Excaliber Enterprises, Ltd.
Form 10-Q
November 10, 2008

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

FORM 10-Q

(Mark One)
[X] QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended: September 30, 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: 333-145977

EXCALIBER ENTERPRISES, LTD.
(Exact name of registrant as specified in its charter)

Nevada (State or other jurisdiction of incorporation or organization)	20-5093315 (I.R.S. Employer Identification No.)
P.O. Box 1265, Rathdrum, Idaho (Address of principal executive offices)	83858 (Zip Code)

(208) 640-9633
(Registrant's telephone number, including area code)

(Former name, former address and former fiscal year, if changed since last report)

Indicate by check mark whether the issuer (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the past 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.
Yes [X] No [ ]

Indicate by check mark whether the Registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of “large accelerated filer,” “accelerated filer” and “smaller reporting company” in Rule 12b-2 of the Exchange Act.:

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

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

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date:

Common Stock, $0.001 par value	5,100,000 shares
(Class)	(Outstanding as at November 7, 2008)

EXCALIBER ENTERPRISES, LTD.
(A Development Stage Company)

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PART I – FINANCIAL INFORMATION

Unaudited Financial Statements

The accompanying unaudited financial statements have been prepared in accordance with generally accepted accounting principles for interim financial reporting and pursuant to the rules and regulations of the Securities and Exchange Commission ("Commission"). While these statements reflect all normal recurring adjustments which are, in the opinion of management, necessary for fair presentation of the results of the interim period, they do not include all of the information and footnotes required by generally accepted accounting principles for complete financial statements. For further information, refer to the financial statements and footnotes thereto, which are included in the Company's Annual Report on Form 10-KSB, previously filed with the Commission on March 7, 2008.

Excaliber Enterprises, Ltd.
(a Development Stage Company)
Condensed Balance Sheet

	September 30, 2008 (Unaudited)	December 31, 2007 (Audited)
Assets		
Current assets		
Cash	$ 156	$ 95
Total current assets	156	95
Total assets	$ 156	$ 95
Liabilities and Stockholders' Equity		
Current liabilities:		
Accounts payable	$ 3,240	$ 240
Note payable – related party	500	-
Total current liabilities	3,740	240
Stockholders' equity		
Common stock, $0.001 par value, 200,000,000 shares authorized, 5,100,000 shares issued and outstanding	5,100	5,100
Additional paid-in capital	5,000	5,000
(Deficit) accumulated during development stage	(13,684)	(10,245)
	(3,584)	(145)
Total liabilities and stockholders' equity	$ 156	$ 95

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

Excaliber Enterprises, Ltd.
(a Development Stage Company)
Condensed Statements of Operations

	Nine Months Ended September 30,		Three Months Ended September 30,		October 6, 2005 (Inception) to September 30, 2008
	2008	2007	2008	2007	
Revenue	$ -	$ -	$ -	$ -	$ -
Expenses:					
Executive compensation	-	-	-	-	5,000
General and administrative expenses	3,409	3,850	93	1,534	8,624
Total expenses	3,409	3,850	93	1,534	13,624
(Loss) before provision for income taxes	(3,409)	(3,850)	(93)	(1,534)	(13,624)
Provision for income taxes	(30)	(30)	-	-	(60)
Net (loss)	$ (3,439)	$ (3,880)	$ (93)	$ (1,534)	$ (13,684)
Weighted average number of common shares outstanding – basic and fully diluted	5,100,000	5,100,000	5,100,000	5,100,000	
Net (loss) per share – basic and fully diluted	$ (0.00)	$ (0.00)	$ (0.00)	$ (0.00)	

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

Excaliber Enterprises, Ltd.
(a Development Stage Company)
Condensed Statements of Cash Flows

