Wi-Tron, Inc.
Form 10KSB
April 14, 2008

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-KSB

x ANNUAL REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended December 31, 2007

o TRANSITION REPORT UNDER SECTION 13 OR 15(D) OF THE SECURITIES EXCHANGE ACT OF 1934

For the Transition Period from __________ to __________

Commission File No. 0-21931

Wi-Tron, Inc.
(Name of Small Business Issuer in Its Charter)

Delaware **(State or Other Jurisdiction of Incorporation or Organization)**	**22-3440510** **(I.R.S. Employer Identification No.)**
59 LaGrange Street, Raritan, New Jersey **(Address of Principal Executive Offices)**	**08869** **(Zip Code)**

Issuer's telephone number, including area code: (908) 253-6870

Securities registered pursuant to Section 12(b) of the Act: None.

Securities registered pursuant to Section 12 (g) of the Act: Common Stock

(Title of Class)

Check whether the issuer is not required to file reports pursuant to Section 13 or 15(d) of the Exchange Act. o

Check whether the issuer: (1) filed all reports required to be filed by Section 13 or 15 (d) of the Exchange Act 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 o

Check if there is no disclosure of delinquent filers pursuant to Item 405 of Regulation S-B contained in this form, and no disclosure will be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-KSB or any amendment to this Form 10-KSB. o

Indicate by check mark whether the registrant is a shell company (as defined in Rule12b-2 of the Exchange Act). o

Issuer's revenues for its most recent fiscal year were $104,207

The aggregate market value of the registrant’s common stock held by non-affiliates computed by reference to the price at which the common stock was last sold, or the average bid and asked price of such common stock, as of June 30, 2007, the last business day of the registrant's most recently completed second fiscal quarter, was approximately $930,000.

The number of shares outstanding of the issuer's common stock as of April 8, 2008 was 67,778,293

Documents Incorporated by Reference: None

Transitional Small Business Disclosure Format Yes o No x

FORWARD LOOKING STATEMENTS

This Annual Report and any documents incorporated herein by reference, if any, contain forward-looking statements. These forward-looking statements refer to our business, financial condition and prospects that reflect our 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 assumptions should prove incorrect, or if any of the risks and uncertainties underlying such expectations should materialize, our actual results may differ materially from those indicated by the forward-looking statements.

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

PART I

Item 1. Description of Business

GENERAL INFORMATION ABOUT WI-TRON

Wi-Tron's Mission is to become a world leader in ultra-linear, high-value power amplifier technology products for wireless telecommunication infrastructure providers by anticipating and exceeding their needs and expectations, while providing high profit margins to the Company.

Background: The Company was incorporated on December 14, 1995 as Amplidyne Inc. and renamed Wi-Tron, Inc in August 2005. Since that time Wi-Tron has been reorganizing its operational structure and making management changes. The company is led by its CEO and Chairman John Lee. The company has retained Joe Nordgaard as a Business Development Consultant.

Wi-Tron has 15 proven product designs for Radio Frequency Amplifiers, Wi-Max Amplifiers, Wi-Fi Solutions and Wireless Repeaters; patents in Analog Pre-Distortion techniques and 15 years experience in custom RF amplifier design and manufacturing.

RECENT DEVELOPMENTS

In February 2008, the Company entered into a non-binding letter of intent providing for the acquisition of all of the outstanding shares of Cellvine Ltd., a private Israeli company that develops and markets coverage and capacity solutions for the wireless telecommunications industry, in exchange for 85% of the outstanding common stock of Wi-tron on a fully diluted basis, leaving the existing owners of the Company's common stock with 15% on a fully diluted basis. Among other things, the agreement provides for the conversion of the Tek, Ltd. debt ($908,662 at December 31, 2007) into common stock at $.05 per share. Pursuant to the merger, the Company wil change its name to Cellvine. The merger will be subject to negotiating a definitive binding merger agreement, and obtaining all necessary corporate approvals.

In February 2008, the Company received gross proceeds of $215,000 in connection with the private placement sale to accredited investors of 15,250,000 shares of restricted common stock.

HISTORY OF THE RF AMPLIFIER INDUSTRY

Until about 2003, large telecom equipment manufacturers such as Ericsson, Motorola, Nortel and Lucent Technologies maintained comprehensive R&D departments to design and manufactured their own RF amplifiers. This was effective, but expensive and consequently they cut back much of their R&D capabilities to streamline operations

and reduce costs. As a result, the industry became more standardized, but telecom service providers now have increased their reliance on outsourced design, manufacturing and solutions.

This outsourcing shift, coupled with the rapid growth in the cellular industry, caused rapid growth of the RF amplifier industry. The two largest US manufacturers, Powerwave Inc. and Andrews Corp., dominate the RF amplifier industry's cutting-edge technologies development, which represents the highest profit margins in the industry. The rest of the industry is serviced by dozens of small companies around the world, who tend to focus on lower technology solutions and lower profit margins. Companies of any size that show R&D prowess are quickly acquired by the industry giants so they retain the most advanced technologies available.

This outsourcing and acquisition trend has led amplifier and component designs toward increased complexity and technical sophistication in the form of complete RF Subsystems. However, there are still major problems in the form of power and signal inefficiencies that the major companies are not solving sufficiently. Much of Wi-Tron's future success is based on solving these problems.

PLANS FOR IMPROVING RESULTS OF OPERATIONS

At Wi-Tron, Inc., we are taking advantage of many opportunities in the wireless industry by developing state-of-the-art RF amplifier technology for the second, third and fourth generation wireless telecommunications systems. We are developing advanced RF amplifier designs that significantly increase power and frequency efficiency and resolve key issues relating to the ever increasing need for more complex broadband, multi-channel solutions. We continue to build our R&D team to capitalize on these opportunities, where both the greatest demand and the greatest opportunity to gain market-share with high margin solutions exist.

Initially, Wi Tron will work to increase sales of RF amplifiers while simultaneously developing cutting edge technological designs for near and long term sales growth. Wi-Tron intends to build partnership and marketing strengths from a series of design platforms, some of which have already have been developed, in order to expand our market opportunities across technologies, frequency bands and power ranges.

Our strategy is to develop, manufacture and sell the most advanced amplifier products in the world, which could give Wi-Tron a lead time to market advantage against the largest names in the industry. Wi Tron's new amplifiers are energy efficient, have wide bandwidth and digital clarity, with embedded intellectual property protection. These products are in great demand by wireless service providers and equipment vendors around the world. Wi-Tron's products will save energy costs, while providing high speed data, video and streaming video transmissions, with high voice quality to wireless customers around the world. There are additional savings to service providers each Wi-Tron amplifier can do the workload of several older amplifiers.

We have developed new amplifier products for the wireless communications market. Our sales and marketing efforts are focused on Latin America, Asia, Europe and U.S. markets. We plan to establish "Wi-Tron China" to accelerate our penetration of the Chinese market and to manage our outsourced manufacturing operations in China

We intend to refine our products as needed and in a timely fashion in order to obtain market share.

High Quality, Reliability and Customer Support. We believe that the power amplifier in cell sites historically has been the single most common point of equipment failure in wireless telecommunications networks. Increasingly reliable power amplifiers, therefore, will improve the level of service offered by wireless service providers, while reducing their operating costs. In addition, MCLPA eliminate the need for high-maintenance; tunable cavity filters that should further reduce costs.

We work closely with our customers throughout the design process in refining and developing their amplifier specifications. We use the latest equipment and computer aided design and modeling, solid-state device physics, advanced digital signal processing, and digital control systems, in developing our products. The integration of our design and production is a factor in our ability to provide our customers with high reliability, low distortion and low maintenance amplifiers.

Technology

Wireless Transmit Technology. A typical wireless communications system comprises a geographic region containing a number of cells, each with a base station, which are networked to form a service provider's coverage area. Each base station or cell site houses the equipment that transmits and receives telephone calls to and from the cellular subscriber within the cell and the switching office of the local wire line telephone system. Such equipment includes a series of transceivers, power amplifiers, tunable cavity filters and an antenna. In a single channel system, each channel requires a separate transceiver, power amplifier and tunable cavity filter. The power amplifier within the base station receives a relatively weak signal from the transceiver and significantly boosts the power of the outgoing wireless signal so that it can be broadcast throughout the cell. The radio power levels necessary to transmit the signal over the required range must be achieved without distorting the modulation characteristics of the signal. The signal must also be amplified with linearity in order to remain in the assigned channel with low distortion or interference with adjacent channels.

Because cellular operators are allocated a small RF spectrum and certain channels, it is necessary to make efficient use of the spectrum to enable optimum system capacity. By amplifying all channels with minimum distortion at the same time, rather than inefficient use of single channel amplification, one obtains better system capacity. A MCLPA combines the performance capabilities of many single carrier amplifiers into one unit, eliminating the need for numerous single carrier amplifiers and their corresponding tunable cavity filters. These MCLPA require less space than multiple single channel amplifiers and their corresponding tunable cavity filters, which reduce the size and cost of a base station.

MCLPA create distortion products, which can cause adjacent channel interference. The minimization of these distortion products requires sophisticated technology. This is accomplished through interference cancellation techniques such as "pre distortion" and "feed forward" accompanied by highly advanced control and processing technology. We have developed certain proprietary technology and methods to achieve minimal distortion in our amplifiers, technically called pre distortion and feed- forward correction. We use three distinct technologies (1) linear class A and AB amplifiers, (2) pre distorted class A and AB amplifiers and (3) pre distortion feed-forward amplifiers. Our proprietary leading edge products contain patented pre distortion and proprietary feed-forward technology combined in a proprietary automatic correction technique.

All amplifiers create distortion when they are run at a high power level. In an ideal case the output of the amplifier would faithfully reproduce the input signal without any distortion. In real life, however, distortion characteristics are produced. These distortion products can cause interference with another caller’s channel, which in turn produces poor call quality. By using a simple, patented technology, we recreate the distortion for the amplifier in such a manner to cancel the interference signals.

Feed-forward cancellation involves taking the distortion created by the amplifier and processing it in such a way that when it is added back into the amplifier having been pre-distorted and combined with the feed forward technology, distortion cancellation occurs. We believe that our patented technology has the most unique and potent technology for distortion cancellation. Furthermore, we have selected linear class AB technology for our base amplifier which we believe also has superior distortion characteristics compared to other competitors because it is easier to pre-distort. Thus the three key ingredients (1) linear class A and AB amplifiers, (2) pre distortion technology and (c) feed-forward technology enable us to produce MCLPA for our major OEM customers.

Markets

The market for wireless communications services has grown substantially during the past decade as cellular wireless local loop, 3G and other new and emerging applications (such as W-CDMA) have become increasingly accessible and affordable to growing numbers of consumers.

Cellular Market. The market for cellular communications still accounts for a fairly large portion of the wireless services.

Wireless Local Loop /W-Max. Wireless local loop and Wi-Max systems are increasingly being adopted in developing markets to more quickly implement telephone and Data communication services. In certain developing countries, wireless local loop and Wi-Max systems provide an attractive alternative to copper and fiber optic cable based systems, with the potential to be implemented more quickly and at lower cost than wire line telephone systems. The Company designs, manufactures and markets MCLPA and single channel amplifiers for infrastructure equipment systems in the wireless local loop and Wi-Max market in the 2 and 3.5 GHz bands.

Custom Communications and Other Markets. The custom communications market consists of small niche segments within the larger communications market:long-haul radio communications, land mobile communications, surveillance communications, ground-to-air communications, microwave communications, broadband communications and telemetry tracking. The Company sells custom amplifiers and related products to these segments.

Products

We design and sell multi-carrier transmit amplifiers and low noise receive amplifiers for the cellular communications market, as well as the PCS and wireless local loop segments of the wireless communications industry. We also provide a large number of catalog and custom amplifiers to OEMs and to other customers in the communications market in general.

Multicarrier Linear Power Amplifiers (MCLPA). When a cellular or PCS user places a call, the call is processed through a base station, amplified, and then transmitted on to the person receiving the call. Therefore, all base stations require amplifiers (MCLPA) whether they are being used for cellular, PCS or 3G (third generation) local loop applications. We design and manufacture these amplifiers. The objective is to provide a quality product at a good price and to have exemplary reliability. Management believes that our products with patented pre-distortion technology, core linear amplifier technology, and proprietary feed-forward technology, achieve all of the objectives mentioned above. Our MCLPA are a unique line of ultra linear devices, which utilize a proprietary pre-distortion and phase locked feed forward architecture.

High Power Linear Amplifiers. Our product line of linear amplifiers have a high third-order intercept point, which translates to better call quality. These high power amplifiers are supplied as modules or plug in enclosures. The communication bands available are NMT-450, AMPS, TACS, ETACS, 3G and PCS. The output power ranges from 1 to 200 Watts. These amplifiers can be used in instances where service providers only need a single transmit channel.

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W-CDMA Amplifier Development. In 2005/6, we completed the development of a wide band 80W MCLPA with Digital Signal Processing technology and Wi-Max Products.

Local Loop and Wi-Max Amplifiers. Local loop and Wi-Max amplifiers are designed with a proprietary circuit to achieve a high linearity, which translates to better call quality through the mini cell. These amplifiers can be ordered as modules or in a rack configuration.

Low Noise Amplifiers, Cellular, PCS, GSM, W-CDMA and WI-MAX amplifiers are manufactured with a mix of silicon, LDMOS and GaAsFET devices. These amplifiers offer the user the lowest noise and the highest intercept point, while maintaining good efficiency. Received calls at a base station are low in level due to the fact that hand held cellular phones typically operate at half a watt power level. This weak signal has to be amplified clearly which is done by using our low noise amplifier. All amplifiers undergo a 72-hour burn-in period to ensure reliable filed operation.

Communication Amplifiers. These amplifiers are designed for cellular and PCN/PCS applications and use GaAs or Silicon Bipolar FET devices. The transmit amplifiers are optimized for low distortion products. Custom configurations are available for all communication amplifiers. This line of products is aimed at the single channel base station users employing the digital cellular standards (CDMA, 3G and TDMA).

Our wireless telecommunications amplifiers can be configured as modules separate plug-in amplifier units or integrated subsystems. Our products are integrated into systems by OEM customers, and therefore must be engineered to be compatible with industry standards and with certain customer specifications, such as frequency, power, linearity and built-in test (BIT) for automatic fault diagnostics.

Product Warranty

We warranty new products against defects in materials and workmanship generally for a period of one (1) year from the date of shipment. To date, we have not experienced a material amount of warranty claims.

Backlog/Future Orders

We regularly review our backlog (which includes projected future orders from customers) that we expect to ship over the next 12 months. We have had to change schedules and delay orders depending on customer needs. Customer schedules or requirements may frequently change and in some cases result in cancellation of orders, in response to which the Company has to change its production schedule. Changes and cancellations exist since, among other matters, the wireless communications industry is characterized by rapid technological change, new product development, product obsolescence and evolving industry standards. In addition, restructuring of the company resulted in low activity during most of 2005 and 2006. This uncertainty may lead to postponement or cancellation of future or current orders. In addition, as technology changes, corporations are frequently requested to update and provide new prototypes in accordance with new specifications if products become obsolete or inferior. Therefore, we have been focusing on strategic partnerships to provide better quality solutions to our partners with higher margin sales opportunities.

The Company has no significant backlog of orders. In the present state of the telecommunications industry there is a reluctance of companies to commit to large blanket orders. We expect to see this trend, of just in time orders, to continue during 2008. The Company would like to stress, although useful for scheduling production, backlog as of any particular date may not be a reliable indicator of sales for any future period.

Customers, Sales & Marketing

Customers. The Company markets its products worldwide generally to wireless communications manufacturers (OEMs) and communications system operators. The table below indicates net revenues derived from customers in the Company's markets in 2007 and 2006.

