired.

OMNI MEDICAL HOLDINGS, INC. AND SUBSIDIARIES

(FORMERLY KNOWN AS MASTEL PRECISION, INC. AND SUBSIDIARIES)

CONSOLIDATED FINANCIAL STATEMENTS

# Edgar Filing: OMNI MEDICAL HOLDINGS INC - Form 8-K/A

YEARS ENDED MARCH 31, 2003 AND 2002

OMNI MEDICAL HOLDINGS, INC. AND SUBSIDIARIES

(FORMERLY KNOWN AS MASTEL PRECISION, INC. AND SUBSIDIARIES)

YEARS ENDED MARCH 31, 2003 AND 2002

## CONTENTS

Independent auditors' report	1
Financial statements:	
Consolidated balance sheets	2
Consolidated statements of operations	3
Consolidated statements of shareholders' (deficit) equity	4
Consolidated statements of cash flows	5
Notes to consolidated financial statements	6 - 16

## INDEPENDENT AUDITORS' REPORT

Board of Directors  
Mastel Precision, Inc.

We have audited the accompanying consolidated balance sheet of Omni Medical Holdings, Inc. and subsidiaries ("the Company") as of March 31, 2003, and the related consolidated statements of operations, shareholders' (deficit) equity and cash flows for the years ended March 31, 2003 and 2002. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Omni Medical Holdings, Inc. and subsidiaries as of March 31, 2003, and the results of their operations and their cash flows for the years ended March 31, 2003 and 2002 in conformity with accounting principles generally accepted in the United States of America.

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Our audit was performed for the purpose of forming an opinion on the basic financial statements taken as a whole. The proforma balance sheet as of March 31, 2003 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and, accordingly, we express no opinion on it.

/s/Gelfond Hochstadt Pangburn, P.C.  
Gelfond Hochstadt Pangburn, P.C.

September 2, 2003

### OMNI MEDICAL HOLDINGS, INC. AND SUBSIDIARIES

(FORMERLY KNOWN AS MASTEL PRECISION, INC. AND SUBSIDIARIES)

#### CONSOLIDATED BALANCE SHEETS

MARCH 31, 2003

	Unaudited Profoma (Note 1)	Historical
Current assets:		
Cash	\$ 215,691	\$ 257,963
Accounts receivable, net of allowance for doubtful accounts of \$54,950 (Note 5)	8,820	79,252
Inventory (Note 5)		400,888
	-----	-----
Total current assets	224,511	738,103
Property and equipment, net (Notes 4 and 5)	143,787	174,169
Goodwill	36,000	36,000
Intangible asset	27,980	27,980
	-----	-----
Total assets	\$ 432,278	\$ 976,252
	=====	=====
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	\$ 6,416	\$ 272,658
Accrued expenses	5,130	30,258
Notes payable, current portion (Note 5)	33,991	322,680
	-----	-----
Total current liabilities	45,537	625,596
Notes payable, net of current portion (Note 5)	164,122	164,122
	-----	-----
Total liabilities	209,659	789,718
	-----	-----
Commitments (Notes 5, 6 and 7)		
Shareholders' equity (Notes 6 and 9):		
Common stock, \$.001 par value, 20,000,000 shares authorized; 13,416,417 shares issued and outstanding at March 31, 2003	8,345	13,417
Additional paid in capital	1,576,043	1,571,502
Deferred compensation expense	(41,111)	(41,111)

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Accumulated deficit	(1,320,658)	(1,332,566)
Advance receivable, shareholder (Note 6)		(24,708)
	-----	-----
Total shareholders' equity	222,619	186,534
	-----	-----
Total liabilities and shareholders' equity	\$ 432,278	\$ 976,252
	=====	=====

See notes to consolidated financial statements.

OMNI MEDICAL HOLDINGS, INC. AND SUBSIDIARIES

(FORMERLY KNOWN AS MASTEL PRECISION, INC. AND SUBSIDIARIES)

CONSOLIDATED STATEMENTS OF OPERATIONS

YEARS ENDED MARCH 31, 2003 AND 2002

	2003	2002
Revenues	\$ 1,080,474	\$ 836,466
Cost of sales	520,663	241,776
	-----	-----
Gross profit	559,811	594,690
General and administrative expenses	1,060,581	716,380
	-----	-----
Loss from operations	(500,770)	(122,690)
Other income (expense):		
Interest income	32,400	18
Interest expense	(46,720)	(65,048)
	-----	-----
Net loss	\$ (515,090)	\$ (186,720)
	=====	=====

See notes to consolidated financial statements.

OMNI MEDICAL HOLDINGS, INC. AND SUBSIDIARIES

(FORMERLY KNOWN AS MASTEL PRECISION, INC. AND SUBSIDIARIES)

CONSOLIDATED STATEMENTS OF SHAREHOLDERS' (DEFICIT) EQUITY

YEARS ENDED MARCH 31, 2003 AND 2002

	Shares	Common Stock	Additional Paid-in Capital	Deferred Compensation Expense
Balance, April 1, 2001	10,946,829	10,947	786,659	
Issuance of common stock in exchange for note payable	43,829	44	19,956	
Issuance of common stock to employees	1,314,878	1,315	78,685	(80,000)
Earned compensation expense				12,222

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Advance receivable, shareholder  
Net loss

Balances, March 31, 2002	12,305,536	12,306	885,300	(67,778)
Issuance of common stock in exchange for note payable	197,232	197	44,803	
Sale of common stock pursuant to private placements	197,232	197	44,803	
Stock transferred to employees by majority shareholder			52,500	
Sale of common stock pursuant to private placements	666,667	667	499,333	
Issuance of common stock in business acquisition	30,000	30	29,970	
Earned compensation expense				26,667
Issuance of common stock for services	19,750	20	14,793	
Net loss				
Balances, March 31, 2003	13,416,417	\$13,417	\$1,571,502	\$ (41,111)

[CONTINUED]

OMNI MEDICAL HOLDINGS, INC. AND SUBSIDIARIES

(FORMERLY KNOWN AS MASTEL PRECISION, INC. AND SUBSIDIARIES)

CONSOLIDATED STATEMENTS OF SHAREHOLDERS' (DEFICIT) EQUITY

YEARS ENDED MARCH 31, 2003 AND 2002

	Accumulated Deficit	Advance receivable, shareholder	Total
Balance, April 1, 2001	(630,756)	(20,470)	146,380
Issuance of common stock in exchange for note payable			20,000
Issuance of common stock to employees			0
Earned compensation expense			12,222
Advance receivable, shareholder		(4,238)	(4,238)
Net loss	(186,720)		(187,720)
Balances, March 31, 2002	(817,476)	(24,708)	(12,356)
Issuance of common stock in exchange for note payable			45,000
Sale of common stock pursuant to private placements			45,000
Stock transferred to employees by majority shareholder			52,500
Sale of common stock pursuant to private placements			500,000
Issuance of common stock in business acquisition			30,000
Earned compensation expense			26,667
Issuance of common stock for services			14,813
Net loss	(515,090)		(515,090)
Balances, March 31, 2003	\$ (1,332,566)	\$ (24,708)	\$ 186,534

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See notes to consolidated financial statements.