	For the nine months ended September 30, 2008	For the nine months ended September 30, 2007	October 6, 2005 (Inception) to September 30, 2008
Cash flows from operating activities			
Net (loss)	$ (3,439)	$ (3,880)	$ (13,684)
Adjustments to reconcile net (loss) to net cash (used) by operating activities:			
Shares issued for executive compensation	-	-	5,000
Changes in operating assets and liabilities:			
Increase in accounts payable	3,000	-	3,240
Net cash (used) by operating activities	(439)	(3,880)	(5,444)
Cash flows from financing activities			
Donated capital	-	-	100
Issuances of common stock	-	-	5,000
Proceeds from note payable	500	-	500
Net cash provided by financing activities	500	-	5,600
Net increase (decrease) in cash	61	(3,880)	156
Cash – beginning	95	4,909	-
Cash – ending	$ 156	$ 1,029	$ 156
Supplemental disclosures:			
Interest paid	$ -	$ -	$ -
Income taxes paid	$ -	$ -	$ -
Non-cash transactions:			
Shares issued for executive compensation	$ -	$ -	$ 5,000
Number of shares issued for executive compensation	-	-	5,000,000

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

Excaliber Enterprises, Ltd.
(a Development Stage Company)
Notes to Condensed Financial Statements

Note 1 – Basis of presentation

The interim financial statements included herein, presented in accordance with United States generally accepted accounting principles and stated in US dollars, have been prepared by the Company, without audit, pursuant to the rules and regulations of the Securities and Exchange Commission (SEC). Certain information and footnote disclosures normally included in financial statements prepared in accordance with generally accepted accounting principles have been condensed or omitted pursuant to such rules and regulations, although the Company believes that the disclosures are adequate to make the information presented not misleading.

These statements reflect all adjustments, consisting of normal recurring adjustments, which, in the opinion of management, are necessary for fair presentation of the information contained therein. It is suggested that these condensed interim financial statements be read in conjunction with the financial statements of the Company for the year ended December 31, 2007 and notes thereto included in the Company's annual report on Form 10-KSB. The Company follows the same accounting policies in the preparation of interim reports.

Results of operations for the interim periods are not indicative of annual results.

Note 2 – History and organization of the company

The Company was organized October 6, 2005 (Date of Inception) under the laws of the State of Nevada, as Excaliber Enterprises, Ltd. The Company is authorized to issue up to 200,000,000 shares of its common stock with a par value of $0.001 per share.

The business of the Company is to sell gift baskets to real estate and health care professionals and institutions. The Company has limited operations and in accordance with Statement of Financial Accounting Standards No. 7 (SFAS #7), "Accounting and Reporting by Development Stage Enterprises," the Company is considered a development stage company.

Note 3 – Going concern

The accompanying financial statements have been prepared assuming the Company will continue as a going concern. As shown in the accompanying financial statements, the Company has incurred a net loss of ($13,684) for the period from October 6, 2005 (inception) to September 30, 2008, and had no sales. The future of the Company is dependent upon its ability to obtain financing and upon future profitable operations from the development of its new business opportunities.

The Company is in the process of conducting a public offering of its equity securities to obtain operating capital. In the event additional capital is required or if the offering is unsuccessful, the officers of the Company have agreed to provide funds as a loan over the next twelve-month period, as may be required. However, the Company is dependent upon its ability, and will continue to attempt, to secure equity and/or debt financing. There are no assurances that the Company will be successful and without sufficient financing it would be unlikely for the Company to continue as a going concern.

The financial statements do not include any adjustments relating to the recoverability and classification of recorded assets, or the amounts of and classification of liabilities that might be necessary in the event the Company cannot continue in existence.

These conditions raise substantial doubt about the Company's ability to continue as a going concern. These financial statements do not include any adjustments that might arise from this uncertainty.

Excaliber Enterprises, Ltd.
(a Development Stage Company)
Notes to Condensed Financial Statements

Note 4 – Stockholders' equity

The Company is authorized to issue 200,000,000 shares of its $0.001 par value common stock.

On June 23, 2006, the Company issued 5,000,000 shares of its $0.001 par value common stock as founders' shares to an officer and director in exchange for services rendered valued at $5,000.

On August 2, 2006, an officer and director of the Company donated cash in the amount of $100. The entire amount was donated, is not expected to be repaid and is considered to be additional paid-in capital.

On September 25, 2006, the Company issued 100,000 shares of its $0.001 par value common stock to one individual in exchange for cash in the amount of $5,000.

As of September 30, 2008, there have been no other issuances of common stock.

Note 5 – Warrants and options

As of September 30, 2008, there were no warrants or options outstanding to acquire any additional shares of common stock.