Net Revenues By Market Categories
(In thousands)

	Year Ended December 31,	
Amplifier Markets	**2007**	**2006**
Wireless Telephony	$ 104	$ 154
Satellite Communications, Custom and other Products		

* *Wireless Telephony.* Sales to the wireless telephone segments of the wireless communications industry decreased from approximately $154,000 in 2006 to $104,000 in 2007.

* *Wireless Internet and Broadband solutions.* The Company decided not to pursue this business in 2005

* *International Sales.* Sales of wireless products outside the United States accounted substantially all of our sales in 2007.

* *Sales and Marketing.* The Company's officers and sales and marketing consultants maintain significant contact with potential prospects and key customers, ensuring close technical liaison with customer engineers and purchasing managers.

Competition

Amplifier Products

Our ability to compete successfully and operate profitably depends in part upon the rate of which OEM customers incorporate our products into their systems. We believe that a substantial majority of the present worldwide production of power amplifiers is captive within the manufacturing operations of a small number of wireless telecommunications OEMs and offered for sale as part of their wireless telecommunications systems. Our future success is dependent upon the extent to which these OEMs elect to purchase from outside sources rather than manufacture their own amplification products. There can be no assurance that OEM customers will incorporate our products into their systems or that in general OEM customers will continue to rely, or expand their reliance, on external sources of supply for their power amplification products. Since each OEM product involves a separate proposal by the amplifier supplier, there can be no assurance that our current OEM customers will not rely upon internal production capabilities or a non-captive competitor for future amplifier product needs. Our OEM customers continuously evaluate whether to manufacture their own amplification products or purchase them from outside sources. These OEM customers are large manufacturers of wireless telecommunications equipment who could elect to enter the non-captive market and compete directly with us. Such increased competition could materially adversely affect our business, financial condition and results of operations.

Certain of our competitors have substantially greater technical, financial, sales and marketing, distribution and other resources, and have greater name recognition and market acceptance of their products and technologies. In addition, certain of these competitors are already established in the wireless amplification market, but we believe we can compete with them effectively. No assurance can be given that our competitors will not develop new technologies or enhancements to existing products or introduce new products that will offer superior price or performance features. To the extent that OEMs increase their reliance on external sources for their power amplification needs more competitors could be attracted to the market.

We expect our competitors to offer new and existing products at prices necessary to gain or retain market share. We expect to experience significant price competition, which could have a materially adverse effect on gross margins. Certain of our competitors have substantial financial resources, which may enable them to withstand sustained price competition or downturns in the power amplification market. Currently, we compete primarily with non-captive suppliers of power amplification products. We believe that our competition, and ultimately our success, will be based primarily upon service, pricing, reputation and the ability to meet the delivery schedules of our customers. During 2005, we operated under severe cash flow circumstances, which restricted our sales and marketing efforts.

Manufacturing

We assemble, test, package, and ship products at our manufacturing facilities located in Raritan, New Jersey. This facility includes a separate assembly and test facility for various custom products.

Our manufacturing process consists of purchasing components, assembling and testing components and subassemblies, integrating the subassemblies into a final product and testing the product. Our amplifiers consist of a variety of subassemblies and components which we designed or specified, including housings, harnesses, cables, packaged RF power transistors, integrated circuits and printed circuit boards. Most of these components are manufactured by others and are shipped to us for final assembly. Each of our products receives extensive in process and final quality inspections and tests.

Our devices, components and other electrical and mechanical subcomponents are generally purchased from multiple suppliers. We do not have any written agreement with any of our suppliers. We have followed a general policy of multiple sourcing for most of our suppliers in order to assure a continuous flow of such supplies. However, we purchase certain transistors produced by a single manufacturer because of the high quality of its components. We believe it is unlikely that such transistors would become unavailable, however, if that were to occur, there are multiple manufacturers of generally comparable transistors. We believe that the distributors of such transistors maintain adequate inventory levels, which would mitigate any adverse effect on our production in the event unavailability or shortage of such transistors. If for any reason, we could not obtain comparable replacement transistors or could not return its products to operate with the replacement transistors, our business, financial condition and results of operations could be adversely affected.

We currently utilize discrete circuit technology on printed circuit boards that we design and are provided by suppliers to our specifications. All transistors and other semiconductor devices are purchased in sealed packages ready for assembly and testing. Others also manufacture other components such as resistors, capacitors, connectors or mechanical supported subassemblies. Components are ordered from suppliers under master purchase orders with deliveries timed to meet our production schedules. As a result, we maintain a low inventory of components, which could result in delay in production in the event of delays in such deliveries.

We purchased automated surface mount machinery to enhance our manufacturing ability for amplifiers as well as wireless internet products, which was installed during the first quarter of 2000. The equipment has provided improved efficiency in production and faster turn around for certain products.

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Research, Engineering and Development

We research, engineering and development efforts are focused on the design of amplifiers for new protocols, the improvement of existing product performance, cost reductions and improvements in the manufacturability of existing products.

We have historically devoted a significant portion of our resources to research, engineering and development programs. Our research, engineering and development expenses in fiscal 2007 and 2006 were approximately $436,000 and $338,000, respectively, and represented approximately 418% and 219% respectively, of net revenues. These efforts were primarily dedicated to the development of the linear feed forward, high power, low distortion amplifiers, resulting in our models for 3G W-CDMA and Wi-Max.

During most of 2007 and 2006, we spent substantial sums to refine our 3G 80W W-CDMA amplifier and develop Wi-Max RF amplifier products.

We use the latest equipment and computer aided design and modeling, solid-state device physics, advanced digital signal processing and digital control systems, in the development of our products in the specialized engineering and research departments.

We use a CAD environment employing networked workstations to model and test new circuits. This design environment, together with our experience in interference cancellation technology and modular product architecture, allows us to rapidly define, develop and deliver new and enhanced products and subsystems sought by our customers.

The markets in which the Company and OEM customers compete are characterized by rapidly changing technology, evolving industry standards and continuous improvements in products and services.

Patents, Proprietary Technology and Other Intellectual Property

Our ability to compete successfully and achieve future revenue growth will depend, in part, on our ability to protect proprietary technology and operate without infringing the rights of others. We have a policy of seeking patents, when appropriate, on inventions resulting from its ongoing research and development and manufacturing activities.

Presently, we have been granted a patent (No. 5,606,286) by the United States Patent and Trademark Office with respect to its Pre-Distortion and Pre-Distortion Linearization technology which, we believe, is more effective in reducing distortion then other currently available technology. There can be no assurance that our patent will not be challenged or circumvented by competitors.

Notwithstanding our active pursuit of patent protection, we believe that the success of our amplifier business depends more on its specifications, CAE/CAD design and modeling tools, technical processes and employee expertise than on patent protection. We generally enter into confidentiality and non-disclosure agreements with our employees and limits access to and distribution of our proprietary technology. We may in the future be notified that our proprietary technology is infringing certain patent and/or other intellectual property rights of others. Although there are no such pending lawsuits against us or unresolved notices that we are infringing intellectual property rights of others, there can be no assurance that litigation or infringement claims will not occur in the future.

Governmental Regulations

Our customers must obtain regulatory approval to operate their base stations. The United States Federal Communications Commission ("FCC") has regulations that impose more stringent RF and microwave emissions standards on the telecommunications industry. There can be no assurance that our customers will comply with such regulations, which could materially adversely affect our business, financial condition and results of operations. We manufacture our products according to specifications provided by our customers, which specifications are given to comply with applicable regulations. We do not believe that costs involved with manufacturing to meet specifications will have a material impact on our operations. There can be no assurances that the adoption of future regulations would not have a material adverse affect on us.

Employees

As of April 8, 2008, we had a total of 13 full-time employees: 2 in operations, 8 in engineering and 3 in administration. We employ one consultant in sales and marketing and one in engineering. We believe our future performance will depend in large part on our ability to retain highly skilled employees. None of our employees are represented by a labor union and we have not experienced any work stoppages. We consider our employee relations to be good.

Environmental Regulations

We are subject to Federal, state and local governmental regulations relating to the storage, discharge, handling, emissions, generation, manufacture and disposal of toxic or other hazardous substances used to manufacture our products. We believe that we are currently in compliance in all material respects with such regulations. Failure to comply with current or future regulations could result in the imposition of substantial fines, suspension of production, alteration of its manufacturing process, cessation of operations or other actions which could materially and adversely affect our business, financial condition and results of operations.

In addition to other information in this Annual Report, the following important factors should be carefully considered in evaluating us and our business, because such factors currently have a significant impact on the Company's business, prospects, financial condition and results of operations.

RISK FACTORS

You should carefully consider the risks described below before investing in our company. The risks and uncertainties described below are not the only ones facing our company. Other risks and uncertainties that we have not predicted or assessed may also adversely affect our company.

Some of the information in this Annual Report contains forward-looking statements that involve substantial risks and uncertainties. You can identify these statements by forward-looking words such as "may," "will," "expect," "anticipate," "believe,' "intend," "estimate," and "continue" or other similar words. You should read statements that contain these words carefully for the following reasons:

- the statements may discuss our future expectations;
- the statements may contain projections of our future earnings or of our financial condition; and
- the statements may state other "forward-looking" information.

We believe it is important to communicate our expectations to our investors. There may be events in the future, however, that we are not accurately able to predict or over which we have no control. The risk factors listed below, as well as any cautionary language in or incorporated by reference into this Annual Report, provide examples of risks, uncertainties and events that may cause our actual results to differ materially from the expectations we describe in our forward-looking statements. Before you invest in our company, you should be aware that the occurrence of any of the events described in the risk factors below, elsewhere in or incorporated by reference into this Annual Report and other events that we have not predicted or assessed could have a material adverse effect on our earnings, financial condition or business. In such case, the trading price of our securities could decline and you may lose all or part of your investment.

We have a recent history of losses and expect losses to continue.

We have incurred net losses of $1,163,205 and $1,891,235 for the years ended December 31, 2007 and 2006, respectively. These losses were due primarily to substantially reduced sales, against which our cost-cutting efforts have yielded minimal results. We are expecting increased sales for amplifier products to compensate for the expenses, however we have reduced staff levels, therefore there is no guarantee that this will happen. Reduced demand for our products by our key customer has reduced our sales significantly. With our reduced staff levels, we may not be able to compete. Further, we have not generated sufficient sales volume to cover our overhead costs and generate profits. We have minimized losses by staff reduction; this could result in loss of market share from which we may not be able to recover. We expect that our losses will increase and will continue until such time, if ever, as we are able to successfully manufacture and market our products on a larger scale and therefore generate higher profit margins. We will need to generate a substantial increase in revenues to become profitable. Accordingly, we cannot assure you that we will ever become or remain profitable. In addition, we had an accumulated deficit of $28,005,372 as of December 31, 2007.

We have limited cash available, and may not have sufficient cash to continue our business operations without the additional financing.

To date, we have financed our operations principally through the private placement of shares of common stock. Our current burn rate is approximately $100,000 per month, and we will require substantial additional financing at various intervals for manufacturing, marketing and sales capabilities, our research and development programs, and for

operating expenses including intellectual property protection and enforcement. We may seek additional funding from public or private financings, but there is no assurance that such additional funding will be available on terms acceptable to us, or at all. Accordingly, we may not be able to secure the significant funding which is required to maintain and continue development programs at their current levels or at levels that may be required in the future. If we cannot secure adequate financing, we may be required to delay, scale back or eliminate one or more of its development programs or to enter into license or other arrangements with third parties to commercialize products or technologies. Our auditors have included an "uncertainty paragraph" in their audit report on our financial statements regarding our ability to continue as a going concern.

The report from our independent auditors includes an explanatory paragraph regarding the doubt that we can continue as a going concern.

The auditors' report on our financial statements for the year ended December 31, 2007 and 2006 both include an explanatory paragraph stating that our losses, lack of cash and otherwise limited financial resources raise substantial doubt about our ability to continue as a going concern. Our ability to continue as a going concern is subject to our ability to realize a profit and/or obtain funding from outside sources. Our plan to address our ability to continue as a going concern, include: (1) obtaining additional funding from the sale of securities; (2) increasing revenues from the sales of our products; and (3) obtaining loans and grants from various financial and/or governmental institutions, where possible. Although we believe that we will be able to obtain the necessary funding to allow us to remain a going concern through the methods discussed above, there can be no assurances that such methods will prove successful.

We will continue to incur losses and may never achieve profitability.

We will continue to incur losses as we engage in the development of our products. There can be no assurance that we will ever be able to achieve or sustain market acceptance, profitability or positive cash flow. Our ultimate success will depend on many factors, including whether our amplifier products will be successfully marketed and accepted by the marketplace. Even with additional capital, we may not be able to execute our current business plan and fund business operations long enough to achieve positive cash flow. Furthermore, we may be forced to reduce our expenses and cash expenditures to a material extent, which would impair our ability to execute our business plan.

Our success relies upon the growth of wireless telecommunications services.

The demand for our products will depend in large part upon continued and growing demand within the wireless telecommunications industry for power amplifiers. During 2006 restructuring of our business resulted in low activity and recovery of our business has been slow, therefore the demand for our products will remain subject to great uncertainty from quarter to quarter.

Our lack of automated manufacturing processes and our dependence on third party manufacturers could adversely affect our business.

We have consistently reviewed our automated manufacturing needs in order to control our production schedule. To date, we have not established a fully automated manufacturing facility although we have purchased an automated surface mount machine and reflow process oven. Our wireless internet products are manufactured at offshore facilities, which are our sole suppliers. Until such time as we are able to establish such facilities, we expect to be dependent on third party manufacturers. We cannot be sure that these third party manufacturers will be able to fulfill our production commitment. Furthermore, we do not have written agreements with these manufacturers. Our inability to obtain timely deliveries of acceptable assemblies could delay our ability to deliver products to our customers, and would have a material adverse effect on our business, financial condition and results of operations. In addition, if these manufacturers increase their production costs, we may not be able to recover such cost increases under the fixed price commitments with our customers.

Our limited number of suppliers could adversely affect our business.

Power transistors and certain other key components used in our products for our amplifiers are currently available from only a limited number of suppliers. Certain of our suppliers have limited operating histories and limited financial and other resources. Our suppliers may prove to be unreliable sources of certain components. Furthermore, we have no written agreements with our suppliers. In the past, we have not purchased key components in large volumes but anticipate that our need for component parts will increase. If we are unable to obtain sufficient quantities of components, particularly power transistors, we could experience delays or reductions in product shipments. Such delays or reductions could have a material adverse effect on our business, financial condition and results of operations. Additionally, such delays or reductions may have a material adverse effect on our relationships with customers and result in the termination of existing orders and/or a permanent loss in our future sales. Our wireless internet products are manufactured at offshore facilities. The lack of supply from this source due to any reason could adversely impact our business.

Our success will rely on our ability to enter into strategic partnerships.

We are currently developing and expect to continue to develop strategic partnerships and other relationships in order to expand our business. The failure to successfully develop such relationships could have a material adverse effect on our business, financial condition and result of operations.

Our success relies on a small number of customers.

During 2007, 3 customers accounted for substantially all net sales and substantially all accounts receivable at December 31, 2007. We anticipate that sales of our products to relatively few customers will account for a majority of our 2008 revenues. The reduction, delay or cancellation of orders from one or more of our significant customers would materially and adversely affect our financial condition and results of operation. Moreover, we may experience significant fluctuations in net sales, gross margins and operating results in the future as a result of the uncertainty of such sales.

Our limited marketing experience may adversely affect our business.

We are not sure whether our marketing efforts will be successful or that we will be able to maintain competitive sales and distribution capabilities.

Our management owns a significant amount of our outstanding common stock.