## OMNI MEDICAL HOLDINGS, INC. AND SUBSIDIARIES

(FORMERLY KNOWN AS MASTEL PRECISION, INC. AND SUBSIDIARIES)

### CONSOLIDATED STATEMENTS OF CASH FLOWS

YEARS ENDED MARCH 31, 2003 AND 2002

	2003	2002
Net loss	\$ (515,090)	\$ (186,720)
Adjustments to reconcile net loss to net cash (used in) provided by operating activities:		
Depreciation and amortization	25,937	11,806
Stock-based compensation expense	93,980	12,222
Changes in operating assets and liabilities, net of effects of business acquisition:		
Accounts receivable	9,418	201,417
Inventory	146,807	98,633
Accounts payable	996	(100,669)
Accrued expenses	(11,135)	23,248
	-----	-----
Net cash (used in) provided by operating activities	(249,087)	59,937
	-----	-----
Cash flows from investing activities:		
Purchase of property and equipment	(54,960)	(926)
Payment for purchase of business, net of cash acquired	(65,000)	
	-----	-----
Net cash used in investing activities	(119,960)	(926)
	-----	-----
Cash flows from financing activities:		
Notes payable	125,000	
Payments of notes payable	(52,334)	(49,667)
Proceeds from issuance of common stock	545,000	
	-----	-----
Net cash provided by (used in) financing activities	617,666	(49,667)
	-----	-----
Net increase in cash	248,619	9,344
Cash, beginning	9,344	
	-----	-----
Cash, ending	\$ 257,963	\$ 9,344
	=====	=====
Supplemental disclosure of cash flow information:		
Cash paid for interest	\$ 45,713	\$ 65,048
	=====	=====
Supplemental disclosure of non-cash investing and financing activities:		
Inventory transferred to shareholder (Note 6)	\$	\$ 4,238
	=====	=====
Conversion of debt to equity (Note 6)	\$ 45,000	\$ 20,000
	=====	=====
Business acquisition (Note 2):		
Fair value of assets acquired	\$ 184,761	

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Liabilities assumed	(89,761)
Common stock issued	(30,000)
	-----
Cash paid	\$ 65,000
	=====

See notes to consolidated financials statements.

### OMNI MEDICAL HOLDINGS, INC. AND SUBSIDIARIES

(FORMERLY KNOWN AS MASTEL PRECISION, INC. AND SUBSIDIARIES)

#### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

YEARS ENDED MARCH 31, 2003 AND 2002

#### 1. Business, disposition of MPSI and management's plans:

##### Business:

Omni Medical Holdings, Inc. ("the Company" or "Omni") formerly known as Mastel Precision, Inc., a Nevada corporation, provides medical billing and transcription services to medical practitioners. At March 31, 2003, the Company's medical transcription operations were located in Alabama. In May 2003, the Company acquired a medical billing operation in Mississippi (Note 10).

Through May 2, 2003, the Company also produced handheld surgical instruments used by ophthalmic surgeons in refractive, corneal and LASIK surgeries and was also a developer of technology to ophthalmic surgeons, specifically within the domain of anterior segment cataract extraction, and foldable intraocular lens placement as well as keratorefractive procedures such as LASIK. The Company operated its surgical instruments business through its wholly-owned subsidiary, Mastel Precision Surgical Instruments, Inc ("MPSI") out of its facility in Rapid City, South Dakota.

##### Disposition of MPSI:

Effective May 2003, the Company entered into an agreement with one of its officers and shareholders whereby the Company agreed to exchange 100% of the common stock of MPSI and \$36,000 cash for all shares of common stock of the Company owned individually or jointly by the officer and his wife, a total of 5,072,100 shares. At the date of the transaction, the assets of MPSI had a carrying value of approximately \$500,000 and MPSI's obligations and liabilities had a carrying value of approximately \$580,000. Due to the related party nature of the transaction, no gain was recognized and additional paid-in capital was increased by approximately \$44,000.

The accompanying unaudited proforma consolidated balance sheet gives effect to the disposition transaction as if it had been consummated on March 31, 2003. The unaudited proforma consolidated balance sheet does not purport to be indicative of the financial position of the Company had the transaction occurred on March 31, 2003.

##### Management's plans:

The Company has incurred losses during the years ended March 31, 2003 and 2002, and has an accumulated deficit of \$1,332,566 at March 31, 2003. Management's plans to address concerns raised by this issue includes:

- a. The disposition of MPSI will allow the Company to concentrate on its

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medical billing and transcription operations, which management believes can be operated more profitably than MPSI. MPSI's operating losses for the years ended March 31, 2003 and 2002 were approximately \$325,000 and \$122,000, respectively.

- b. Management expects that cash flows will increase as a result of the Company's disposition of MPSI and it's acquisition of transcription businesses (Notes 2 and 10).

OMNI MEDICAL HOLDINGS, INC. AND SUBSIDIARIES

(FORMERLY KNOWN AS MASTEL PRECISION, INC. AND SUBSIDIARIES)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

YEARS ENDED MARCH 31, 2003 AND 2002

1. Business, disposition of MPSI and management's plans (continued):

Management's plans (continued):

- c. The Company has been successful in raising limited amounts of capital through the sale of its common stock. In June 2003, the Company raised an additional \$45,000 in a private placement. Management believes that additional equity financing will be available from the Company's private placements.
- d. In September 2003, the Company completed a merger agreement with Piezo Instruments, Inc., a publicly trading Utah corporation. (Note 10). Management believes that this transaction will allow the Company access to additional sources of debt and equity financing.

