

# SECURITIES AND EXCHANGE COMMISSION

## FORM 8-K/A

Current report filing [amend]

Filing Date: **1998-01-05** | Period of Report: **1997-10-14**  
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### FILER

#### CONTINENTAL AMERICAN TRANSPORTATION INC

CIK: **866457** | IRS No.: **841089599** | State of Incorpor.: **CO** | Fiscal Year End: **0630**  
Type: **8-K/A** | Act: **34** | File No.: **000-18729** | Film No.: **98500595**  
SIC: **4210** Trucking & courier services (no air)

Mailing Address  
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CALHOUN GA 30701

Business Address  
495 LOVERS LANE RD  
CALHOUN GA 30701  
7066298682

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

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AMENDMENT NO. 2 TO CURRENT REPORT ON FORM 8-K  
FILED WITH THE COMMISSION ON OCTOBER 14, 1997

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

Date of Report (Date of earliest event reported): October 14, 1997

CONTINENTAL AMERICAN TRANSPORTATION, INC.

Exact name of Registrant as specified in charter)

Colorado	0-18729	84-1089599
(State or other	(Commission	(IRS employee
jurisdiction of	file number)	identification
incorporation		no.)

495 Lovers Lane Road, Calhoun, Georgia 30701

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(Address of principal executive office) Zip Code

Registration telephone number, including area code: (706) 629-8682

Registrant hereby files its Amendment No. 2 to its Current Report on Form 8-K, filed with the Securities and Exchange Commission (the "Commission") on October 14, 1997, concerning the termination of its former auditors, Rosenberg Rich Baker Berman & Company ("Rosenberg Rich") on or about October 6, 1997 (the "Form 8-K"). Registrant filed Amendment No. 1 to the subject Form 8-K on November 6, 1997, attaching as an exhibit thereto a letter addressed to the Commission from Rosenberg Rich, dated October 30, 1997 (the "Rosenberg Letter"). By letter from the Commission, dated November 12, 1997, Registrant was requested to provide additional disclosures that are contained in this Amendment.

Initially, the Commission requests Registrant to clarify the date of dismissal of Rosenberg Rich. Registrant had stated in its Form 8-K that it advised Rosenberg Rich of its termination on October 6, 1997; conversely, Rosenberg Rich, in the Rosenberg Letter, advised the Commission that it received notice of its termination as Registrant's independent auditors on October 14, 1997. Registrant's President, Timothy Holstein, to the best of his recollection, advised Rosenberg Rich's managing partner of the dismissal by telephone on or about October 6, 1997.

Secondly, with respect to the Rosenberg Letter, the Commission requests Registrant to "...disclose the reportable event cited in the former accountants letter...". Registrant's following responses to this Commission request are specific as to the requirements outlined in Item 304(a)(1)(iv), paragraphs (B)(E) of Regulation S-B:

(a)(1)(iv)(B)(1): In the Rosenberg Letter, Registrant's former auditors, Rosenberg Rich, disagreed with the statements made by Registrant in the Form 8-K. Rosenberg Rich stated that by earlier letter dated August 4, 1997 (the "August Rosenberg Letter") and in connection with Rosenberg Rich's preparation of draft consolidated balance sheets, statements of operations and statements of cash flows at and for the six-month period ended December 31, 1996 and the nine month period ended March 31, 1997 (the "Financial Statements"), it had previously advised Registrant that it found Registrant's internal accounting records to be in extremely poor condition, citing as examples that cash accounts were not reconciled, significant other balance sheet accounts were not documented with supporting detail, intercompany account balances were not in agreement and expense categories contained unusual variances when compared to prior periods; continuing, Rosenberg Rich stated in the August Rosenberg Letter that Registrant and its subsidiaries failed to maintain effective

internal control and accounting systems sufficient to safeguard its assets and report its performance, concluding that these specified deficiencies, although not capable of being quantified, may have a material effect on the Financial Statements.

(a) (1) (iv) (B) (2): Not applicable.

(a) (1) (iv) (B) (3): Not applicable.

(a) (1) (iv) (C): The subject matter of (a) (1) (iv) (B) (1) is the allegations set forth in the Rosenberg Letter as well as in the "August Rosenberg Letter", a copy of which is attached hereto as an

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Exhibit.

(a) (1) (iv) (D): The Board of Directors has not discussed with Rosenberg Rich the subject matter of the allegations set forth in the Rosenberg Letter nor those set forth in the August Rosenberg Letter.

(a) (1) (iv) (E): Registrant has authorized Rosenberg Rich to respond fully to any inquiries of Grant Thornton LLP, Registrant's successor accountant, concerning the subject matter of the allegations set forth in the Rosenberg Letter as well as those set forth in the August Rosenberg Letter.

Item 7.

Financial Statements and Exhibits.

(c) (16) Letter from Rosenberg Rich Baker Berman & Company to Timothy Holstein, Chairman of the Board, Continental American Transportation, Inc., dated August 4, 1997.

SIGNATURES

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

By: s/Timothy Holstein  
Timothy Holstein, President

Dated: December 11, 1997

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EXHIBIT (C) (16)

Rosenberg Rich  
Baker Berman & Company  
380 Foothill Road  
Bridgewater, New Jersey 08807

August 4, 1997

Timothy Holstein, Chairman of the Board  
Continental American Transportation, Inc. and Subsidiaries  
9495 Lovers Lane Road SE

Calhoun, GA 30701

Dear Mr. Holstein:

We have prepared, from your company's internal accounting records, draft consolidated balance sheets, statements of operations and statements of cash flows at and for the six-month period ended December 31, 1996 and the nine month period ended March 31, 1997. Additionally, we have prepared separate draft balance sheets and income statements for Continental American Transportation, Inc. and each of its subsidiaries.

This financial information has been gathered without independent verification by us. During the course of this project, we found your internal accounting records to be in extremely poor condition. For example, cash accounts were not reconciled, significant other balance sheet accounts were not documented with supporting detail, intercompany account balances were not in agreement and expense categories contained unusual variances when compared to prior periods.

As a public company, Continental American Transportation, Inc. and Subsidiaries is required to maintain effective internal control and accounting systems sufficient to safeguard its assets and report its performance. We found these systems not to be in place.

The effect of these deficiencies on the financial statements described above, although not capable of being quantified, may be material.

Please give your most serious consideration to the above and be guided accordingly. If we can be of any further assistance, please advise.

Very truly yours,

s/Frank S. LaForgia

Frank S. LaForgia, CPA  
Member of the Firm

FSL:rmt

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