Our officers, directors and persons who may be deemed our affiliates beneficially own, in the aggregate, and have the right to vote approximately 27% of our issued and outstanding common stock, not including common stock options they may own. In 2005, control shifted to John Chase Lee, our president and CEO, who loaned us $650,000 in connection with a Note Purchase Agreement. In settlement of these loans, Mr. Lee was issued 131,000 shares of our Series C Convertible Preferred Stock, which is convertible at any time into 13,100,000 shares of common stock. As of December 31, 2007, Mr. Lee had converted all of his preferred shares into common stock. As a result, Mr. Lee holds approximately 22% of our outstanding voting stock on a fully diluted basis. Accordingly, Mr. Lee and other affiliates may be in a position to affect the election of all of our directors and control the company.

Our compliance with the Sarbanes-Oxley Act and SEC rules concerning internal controls may be time consuming, difficult and costly.

It may be costly, difficult, and time consuming for us to develop and implement the internal controls and reporting procedures required by the Sarbanes-Oxley Act. We may need to hire additional financial reporting, internal controls and other finance personnel in order to develop and implement appropriate internal controls and reporting procedures. We have substantial material weaknesses in our controls and we may not have the resources to remediate those weaknesses. If we are unable to comply with the internal controls requirements of the Sarbanes-Oxley Act, we may not be able to obtain the independent accountant certifications required by the Sarbanes-Oxley Act.

Our success depends on our ability to manage the size of our operations.

We downsized some of our operations in order to maintain competitiveness and reduce our operating losses. We have also explored joint ventures and mergers in order to achieve these results, but have not consummated any such transaction. If we do not increase our sales, decrease overhead expenditure or do not adequately manage the size of our operations, our results of operations will be materially adversely affected.

Declining average sales prices could adversely affect our business.

If wireless internet and telecommunications customers come under increasing price pressure from service providers, we could expect to experience downward pricing pressure on our products. In addition, competition among non-captive amplifier suppliers could increase the downward pricing pressure on our amplifier products. To date, we have not experienced such pressure. As our customers frequently negotiate supply arrangements with us far in advance of product delivery dates, we often must commit to price reductions before we can determine whether cost reductions can be obtained. If we are unable to achieve cost reductions, our gross margins will decline and our business, financial condition and results of operations could be materially and adversely affected.

Rapid technological change and intense competition could adversely affect our business.

The wireless telecommunications equipment industry is extremely competitive and is characterized by rapid technological change, new product development, product obsolescence and evolving industry standards. In addition, price competition in this market is intense and characterized by significant price erosion over the life of a product. Currently, we compete primarily with non-captive suppliers of power amplification products. We believe that our success will be based primarily upon service, pricing, reputation, and our ability to meet product delivery schedules. Our existing and potential customers continuously evaluate whether to manufacture their own amplification products or to purchase such products from outside sources. These customers and other large manufacturers of wireless telecommunications equipment could elect to enter the market and compete directly with us. Many of our competitors have significantly greater financial, technical, manufacturing, sales and marketing capabilities and research and development personnel and other resources than us and have achieved greater name recognition of their existing products and technologies. In order for us to successfully compete, we must continue to develop new products, keep pace with advancing technologies and competitive innovations and successfully market our products. Our inability to successfully compete against our larger competitors will have a materially adverse affect on our business, financial condition and operations.

In addition, we are not sure whether new products or alternative technology will render our current or planned products obsolete or inferior. Rapid technological development by others may result in our products becoming obsolete before we recover a significant portion of the research, development and commercialization expenses we incurred with respect to those products.

Our business will be adversely affected if we do not keep up with the rapid technological change, evolving industry standards and changing user requirements.

To be successful, we must adapt to our rapidly changing market by continually enhancing the technologies used for communications. If we are unable, for technical, legal, financial or other reasons, to adapt in a timely manner in response to changing market conditions or user requirements, our business could be materially adversely affected. Significant issues concerning the commercial use of communication technologies, including security, reliability, cost, ease of use and quality of service, remain unresolved and may inhibit the growth of businesses relying on the Internet. Our future success will depend, in part, on our ability to meet these challenges. Among the most important challenges facing us is the need to:

- effectively use established technologies;
- continue to develop our technical expertise; and
- respond to emerging industry standards and other technical changes.

All of these changes must be met in a timely and cost-effective manner. We cannot assure you that we will succeed in effectively meeting these challenges and our failure to do so could materially and adversely affect our business.

Risks associated with sales outside of the United States may adversely affect our business.

International sales represented substantially all of our net revenues for the years ended December 31, 2007 and 2006. We expect that international sales will continue to account for a significant portion of our net revenues in the future. To the extent that we do not achieve and maintain substantial international sales, our business, results of operations and financial condition could be materially and adversely affected.

Sales of our products outside of the United States are denominated in U.S. dollars. An increase in the value of the U.S. dollar relative to foreign currencies would make our products more expensive and, therefore, potentially less competitive outside the United States. Additional risks inherent in our sales abroad include:

- the impact of recessionary environments in economies outside the United States;
- generally longer receivables collection periods;
- unexpected changes in regulatory requirements;
- tariffs and other trade barriers;
- potentially adverse tax consequences;
- reduced protection for intellectual property rights in some countries;
- the burdens of complying with a wide variety of foreign laws.

These factors may have an adverse effect on our future international sales and, consequently, on our business, financial condition and results of operations.

Our operating results may vary from quarter to quarter in future periods, and as a result, our stock price may fluctuate or decline.

Our quarterly operating results may fluctuate significantly in the future due to a variety of factors that could affect our revenues or our expenses in any particular quarter. Factors that may affect our quarterly results include:

- our ability to attract and retain customers;
- development of competitive products;
- the short term nature of manufacturing and engineering orders to date;
- unforeseen changes in operating expenses;

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- the loss of key employees; and
- unexpected revenue shortfalls.

A substantial portion of our operating expenses is related to personnel costs and overhead, which we cannot adjust quickly and are therefore relatively fixed in the short term. Our operating expense levels are based, in significant part, on our expectations of future revenues on a quarterly basis. If actual revenues are below our expectations, our results of operations and financial condition would be materially and adversely affected because a relatively small amount of our costs and expenses are proportionate with revenues in the short term.

Due to all of the foregoing factors and the other risks discussed in this Annual Report, it is possible that in some future periods our results of operations may be below the expectations of investors and public market analysts which may cause our stock price to fluctuate or decline.

We are dependent upon management and technical personnel.

Due to the specialized nature of our business, we are highly dependent on the continued service of, and on our ability to attract and retain, qualified technical and marketing personnel, particularly those involved in the development of new products and processes and the manufacture and enhancement of our existing products. In addition, as part of our team-based sales approach, we dedicate specific design engineers to service the requirements of individual customers. The loss of any such engineer could adversely affect our ability to obtain future purchase orders from the customers to which such engineer was dedicated. We have employment or non-competition agreements with most of our current design engineers and test technicians. The competition for such personnel is intense, and the loss of any such persons, as well as the failure to recruit additional key technical personnel in a timely manner, could have a material adverse effect on our business, financial condition and results of operations.

We rely on the ability to protect proprietary technology; risk of third party claims of infringement may affect our business.

Our ability to compete successfully and achieve future revenue growth will depend, in part, on our ability to protect proprietary technology and operate without infringing upon the rights of others. Although there are no pending lawsuits regarding our technology or notices that we are infringing upon intellectual property rights of others, litigation or infringement claims may occur in the future. Such litigation or claims could result in substantial costs, and diversion of resources and could have a material adverse effect on our business, financial condition, and results of operations. We generally enter into confidentiality and non-disclosure agreements with our employees and limit access to and distribution of proprietary information. However, we cannot be sure whether such measures will provide adequate protection for our trade secrets or other proprietary information, or whether our trade secrets or proprietary technology will otherwise become known or independently developed by our competitors. Our failure to protect proprietary technology could have a material adverse effect on our business, financial condition and results of operations.

We do not plan to pay dividends on our common stock.

We have never paid any dividends on our common stock and do not intend to pay dividends on our common stock in the foreseeable future. Any earnings that we may realize in the foreseeable future will be retained to finance our growth.

Governmental regulations and environmental regulations can have a large impact on our business.

Our customers must obtain regulatory approval to operate their base stations. The United States Federal Communications Commission has regulations that impose stringent radio frequency and microwave emissions standards on the telecommunications industry. Our customers are required to comply with such regulations. The failure of our customers to comply with these regulations could materially adversely affect our business, financial condition and results of operations. We manufacture products according to specifications provided by our customers, which specifications are required to comply with applicable regulations. We do not believe that costs involved with manufacturing to meet specifications will have a material impact on our operations. We cannot be sure whether the adoption of future regulations would have a material adverse affect on our business.

We are subject to Federal, state and local governmental regulations relating to the storage, discharge, handling, emissions, generation, manufacture and disposal of toxic or other hazardous substances used to manufacture our products. We believe that we are currently in compliance in all material respects with such regulations. Failure to comply with current or future regulations could result in the imposition of substantial fines on our company, suspension of our production, alteration of our manufacturing process, cessation of our operations or other actions, which could materially and adversely affect our business, financial condition and results of operations.

Our common stock may be considered "a penny stock."

The SEC has adopted regulations that generally define "penny stock" to be an equity security that has a market price of less than $5.00 per share, subject to specific exemptions. This designation requires any broker or dealer selling these securities to disclose certain information concerning the transaction, obtain a written agreement from the purchaser and determine that the purchaser is reasonably suitable to purchase the securities. These rules may restrict the ability of brokers or dealers to sell our common stock and may affect the ability of investors hereunder to sell their shares. In addition, since our common stock is traded on the OTC Bulletin Board, investors may find it difficult to obtain accurate quotations of the stock and may experience a lack of buyers to purchase such stock or a lack of market makers to support the stock price.

There are risks associated with our stock trading on the OTC Bulletin Board rather than a national exchange.

There are significant consequences associated with our stock trading on the OTC Bulletin Board rather than a national exchange. The effects of not being able to list our securities on a national exchange include:

- Limited release of the market prices of our securities;
- Limited news coverage of us;
- Limited interest by investors in our securities;
- Volatility of our stock price due to low trading volume;
- Increased difficulty in selling our securities in certain states due to “blue sky” restrictions;
- Limited ability to issue additional securities or to secure financing.

Anti-takeover provisions may adversely affect the value of our outstanding securities.

In 2005, we designated 500,000 shares of Series C Convertible Preferred Stock and issued 140,000 shares of such stock in settlement of loans. Pursuant to our Certificate of Incorporation, our Board of Directors may designate up to 4,500,000 additional shares of preferred stock in the future with such preferences, limitations and relative rights as they may determine without stockholder approval. The rights of the holders of our common stock will be subject to, and may be adversely affected by, the rights of the holders of any preferred stock outstanding or that may we may issue in the future. The issuance of preferred stock, while providing flexibility in connection with possible acquisitions and other corporate purposes, could have the effect of delaying or preventing a change in control of our company

without further action by the stockholders. In addition, we are subject to the anti-takeover provisions of Section 203 of the Delaware General Corporation Law. Section 203 prohibits us from engaging in a "business combination" with an "interested stockholder" for a period of three years after the date of the transaction in which the persons became an interested stockholder, unless the business combination is approved in a prescribed manner. The application of Section 203 also could have the effect of delaying or preventing a change of control of our company.

Additional authorized shares of common stock and preferred stock available for issuance, and shares of common stock issuable upon exercise or conversion of outstanding options and warrants may adversely affect the market.

We are authorized to issue 100,000,000 shares of our common stock. As of December 31, 2007, there were 50,028,293 shares of our common stock issued and outstanding, which amount does not include the following options and warrants:

(1)	20,000 exercisable at $.20 through March 2010
(2)	600,000 exercisable at $.20 through August 2009
(3)	750,000 exercisable at $.20 through August 2009

As of December 31, 2007 we had at least 42,001,707 shares of authorized but unissued common stock available for issuance without further shareholder approval after taking into consideration the following: exercise of the above options and warrants totaling 1,370,000 shares, exercise of options granted to our securities lawyer of 1,000,000 shares, and conversion of 130,000 preferred shares into 13,000,000 common shares. Any issuance of additional shares of our common stock may cause our current shareholders to suffer significant dilution, which may adversely affect the market for our securities.

In addition, we have 5,000,000 shares of authorized preferred stock. While we have no present plans to issue any additional shares of preferred stock, our Board of Directors has the authority, without shareholder approval, to create and issue one or more series of such preferred stock and to determine the voting, dividend and other rights of holders of such preferred stock. At December 31, 2007, we had no shares of Series C Convertible preferred shares outstanding. Additional issuances of any of our preferred stock could have an adverse effect on the holders of our common stock.

Limitation on director liability may adversely affect the value of our common stock.

As permitted by Delaware law, our Certificate of Incorporation limits the liability of our directors for monetary damages for breach of their fiduciary duty except for liability in certain instances. As a result of our charter provision and Delaware law, you may have limited rights to recover against our directors for breach of their fiduciary duty.

We may lose our eligibility for quotation on the OTC Bulletin Board (“OTCBB”) and our securities may be removed from the OTCBB.

On April 18, 2007, the National Association of Securities dealers (“NASD”) notified us that because we were delinquent in our filing of this Form 10-KSB for the year ended December 31, 2007; our securities would be removed from quotation on the OTCBB effective May 22, 2007 unless this form is filed by 5:30 p.m. E.S.T. on May 18, 2007. We filed our Form 10-QSB for the quarter ended March 31, 2007 late. If this Form 10-KSB is filed late would have three (3) delinquencies within the past 24 month period. OTCBB rules provide that an OTCBB issuer that is delinquent three times in a 24 month period will be ineligible for OTCBB quotation for a period of one year. Accordingly, if we are late again either now or within the coming year, we may become ineligible for OTCBB quotation for a period of one year which will severely limit the marketability of our common stock.

Item 2. Description of Property.

The Company leases from a Tek, Ltd., company wholly owned by John C. Lee, approximately 11,000 square feet, at 59 LaGrange Street, Raritan, NJ 08869, which serves as the Company's executive offices and manufacturing facility. On April 22, 2005, concurrent with the closing of the purchase of the building by Tek, the Company entered into a non-cancelable operating lease with Tek which commenced on June 1, 2005 and expires on May 31, 2008. Tek is holding a security deposit of $5,500 in connection with this lease. The Company is obligated for minimum annual rental payments as follows:

Year ending December 31		
	2008	$ 30,000

Item 3. Legal Proceedings.

From time to time, the Company is party to what it believes are routine litigation and proceedings that may be considered as part of the ordinary course of its business. Except for the proceedings noted below, the Company is not aware of any pending litigation or proceedings that could have a material effect on the Company's results of operations or financial condition.

1. A customer filed a complaint in the Circuit Court of the Eighteenth Judicial District of the State of Florida on January 23, 1997 alleging breach of contract. During 2000, the Company settled with that customer at a cost of $175,000; $25,000 was to be paid quarterly over two years. $95,000 remained unpaid at December 31, 2006.

2. In April 2004, a law firm filed a judgment against the Company in the amount of approximately $40,000 in connection with non-payment of legal fees owed to it. Inasmuch as this is a perfection of an already recorded liability, management does not believe that the judgment will have a material impact on the financial position of the Company. In March 2005, a settlement was reached whereby the Company made a down payment of $2,500 and agreed to pay the balance in 24 equal monthly installments of approximately $1,600. The last payment made was in November 2006 and the Company is in default of the settlement agreement. There is a remaining balance of $7,917 as of December 31, 2007.

Item 4. Submission of Matters To a Vote of Security Holders

None

PART II

Item 5. Market For Common Equity, Related Stockholder Matters and Small Business Issuer Purchases of Equity Securities.

The Company's common stock commenced trading on the NASDAQ Small Cap Market on January 22, 1997. The common stock was regularly quoted and traded on the NASDAQ Small Cap Market under the symbol AMPD, through January 13, 2003. The common stock currently trades on the OTC Bulletin Board under the symbol WTRO.OB.

The following table sets forth the range of high and low closing prices for the Company's common stock for fiscal years 2005 and 2004 and for the period of January 1, 2006 up to March 31, 2006 as reported by the OTCBB. The trading volume of the Company’s securities fluctuates and may be limited during certain periods. As a result, the liquidity of an investment in the common stock may be adversely affected.