There is no assurance that these or any efforts will be successful. However, management believes that these measures will enable the Company to have adequate funds to support operations for the next twelve months.

2. Business combinations:

On April 15, 2002, MPSI entered into an Agreement for the Exchange of Common Stock ("the Agreement") with Daycor Corporation ("Daycor"), a Nevada Corporation. Pursuant to the Agreement, the shareholders of MPSI sold to Daycor 100% of the issued and outstanding shares of MPSI in exchange for 11,000,000, \$.001 par value, newly issued shares of voting common stock of Daycor.

The transaction was accounted for as a reverse acquisition of Daycor by MPSI, since the shareholders of MPSI owned approximately 86% of the post acquisition common stock of the consolidated entity immediately after the completion of the transaction. For accounting purposes, the acquisition has been treated as an acquisition of Daycor by MPSI and as a recapitalization of MPSI. Shares of common stock authorized and issued have been retroactively restated to present the capital structure of Daycor. Concurrent with the merger, Daycor changed its name to Mastel Precision, Inc.

Effective July 10, 2002 the Company entered into an asset purchase agreement with A&V Digital Transcription Services ("A&V"), a general partnership based in the state of Alabama. The results of operations of A&V have been included in the consolidated financial statements since date of acquisition. A&V is a provider of medical transcription services. As a result of the acquisition, the Company entered into the medical billing and transcription market. On September 4, 2002 the Company formed Mastel Precision Health Information



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Services, Inc. ("MPHIS") (a wholly owned subsidiary of the Company) to operate the transcription services business acquired from A&V.

### OMNI MEDICAL HOLDINGS, INC. AND SUBSIDIARIES

(FORMERLY KNOWN AS MASTEL PRECISION, INC. AND SUBSIDIARIES)

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

YEARS ENDED MARCH 31, 2003 AND 2002

#### 2. Business combinations (continued):

The aggregate purchase price was \$95,000, including \$65,000 in cash, assumption of liabilities of \$89,761 and common stock valued at \$30,000. The value of the common stock issued was determined by management based on other stock transactions with third parties.

The following table summarizes the estimated fair values of the assets acquired and the liabilities assumed at July 10, 2002, the date of acquisition.

Current assets	\$	7,477
Property, plant and equipment		109,000
Intangible asset customer list		32,284
Goodwill		36,000
		-----
Total assets acquired		184,761
		-----
Current liabilities		(18,948)
Long-term debt		(70,813)
		-----
Total liabilities assumed		(89,761)
		-----
Net assets acquired	\$	95,000
		=====

The amount included for property, plant and equipment reflects a decrease of \$36,000, and the amount included for goodwill reflects an increase of \$36,000, from the Company's initial allocation of the purchase price that was shown in the Company's unaudited financial statements for the nine months ended December 31, 2002.

The accompanying financial statements for the year ended March 31, 2003 include the accounts of Omni, MPSI, A&V (from July 10, 2002) and MPHIS. Intercompany balances and transactions have been eliminated on consolidation.

#### 3. Significant accounting policies:

##### Cash and cash equivalents:

Cash and cash equivalents include cash on hand, money market accounts and short-term investments purchased with an original maturity of three months or less.

##### Accounts receivable and concentration of credit risk:

The Company grants credit to its customers, generally without collateral. At March 31, 2003, no one customer accounted for 10% or more of accounts receivable. During the years ended March 31, 2003 and 2002, no one customer

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accounted for 10% or more of sales.

OMNI MEDICAL HOLDINGS, INC. AND SUBSIDIARIES

(FORMERLY KNOWN AS MASTEL PRECISION, INC. AND SUBSIDIARIES)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

YEARS ENDED MARCH 31, 2003 AND 2002

### 3. Significant accounting policies (continued):

#### Inventories:

Inventories consist of surgical instruments and related components and are valued by using the average cost method at the lower of cost or market.

Property and equipment are recorded at cost. Depreciation is provided by use of straight-line and accelerated methods over the estimated useful lives of the assets ranging from 5 to 10 years.

#### Goodwill and intangible assets:

In July 2001, the Financial Accounting Standards Board ("FASB") issued Statement of Financial Accounting Standards ("SFAS") No. 141, Business Combinations, and SFAS No. 142, Goodwill and Other Intangible Assets. SFAS No. 141 requires that the purchase method of accounting be used for all business combinations initiated after June 30, 2001. Use of the pooling-of-interests method is prohibited after that date. SFAS No. 142 addresses the accounting and reporting for acquired goodwill and other intangible assets. It changes the accounting for goodwill and other intangible assets with indefinite lives from an amortization method to an impairment-only approach and requires intangible assets with finite lives to be amortized over their useful lives. These statements were effective for the Company on April 1, 2002 and goodwill of \$36,000 (which is expected to be fully tax-deductible), applicable to the medical transcription segment, was recorded on the acquisition of A&V in July 2002. A goodwill impairment test will be performed annually in the fourth quarter or upon significant changes in the Company's business environment.

The intangible asset consists of a customer list arising from the acquisition of A&V, and is being amortized on a straight-line basis over 5 years (approximately \$6,500 per year). Amortization expense for the year ended March 31, 2003 was approximately \$4,300.

#### Revenue recognition:

Revenue is recognized at the time goods are shipped and services are performed.

#### Advertising:

Costs related to advertising and promotion of products are charged to sales and marketing expense as incurred. Advertising and promotion costs were approximately \$101,200 and \$171,700 for the years ended March 31, 2003 and 2002, respectively.

#### Research and development:

Research and development costs are expensed as incurred. Research and development expense for the years ended March 31, 2003 and 2002 was

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approximately \$24,000 and \$8,000, respectively.

OMNI MEDICAL HOLDINGS, INC. AND SUBSIDIARIES

(FORMERLY KNOWN AS MASTEL PRECISION, INC. AND SUBSIDIARIES)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

YEARS ENDED MARCH 31, 2003 AND 2002

### 3. Significant accounting policies (continued):

Fair value of financial instruments:

The carrying amounts of the Company's cash and cash equivalents, accounts receivable and accounts payable approximate fair values due to the short maturities of these instruments. The carrying value of the Company's short-term borrowings approximates fair value based on the Company's current incremental borrowing rate for similar types of borrowing arrangements. The fair values of the Company's receivables and payables to related parties are not practicable to estimate due to the related party nature of the underlying transactions and indefinite payment terms.