Note 6 – Debt and interest expense

On January 22, 2008, the Company issued an aggregate of $500 in debt securities to a related party. The note bears no interest, is due on demand and contains no prepayment penalty.

Note 7 – Related party transactions

The Company issued 5,000,000 shares of its par value common stock as founders' shares to an officer and director in exchange for services rendered in the amount of $5,000.

The Company issued 100,000 shares of its par value common stock to an affiliated shareholder in exchange for cash in the amount of $5,000.

A shareholder, officer and director of the Company donated cash to the Company in the amount of $100. This amount has been donated to the Company, is not expected to be repaid and is considered additional paid-in capital.

In January 2008, the Company borrowed $500 from a relative of the officers and directors of the Company. The note bears no interest, is due on demand and contains no prepayment penalty.

The Company does not lease or rent any property. Office services are provided without charge by an officer and director of the Company. Such costs are immaterial to the financial statements and, accordingly, have not been reflected therein. The officers and directors of the Company are involved in other business activities and may, in the future, become involved in other business opportunities. If a specific business opportunity becomes available, such persons may face a conflict in selecting between the Company and their other business interests. The Company has not formulated a policy for the resolution of such conflicts.

Note 8 – Subsequent events

During September 2008, the Company received notice that cash of approximately $36,935 was received in the escrow account, related to its public offering of common stock registered via Form SB-2 with the Securities Exchange Commission. However, as of November 10, 2008, the funds have not settled in the escrow account, therefore no monies have been transferred to the Company and no shares of common stock of the Company have been issued to purchasers. Assuming that all funds currently in escrow clear, the Company will issue an aggregate of 738,700 shares of common stock.

Management's Discussion and Analysis of Financial Condition and Results of Operations

Forward-Looking Statements

This Quarterly Report contains forward-looking statements about Excaliber Enterprises, Ltd.'s business, financial condition and prospects that reflect management's assumptions and beliefs based on information currently available. We can give no assurance that the expectations indicated by such forward-looking statements will be realized. If any of our management's assumptions should prove incorrect, or if any of the risks and uncertainties underlying such expectations should materialize, Excaliber Enterprise's actual results may differ materially from those indicated by the forward-looking statements.

The key factors that are not within our control and that may have a direct bearing on operating results include, but are not limited to, acceptance of our services, our ability to expand our customer base, managements' ability to raise capital in the future, the retention of key employees and changes in the regulation of our industry.

There may be other risks and circumstances that management may be unable to predict. When used in this Quarterly Report, words such as, "believes," "expects," "intends," "plans," "anticipates," "estimates" and similar expressions are intended to identify forward-looking statements, although there may be certain forward-looking statements not accompanied by such expressions.

Management's Discussion and Results of Operation

We were incorporated in the State of Nevada on October 6, 2005. We are focused on selling specialty gift baskets to health care professionals, organizations and patients, as well as real estate agents and firms. We are a development stage company. Our operations have been devoted primarily to startup and development activities, which include the formation of our corporate identity, obtaining capital through sales of our common stock and reserving a web domain name and developing a website at www.ExcaliberStore.com. We have been attempting to raise working capital through a registered offering of our common stock. To date, $36,935 is in an escrow account waiting for the funds to settle with the bank. However, since the Company has not received any of the cash, we have not issued any shares of common stock and are still unable to conduct our developmental efforts. There are no formal or informal agreements to attain such financing. We can not assure you that any financing can be obtained or, if obtained, that it will be on reasonable terms. Without realization of additional capital, it would be unlikely for us to continue as a going concern.

In the event we are able to secure at least the minimum funds through our financing effort, our management has designated the following as our priorities for the next 12 months:

1. Developed and published our website: We have reserved the domain name www.ExcaliberStore.com and are working to develop content to publish on the website. We expect to operate as an online business, whereby all of our marketing and sales efforts will be conducted via the Internet and the website will be the sole method through which we will realize sales. Thus, we believe this site is critical to reaching prospective customers and for generating awareness of our brand. We have posted a preliminary greeting page, however, our website is not currently functional. Without a fully operational website, we are unable to generate brand awareness or revenues. We expect to use a portion of the proceeds from our public registered offering of common stock toward the development and publishing of our website. Since no funds have yet been received from the offering, we have been unable to continue development of the site.