Common Stock	High	Low
January 1 – March 31, 2008	.24	.03
2007 Calendar Year		
January 1 – March 31	.24	.03
April 1-June 30	.09	.01
July1-September 30	.04	.01
October 1-December 31	.02	.00
2006 Calendar Year		
January 1 – March 31	.18	.10
April 1-June 30	.44	.12
July1-September 30	.38	.21
October 1-December 31	.44	.26

On April 7, 2008, the closing price of the common stock as reported on OTCBB was $.04. On April 7, 2008, there were 67,728,293 shares of common stock outstanding, held of record by approximately 1,400 record holders (not including 5,816,043 shares held in street name).

Dividends

We have not declared or paid a cash dividend to stockholders since our incorporation, and have no intention to do so in the future.

Recent Sales of Unregistered Securities

Sales in 2008 and 2007 not previously reported on a Current Report on Form 8-K, or on a Quarterly Report on Form 10-QSB.

In February 2008, the Company received gross proceeds of $215,000 in connection with the private placement sale to accredited investors of 15,250,000 shares of restricted common stock.

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Neither we nor any person acting on our behalf offered or sold the foregoing securities by means of any form of general solicitation or general advertising. All purchasers represented in writing that they acquired the securities for their own accounts. A resale legend has been provided for the stock certificates stating that the securities have not been registered under the Securities Act of 1933 and cannot be resold or otherwise transferred without registration or an exemption (such as that provided by Rule 144).

Securities authorized for issuance under equity compensation plans

The following table summarizes outstanding options under our 2005 Stock Option Plan as of December 31, 2007. Options granted in the future under the 2005 Stock Option Plan and are within the discretion of our Board of Directors and therefore cannot be ascertained at this time. For further information regarding our 2005 Stock Option Plan, see "Stock Option Plan and Agreements" on page 38 of this Annual Report.

Plan Category	(a) Number of Securities to be Issued Upon Exercise of Outstanding Options	(b) Weighted-Average Exercise Price of Outstanding Options	(c) Number of Securities Remaining Available for Future Issuance Under Equity Compensation Plans (excluding securities Reflected in column (a))
Equity compensation plans approved by security holders	2,800,000	$ 0.185	2,200,000
Equity compensation plans not approved by security holders	-	-	-
Total	2,800,000	$ 0.185	2,200,000

Item 6. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS.

Results of Operations - Fiscal Year ended December 31, 2007 compared to Fiscal Year ended December 31, 2006.

Revenues for the fiscal year ended December 31, 2007 decreased by $50,102 from $154,310 to $104,208, or 32% compared to the fiscal year ended December 31, 2006. This was due to build up of inventory during the previous year at our previously largest customer. We believe that our present financial condition has hampered our ability to make sales to our customers, all of whom are larger than us and are concerned about our ability to survive in business.

The majority of the amplifier sales for the year ended December 31, 2007 were obtained from the Wireless Local Loop amplifier products. The Company has continued to develop and refine its amplifier products for the wireless communications market. Sales and marketing efforts have been focused on Asian and now Israeli markets.

Cost of sales was $372,416 or 357% of sales during the year ended December 31, 2007, compared to 252% during the same period for 2006. Our fixed overhead costs are relatively high for our current sales volume. The decline in gross margin was principally due to the lowered production while staff levels were maintained in preparation for new product production. The Company is continuing to assess cost reduction of its products and sales volume increases to improve gross margins in 2008, but currently our sales are too low to support our production costs and we cannot expect to achieve a positive gross profit until sales increase substantially.

Selling, general and administrative expenses decreased in 2007 by $801,171 to $483,213 from $1,284,384 in 2006. Expressed as a percentage of sales, the selling, general and administrative expenses (excluding stock based compensation) were 464% in 2007 and 832% in 2006. The principal factors contributing to the decrease in selling, general and administrative expenses were related to the following expenses incurred in 2006 that we did not incur in 2007: settlements with an officer and a former officer, resulting in additional officer compensation of approximately $385,000, issuance of restricted common stock to our former secretary and public relations consultant as payment for approximately $266,000 consulting fees in 2006.

Research, engineering and development expenses were $435,782 representing 418% of net sales in 2007 compared to $337,799 representing 219% of net sales in 2006. Total research expenditures increased $97,983 or 29%. In 2007 and 2006, the principal activity of the business related to the design and production of product for OEM manufacturers, particularly for the W-CDMA amplifier. The research, engineering and development expenses consist principally of salary cost for engineers and the expenses of equipment purchases specifically for the design and testing of the prototype products. The Company's research and development efforts are influenced by available funds and the level of effort required by the engineering staff on customer specific projects. The Company used much of the proceeds from private placements to increase its research spending to develop and refine its products.

The Company had other income in $63 in 2007. Other income in 2006 was of $3,292.

The Company also sold New Jersey Net operating loss carryforwards pursuant to the New Jersey Technology Certificate Transfer Program, receiving $102,393 in 2007 and $NIL in 2006.

Interest expense was $18,057 in 2007 and $18,001 in 2006, principally related to $300,000 of convertible notes issued in private placements in 2005.

As a result of the foregoing, the Company incurred net losses of $1,166,413 or $0.02 per share for the year ended December 31, 2007 compared with net losses of $1,891,235 or $0.06 per share for the same period in 2006.

Liquidity and Capital Resources

Liquidity refers to our ability to generate adequate amounts of cash to meet our needs. We have been generating the cash necessary to fund our operations from continual loans from the John Lee. We have incurred a loss in each year since inception. It is possible that we will incur further losses, that the losses may fluctuate, and that such fluctuations may be substantial. As of December 31, 2007, we had an accumulated deficit of $28,005,372. Potential immediate sources of liquidity are private placements of common stock and funding in connection with the merger with Cellvine currently being negotiated.

As of December 31, 2007, our current liabilities exceeded our cash and receivables by $2,049,816. Our current ratio was 0.0310 to 1.00, and our ratio of accounts receivable to current liabilities was only 0.0038 to 1.00. This indicates that we will have difficulty meeting our obligations as they come due. We are carrying $42,500 in inventory, of which $23,168 represents component parts. Because of the lead times in our manufacturing process, we replenish many items before we use everything we now have in stock. Accordingly, we will need more cash to replenish our component parts inventory before we are able realize cash from all of our existing inventories.

As of December 31, 2007, we had cash in banks of $13,917 compared to an overdraft of $(36,140) at December 31, 2006. Overall our cash position improved by $50,057 during 2007. We have little cash and we are dependent on private placement funds to cover our working capital needs. Our cash used for operating activities was $753,880. This year we repaid loans of to officers of $9,411.

Because of our small number of customers and low sales volume, accounts receivable balances and allowances for doubtful accounts do not reflect a consistent relationship to sales. We determine our allowance for doubtful accounts based on a specific customer-by-customer review of collectiblity. Allowance for doubtful accounts was $5,872 and $10,000 in 2007 and 2006, respectively.

Our inventories decreased by $52,087 to $42,500 in 2007 compared to $94,587 in 2006, a decrease of 55%.

The Company has a lease obligation for its premises requiring minimum monthly payments of approximately $6,000 through May 2008.

In the past, the officers of the Company have deferred a portion of their salaries or provided loans to the Company to meet short-term liquidity requirements. Where possible, the Company has issued stock or granted warrants to certain vendors in lieu of cash payments, and may do so in the future. There can be no assurance that any additional financing will be available to the Company on acceptable terms, or at all. If adequate funds are not available, the Company may be required to delay, scale back or eliminate its research, engineering and development or manufacturing programs or obtain funds through arrangements with partners or others that may require the Company to relinquish rights to certain of its technologies or potential products or other assets. Accordingly, the inability to obtain such financing could have a material adverse effect on the Company's business, financial condition and results of operations.

With insufficient cash reserves and reduced revenues, we believe that we will have great difficulty meeting our working capital needs over the next 12 months. The Company is presently dependent on cash flows generated from sales and financing from private placements. Our failure to enter into additional private placements of securities, consummate a merger with an appropriate partner or to substantially improve our revenues will have serious adverse consequences and, accordingly, there is substantial doubt in our ability to remain in business over the next 12 months. There can be no assurance that any financing will be available to the Company on acceptable terms, or at all. If adequate funds are not available, the Company may be required to delay, scale back or eliminate its research, engineering and development or manufacturing programs or obtain funds through arrangements with partners or others that may require the Company to relinquish rights to certain of its technologies or potential products or other assets. Accordingly, the inability to obtain such financing could have a material adverse effect on the Company's business, financial condition and results of operations.

With insufficient cash reserves and reduced revenues, we believe that we will have great difficulty meeting our working capital needs over the next 12 months. The Company is presently dependent on cash flows generated from sales and financing from private placements. Our failure to enter into additional private placements of securities, consummate a merger with an appropriate partner or to substantially improve our revenues will have serious adverse consequences and, accordingly, there is substantial doubt in our ability to remain in business over the next 12 months. There can be no assurance that any financing will be available to the Company on acceptable terms, or at all. If adequate funds are not available, the Company may be required to delay, scale back or eliminate its research, engineering and development or manufacturing programs or obtain funds through arrangements with partners or others that may require the Company to relinquish rights to certain of its technologies or potential products or other assets. Accordingly, the inability to obtain such financing could have a material adverse effect on the Company's business, financial condition and results of operations.

<u>Critical Accounting Policies</u>

1. REVENUE RECOGNITION

Revenue is recognized upon shipment of products to customers because our shipping terms are F.O.B. shipping point. And there are generally no rights of return, customer acceptance protocols, installation or any other post-shipment obligations. All of our products are custom built to customer specifications. We provide an industry standard one-year limited warranty under which the customer may return the defective product for repair or replacement.

Returns received under warranty are not material relative to sales, nor are the costs to repair. All sales are final, except for warranty repair/replacement and there is no price protection. In addition, the only company post-shipment obligation is for warranty repair and replacement. Finally, we do not install product or provide services for a fee.

2. INVENTORIES

Inventories are stated at the lower of cost or market; cost is determined using the first?in, first?out method. As virtually all of our products are made to customer specifications, we do not keep finished goods in stock except for completed customer orders that have not been shipped. Our work-in-progress generally consists of customer orders that are in the process of manufacture but are not yet complete at the period end date. We review all of our components for obsolescence and excess quantities on a periodic basis and make the necessary adjustments to net realizable value as deemed necessary.

3. ALLOWANCE FOR DOUBTFUL ACCOUNTS

Because of our small customer base, we determine our allowance for doubtful accounts based on a specific customer-by-customer review of collectiblity. Therefore, our allowance for doubtful accounts and our provision for doubtful accounts may not bear a consistent relationship to sales but we believe that this is the most accurate and conservative approach under our circumstances.

4. USE OF ESTIMATES

In preparing financial statements in conformity with accounting principles generally accepted in the United States of America, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and revenues and expenses during the reporting period. Actual results could differ from those estimates. The principal areas that we use estimates in are: allowance for doubtful accounts; work-in-process percentage of completion; accounting for stock based employee compensation; and inventory net realizable values.

5. STOCK-BASED EMPLOYEE COMPENSATION

Effective January 1, 2006, the Company adopted the fair value recognition provisions of SFAS 123(R), using the modified-prospective-transition method. Under that transition method, compensation cost recognized in 2006 and beyond includes: (a) compensation cost for all share-based payments granted prior to, but not yet vested as of January 1, 2006, based on the grant date fair value estimated in accordance with the original provisions of SFAS No. 123, and (b) compensation cost for all stock-based payments granted subsequent to January 1, 2006, based on the grant-date fair value estimated in accordance with the provisions of SFAS 123(R). Results for prior periods have not been restated and there is no cumulative effect upon adoption of SFAS 123(R).

Prior to adoption of SFAS 123(R) the Company used intrinsic-value method of accounting for stock based-awards granted to employees. No stock-based compensation cost is included in the net loss for the year ended December 31, 2007 as no options were granted to employees during that period.

6. LOSS PER SHARE

Statement of Financial Accounting Standards No.128 (SFAS No. 128), Earnings per Share, specifies the computation, presentation and disclosure requirements for earnings per share for entities with publicly held common stock or potential common stock.

Net loss per common share - basic and diluted is determined by dividing the net loss by the weighted average number of shares of common stock outstanding. Net loss per common share - diluted does not include potential common shares derived from stock options and warrants because they are antidilutive.

Item 7. Financial Statements.

See financial statements following Item 13 of this Annual Report on Form 10-KSB.

Item 8. Changes in and Disagreement With Accountants On Accounting And Financial Disclosure.

None.

Item 8A (T): **Controls and Procedures.**

Evaluation of Disclosure Controls and Procedures:

Management is responsible for establishing and maintaining adequate disclosure controls and procedures.

WI-TRON, INC. carried out an evaluation, under the supervision and with the participation of the Company's management, including the Company's Chief Executive Officer and the Chief Financial Officer, of the effectiveness of the Company's disclosure controls and procedures pursuant to Exchange Act Rule 13a-15 and 15d-15. Based upon that evaluation, the chief Executive and Principal Accounting Officer concluded that the Company's disclosure controls and procedures were not effective both as of December 31, 2007 and the date of this filing, in timely alerting them to material information required to be included in the Company's periodic SEC filings relating to the Company. Our conclusions regarding the deficiencies appear in the next item.

Management's Report on Internal Control Over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting and for the assessment of the effectiveness of internal control over financial reporting, as defined in Rule 13a-15(f) under the Exchange Act. Internal control over financial reporting is a process designed by, or under the supervision of our principal executive officer and principal financial officer and effected by our Board of Directors, management and other personnel, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of the financial statements in accordance with U.S. generally accepted accounting principles.

Our internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect our transactions and dispositions of our assets; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of the financial statements in accordance with U.S. generally accepted accounting principles, and that our receipts and expenditures are being made only in accordance with authorizations of our management and directors; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of our assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

In connection with the preparation of our annual financial statements, management has undertaken an assessment of the effectiveness of our internal control over financial reporting as of December 31, 2007, based on criteria established in *Internal Control - Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission, or the COSO Framework. Management's assessment included an evaluation of the design of our internal control over financial reporting and testing of the operational effectiveness of those controls. Due to the inherent issue of segregation of duties in a small company, we have relied heavily on entity or management review controls to lessen the issue of segregation of duties.

Based on this evaluation, management has concluded that our internal control over financial reporting was not effective as of December 31, 2007. Our principal executive officer and principal financial officer have concluded that we have material weaknesses in our internal control over financial reporting.

A material weakness is a deficiency, or combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of the Company’s annual or interim financial statements will not be prevented or detected on a timely basis. Management identified the following material weaknesses as of December 31, 2007.

Independent Board of Directors or Audit Committee

We do not have an independent board of directors or audit committee to oversee our internal control over financial reporting.

Inventory and Cost of Sales

We do not maintain accurate controls over perpetual inventory records which are out of date and not adequately maintained. Accordingly, we have been unable to effectively monitor slow moving or obsolete inventory until an actual physical count is performed. We also are unable to determine actual inventory levels or cost of sales components without an actual physical count. We found that our ability to correctly apply complex pricing calculations to finished goods and work-in-progress is inadequate and resulted in substantial additional adjustments. Furthermore, we discovered that lower of cost or market tests were not adequately applied. We have no plans to remediate this weakness as our inventory levels are currently very low and we do not have adequate staffing.

General Recordkeeping

Accounting records are not adequately maintained to reflect timely recording of transactions. Transactions are only recorded on a delayed basis without a particular schedule except for completion of periodic filings. Bank reconciliations are delayed, sometimes for months. Vendor bills are not recorded on receipt and checks and deposits are only recorded in a handwritten checkbook until a later date when they are recorded on a computerized accounting system. We intend to remediate this weakness by creating a task schedule to be performed periodically by our internal staff charged with the responsibility to maintain records. We do not expect that this remediation will be implemented before the end of the second quarter of 2008.