Derivative transactions:

During the year ended March 31, 2003, the Company utilized certain short-term derivative instruments, options and puts of marketable equity securities, for trading purposes. The Company accounted for these transactions at fair value, based on market quotes and cash settlements. These transactions exposed the Company to certain market and credit risks related to the underlying investment and the counter-party, respectively. Included in interest income for the year ended March 31, 2003 is approximately \$30,300 of gains from these transactions. The Company held no derivative instruments at March 31, 2003.

Stock-based compensation:

SFAS No. 123 "Accounting for Stock-Based Compensation" allows companies to choose whether to account for employee stock-based compensation on a fair-value method, or to account for such compensation under the intrinsic value method prescribed in Accounting Principles Board Opinion No. 25, "Accounting for Stock Issued to Employees" ("APB 25"). The Company has chosen to account for employee stock-based compensation using APB 25. At March 31, 2003, the Company had no stock option plans.

Income taxes:

The Company recognizes deferred tax assets and liabilities for the expected future tax consequences of events that have been recognized in the financial statements or tax returns. Under this method, deferred tax liabilities and assets are determined based upon the differences between the financial statement carrying amounts and tax bases of assets and liabilities using enacted tax rates in effect in the years in which the differences are expected to reverse.

Comprehensive income:

SFAS No. 130, Reporting Comprehensive Income, establishes requirements for disclosure of comprehensive income. During the years ended March 31, 2003 and 2002, the Company did not have any components of comprehensive income to report.

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OMNI MEDICAL HOLDINGS, INC. AND SUBSIDIARIES

(FORMERLY KNOWN AS MASTEL PRECISION, INC. AND SUBSIDIARIES)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

YEARS ENDED MARCH 31, 2003 AND 2002

### 3. Significant accounting policies (continued):

Recently issued accounting pronouncements:

In January 2003, the Financial Accounting Standards Board ("FASB") issued SFAS Interpretation No. 46, Consolidation of Variable Interest Entities ("FIN 46"), which changes the criteria by which one company includes another entity in its consolidated financial statements. FIN 46 requires a variable interest entity ("VIE") to be consolidated by a company if that company is subject to a majority of the risk of loss from the variable interest entity's activities or entitled to receive a majority of the entity's residual returns or both. The consolidation requirements of FIN 46 apply immediately to VIE's created after January 31, 2003, and apply in the first fiscal period beginning after June 15, 2003, for VIE's created prior to February 1, 2003. As the Company does not currently have an interest in a VIE, management does not expect that the adoption of FIN 46 will have a significant immediate impact on the financial condition or results of operations of the Company.

In November 2002, the FASB issued SFAS Interpretation No. 45 ("FIN 45"), Guarantor's Accounting and Disclosure Requirements for Guarantees, Including Indirect Guarantees and Indebtedness of Others. FIN 45 elaborates on the disclosures to be made by the guarantor in its interim and annual financial statements about its obligations under certain guarantees that it has issued. It also requires that a guarantor recognize, at the inception of a guarantee, a liability for the fair value of the obligation undertaken in issuing the guarantee. The initial recognition and measurement provisions of this interpretation are applicable on a prospective basis to guarantees issued or modified after December 31, 2002, while the provisions of the disclosure requirements are effective for financial statements of interim or annual reports ending after December 15, 2002. The Company is currently evaluating the recognition provisions of FIN 45, but does not expect that the adoption of FIN 45 will have a significant immediate impact on the financial condition or results of operations of the Company, as the Company has made no guarantees.

In August 2001, the FASB issued SFAS No. 144, Accounting for the Impairment or Disposal of Long-Lived Assets, which addresses accounting and financial reporting for the impairment or disposal of long-lived assets. This statement was effective for the Company on April 1, 2002. The adoption of SFAS No. 144 did not have an impact on the financial condition or results of operations of the company.

In December 2002, the FASB issued SFAS No. 148, Accounting for Stock-Based Compensation Transition and Disclosure. This statement amends SFAS No. 123, Accounting for Stock-Based Compensation and establishes two alternative methods of transition from the intrinsic value method to the fair value method of accounting for stock-based employee compensation. In addition, SFAS No. 148 requires prominent disclosure about the effects on reported net income and requires disclosure for these effects in interim financial information. The provisions for the alternative transition methods are effective for fiscal years ending after December 15, 2002 and the amended disclosure requirements are effective for interim periods beginning after December 15, 2002. The Company plans to continue accounting for stock-based compensation under APB 25. Therefore, this pronouncement is not expected to impact the Company's

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financial position or results of operations.

OMNI MEDICAL HOLDINGS, INC. AND SUBSIDIARIES

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

YEARS ENDED MARCH 31, 2003 AND 2002

### 3. Significant accounting policies (continued):

Use of estimates:

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America 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 balance sheet and the reported amounts of revenues and expenses during the reporting periods. Actual results could differ from those estimates.

### 4. Property and equipment:

At March 31, 2003, property and equipment consist of the following:

		Unaudited Proforma (Note 1)	Historical
Office furniture and equipment	\$	24,000	\$ 99,351
Equipment		45,050	119,404
Land and building		85,000	85,000
		-----	-----
		154,050	303,755
Less accumulated depreciation and amortization		10,263	129,586
		-----	-----
	\$	143,787	\$ 174,169
		=====	=====

### 5. Notes payable:

At March 31, 2003, notes payable consist of the following:

		Unaudited Proforma (Note 1)	Historical
Note payable, interest at 9.5%, payable in monthly installments of \$2,000, originally due July 15, 2003, collateralized by inventory and accounts receivable			\$ 83,932
Note payable, interest at 10.5%, payable in monthly installments of \$5,635, originally due April 1, 2003, collateralized by inventory, accounts receivable, equipment and real estate owned by the Company's majority shareholder			204,757

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## Edgar Filing: OMNI MEDICAL HOLDINGS INC - Form 8-K/A