2. Introduce a catalog of gift baskets: Our business is based upon selling specialty gift baskets designed and assembled by our President, Stephanie Jones. To begin to generate revenues and establish a base of operations, we

must develop a sufficient catalog of potential gift basket arrangements targeting the real estate and healthcare market segments. To date, we do not have any proposed or finalized gift baskets and do not have any ability to generate sales. Until we publish a fully functioning website, we do not intend to accumulate an inventory of saleable products and are therefore unable to begin to generate revenues until we do so.

3. Identify product manufacturers and suppliers: Our specialty gift baskets will be assembled by our management, using products purchased from third-party manufacturers and suppliers. We expect to rely solely upon the efforts of outside sources to develop and manufacture all products. We do not intend to manufacture any products internally. In order to obtain saleable merchandise, we must identify potential manufacturers and suppliers of baskets and the various merchandise we plan to insert in the gift basket. To date, we have not identified or contacted any manufacturers or suppliers.

4. Devise a marketing strategy: We believe that generating awareness of our company will drive consumers to our website. In order to do so, we must develop and implement an effective promotional strategy. We intend to utilize search engine placement, banner advertisements and link placement relationships to increase the visibility of our website, once it is operational. We currently have no marketing strategies in place and our website is still in the development stage.

Since our inception on October 6, 2005 to September 30, 2008, we did not generate any revenues and have incurred various general and administrative costs related to the costs of start-up operations and the execution of our business. During the three months ended September 30, 2008, total expenses consisted solely of general and administrative costs in the amount of $93. To date, general and administrative expenses mainly consist of office expenditures and accounting and legal fees. In the comparable year ago three month period ended September 30, 2007, expenses were $1,534, all of which were attributable to general and administrative expenses. During the nine month period ended September 30, 2008, we spent a total of $3,409, all of which were general and administrative costs. In comparison, in the nine month period ended September 30, 2007, we spent a total of $3,850, all of which is attributable to general and administrative expense. No development related expenses have been or will be paid to our affiliates. Since our inception, we have incurred aggregate operating expenses in the amount of $13,624, of which $8,624 are general and administrative expenses and $5,000 in executive compensation, related specifically to the issuance of 5,000,000 shares of common stock to Stephanie Jones, an officer and director, for services rendered. We expect to continue to incur general and administrative expenses for the foreseeable future, although we cannot estimate the extent of these costs.

As a result of our lack of revenues and incurring ongoing expenses related to the implementation of our business, we have experienced net losses in all periods since our inception. In the nine month period ended September 30, 2008, our net loss totaled $3,439, compared to a net loss of $3,880 in the prior year nine month period ended September 30, 2007. Since our inception, we have accumulated a deficit in the amount of $13,684. We anticipate incurring ongoing operating losses and cannot predict when, if at all, we may expect these losses to plateau or narrow. There is significant uncertainty projecting future profitability due to our history of losses, lack of revenues, and due to our reliance on the performance of third parties on which we have no direct control.

We believe that our cash on hand as of September 30, 2008, in the amount of $156, is not sufficient to maintain our operations. On September 11, 2007, we filed a Registration Statement on Form SB-2 (SEC File Number 333-145977) to raise a minimum of $35,000 and a maximum of $75,000 in a public offering of our common stock. The Securities and Exchange Commission deemed the Registration Statement effective on September 24, 2007. It is anticipated that we will be able to initiate establishing a base of operations with at least the minimum amount sought in this offering. In the event we are unable to raise at least the minimum amount of $35,000, we may be unable to conduct any operations and may consequently go out of business. During September 2008, our escrow agent notified us that cash of approximately $36,935 was received in the escrow account, related to the public offering. However, as of the date of this Annual Report, the funds have not settled in the escrow account, therefore we have not received any monies and no shares of common stock have been issued to purchasers. Assuming that all funds currently in escrow clear, we will issue an aggregate of 738,700 shares of common stock.

Our management does not anticipate the need to hire additional full- or part- time employees over the next 12 months, as the services provided by our current officers and directors appear sufficient at this time. Our officers and directors work for us on a part-time basis, and are prepared to devote additional time, as necessary. We do not expect to hire any additional employees over the next 12 months.