Financial Reporting

Our controls relating to disclosure and related assertions in the financial statements, particularly in the area of non-routine and non-systematic transactions were not adequate. Management identified the following significant deficiencies that when aggregated give rise to a material weakness in the area of financial reporting. These deficiencies include a) Lack of review or evidence of review in the financial reporting process; b) The inability to account for complex equity transactions; c) Various manual processes and dual databases creating need for extensive number of journal entries; and d) Inability to apply complex accounting principles. Management is using an outside accounting consultant to compensate for these weaknesses but that is not a full remedy and the overall weakness and lack of controls pose difficulties for the consultant in timely completing all of the accounting tasks necessary for compliance with S.E.C. periodic filing requirements.

This annual report does not include an attestation report of the Company's independent registered public accounting firm regarding internal control over financial reporting. Management's report was not subject to attestation by the Company's independent registered public accounting firm pursuant to temporary rules of the SEC that permit the Company to provide only management’s report on internal control in this annual report.

Changes in Internal Controls

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

PART III

Item 9. Directors, Executive Officers, Promoters And Control Persons; Compliance with Section 16(a) of the Exchange Act.

The names and ages of the directors and executive officers of the Company as of the date of this filing are set forth below:

Name	Age	Position(s) with the Company
John Chase Lee*	78	Chief Executive Officer, President, and Director.
Tarlochan Bains*	58	Vice President – Amp Division, and Director
Devendar S. Bains	57	Chief Technology Officer
Mikio Tajima	74	Director

* Member of the Compensation Committee and Audit Committee.

John Chase Lee is not related to Jessica Hye Lee or Joong Bin Lee. Jessica Hye Lee and Joong Bin Lee are husband and wife. Tarlochan Bains and Devendar S. Bains are brothers.

Background of Executive Officers and Directors

John Chase Lee has served as Chief Executive Officer, President, and a Director since June 2005. From September 2004 to June 2005, he served solely as a director. He has served as President of Tek, Ltd., a distribution company doing most of its business in South Korea. Mr. Lee has had many and diverse executive positions and business ownership experiences. Mr. Lee has three Masters (M. Div from Princeton Seminary, M.A. from U of Oregon, and MCRP from Rutgers University).

Tarlochan Bains has served as Vice President – Amp Division since June 2005. He has served as a Director since 1995. From September 2004 to June 2005, Mr. Bains served as Chief Executive Officer and Treasurer. From March 2000 to September 2004, he served as Vice President of Operations_. From 1991 through March 2000, he was the Company's Vice President of Sales and Marketing. Previously, Mr. Bains was Technical Manager at Land Rover in Solihull, England. He has a Higher National Diploma in Mechanical Engineering from Hatfield Polytechnic, England and a Masters Degree in Automotive Engineering from Cranfield Institute of Technology, England. Mr. Bains is the brother of Devendar S. Bains and the brother-in-law of Nirmal Bains.

Devendar S. Bains has served as Chief Technology Officer since June 2005. Since the Company's inception in 1988, Mr. Bains served as Chairman of the Board, Chief Executive Officer, Treasurer and a Director. He was also President of the Company from inception through September 2001. From 1983 to 1988 Mr. Bains was Group Project Leader of Amplifier division of Microwave Semiconductor Corporation. Previously, Mr. Bains was employed at G.E.C. in Coventry, England. Mr. Bains received a Bachelors Degree in Electronic Engineering from Sheffield University, England, and a Masters Degree in Microwave Communications from the University of Leeds and Sheffield, England. Mr. Bains is the brother of Tarlochan Bains and the husband of Nirmal Bains.

Mikio Tajima has served as a Director since September 2005. Mr. Tajima held several positions with the United Nations, including his last position as Director of Economic Policy and Social Development. He received a degree in Economics and International Relations both in Japan and UC in Berkeley, CA, and a M.A. from Columbia University

in International Administration and Organization.

Audit Committee

Mr. Lee and Tarlochan Bains serve on our audit committee. The committee reviews, among other matters, the professional services provided by the Company's independent auditors, the independence of such auditors from management of the Company, the annual financial statements of the Company and the Company's system of internal accounting controls. The audit committee also reviews such other matters with respect to the accounting, auditing and financial reporting practices and procedures of the Company as it may find appropriate or as may be brought to its attention. The audit committee adopted an audit committee charter in 2002 and intends to adopt a new charter, which conforms to the requirements of the Sarbanes-Oxley Act of 2002.

Since the resignation of our former Chief Financial Officer, Jessica Hye Lee, a certified public accountant with over 20 years of experience, we no longer have a financial expert on the audit committee. The Company is seeking a financial expert to replace Ms. Lee, but has not been successful thus far.

The audit committee has reviewed and discussed the audited financial statements included in the Company's Annual Report on Form 10-KSB for the fiscal year ended December 31, 2007.

For the year ended December 31, 2007, the Company incurred professional fees to its auditors in the amount of $26,250, all of which related to auditing and quarterly review services. No non-audit services have been provided to the Company by its current auditor.

Each non-employee director of the Company is entitled to receive reasonable out-of-pocket expenses incurred in attending meetings of the Board of Directors of the Company. Directors who are employees of the Company are not paid any fees or other remuneration for service on the Board or any of the committees. Each non-employee director may receive options to purchase Common Stock or other remuneration. The members of the Board of Directors intend to meet at least quarterly during the Company's fiscal year, and at such other times duly called.

Compliance with Section 16(a) of the Securities Exchange Act of 1934

Section 16(a) of the Securities Exchange Act of 1934 (the "Exchange Act") requires the Company's directors and executive officers, and persons who own more than ten percent (10%) of a registered class of the Company's equity securities, to file with the Securities and Exchange Commission (the "SEC") initial reports of ownership and reports of changes in ownership of common stock and other equity securities of the Company. Officers, directors and greater than ten percent stockholders are required by SEC regulation to furnish the Company with copies of all Section 16(a) forms they file.

To the Company's knowledge, John Chase Lee and Jessica Hye Lee each filed a Form 4 late on February 8, 2007 for a transaction that occurred on January 11, 2007. All required reports have since been filed.

Communications by Shareholders to Directors

The Company does not have a formal process to handle communications from shareholders to directors.

Item 10. <u>Executive Compensation</u>

Compensation of Directors and Executive Officers

Summary Compensation Table

The following table sets forth the aggregate compensation paid by the Company for the years ended December 31, 2007 and 2006 for its Chief Executive Officer and Vice President, respectively. Each non-employee director of the Company is entitled to receive reasonable out-of-pocket expenses incurred in attending meetings of the Board of Directors of the Company.

	Annual Compensation				Long-Term Compensation Awards		Payouts	
Name and Principal Position	**Year**	**Salary ($)**	**Bonus ($)**	**Other Annual Compensation**	**Restricted Stock Awards**	**Securities Underlying Options/ SARS (#)**	**LTIP Payout**	**All Other Comp**
John C. Lee Chief Executive Officer And Director	2007 2006	$ 24,000 $ 24,000	- -					
Devendar S. Bains, Chief Technology Officer	2007	$ 80,000	-	$ 15,000(1)		750,000		
	2006	$ 80,000	-	$ 15,000(1)				
Tarlochan Bains, Vice President and Director	2007	$ 80,000		$ 15,000(1)		500,000		
	2006	$ 90,000		$ 15,000(1)	500,000			
Joseph Nordgard Former Chief Executive Officer	2006	$ 70,000		$ -				

(1) Represents payment for health insurance and automobile insurance/lease payments on behalf of such individual but does not include deferred compensation.

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Employment Agreements

On June 27, 2005, the Board of Directors resolved to enter into new employment agreements with Devendar S. Bains and Tarlochan S. Bains to settle the liability for unpaid salaries. In September 2006, that resolution was memorialized in employment agreements as follows:

(i) Devendar S. Bains – (employment agreement dated September 1, 2006) in settlement of the liability for accrued and unpaid salaries, the Company agreed to:

a. issue a three year warrant for the purchase of 1,000,000 shares common stock exercisable at $.20 per share (the "Warrant"), with 750,000 remaining outstanding at December 31, 2006;
b. pay the amount of $200,000 in full settlement of the debt due him from the Company, payable in quarterly installments of $50,000 starting September 30, 2006 through June 30, 2007, with $150,000 remaining outstanding at December 31, 2006;
c. cancel 250,000 warrants for each $50,000 quarterly installment paid (250,000 were canceled concurrent with the September 2006 payment);
d. provide the right to exercise the warrants periodically in lieu of receiving the quarterly cash payments;
e. offer continued employment with the Company for a term of three (3) years at a salary of $80,000 per year; and
f. revert to a consulting agreement at a monthly amount of $5,000 for 12 months upon the payment in full of the $200,000 debt settlement (following the last $50,000 quarterly payment). As a consultant, the customary benefits allowed under his regular employment will be retained.

As a result of the employment agreement with Devendar S. Bains, the face amount of the loan balance of $345,843 immediately prior to the settlement exceeded the minimum cash settlement amount of $200,000 by $145,843. The excess was credited to additional paid-in capital. The current value of the warrants (based on the current trading prices of the underlying common stock) that secure this liability is less than the minimum cash settlement amount of $200,000. Accordingly, the contribution to additional paid-in capital was measured by the minimum cash settlement amount of $200,000.

Devendar S. Bains beneficially owns 1,050,000 stock options (50,000 of which are owned by his wife) that have been extended until May 2008, and are otherwise not affected by this settlement.

(ii) Tarlochan S. Bains - (employment agreement dated July 1, 2005) in settlement of the liability for accrued and unpaid salaries, the Company agreed to (a) issue 500,000 shares of restricted common stock valued at $185,000, (b) enter into an employment agreement at $80,000 per year, (c) issue 300,000.incentive stock options exercisable at $.20 per share pursuant to the 2005 Plan valued at $61,695, and (d) issue 200,000 non-qualified stock options which vest immediately and are exercisable at $.20 per share valued at $48,760, with an unspecified number of additional options to be issued over the next two years at exercise prices to be determined by the Board of Directors in accordance with the 2005 Plan at the time of issuance. Accordingly, the Company has reflected aggregate officer compensation charged to operations of $223,879 (the value of the shares and options of $274,890 less the face amount of the loan balance of $51,110).

Stock Option Plans and Agreements

Option Plan - In May 1996, the Directors of the Company adopted and the stockholders of the Company approved the adoption of the Company's 1996 Stock Option Plan (the "1996 Option Plan"). The 1996 Option Plan provided for the issuance of 2,225,000 options. The purpose of the 1996 Option Plan was to enable the Company to encourage key employees and Directors to contribute to the success of the Company by granting such employees and Directors incentive stock options ("ISOs") or non-qualified stock options ("NQOs").

On October 19, 2005, the Company's stockholders and Directors amended and renewed the 1996 Option Plan, designated the 2005 Stock Option Plan (the "2005 Option Plan"), which provided for the issuance of up to 5,000,000 options. The 2005 Option Plan will be administered by the Board of Directors or a committee appointed by the Board of Directors (the "Committee") which will determine, in its discretion, among other things, the recipients of grants, whether a grant will consist of ISOs, NQOs or a combination thereof, and the number of shares to be subject to such options.

The 2005 Option Plan provides for the granting of ISOs or NQOs to purchase Common Stock at an exercise price to be determined by the Board of Directors or the Committee not less than the fair market value of the Common Stock on the date the option is granted.

The total number of shares with respect to which options may be granted under the Option Plan is currently 5,000,000. Options may not be granted to an individual to the extent that in the calendar year in which such options first become exercisable the shares subject to such options have a fair market value on the date of grant in excess of $100,000. No option may be granted under the Option Plan after October 2015 and no option may be outstanding for more than ten years after its grant. Additionally, no option can be granted for more than five (5) years to a stockholder owning 10% or more of the Company's outstanding Common Stock and such options must have an exercise price of not less than 110% of the fair market value on the date of grant.

Upon the exercise of an option, the holder must make payment of the full exercise price. Such payment may be made in cash or in shares of Common Stock, or in a combination of both. The Company may lend to the holder of an option funds sufficient to pay the exercise price, subject to certain limitations.

The Option Plan may be terminated or amended at any time by the Board of Directors, except that, without stockholder approval, the Option Plan may not be amended to increase the number of shares subject to the Option Plan, change the class of persons eligible to receive options under the Option Plan or materially increase the benefits of participants.

As of December 31, 2007, 2,800,000 options to purchase Common Stock under the Option Plans. The options are exercisable at between $.15 and $0.37 and expire on at various dates through 2015. No determinations have been made regarding the persons to whom options will be granted in the future, the number of shares which will be subject to such options or the exercise prices to be fixed with respect to any option.

Item 11. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters.

The following table sets forth, as of April 11, 2008, the beneficial ownership of our common stock (i) by the only persons who are known by us to own beneficially more than 5% of our common stock; (ii) by each director and executive officer; and (iii) by all directors and officers as a group. Percentage ownership assumes all vested warrants and options are fully exercised, and all preferred stock is converted, and is based on 67,728,293 shares of common stock issued and outstanding as of March 31, 2008.

Name and Address of Beneficial Owner*	Shares of Common Stock Owned (1)	Percentage Ownership
John Chase Lee	14,580,632(2)	21.5%
Tarlochan Bains	576,726	0.9%
Devendar S. Bains	3,212,985(3)	4.7%
Mikio Tajima	—	—
Harris Freedman 1241 Gulf of Mexico Dr. Longboat Key, FL 34228	2,509,525(4)	3.7%
Craig H. Bird 261 Old York Rd. #518 Jenkintown, PA 19046	7,199,650	10.6%
All Officers and Directors as a Group (6 persons)	28,079,518	40.1%

* Unless otherwise indicated, the address of all persons listed in this section is c/o Wi-Tron, Inc., 59 LaGrange Street, Raritan, NJ 08869

(1) Beneficial ownership is determined in accordance with Rule 13d-3 of the Securities and Exchange Commission. Percentages are based on the total number of shares outstanding at April 11, 2008 plus the total number of shares underlying outstanding options, warrants and preferred stock held by each person that are exercisable or convertible within 60 days of such date. Shares issuable upon exercise of outstanding options and warrants, however, are not deemed outstanding for purposes of computing the percentage ownership of any other person.

(2) Represents (a) 200,000 shares of common stock held directly by Mr. Lee, (b) 109,400 shares of common stock held jointly with Mr. Lee’s spouse, (c) 625,000 shares of common stock held by Mr. Lee’s spouse, of which Mr. Lee disclaims beneficial ownership, and (d) 646,232 shares of common stock held by Axxon Corporation, a company wholly owned by Mr. Lee.

(3) Includes (a) options to purchase 1,000,000 shares of common stock held by Mr. Bains, and (b) options to purchase 50,000 shares of common stock within 60 days, and 28,173 shares of common stock held by Mr. Bains’ spouse.

(4) Represents (a) 1,373,901 shares held by Bridge Ventures, Inc., of which Mr. Freedman is an officer, (b) 927,124 shares held by Annelies Freedman IRA, Mr. Freedman’s spouse, and of which Mr. Freedman disclaims beneficial ownership, (c) 86,600 shares held by Harris Freedman, IRA, (c) 69.900 shares held by SMACS Holding Corp., of which Mr. Freedman is an officer, and (d) 52,000 shares held by Mr. Freedman individually.

Item 12. <u>Certain Relationships and Related Transactions and Director Independence</u>.

The Board’s Audit Committee is responsible for review, approval, or ratification of “related-person transactions” between the Company or its subsidiaries and related persons. Under SEC rules, a related person is a director, officer, nominee for director, or 5% stockholder of the Company since the beginning of the last fiscal year and their immediate family members. The Audit Committee determines whether the related person has a material interest in a transaction and may approve, ratify, rescind, or take other action with respect to the transaction in its discretion.