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

YEARS ENDED MARCH 31, 2003 AND 2002

5. Notes payable (continued):

	Unaudited Proforma (Note 1)	Historical
Note payable, interest at 8%, payable in monthly installments of \$1,956, due July 2009, collateralized by all of the assets of MPHIS	\$ 115,923	\$ 115,923
Note payable, interest at 7.9%, payable in monthly installments of \$590, due July 2016, collateralized by land and building	58,385	58,385
Note payable, interest at 24%, payable in monthly installments of \$905, due May 2004	12,931	12,931
Note payable, related party, interest at 5%, payable in monthly installments of \$375, due September 2004	10,874	10,874
	-----	-----
	198,113	486,802
Less current portion	33,991	322,680
	-----	-----
	\$ 164,122	\$ 164,122
	=====	=====

Future minimum note payments as of March 31, 2003, are approximately as follows:

Years ending March 31,				
2004	\$	322,680		
2005		26,265		
2006		20,277		
2007		21,957		
2008		45,773		
Thereafter		49,850		
		-----		
	\$	486,802		
		=====		

OMNI MEDICAL HOLDINGS, INC. AND SUBSIDIARIES

(FORMERLY KNOWN AS MASTEL PRECISION, INC. AND SUBSIDIARIES)

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

YEARS ENDED MARCH 31, 2003 AND 2002

6. Related party transactions:

During the years ended March 31, 2003 and 2002 the Company transferred inventory with a carrying value of approximately \$20,000 and \$25,000, respectively, to an officer and shareholder of the Company in exchange for a receivable. The shareholder used the inventory for promotional and other sales purposes on behalf of the Company. The Company entered into an

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agreement with the officer and shareholder whereby the receivable was to be settled in exchange for 32,944 shares of treasury stock, which management believes is the fair value of the stock. Accordingly, the amounts receivable from the shareholder have been shown as a reduction of stockholders equity at March 31, 2003 and 2002. This agreement was terminated in connection with the disposition of MPSI in May 2003, and the receivable was acquired by the shareholder.

At March 31, 2002, the Company owed \$41,129 to one of its shareholders and officers. Interest on the advance was at 8% and the advance was due to be repaid in May 2005. In April 2002, the advance, together with accrued interest of \$3,871 was converted to 197,232 shares of common stock. Included in interest expense for the year ended March 31, 2002 is \$3,871 relating to the advance.

### 7. Commitments:

#### Operating lease:

The Company leases its operating facility on a month-to-month basis. The lease may be canceled upon 30 days notice by the Company. The Company also leases office equipment under operating leases with various terms through February 2004. Total lease expense for the years ended March 31, 2003 and 2002 was approximately \$33,000 and \$36,000, respectively.

### 8. Income taxes:

At March 31, 2003 the Company has a net operating loss carryforward of approximately \$1,690,000, expiring on various dates through 2023 if not utilized. The net operating loss carry forwards may be subject to certain limitations due to the disposition of MPSI and to business acquisitions and other transactions. A valuation allowance has been provided to reduce to zero deferred tax assets arising from net operating losses and temporary differences because the future utilization cannot be assured at this time.

### 9. Shareholders' equity:

During the year ended March 31, 2002, 43,829 shares of common stock were issued in exchange for a note payable in the amount of \$20,000. Also during the year ended March 31, 2002, 1,314,878 shares of common stock were issued pursuant to employment agreements to two of the Company's directors. These shares were valued at \$80,000 at the date of issuance. Compensation expense of \$67,778 and \$41,111 has been deferred at March 31, 2002 and March 31, 2003, respectively, in accordance with the terms of the employment agreements.

OMNI MEDICAL HOLDINGS, INC. AND SUBSIDIARIES

(FORMERLY KNOWN AS MASTEL PRECISION, INC. AND SUBSIDIARIES)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

YEARS ENDED MARCH 31, 2003 AND 2002

### 9. Shareholders' equity (continued):

During the year ended March 31, 2003, 863,889 shares of common stock were issued in private placements at prices ranging from \$0.22 to \$0.75 per share; 197,232 shares of common stock were issued in exchange for a note payable to an officer of the Company in the amount of \$45,000 and 30,000 shares of common stock valued at \$30,000 were issued in connection with the Company's

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acquisition of the assets of A&V. During the year ended March 31, 2003, the Company's founding shareholder awarded 230,100 of his shares of the Company's common stock to Company employees. The Company has accounted for this award as a capital contribution by the founding shareholder resulting in compensation expense and an increase in additional paid-in capital of \$52,500. Also during the year ended March 31, 2003, the Company reserved 130,000 shares of common stock for issuance to employees as compensation. Certain employees and directors were awarded 19,750 shares of common stock valued at \$0.75 per share resulting in compensation expense of \$14,813.

### 10. Subsequent events:

Effective May 30, 2003, the Company entered into an asset purchase agreement with Medical Billings Management Inc., a corporation based in the state of Mississippi. As a result of the acquisition, the Company expanded its medical transcription and medical billings business. Under the terms of the agreement, the Company purchased certain operating assets and assumed certain lease obligations of Medical Billings Management Inc., in exchange for \$450,000 (\$150,000 paid at closing, \$75,000 payable six months after closing and \$225,000 payable on May 31, 2004, subject to an earn-out provision based on actual revenues).

On September 5, 2003, the Company completed a merger with Piezo Instruments, Inc., ("Piezo"), a Utah Corporation. Piezo is effectively a public shell company with no significant assets or liabilities. Under the terms of the agreement and plan of reorganization, the shareholders of the Company sold 100% of the issued and outstanding shares of the Company to Piezo in exchange for 16,000,000 newly issued shares of voting common stock of Piezo. The transaction is expected to be accounted for as a reverse acquisition of Piezo by the Company since the shareholders of the Company own approximately 89% of the post-acquisition common stock of the consolidated entity immediately after the completion of the transaction.

OMNI MEDICAL HOLDINGS, INC. AND SUBSIDIARIES

(FORMERLY KNOWN AS MASTEL PRECISION, INC. AND SUBSIDIARIES)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

YEARS ENDED MARCH 31, 2003 AND 2002

### 11. Contingencies:

On October 1, 2003, (unaudited) some of the minority shareholders of the entity formerly known as Daycor, notified the Company that they believe that Omni has taken actions that have diluted their interests. These minority shareholders have demanded the return of certain assets or a substantial financial settlement to be reached within 15 days. These minority shareholders have notified the Company of their intentions to make a filing with the American Arbitration Association pursuant to the Agreement for the Exchange of Common Stock dated April 15, 2002 if the matter is not resolved within the 15 day timeframe. There have been no stated monetary damages claimed. Management believes that the issue raised by these minority shareholders is without merit and management intends to vigorously defend any action, if filed. However, it is too early to determine the ultimate outcome of the matter.