Our management does not expect to incur research and development costs.

We do not have any off-balance sheet arrangements.

We currently do not own any significant plant or equipment that we would seek to sell in the near future.

We have not paid for expenses on behalf of our directors. Additionally, we believe that this fact shall not materially change.

We currently do not have any material contracts and or affiliations with third parties.

There are no known trends, events or uncertainties that have had or that are reasonably expected to have a material impact on our revenues from continuing operations.

Controls and Procedures

Evaluation of Disclosure Controls and Procedures

We maintain a set of disclosure controls and procedures designed to ensure that information required to be disclosed by us in our reports filed under the Securities Exchange Act, is recorded, processed, summarized and reported within the time periods specified by the SEC's rules and forms. Disclosure controls are also designed with the objective of ensuring that this information is accumulated and communicated to our management, including our chief executive officer and chief financial officer, as appropriate, to allow timely decisions regarding required disclosure.

Based on an evaluation as of the end of the period covered by this report, our Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended, (the "Exchange Act")) were effective to provide reasonable assurance that information required to be disclosed by us in reports that we file or submit under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in SEC rules and forms and that such information is accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, to allow timely decisions regarding required disclosures.

Changes in Internal Control Over Financial Reporting

There were no changes in our internal control over financial reporting that occurred during our most recent fiscal quarter that have materially affected, or reasonably likely to materially affect, our internal control over financial reporting.

PART II – OTHER INFORMATION

Unregistered Sales of Equity Securities

On September 22, 2006, we issued 5,000,000 shares of our common stock to Stephanie Y. Jones, our founding shareholder and an officer and director. This sale of stock did not involve any public offering, general advertising or solicitation. The shares were issued in exchange for services performed by the founding shareholder on our behalf in the amount of $5,000. Mrs. Jones received compensation in the form of common stock for performing services related to the formation and organization of our Company, including, but not limited to, designing and implementing a business plan and providing administrative office space for use by the Company; thus, these shares are considered to have been provided as founder's shares. Additionally, the services are considered to have been donated, and have resultantly been expensed and recorded as a contribution to capital. At the time of the issuance, Mrs. Jones had fair access to and was in possession of all available material information about our company, as is the President and a director of Excaliber Enterprises, Ltd. The shares bear a restrictive transfer legend. On the basis of these facts, we claim that the issuance of stock to our founding shareholder qualifies for the exemption from registration contained in Section 4(2) of the Securities Act of 1933.

On September 25, 2006, we sold 100,000 shares of our common stock to Nicole Jones, sister-in-law of our founding shareholder, Stephanie Jones. The shares were issued for total cash in the amount of $5,000. The shares bear a restrictive transfer legend. At the time of the issuance, Mrs. Nicole Jones had fair access to and was in possession of all available material information about our company, as she is the sister-in-law of the president and director of Excaliber Enterprises, Ltd. The shares bear a restrictive transfer legend. On the basis of these facts, we claim that the issuance of stock to our founding shareholder qualifies for the exemption from registration contained in Section 4(2) of the Securities Act of 1933.

Exhibits and Reports on Form 8-K

Exhibit Number	Name and/or Identification of Exhibit
3	Articles of Incorporation & By-Laws
	(a) Articles of Incorporation *
	(b) By-Laws *
31	Rule 13a-14(a)/15d-14(a) Certifications
	(a) Stephanie Y. Jones
	(b) Matthew L. Jones
32	Certification under Section 906 of the Sarbanes-Oxley Act (18 U.S.C. Section 1350)

* Incorporated by reference herein filed as exhibits to the Company's Registration Statement on Form SB-2 previously filed with the SEC on September 11, 2007, and subsequent amendments made thereto.

SIGNATURES

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

EXCALIBER ENTERPRISES, LTD.
(Registrant)

Signature	Title	Date
/s/ Stephanie Y. Jones Stephanie Y. Jones	President and Chief Executive Officer	November 7, 2008
/s/ Matthew L. Jones Matthew L. Jones	Chief Financial Officer	November 7, 2008
/s/ Matthew L. Jones Matthew L. Jones	Chief Accounting Officer	November 7, 2008