In the year ended December 31, 2007, the following related party transactions occurred:

Tek, Ltd is a company that is wholly owed by John C. Lee, the Company's Chief Executive Officer. In 2007, Tek loaned the Company $794,526 and is owed a balance of $908,662 at December 31, 2007.

Director Independence.

Only Mikio Tajima, a non-employee director, qualifies as “independent” in accordance with the published listing requirements of NASDAQ: Mr. Lee, Tarlochan Bains, and Devendar Bains do not qualify as independent because they are Wi-Tron employees. The NASDAQ rules have both objective tests and a subjective test for determining who is an “independent director.” The objective tests state, for example, that a director is not considered independent if he is an employee of the Company or is a partner in or executive officer of an entity to which the Company made, or from which the Company received, payments in the current or any of the past three fiscal years that exceed 5% of the recipient’s consolidated gross revenue for that year. The subjective test states that an independent director must be a person who lacks a relationship that, in the opinion of the Board, would interfere with the exercise of independent judgment in carrying out the responsibilities of a director.

Mr. Tajima is considered “independent” under the objective tests. In assessing independence under the subjective test, the Board took into account the standards in the objective tests, and reviewed and discussed additional information provided by the directors and the Company with regard to each director’s business and personal activities as they may relate to the Company and its management. Based on all of the foregoing, as required by NASDAQ rules, the Board made a subjective determination as to Mr. Tajima that no relationships exists which, in the opinion of the Board, would interfere with the exercise of independent judgment in carrying out the responsibilities of a director. The Board has not established categorical standards or guidelines to make these subjective determinations, but considers all relevant facts and circumstances.

In addition to the board-level standards for director independence, the directors who serve on the Audit Committee each satisfy standards established by the SEC providing that to qualify as “independent” for the purposes of membership on that Committee, members of audit committees may not accept directly or indirectly any consulting, advisory, or other compensatory fee from the Company other than their director compensation.

Transactions Considered in Independence Determinations.

In making its independence determinations, the Board considered transactions occurring since the beginning of 2005 between the Company, its predecessors, and entities associated with the independent directors or members of their immediate family. All identified transactions that appear to relate to the Company and a person or entity with a known connection to a director are presented to the Board for consideration. In making its subjective determination that each non-employee director is independent, the Board considered the transactions in the context of the NASDAQ objective standards, the special standards established by the SEC for members of audit committees, and the SEC and Internal Revenue Service (IRS) standards for compensation committee members. In each case, the Board determined that, because of the nature of the director's relationship with the entity and/or the amount involved, the relationship did not impair the director's independence.

Indemnification.

The Company intends to indemnify its officers and directors to the full extent permitted by Delaware law. Under Delaware law, a corporation may indemnify its agents for expenses and amounts paid in third party actions and, upon court approval in derivative actions, if the agents acted in good faith and with reasonable care. A majority vote of the Board of Directors, approval of the stockholder or court approval is required to effectuate indemnification.

Insofar as indemnification for liabilities arising under the Securities Act of 1933, as amended, may be permitted to officers, directors or persons controlling the Company, the Company has been advised that, in the opinion of the Securities and Exchange Commission, such indemnification is against public policy as expressed in such Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the Company of expenses incurred or paid by an officer, director or controlling person of the Company in the successful defense of any action, suit or proceeding) is asserted by such officer, director or controlling person in connection with the securities being registered, the Company will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in such Act and will be governed by the final adjudication of such issue.

Transactions between the Company and its officers, directors, employees and affiliates will be on terms no less favorable to the Company than can be obtained from unaffiliated parties. Any such transactions will be subject to the approval of a majority of the disinterested members of the Board of Directors.

Item 13. Exhibits.

(a)(1) Financial Statements.

The following financial statements are included in Part II, Item 7:

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(a) (2) Exhibits

1.1(1)	Form of Underwriting Agreement
1.2(1)	Form of Selected Dealer Agreement
1.3(1)	Form of Agreement Among Underwriters
3.1(1)	Certificate of Incorporation of the Company
3.2(1)	Certificate of Merger (Delaware)
3.3(1)	Certificate of Merger (New Jersey)
3.4(1)	Agreement and Plan of Merger
3.5(1)	By-Laws of the Company
3.6(2)	Certificate of Designation of Series A Preferred Stock
3.7(3)	Certificate of Amendment to the Certificate of Incorporation
4.1(1)	Specimen Certificate for shares of Common Stock
4.2(1)	Specimen Certificate for Warrants
4.3(1)	Form of Underwriter’s Purchase Option
4.4(1)	Form of Warrant Agreement
10.1(1)	1996 Incentive Stock Option Plan
10.2(1)	Employment Agreement between the Company and Devendar S. Bains
10.3(1)	Employment Agreement between the Company and Tarlochan Bains
10.4(1)	Employment Agreement between the Company and Nirmal Bains
10.5	Intentionally Omitted
10.6	Intentionally Omitted
10.7(1)	Agreement between the Company and Electronic Marketing Associates, Inc.
10.8(1)	Agreement between the Company and Link Microtek Limited.
10.9(1)	Agreement between the Company and ENS Engineering.
10.10(4)	Settlement Agreement between John Chase Lee and the Company
10.11(5)	2005 Stock Option Plan

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14(6)	Code of Ethics
23.1*	Consent of Moore & Associates, Chartered
31.1*	Certification of Chairman and Chief Executive Officer Pursuant to Section 302 of the Sarbanes- Oxley Act of 2002 (18 U.S.C. Sec. 1350).
31.2*	Certification of Chief Accounting Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 (18 U.S.C. Sec. 1350).
32.1*	Written Statement of Chairman and Chief Executive Officer Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (18 U.S.C. Section 1350).
32.2*	Written Statement of Chief Accounting Officer Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (18 U.S.C. Section 1350).

(1) Incorporated by Reference to the Company’s Registration Statement on Form SB-2, No. 333-11015.
(2) Incorporated by Reference to the Company’s Current Report on Form 8-K filed on August 3, 1999.
(3) Incorporated by Reference to the Company’s Current Report on Form 8-K filed on November 9, 2005.
(4) Incorporated by Reference to the Company’s Current Report on Form 8-K filed on July 21, 2005.
(5) Incorporated by Reference to the Company’s Annual Report for December 31, 2005 on Form 10-KSB filed on April 6, 2006.
(6) Incorporated by Reference to the Company’s Annual Report for December 31, 2006 on Form 10-KSB filed on May 18, 2007.

* Filed herewith.

Item 14:

Audit fees

Aggregate fees bills by the Company's principal accountant were $26,250 in 2007 and $51,052 in 2006.

Audit-Related Fees

There were no audit related fees in 2007.

Audit Committee Policies and Procedures for Pre-Approval of Services

The audit committee is in the process of formulating procedures for pre-approval of all audit, review and attest services and non-audit services.

WI-TRON, INC.

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MOORE & ASSOCIATES, CHARTERED
ACCOUNTANTS AND ADVISORS
PCAOB REGISTERED

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors
WI-TRON Inc.

We have audited the accompanying balance sheet of WI-TRON Inc. as of December 31, 2007 and December 31, 2006, and the related statements of operations, stockholders' equity and cash flows for the years ended December 31, 2007 and December 31, 2006. 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 standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audits 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 financial statements referred to above present fairly, in all material respects, the financial position of WI-TRON Inc. as of December 31, 2007 and December 31, 2006, and the related statements of operations, stockholders' equity and cash flows for the years ended December 31, 2007 and December 31, 2006, in conformity with accounting principles generally accepted in the United States of America.

The accompanying financial statements have been prepared assuming that the Company will continue as a going concern. As discussed in Note A to the financial statements, the Company has incurred losses of $1,166,413 and 1,891,235 in 2007 and 2006, which raises substantial doubt about its ability to continue as a going concern. Management's plans concerning these matters are also described in Note A. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

/s/ Moore & Associates, Chartered

Moore & Associates Chartered
Las Vegas, Nevada
April 10, 2008

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WI-TRON, INC.
BALANCE SHEETS
December 31, 2007 and 2006

	2007	2006
ASSETS - PLEDGED		
CURRENT ASSETS		
Cash and cash equivalents	$ 13,917	$ -
Accounts receivable, net of allowance for doubtful accounts of $5,872 and $10,000 in 2007 and 2006, respectively	7,834	25,077
Inventories	42,500	94,587
Prepaid expenses and other	-	-
Total current assets	64,251	119,664
PROPERTY AND EQUIPMENT - AT COST		
Machinery and equipment	587,276	587,276
Furniture and fixtures	43,750	43,750
Leasehold improvements	8,141	8,141
	639,167	639,167
Less accumulated depreciation and amortization	(629,965)	(625,635)
	9,202	13,532
SECURITY DEPOSIT	5,500	5,500
TOTAL ASSETS	$ 78,953	$ 138,696

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE STATEMENTS

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WI-TRON, INC.
BALANCE SHEETS
December 31, 2007 and 2006

	2007	2006 Reclassified for comparability to current period
LIABILITIES AND STOCKHOLDERS' (DEFICIENCY)		
CURRENT LIABILITIES		
Overdraft	$ -	$ 36,140
Secured note payable — Phoenix — payment default	10,000	10,000
Accounts payable	255,281	142,064
Other convertible notes payable	-	-
Notes payable issued in connection with private placement of common stock, including accrued interest of $7,015 - payment default	343,016	325,016
Accrued expenses and other current liabilities (including delinquent federal payroll taxes, penalties and interest aggregating $50,913 (2005) and $1,822 (2004)	300,097	102,397
Accrued settlement of litigation	95,000	95,000
Loan payable to TEK, Ltd.	908,662	114,136
Loans payable - officers	159,511	150,100
TOTAL CURRENT LIABILITIES	2,071,567	974,853
STOCKHOLDERS' (DEFICIENCY)		
Convertible Preferred Stock, Series C - authorized 5,000,000 shares of $.0001 par value with a liquidation preference of $2 per share; 130,000 shares issued and outstanding at December 31, 2006 - liquidation preference $260,000	-	13
Common stock - authorized, 100,000,000 shares of $.0001 par value; shares 50,028,293 and 36,928,293 shares issued/issuable and outstanding at December 31, 2007 and 2006, respectively	5,003	3,694
Additional paid-in capital	26,007,755	25,999,095
Accumulated deficit	(28,005,372)	(26,838,959)
	(1,992,614)	(836,157)
	$ 78,953	$ 138,696

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE STATEMENTS

WI-TRON, INC.
STATEMENTS OF OPERATIONS
Years ended December 31, 2007 and 2006

	2007	2006
Net sales	$ 104,207	$ 154,309
Cost of goods sold	372,416	388,364
Gross loss	(268,209)	(234,055)
Operating expenses		
Write down of raw material inventory	-	10,000
Selling, general and administrative	483,213	1,284,384
Research, engineering and development	435,782	337,799
	918,995	1,632,183
Operating loss	(1,187,204)	(1,866,238)
Nonoperating income (expenses)		
Interest income and other income	63	3,292
Interest expense	(18,057)	(18,001)
Federal tax penalties and interest	(60,400)	(26,558)
Settlements of accounts payable	-	17,629
Sale of New Jersey tax benefits	102,393	-
Loss before income taxes	(1,163,205)	(1,889,876)
Provision for income taxes	3,208	1,359
NET LOSS	$ (1,166,413)	$ (1,891,235)
Net loss per common share - basic and diluted	$ (0.02)	$ (0.06)
Weighted average number of common shares outstanding	49,633,498	32,078,424

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE STATEMENTS

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Wi-Tron, Inc.
STATEMENT OF STOCKHOLDERS' DEFICIENCY
Years Ended December 31, 2007 and 2006

	Series C Convertible Preferred Stock		Common Stock		Additional Paid-In	Accumulated	
	Shares	Par Value	Shares	Par Value	Capital	Deficit	Total
BALANCE AT DECEMBER 31, 2006	140,000	$ 14	23,338,267	$ 2,334	$ 23,794,954	$ (24,947,724)	$ (1,150,422)
Private placements of common stock			11,075,000	1,108	1,365,084		1,366,192
Shares sold to officer at prices below market			40,000	4	13,196		13,200
Conversion of preferred stock into common stock	(9,000)	(1)	900,000	90	(89)		-
Offering costs paid through the issuance of stock options					62,809		62,809
Shares issued to employee in satisfaction of vacation pay			40,000	4	9,914		9,918
Amortization of share based compensation					7,467		7,467
Public/investor relations fees paid by issuance of common stock			237,780	24	59,421		59,445
Public/investor relations consulting agreement			625,000	63	206,187		206,250
Shares issued to officer to reimburse for legal fees paid by him in 2003 with Company shares owned by him			132,246	13	46,273		46,286
Settlement of officer loans through issuance of common stock			500,000	50	274,840		274,890
Contribution of capital by officer - settlement of officer loans at less than face amounts	-	-		-	145,843		145,843
Employee options exercises			40,000	4	13,196		13,200
Net loss for the year ended December 31, 2006	-	-		-	-	(1,891,235)	(1,891,235)
BALANCE AT DECEMBER 31, 2006	131,000	13	36,928,293	3,694	25,999,095	(26,838,959)	(836,157)

Conversion of preferred stock into common stock	(131,000)	(13)	13,100,000	1,309	(1,296)		-
Amortization of share based compensation					9,956		9,956
Net loss for the year ended December 31, 2007						(1,166,413)	(1,166,413)
BALANCE AT DECEMBER 31, 2007	-	$ -	50,028,293	$ 5,003	$ 26,007,755	$ (28,005,372)	$ (1,992,614)

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE STATEMENTS

Wi-Tron, Inc.
STATEMENTS OF CASH FLOWS
Years ended December 31, 2007 and 2006

		2007		2006
Operating activities:				
Net Loss	$	(1,166,413)	$	(1,891,235)
Adjustments to reconcile net loss to net cash used in operating activities				
Amortization of share based compensation		9,956		7,467
Restricted common stock issued on employee options exercise		-		7,200
Provision for inventory write-down		-		26,237
Depreciation and amortization		4,330		4,329
Share-based compensation of officer in connection with settlement of officer loans		-		223,879
Shares issued to employee in satisfaction of vacation pay		-		9,918
Interest accrued added to private placement and convertible promissory notes		18,000		18,001
Shares issued to officer to reimburse for legal fees paid by him in 2003 with Company shares owned by him		-		46,286
Consultants paid through the issuance of common stock		-		265,695
Changes in assets and liabilities				
Accounts receivable		17,243		(3,151)
Inventories		52,087		(12,233)
Prepaid expenses and other assets		-		1,208
Accounts payable and accrued expense		310,917		(250,830)
Total adjustments		412,533		344,006
Net cash used in operating activities		(753,880)		(1,547,229)
Financing activities:				
(Decrease) increase in overdraft		(36,140)		36,140
Payment of secured promissory note to Phoenix		-		(10,000)
Proceeds from the sale of common stock via private placements		-		1,429,001
Shares sold to officer at prices below market		-		13,200
Employee options exercises		-		6,000
Proceeds from loans from TEK, Ltd.		794,526		114,136
Advances from (repayment to) officers		9,411		(76,246)
Net cash provided by financing activities		767,797		1,512,231
NET INCREASE (DECREASE) IN CASH	$	13,917	$	(34,998)
Cash and cash equivalents at beginning year		-		34,998
Cash and cash equivalents at end year	$	13,917	$	-
Supplemental disclosures of cash flow information:				
Cash paid for: Interest	$	57	$	406
Income taxes	$	3,208	$	1,359
Noncash financing activities:				

Restricted common stock issued to settle officer loans	$ -	$ 51,011
Contribution of capital by officer - settlement of officer loans at less than face amounts	-	145,843

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE STATEMENTS

WI-TRON, INC.
Notes to Financial Statements
December 31, 2007 and 2006

NOTE A - NATURE OF OPERATIONS AND LIQUIDITY

Wi-Tron, Inc. (the Company) has historically operated in one segment, which is the design, manufacture and selling of ultra linear single and multi channel power amplifiers, cellular base station components, and broadband wireless products to the worldwide wireless telecommunications market.