Omni Medical Holdings, Inc.  
Unaudited Consolidated Balance Sheet



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September 30,  
2003

ASSETS

Current assets:

Cash and cash equivalents	\$	27,912
Accounts receivable, net, including unbilled amounts of approximately, \$123,000		230,215
Prepaid expenses		6,654

Total current assets		264,781
----------------------	--	---------

Property and equipment, net		214,695
Deferred financing costs		25,000
Goodwill		36,000
Intangible assets		314,114

	\$	854,590
--	----	---------

LIABILITIES

Current liabilities:

Trade accounts payable	\$	85,837
Accrued expenses		36,446
Notes payable, current portion		473,991

Total current liabilities		596,274
---------------------------	--	---------

Notes payable, net of current portion		147,228
---------------------------------------	--	---------

Total liabilities		743,502
-------------------	--	---------

Minority interest

20,482

SHAREHOLDERS' EQUITY

Common stock, par value \$0.001 per share; authorized 50,000,000; issued and outstanding, 10,760,849 shares		10,761
Common stock to be issued, 4,146,872		4,147
Capital in excess of par value		1,629,005
Deferred compensation expense		(35,105)
Accumulated deficit		(1,518,202)

Total stockholders' equity		90,606
----------------------------	--	--------

	\$	854,590
--	----	---------

See notes to consolidated financial statements.

2

Omni Medical Holdings, Inc.  
Unaudited Consolidated Statements of Operations

	Three Months Ended September 30,		Six Months Ended September 30,	
	2003	2002	2003	2002
Revenue	\$ 299,559	\$ 43,027	\$ 379,839	\$ 43,027
Cost of sales	199,485	17,619	204,474	17,619

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Gross operating profit	100,074	25,408	175,365	25,408
General and administrative expenses	230,005	63,020	312,949	63,020
Loss from operations	(129,931)	(37,612)	(137,584)	(37,612)
Other income (expense):				
Interest income	-	226	260	226
Interest expense	(11,673)	(2,164)	(17,978)	(2,164)
Total other income	(11,673)	(1,938)	(17,718)	(1,938)
Loss from continuing operations before minority interest	(141,604)	(39,550)	(155,302)	(39,550)
Minority interest	3,402	-	3,402	-
Loss from continuing operations	(138,202)	(39,550)	(151,900)	(39,550)
Loss from discontinued operations	-	(14,913)	(33,736)	(44,767)
Net loss	\$ (138,202)	\$ (54,463)	\$ (185,636)	\$ (84,317)
Loss per share basic and diluted:				
Continuing operations	\$ (0.01)	(a)	(0.01)	(a)
Discontinued operations	-	(a)	(a)	(a)
	\$ (0.01)	(a)	(0.01)	(a)
Weighted average number of common shares outstanding	13,457,914	19,971,427	14,420,323	19,709,802

See notes to consolidated financial statements.

(a) Less than \$0.01 per share.

3

Omni Medical Holdings, Inc.  
Unaudited Consolidated Statements of Cash Flows

	Six Months Ended September 30,	
	2003	2002
Loss from continuing operations	\$ (151,900)	\$ (39,550)
Adjustments to reconcile net loss to net cash used in continuing operations:		
Stock-based compensation expense	14,799	13,334
Depreciation and amortization	36,688	-
Minority interest	(3,402)	-
Changes in operating assets and liabilities, net of effects of business acquisition:		
Accounts receivable	(41,415)	(57,986)
Prepaid expenses	(6,654)	-
Accounts payable	38,739	(71,953)
Accrued expenses	24,740	(7,855)

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Net cash used in continuing operations	(88,405)	(164,010)
	-----	-----
Net cash used in discontinuing operations	(32,905)	(39,783)
	-----	-----
Net cash used in operating activities	(121,310)	(203,793)
	-----	-----
Cash flows from investing activities:		
Purchase of property and equipment	(5,687)	(45,270)
Payment for disposition of subsidiary, net	(28,737)	-
Payment for purchase of business	(150,000)	(65,000)
	-----	-----
Net cash used in investing activities	(184,424)	(110,270)
	-----	-----
Cash flows from financing activities:		
Deferred financing costs	(25,000)	-
Payments of notes payable	(19,695)	(19,867)
Proceeds from issuance of debt	75,378	125,000
Proceeds from issuance of common stock	45,000	597,500
	-----	-----
Net cash provided by financing activities	75,683	702,633
	-----	-----
(Decrease) increase in cash and cash equivalents	(230,051)	388,570
Cash and cash equivalents:		
Beginning of period	257,963	9,344
	-----	-----
End of period	\$ 27,912	\$ 397,914

Supplemental disclosure of cash flow information:

Cash paid for interest for continuing operations	\$ 9,891	\$ 2,164
	=====	=====
Cash paid for interest for discontinued operations	\$ 1,402	\$ 18,652
	=====	=====

See notes to consolidated financial statements.

4

Supplemental disclosure of non-cash investing and financing activities:

Conversion of debt to equity	\$ 45,000
------------------------------	-----------

Business acquisitions:

Fair value of assets acquired	\$ 450,000	\$ 184,761
Issuance of debt/assumption of liabilities	(300,000)	(89,761)
Common stock issued at acquisition	-	(30,000)
	-----	-----
Cash paid	\$ 150,000	\$ 65,000
	=====	=====

See notes to consolidated financial statements.

5

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. Business, organization and interim financial statements:

Business:

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Omni Medical Holdings, Inc. ("Omni"), a Nevada corporation, provides medical billing and transcription services to medical practitioners in Alabama, Mississippi and South Dakota.

### Organization:

The Company was previously organized as Piezo Instruments, Inc. ("Piezo"), a Utah corporation. Effective September 5, 2003, Piezo and Omni executed an Agreement and Plan of Reorganization (the "Reorganization Agreement"), whereby Piezo agreed to acquire 100% of the issued and outstanding shares of common stock of Omni in exchange for up to 16,000,000 newly issued shares of common stock of Piezo, (of which 12,907,721 have been issued through October 31, 2003, or approximately 87% of the post-Reorganization Agreement outstanding securities of Piezo). The transaction was accounted for as a reverse acquisition of Piezo by Omni. Shares of common stock authorized and issued have been retroactively restated to present the capital structure of Piezo. Concurrent with the merger, Piezo changed its name to Omni Medical Holdings, Inc.