The Company's financial statements have been presented on a going concern basis, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business. The liquidity of the Company has been adversely affected in recent years by significant losses from operations. The Company has incurred losses of $1,166,413 and $1,891,235 in 2007 and 2006, respectively.

With little remaining cash and reduced revenues, management believes that the Company will continue to have some difficulty meeting its working capital obligations over the next 12 months. The Company is presently dependent on cash flows generated from sales and private placements of debt or equity. If we don't substantially improve our deteriorated revenues or if we are unable to raise additional capital through private placements, there will be serious adverse consequences and, accordingly, there is substantial doubt in our ability to remain in business over the next 12 months. There can be no assurance that sufficient financing will be available to the Company on acceptable terms, or at all. If adequate funds are not available, the Company may be required to delay, scale back or eliminate its research, engineering and development or manufacturing programs or obtain funds through arrangements with partners or others that may require the Company to relinquish rights to certain of its technologies or potential products or other assets. Accordingly, the inability to obtain such financing could have a material adverse effect on the Company's business, financial condition and results of operations.

In the past, the Company funded certain operating expenses through borrowings (in the form of deferring salaries and cash advances) from officers and principal shareholders. The Company also issued its stock in lieu of cash payments for compensation, sales commissions and consulting fees, wherever possible.

Management's plans for dealing with the foregoing matters include:

- Increasing sales of its high speed internet connectivity products through both individual customers, strategic alliances and mergers.

- Decreasing the dependency on certain major customers by aggressively seeking other customers in the amplifier markets;

- Partnering with significant companies to jointly develop innovative products, which has yielded orders with multinational companies to date, and which are expected to further expand such relationships;

- Maintaining a reduced cost structure through a more streamlined operation by using automated machinery to produce components for our products;

WI-TRON, INC.
Notes to Financial Statements
December 31, 2007 and 2006

- Deferral of payments of officers' salaries, as needed;

- Reducing overhead costs and general expenditures.

- Merging with another company to provide adequate working capital and jointly develop innovative products.

RECENT DEVELOPMENTS

In February 2008, the Company entered into a letter of intent providing for the acquisition of all of the outstanding shares of Cellvine in exchange for 85% of the outstanding common stock of Wi-tron on a fully diluted basis, leaving the existing owners of the Company's common stock with 15% on a fully diluted basis. Among other things, the agreement provides for the conversion of the Tek, Ltd. debt ($908,662 at December 31, 2007) into common stock at $.05 per share. Pursuant to the merger, the Company will change its name to Cellvine.

In February 2008, the Company received gross proceeds of $215,000 in connection with the private placement sale to accredited investors of 15,250,000 shares of restricted common stock.

NOTE B - SUMMARY OF ACCOUNTING POLICIES

A summary of the significant accounting policies consistently applied in the preparation of the accompanying financial statements follows.

1. REVENUE RECOGNITION

Revenue is recognized upon shipment of products to customers because our shipping terms are F.O.B. shipping point. There are generally no rights of return, customer acceptance protocols, installation or any other post-shipment obligations. All of our products are custom built to customer specifications. We provide an industry standard one-year limited warranty under which the customer may return the defective product for repair or replacement. There is no maintenance or support revenue.

Returns received under warranty are not material relative to sales, nor are the costs to repair. All sales are final, except for warranty repair/replacement and there is no price protection. In addition, the only company post-shipment obligation is for warranty repair and replacement. Finally, we do not install product or provide services for a fee.

WI-TRON, INC.
Notes to Financial Statements
December 31, 2007 and 2006

2. INVENTORIES

Inventories are stated at the lower of cost or market; cost is determined using the first-in, first-out method. As virtually all of our products are made to customer specifications, we do not keep finished goods in stock except for completed customer orders that have not been shipped. Our work-in-progress generally consists of customer orders that are in the process of manufacture but are not yet complete at the period end date. We review all of our components for obsolescence and excess quantities on a periodic basis and make the necessary adjustments to net realizable value as deemed necessary. At December 31, 2007 and 2006, inventories consisted of the following:

	2007	2006
Component parts	$ 23,168	$ 26,722
Work-in-progress	6,340	46,040
Finished Goods	12,992	21,825
	$ 42,500	$ 94,587

3. PROPERTY, PLANT AND EQUIPMENT

Depreciation and amortization are provided for in amounts sufficient to relate the cost of depreciable assets to operations over their estimated service lives, which range from three to seven years. Leasehold improvements are amortized over the lives of the respective leases, or the service lives of the improvements, whichever is shorter. The straight-line method of depreciation is followed for substantially all assets for financial reporting purposes, but accelerated methods are used for tax purposes.

4. VALUATION OF LONG-LIVED ASSETS

The Company reviews long-lived assets held and used for possible impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. The Company has not recorded any provision for the impairment of long-lived assets at December 31, 2007.

5. INCOME TAXES

The Company accounts for income taxes under the provisions of Statement of Financial Accounting Standards No. 109, Accounting for Income Taxes. This statement requires, among other things, an asset and liability approach for financial accounting and reporting of deferred income taxes. In addition, the deferred tax liabilities and assets are required to be adjusted for the effect of any future changes in the tax law or rates. Deferred income taxes arise from temporary differences resulting in the basis of assets and liabilities for financial reporting and income tax purposes. A valuation allowance is provided if the Company is uncertain as to the realization of deferred tax assets.

6. RISKS, UNCERTAINTIES AND CERTAIN CONCENTRATIONS OF CREDIT RISK AND ECONOMIC DEPENDENCY

The Company's future results of operations involve a number of significant risks and uncertainties. Factors that could affect the Company's future operating results and cause actual results to vary materially from expectations include, but are not limited to, dependence on key personnel, dependence on a limited number of customers, ability to design new products and product obsolescence, ability to generate consistent sales, ability to finance research and development, government regulation, technological innovations and acceptance, competition, reliance on certain vendors, credit and

other risks.

WI-TRON, INC.
Notes to Financial Statements
December 31, 2007 and 2006

Additionally, the Company assumes certain insurance risks by self-insuring and its statutorily required workers compensation coverage lapsed due to non-payment of the premiums. The Company has no reserves to cover self insurance losses.

Financial instruments, which potentially subject the Company to concentrations of credit risk, consist principally of cash and accounts receivable.

The Company maintains cash and cash equivalents in bank deposit and money market accounts in one bank, which, at times, may exceed federally insured limits or not be insured. The Company has not experienced any losses in such accounts and does not believe it is exposed to any significant credit risk on cash and cash equivalents.

During 2007, 3 customers accounted for substantially all net sales and substantially all accounts receivable at December 31, 2007. Export sales in 2007 accounted for substantially all net sales including 46% to Israel and 34% to Europe.

During 2006, 4 customers accounted for approximately 96% of net sales and 3 customers accounted for 100% of net accounts receivable at December 31, 2006. Export sales in 2006 accounted for approximately 88% of net sales including 60% to Europe.

In addition, the Company is dependent on a limited number of suppliers for key components used in the Company's products (primarily power transistors) and subcontracted manufacturing processes. Management believes that other suppliers could provide similar components and processes on comparable terms. A change in suppliers, however, could disrupt manufacturing.

The carrying values of financial instruments potentially subject to valuation risk, consisting of cash and cash equivalents, accounts receivable, and officer's loan receivable, approximate fair value, principally because of the short maturity of these items.

7. USE OF ESTIMATES

In preparing financial statements in conformity with accounting principles generally accepted in the United States of America, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and revenues and expenses during the reporting period. Actual results could differ from those estimates.

WI-TRON, INC.
Notes to Financial Statements
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8. STOCK-BASED EMPLOYEE COMPENSATION

On January 1, 2006 the Company adopted Statement of Financial Accounting Standards (SFAS) No. 123 (revised 2004), "Share-Based Payment," ("SFAS 123(R)"). SFAS 123(R) requires the Company to recognize expense related to the fair value of employee stock option awards and to measure the cost of employee services received in exchange for an award of equity instruments based on the grant date fair value of the award. This eliminated the exception to account for such awards using the intrinsic method previously allowable under Accounting Principles Board Opinion No. 25, "Accounting for Stock issued to Employees" ("APB 25"). Prior to January 1, 2006, we accounted for the stock based compensation plans under the recognition and measurement provisions of APB 25, as permitted by SFAS No. 123, "Accounting for Stock-Based Compensation."

Effective January 1, 2006, the Company adopted the fair value recognition provisions of SFAS 123(R), using the modified-prospective-transition method. Under that transition method, compensation cost recognized in 2006 and beyond includes: (a) compensation cost for all share-based payments granted prior to, but not yet vested as of January 1, 2006, based on the grant date fair value estimated in accordance with the original provisions of SFAS No. 123, and (b) compensation cost for all stock-based payments granted subsequent to January 1, 2006, based on the grant-date fair value estimated in accordance with the provisions of SFAS 123(R). Results for prior periods have not been restated and there is no cumulative effect upon adoption of SFAS 123(R).

Prior to adoption of SFAS 123(R) the Company used intrinsic-value method of accounting for stock based-awards granted to employees. No stock-based compensation cost is included in the net loss for the year ended December 31, 2007 as no options were granted to employees during that period. All stock-based compensation during the year ended December 31, 2006 was paid in the form of restricted common stock.

9. CASH AND CASH EQUIVALENTS

The Company considers all highly liquid investments purchased with original maturities of three months or less to be cash equivalents.

10. ADVERTISING EXPENSES

The Company expenses advertising costs as incurred. Advertising expenses were $1,162 and $5,951 for the years ended December 31, 2007 and 2006, respectively.

11. LOSS PER SHARE

The Company complies with the requirements of the Financial Accounting Standards Board issued Statement of Financial Accounting Standards No. 128, "Earnings per Share" ("SFAS No. 128"). SFAS No. 128 specifies the compilation, presentation and disclosure requirements for earnings per share for entities with publicly held common stock or potential common stock. Net loss per common share - basic and diluted is determined by dividing the net loss by the weighted average number of common stock outstanding. Net loss per common share - diluted does not include potential common shares derived from stock options and warrants (see Note C) because they are antidilutive.

WI-TRON, INC.
Notes to Financial Statements
December 31, 2007 and 2006

12. SEGMENT INFORMATION

The Company has not pursued its wireless Internet connectivity business since 2003 and is currently operating in one segment.

13. FAIR VALUE OF FINANCIAL INSTRUMENTS

Cash and cash equivalents, accounts receivable, accounts payable, and accrued expenses reported in the consolidated balance sheets equal or approximate fair value due to their short maturities.

14. RECENTLY ISSUED ACCOUNTING PRONOUNCEMENTS

In December 2007, the FASB issued SFAS No. 141 (revised 2007), "Business Combinations." SFAS 141(R) broadens the guidance of SFAS 141, extending its applicability to all transactions and other events in which one entity obtains control over one or more other businesses. It broadens the fair value measurement and recognition of assets acquired, liabilities assumed, and interests transferred as a result of business combinations. SFAS 141(R) expands on required disclosures to improve the statement users' abilities to evaluate the nature and financial effects of business combinations. SFAS 141(R) is effective for our fiscal year beginning January 1, 2009. The adoption of SFAS 141(R) is not expected to have a material impact on the Company's financial position, results of operations or cash flows.

In December 2007, the FASB issued SFAS No. 160, "Noncontrolling Interests in Consolidated Financial Statements—an amendment of ARB No. 51." SFAS 160 requires that a noncontrolling interest in a subsidiary be reported as equity and the amount of consolidated net income specifically attributable to the noncontrolling interest be identified in the consolidated financial statements. It also calls for consistency in the manner of reporting changes in the parent's ownership interest and requires fair value measurement of any noncontrolling equity investment retained in a deconsolidation. SFAS 160 is effective for our fiscal year beginning January 1, 2009. We have not yet determined the impact of adopting SFAS 160 on the Company's financial position, results of operations or cash flows.

In February, 2007, FASB issued SFAS No. 159, The Fair Value Option for Financial Assets and Financial Liabilities including an amendment of FAS 115, or FAS 159. This statement provides companies with an option to report selected financial assets and liabilities at fair value. This statement is effective for fiscal years beginning after November 15, 2007 with early adoption permitted. We believe that adoption of FAS No. 159 will not have a material affect on our results of operations or financial position.

In September 2006, the FASB issued SFAS No. 158 Employers' Accounting for Defined Benefit Pension and Other Postretirement Plans - an Amendment of FASB Statements No. 87, 88, 106, and 132(R). This statement requires a company to recognize the funded status of a benefit plan as an asset or a liability in its statement of financial position. In addition, a company is required to measure plan assets and benefit obligations as of the date of its fiscal year-end statement of financial position. The recognition provision of this statement, along with additional disclosure requirements, is effective for fiscal years ending after December 15, 2006, while the measurement date provision is effective for fiscal years ending after December 15, 2008. Management does not believe that adoption of this statement will have a material impact on the financial position of the Company.

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In September 2006, the FASB issued SFAS No. 157, "Fair Value Measurements" which defines fair value, establishes guidelines for measuring fair value and expands disclosures regarding fair value measurements. SFAS 157 and eliminates inconsistencies in guidance found in various prior accounting pronouncements. SFAS 157 is effective for fiscal years beginning after November 15, 2007. However, on February 12, 2008, the FASB issued proposed FASB Staff Position ("FSP") SFAS No. 157-2, "Effective Date of FASB Statement No. 157," which defers the effective date for adoption of fair value measurements for nonfinancial assets and liabilities to fiscal years beginning after November 15, 2008. The Company will adopt SFAS 157 during 2008, except as it applies to those non-financial assets and non-financial liabilities as noted in proposed FSP 157-2. The partial adoption of SFAS 157 is not expected to have a material impact on the Company's financial position, results of operations or cash flows.

In June, 2006, the FASB issued Interpretation No. 48, Accounting for Uncertainty in Income Taxes, an Interpretation of FASB Statement No. 109, Accounting for Income Taxes (FIN48), to create a single model to address accounting for uncertainty in tax positions. FIN 48 clarifies the accounting for income taxes by prescribing a minimum recognition threshold a tax position is required to meet before being recognized in the financial statements. FIN 48 also provides guidance on derecognition, measurement, classification, interest, and penalties, accounting in interim periods, disclosure and transition. The Company adopted FIN 48 as of January 1, 2007. Based on our evaluation, we have concluded that there are no significant uncertain tax positions requiring recognition in our financial statements. Our evaluation was performed for the tax years which remain subject to examination by major tax jurisdictions as of December 31, 2007. We may from time to time be assessed interest or penalties by major tax jurisdictions, although any such assessments historically have been minimal and immaterial to our financial results. In the event we have received an assessment for interest and/or penalties, it has been classified in the financial statements as selling, general and administrative expense. The Company is currently subject to a three year statue of limitations by major tax jurisdictions. The Company files income tax returns in the U.S. federal jurisdiction and New Jersey.

WI-TRON, INC.
Notes to Financial Statements
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NOTE C - STOCKHOLDERS' EQUITY

1. Warrants and Options
At December 31, 2007, the following 1,370,000 warrants, remained outstanding:

(1)	20,000 exercisable at $.20 through March 2010
(2)	600,000 exercisable at $.20 through August 2009
(3)	750,000 exercisable at $.20 through August 2009

At December 31, 2007, the Company had employee stock options outstanding to acquire 2,800,000 shares of common stock at exercise prices of $.15 to $0.20 per share.