At the closing, and excluding the 16,000,000 shares exchanged for Omni, the outstanding common stock of Piezo amounted to 2,000,000 shares, after taking into account a 1 for 14.5 reverse split and the following transactions: 1. In consideration of the closing of the Reorganization Agreement, certain principal stockholders of Piezo (i) delivered 1,466,379 post-split shares of Piezo for cancellation, which included 225,000 post-split shares of common stock underlying an option granted to one of the canceling stockholders; and (ii) waived any registration rights that had been granted to them or were applicable to any of the cancelled shares. In exchange for the cancellation of these shares and the waiver of any registration rights, Piezo issued an aggregate of 500,000 post-split newly issued shares of common stock to the canceling stockholders. 2. Piezo issued 293,104 shares of common stock to certain principal stockholders of Piezo in exchange for services to be rendered under a six month consulting agreement, resulting in consulting expense of approximately \$8,800, of which approximately \$7,300 is deferred at September 30, 2003.

As of October 31, 2003, the deadline for completing the share exchange transaction with Piezo, approximately 81% of Omni's outstanding shares had been tendered to the Company in accordance with the instructions for exchanging shares (8,760,849 shares were issued through September 30, 2003 and an additional 4,146,872 shares were available to be issued in October 2003). The other 19% had either dissented or had taken no action whatsoever and continue to own a minority interest in the Company's operating subsidiary.

### Interim financial statements:

The accompanying consolidated financial statements have been prepared in accordance with generally accepted accounting principles for interim financial information and with the instructions to Form 10-QSB and Item 310(b) of Regulation S-B. Accordingly, they do not include all of the information and footnotes required by accounting principles for complete financial statements generally accepted in the United States of America. There has not been any change in the significant accounting policies of Omni Medical Holdings, Inc. for the periods presented.

6

### 1. Business, organization and interim financial statements (continued):

Interim financial statements (continued):

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Certain information and note disclosures normally included in the Company's annual financial statements prepared in accordance with accounting principles generally accepted in the United States of America have been condensed or omitted. These condensed consolidated financial statements should be read in conjunction with a reading of the Omni consolidated financial statements and notes thereto included in the Company's Form 8-K/A filed with the Securities and Exchange Commission ("SEC") in November 2003 as well as the 2002 Piezo annual report filed on Form 10-KSB with the SEC.

In the opinion of Management, all adjustments (consisting of normal recurring accruals) considered necessary for a fair presentation have been included. The results for these interim periods are not necessarily indicative of results for the entire year.

### 2. Business acquisitions:

Effective May 30, 2003, Omni, through its wholly-owned subsidiary, Omni Medical Services, Inc., ("OMS"), completed an asset purchase agreement with Medical Billing Management, Inc. ("MBM"), a corporation based in the state of Mississippi and a provider of medical billing and collection services to medical practitioners. The aggregate purchase price was \$450,000, including \$150,000 paid at closing, \$75,000 payable on November 30, 2003 and \$225,000 payable on May 31, 2004. The \$225,000 payable on May 31, 2004 is subject to an adjustment which is to be calculated based on the amount by which revenues for the year ending May 31, 2004 are greater or lesser than a baseline amount.

The following table summarizes the estimated fair values of the assets acquired as of May 30, 2003, the date of acquisition. The allocation of the purchase price is subject to refinement.

Accounts Receivable, net	\$ 62,000
Furniture and equipment	78,000
Intangible asset customer list	310,000
	-----
Net assets acquired	\$ 450,000
	=====

Effective July 10, 2002, Omni entered into an asset purchase agreement with A&V Digital Transcription Services ("A&V"), a general partnership and provider of medical transcription services based in the state of Alabama. On September 4, 2002, Omni formed Omni Medical Services, Inc., (formerly Mastel Precision Health Information Services, Inc. and a wholly owned subsidiary of Omni) to operate the transcription services business acquired from A&V.

The aggregate purchase price was \$95,000, including \$65,000 in cash, assumption of liabilities of \$90,000 and common stock valued at \$30,000.

The following table summarizes the estimated fair values of the assets acquired and the liabilities assumed at July 10, 2002, the date of acquisition.

Current assets	\$ 8,000
Property, plant and equipment	109,000
Intangible asset customer list	32,000
Goodwill	36,000
	-----
Total assets acquired	185,000
	-----
Current liabilities	(19,000)
Long-term debt	(71,000)

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Total liabilities assumed		----- (90,000) -----
Net assets acquired	7	\$ 95,000

### 2. Business acquisitions (continued):

The MBM and A&V acquisitions were accounted for as purchases and their results of operations are included in the Company's financial statements from the dates of acquisition. Goodwill arising on the acquisition of A&V is expected to be fully deductible for tax purposes. Intangible assets (customer lists) acquired from MBM and A&V are expected to be amortized over 5 years.

The following unaudited proforma financial information presents results as if the MBM acquisition had occurred at the beginning of the respective periods (the impact of the A&V acquisition on 2002 unaudited proforma operating results was not significant).

	Six months ended	
	September 30,	
	2003	2002
Revenues	\$ 432,845	\$ 869,111
Net (loss) income	\$ (245,278)	\$ 19,416
Basic and diluted loss per share	\$ (0.02)	*
* Less than \$0.01 per share		

### 3. Discontinued operations:

Through May 2, 2003, Omni also produced handheld surgical instruments used by ophthalmic surgeons in refractive, corneal and LASIK surgeries and was also a developer of technology to ophthalmic surgeons, specifically within the domain of anterior segment cataract extraction, and foldable intraocular lens placement as well as keratorefractive procedures such as LASIK. Omni operated its surgical instruments business through its wholly-owned subsidiary, Mastel Precision Surgical Instruments, Inc ("MPSI") out of its facility in Rapid City, South Dakota.

Effective May 2003, Omni entered into an agreement with one of its officers and shareholders whereby Omni agreed to exchange 100% of the common stock of MPSI and \$36,000 cash for all shares of common stock of Omni owned individually or jointly by the officer and his wife. As of April 30, 2003, the assets of MPSI had a carrying value of approximately \$462,000 (primarily accounts receivable of approximately \$53,000 inventories of approximately \$387,000 and property and equipment of approximately \$30,000) and MPSI's obligations and liabilities had a carrying value of approximately \$532,000 (primarily accounts payable of approximately \$226,000 and debt of approximately \$286,000). Due to the related party nature of the transaction, no gain was recognized and additional paid-in capital was increased by \$34,000. The results of operations from MPSI have been retroactively restated as discontinued operations.

### 4. Managements plans:

Omni financial statements for the years ended March 31, 2003 and 2002 (not included herein) and for the six months ended September 30, 2003 and 2002 show that Omni has incurred net losses of \$515,090, \$186,720, \$185,636 and \$84,317, respectively, and has a working capital deficiency of \$331,491, as of September 30, 2003. Management's plans to address concerns raised by this issue includes:

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- a. The disposition of MPSI will allow the Company to concentrate on its medical billing and transcription operations, which management believes can be operated more profitably than MPSI. MPSI's operating losses for the years ended March 31, 2003 and 2002 were approximately \$325,000 and \$122,000, respectively.
- b. Management expects that cash flows will increase as result of the Company's disposition of MPSI and it's acquisition of transcription businesses.

8

#### 4. Managements plans (continued):

- c. In early June, the company retained the services of Windstone Capital, an investment banking firm in Phoenix, Arizona to raise capital for additional acquisitions. A private placement offering began in early November and management believes the firm will be successful in raising \$800,000, the maximum amount of the offering.

There is no assurance that these or any efforts will be successful. However, management believes that these measures will enable the Company to have adequate funds to support operations for the next twelve months.

#### 5. COMMITMENTS:

In 2003, the Company retained the services of an investment banking firm to raise capital for future acquisitions. Through September 30, 2003 the Company has paid \$25,000 in deferred financing costs which will be offset against the future equity proceeds.

In conjunction with the MBM acquisition, Omni entered into an employment agreement with one of MBM's former owners, guaranteeing employment with Omni through May 30, 2004 at an annual salary of \$50,000 plus a performance based bonus.

Omni has signed letters of intent to acquire two medical transcription businesses, one based in Kentucky and the other based in Iowa. The Kentucky and Iowa businesses will cost \$360,000 and \$255,000, respectively, of which approximately \$270,000 is to be paid at closing and the balances would be subject to earn out provisions over one to two years. These acquisitions are expected to be financed by future equity capital.

#### 6. Contingencies:

On October 1, 2003, certain minority shareholders of Omni, notified the Company that they believe that Omni has taken actions that have diluted their interests. These minority shareholders demanded the return of certain assets or a substantial financial settlement to be reached within 15 days. These minority shareholders have notified the Company of their intentions to make a filing with the American Arbitration Association pursuant to the Agreement for the Exchange of Common Stock dated April 15, 2002 if the matter is not resolved within the 15 day time frame. No such filing has been made and there have been no stated monetary damages claimed. Management believes that the issue raised by these minority shareholders is without merit and management intends to vigorously defend any action, if filed. However, it is too early to determine the ultimate outcome of the matter.

#### 7. Basic and Diluted Loss Per Share

The Company determines basic and diluted loss per share in accordance with SFAS No. 128, Earnings Per Share. The basic net loss per common share is

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computed by dividing the net loss by the weighted average number of shares outstanding during a period. Diluted net loss per common share is computed by dividing the net loss, adjusted on an as if converted basis, by the weighted average number of common shares outstanding plus potential dilutive securities. For the three and six months ended September 30, 2003 and 2002, there are no potential dilutive securities. Therefore, diluted loss per share is equivalent to basic loss per share. During the three and six months ended September 30, 2003, the weighted average number of shares includes the effect of shares of common stock to be issued.

9

### (b) Pro Forma Financial Information.

Proforma balance sheets and statements of operations as of the most recent year and interim periods have not been presented as management believes that they would not differ from the historical September 30, 2003 balance sheets and statements of operations already presented since Piezo had no significant assets, liabilities or operating activities.

### (c) Exhibits.

Attached:

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#### 2.1 Agreement and Plan of Reorganization\*

Exhibit A & A-1	Omni Stockholders
Exhibit B	Piezo Financial Statements for the years ended December 31, 2002 and 2001(1)
Exhibit B-1	Piezo Financial Statements for The period ended June 30, 2003(2)
Exhibit C	Exceptions to Piezo Financial Statements
Exhibit D	Omni Financial Statements for the years ended March 31, 2002 and 2001 ("Audited", and the nine months ended December 31, 2002 (Unaudited) (3)
Exhibit E	Exceptions to Omni Financial Statements
Exhibit F	Investment Letter
Exhibit G	Piezo Compliance Certificate
Exhibit H	Omni Compliance Certificate
Schedule 1.5.1	Canceling Principal Stockholders
Schedule 1.5.2	Shares Issued in Consideration Of Cancellation and Waiver of Registration Rights
Schedule 1.6.1	Piezo Stockholders Subject to Lock-Up/Leak-Out Agreement
Schedule 1.6.2	Lock-Up/Leak-Out Agreement
Schedule 1.7.1	Consulting Agreement

99.1 Letter to Omni Stockholders\*

99.2 Accredited/Sophisticated Investor Questionnaire\*

99.3 Letter of Instructions\*

99.4 Acknowledgment\*



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\* Previously filed with the Securities and Exchange Commission.

Incorporated by Reference:  
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10-KSB Annual Report for the year ended December 31, 2002, filed with the Securities and Exchange Commission on March 26, 2003.

10-QSB Quarterly Report for the quarter ended June 30, 2003, filed with the Securities and Exchange Commission on July 16, 2003.

Preliminary Information Statement filed with the Securities and Exchange Commission on September 17, 2003.

Amended Preliminary Information Statement filed with the Securities and Exchange Commission on September 23, 2003.

- (1) Incorporated by reference from the 10-KSB Annual Report of Piezo for the year ended December 31, 2002.
- (2) Incorporated by reference from the 10-QSB Quarterly Report of Peizo for the quarter ended June 30, 2003.
- (3) See the caption "Financial Statements of Omni," above, and Item 7.

SIGNATURES

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

OMNI MEDICAL HOLDINGS, INC.

Date: 11/25/03  
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/s/ Arthur D. Lyons  
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Arthur D. Lyons  
Director and President