2. Stock Purchase and Financing Agreements

In 2004 John Chase Lee of Piscataway, NJ ("Lee") entered into a Note Purchase Agreement with the Company by which Lee agreed to lend the Company an initial $200,000 and up to an additional $200,000 in one or more installments on or before October 30, 2004. The Company agreed to deliver to Lee convertible promissory notes which are convertible into Series C shares representing approximately 80% of the Company's outstanding stock on a fully diluted basis. Such conversion will take place at such time as the Company is able to do so. Messrs. Devendar Bains and Tarlochan Bains are required to devote their full business time and attention to the business of the Company for eight (8) years from May 25, 2004. In the event that either Devendar Bains or Tarlochan Bains must leave the employ of the Company for any reason, each agrees that, if requested by the Board of Directors of the Company, he will use his best efforts to find a qualified replacement for himself acceptable to the Board of Directors, and that he will not engage in a business competitive with the Company for a period of eight (8) years. On May 25, 2004, Lee loaned the Company $250,000, and was issued three convertible promissory notes which will be convertible in the aggregate into Series C shares representing approximately 40% of the Company's outstanding stock on a fully diluted basis, if and when converted. If not converted, the notes were payable on demand, provided that demand could not have been made before December 31, 2004, unless the Company was in default of the Note Purchase Agreement.

On June 27, 2005, the Company entered into an agreement with Lee whereby 130,000 Series C Preferred shares (convertible into 13,000,000 common shares) would be issued in full satisfaction of $650,000 of loans made by him to the Company. The conversion of the loans into convertible preferred stock took place on August 11, 2005.

3. Private Placements of Common Stock and Debt

On March 10, 2006, the Company issued 5,550,000 shares of common stock through a private offering to accredited investors at $.06 per share (gross proceeds of $333,000) pursuant to Regulation D of the Securities Act of 1933, as amended, and Rule 506 promulgated thereunder. The Company's officers and directors directed the sale and received no commissions or other remuneration.

WI-TRON, INC.
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December 31, 2007 and 2006

In March 2006, the Company received gross proceeds of $50,000 ($.08 per share) from the wife of John C. Lee (Chairman of the Board of Directors) for 625,000 shares of restricted common stock.

4. Series C Convertible Preferred Stock

As of December 31, 2006, there were 131,000 shares of Series C Convertible Preferred Stock outstanding, 125,000 of which are owned by John Lee, the Chairman of the Board of Directors and 6,000 of which are owned by Jessica Lee, the former Chief Financial Officer. Each share of the preferred stock is convertible into 100 shares of common stock. Accordingly, the outstanding preferred shares, in the aggregate, were convertible into 13,100,000 shares of common stock.

On January 11, 2007, John Lee converted 125,000 shares of his preferred stock into 12,500,000 shares of common stock. On January 11, 2007, Jessica Lee converted 6,000 shares of her preferred stock into 600,000 shares of common stock. As a result of such preferred stock conversion, as of January 11, 2007, the Company had 50,028,293 shares of Common Stock and no shares of preferred stock issued and outstanding.

5. Other Issuances of Common Stock and Related Matters

In January 2006, the Company issued to the securities lawyer non-qualified 10 year options to purchase 1,000,000 shares at $.20 per share for services rendered in connection with successful private placements. The options were valued at $62,809 and were charged against the proceeds of private placements during the quarter ended March 31, 2007. In November 2006, this lawyer voluntarily returned 250,000 of these options.

In January 2006, John Lee and Jessica Lee each converted 2,000 shares of their preferred stock into 200,000 shares of restricted common stock (aggregate of 400,000 shares). In September 2006, John Lee converted 3,000 shares of his preferred stock into 300,000 shares of restricted common stock. Also in September 2006, Jessica Lee converted 2,000 shares of her preferred stock into 200,000 shares of restricted common stock.

On February 8, 2006, the Company issued 50,000 shares of restricted common stock to Eric Popkoff for consulting services pursuant to an agreement with Undiscovered Equities Research Corporation ("UERC") dated September 23, 2005 ($5,850 was charged to operations in 2005).

In March 2006, the Company's lawyer was issued 200,000 shares of restricted common stock which were granted in 2005 in connection with the private placements of securities and accounted for in the Statement of Stockholders' Equity as of December 31, 2005 ($26,000 was recorded as offering costs reducing stockholders' equity in 2005).

Pursuant to a series of subscription agreements, the Company received $925,000 in proceeds from several issuances of restricted common stock it made to the former secretary/director (who was also the Company's public/investor relations consultant) as follows:

WI-TRON, INC.
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Date Issued		Shares Issued	Gross Proceeds
03/30/06		1,500,000	$ 225,000
05/04/06		500,000	110,000
05/17/06	(A)	400,000	100,000
07/18/06	(A)	800,000	200,000
09/08/06		1,000,000	250,000
11/11/06	(B)	200,000	40,000
		4,400,000	$ 925,000

(A) Governed by a subscription agreement dated July 18, 2006 for 1,200,000 shares at $.25 per share.
(B) Governed by a subscription agreement dated November 11, 2006 for 200,000 shares at $.20 per share.

During the year ended December 31, 2006 the Company issued 237,780 shares of restricted common stock to the former secretary/director as compensation for consulting services rendered valued at $59,445. Pursuant to the April 2006 consulting agreement, the Company issued 625,000 shares of restricted common stock to this individual resulting in charges to operations of $206,250.

On May 16, 2006, the Company issued 300,000 shares of restricted common stock to an accredited investor for gross proceeds of $81,000.

On May 17, 2006, the Company issued 40,000 shares of restricted common stock to an employee in payment of a previously accrued vacation liability of $9,918 charged as compensation.

On September 20, 2006, the Chief Executive Officer purchased 40,000 shares (valued at $13,200) of restricted common stock for gross proceeds of $10,000, resulting in a charge to operations for officer compensation of $3,200..

In September 2006, employees exercised stock options for an aggregate of 40,000 shares valued at $13,200, resulting in a charge to operations for compensation of $7,200.

In September 2006, the Company issued 132,246 shares of restricted common stock to Devendar S. Bains as reimbursement for legal fees of the Company personally paid by him with common shares in 2003, resulting in a charge to operations of $46,286.

In November 2006, pursuant to a subscription agreement dated September 26, 2006, the Company issued 200,000 shares of restricted common stock to Joseph Nordgaard (the now former CEO) for $.20 per share for aggregate gross proceeds of $40,000.

Net cash proceeds received by the Company from private placements of restricted common stock were $NIL for the year ended December 31, 2007, compared to $1,429,001 during the year ended December 31, 2006. As of December 31, 2007 the Company had 50,028,293 shares of common stock issued and outstanding, compared to 36,928,293 shares outstanding as of December 31, 2006.

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5. Amendment to Certificate of Designation of Preferred Shares

In May 2006, the Company's certificate of designation for the preferred shares was amended whereby the liquidation preference was corrected to be $2 per preferred share rather than the incorrect $750,000 per share in the original certificate.

6. Preferred and Common Stock Restricted under Rule 144

All preferred shares and all shares referred to as restricted common stock are governed by SEC Rule 144 and cannot be sold unless they are registered pursuant to the Securities Act of 1933, as amended, or if such sale is pursuant to a valid exemption from registration.

NOTE D - STOCK OPTION PLANS

An option and stock appreciation rights (SARs) plan was authorized prior to the public offering whereby options could be granted to purchase no more than 1,500,000 shares of common stock at exercise prices no less than fair market value as of date of grant. At the 2001 Annual Shareholders' Meeting, the maximum number of shares set aside for this plan was increased to 2,225,000. By majority consent of the shareholders in August 2005, the maximum number of shares set aside for this plan was increased to 5,000,000 and the plan was extended for an additional 10 year period. Under the plan, employees and directors may be granted options to purchase shares of common stock at the fair market value at the time of grant. Options generally vest in three years and expire in four years from the date of grant. 2,800,000 options remained outstanding at December 31, 2007.

The Company has elected to follow Accounting Principles Board Opinion (APB) No. 25, Accounting for Stock Issued to Employees, and related Interpretations in accounting for its stock options. Under APB No. 25, if the exercise price of the Company's employee stock options equals the market price of the underlying stock on the date of grant, no compensation expense is recognized. SFAS No. 123, Accounting for Stock-Based Compensation, requires presentation of pro forma net loss and loss per share as if the Company had accounted for its employee stock options granted under the fair value method of that statement. For purposes of pro forma disclosure, the estimated fair value of the options is amortized to expense over the vesting period.

Prior to adoption of SFAS 123(R) the Company used intrinsic-value method of accounting for stock based-awards granted to employees. No stock-based compensation cost is included in the net loss for the year ended December 31, 2005 as no options were granted to employees during that period. All stock-based compensation during the year ended December 31, 2007 was paid in the form of restricted common stock.

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Stock option activity during 2007 and 2006, is summarized below:

	Shares of common stock attributable to options	Weighted average exercise price of options
Unexercised at December 31, 2005	1,400,000	$ 0.152
Expired at December 31, 2006	-	-
Issued during 2006	1,450,000	0.228
Unexercised at December 31, 2007	2,850,000	0.185
Expired during 2007	(50,000)	0.200
Issued during 2007	-	-
Unexercised at December 31, 2007	2,800,000	0.185

The following table summarizes information concerning outstanding and exercisable options, including warrants issued to officers, at December 31, 2007:

		Options Outstanding		Options Exercisable	
Exercise Prices	Number outstanding at period end	Weighted average remaining contractual life	Weighted average exercise price	Number exercisable at period end	Weighted average exercise price
$ 0.150	1,300,000	1.4 years (1)	$ 0.150	1,300,000	$ 0.150
0.200	200,000	2.0 years	0.200	200,000	0.200
0.370	300,000	2.0 years	0.370	300,000	0.370
0.200	1,000,000	8.5 years	0.200	1,000,000	0.200
	2,800,000	4 years	$ 0.195	2,800,000	$ 0.195

(1) Expiration date extended from May 1, 2000 to May 31, 2004 and was re-priced on April 9, 2003 from $4.00 to $.15 per share and was extended again to May 31, 2009 at $.15 per share.

NOTE E - INCOME TAXES

Temporary differences and carryforwards give rise to deferred tax assets and liabilities. The principal components of the deferred tax assets relate to net operating loss carryforwards. At December 31, 2007, the Federal net operating loss carryforwards are approximately $19,000,000. The net operating loss carryforwards expire at various dates through 2027, and because of the uncertainty in the Company's ability to utilize the net operating loss carryforwards, a full valuation allowance of approximately $6,500,000 and $6,200,000 has been provided on the deferred tax asset at December 31, 2007 and 2006, respectively.

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The Company participated in the New Jersey Technology Tax Certificate Transfer Program, whereby net operating loss carryforwards generated in New Jersey can be sold to other qualified companies. During 2007 and 2006, the Company received $102,393 and $NIL, respectively, from the sale of such net operating losses. As a result of these transactions, the New Jersey net operating loss carryforwards are limited to the current year loss of approximately $1,100,000 at December 31, 2007.

Internal Revenue Code Section 382 places a limitation on the utilization of Federal net operating loss and other credit carryforwards when an ownership change, as defined by the tax law, occurs. Generally, this occurs when a greater than 50 percentage point change in ownership occurs. Accordingly, the actual utilization of the net operating loss carryforwards and other deferred tax assets for tax purposes may be limited annually under Code Section 382 to a percentage (about 5%) of the fair market value of the Company at the time of any such ownership change.

The Company's tax provision for 2007 and 2006 is principally due to the impact of state income and minimum taxes.

NOTE F - COMMITMENTS AND OTHER COMMENTS

1. OPERATING LEASES

On April 22, 2005, concurrent with the closing of the purchase of the building by Tek, the Company entered into a non-cancelable operating lease with Tek which commenced on June 1, 2005 and expires on May 31, 2008. Tek is holding a security deposit of $5,500 in connection with this lease. The Company is obligated for minimum annual rental payments as follows:

Year ending December 31

2008	$ 30,000
	$ 30,000

Rent expense, including the Company's share of real estate taxes, utilities and other occupancy costs, was $72,000 and $74,750 for the years ended December 31, 2007 and 2006, respectively.

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2. 401(K) PLAN

During 1996, the Company established a defined contribution plan, the Wi-Tron, Inc. 401(k) Plan. The Company makes no contributions. All employees with greater than six months' service with the Company were eligible to participate in the plan. The plan is administered by a third party.

3. DELAWARE CORPORATE STANDING

The Company is delinquent in the filing of Delaware franchise tax reports and, accordingly, the corporation is not in good legal standing in the State of Delaware.

4. FEDERAL TAX LIENS

On January 18, 2005, the Internal Revenue Service filed a federal tax lien with the County Clerk of Somerset County, New Jersey, in the amount of $35,663. Since that date, the Company continued to be delinquent on additional tax periods and paid off some back periods. Consequently, more liens were filed by the government while several were released. These liens attach to all property currently owned by the Company as well as all property it may acquire in the future, until the liens are satisfied. The Company paid all related liabilities connected with these liens during the year ended December 31, 2007.

NOTE G - OFFICER LOANS

1. Officer Loans and Employment Agreements

As of December 31, 2007, the Company owes $150,000 to Devendar S. Bains, a former Chief Executive Officer for loans. This balance due is non-interest bearing and is secured by warrants to purchase 750,000 shares of common stock at $.20 per share, exercisable through September 2009 . The balance of $150,000 (after payment of $50,000 made in September 2006) is payable in three quarterly installments of $50,000 through September 2007. Each installment payment requires the surrender and cancellation of 250,000 warrants. 250,000 warrants were surrendered and cancelled in September 2006 concurrent with a $50,000 payment. None of the required quarterly payments were made in 2007. No action has been taken by Mr. Bains against the Company to collect this balance.

On June 27, 2005, the Board of Directors resolved to enter into new employment agreements with Devendar S. Bains and Tarlochan S. Bains to settle the liability for unpaid salaries. In September 2006, that resolution was memorialized in employment agreements as follows:

(i) Devendar S. Bains – (employment agreement dated September 1, 2006) in settlement of the liability for accrued and unpaid salaries, the Company agreed to:

a. issue a three year warrant for the purchase of 1,000,000 shares common stock exercisable at $.20 per share (the "Warrant"), with 750,000 remaining outstanding at December 31, 2007;

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b. pay the amount of $200,000 in full settlement of the debt due him from the Company, payable in quarterly installments of $50,000 starting September 30, 2006 through June 30, 2007, with $150,000 remaining outstanding at December 31, 2007;
c. cancel 250,000 warrants for each $50,000 quarterly installment paid (250,000 were canceled concurrent with the September 2006 payment);
d. provide the right to exercise the warrants periodically in lieu of receiving the quarterly cash payments;
e. offer continued employment with the Company for a term of three (3) years at a salary of $80,000 per year; and
f. revert to a consulting agreement at a monthly amount of $5,000 for 12 months upon the payment in full of the $200,000 debt settlement (following the last $50,000 quarterly payment). As a consultant, the customary benefits allowed under his regular employment will be retained.

As a result of the employment agreement with Devendar S. Bains, the face amount of the loan balance of $345,843 immediately prior to the settlement exceeded the minimum cash settlement amount of $200,000 by $145,843. The excess was credited to additional paid-in capital. The current value of the warrants (based on the current trading prices of the underlying common stock) that secure this liability is less than the minimum cash settlement amount of $200,000. Accordingly, the contribution to additional paid-in capital was measured by the minimum cash settlement amount of $200,000.

Devendar S. Bains beneficially owns 1,050,000 stock options (50,000 of which are owned by his wife) that have been extended until May 2008, and are otherwise not affected by this settlement.

(ii) Tarlochan S. Bains - (employment agreement dated July 1, 2005) in settlement of the liability for accrued and unpaid salaries, the Company agreed to (a) issue 500,000 shares of restricted common stock valued at $185,000, (b) enter into an employment agreement at $80,000 per year, (c) issue 300,000 incentive stock options exercisable at $.20 per share pursuant to the 2005 Plan valued at $61,695, and (d) issue 200,000 non-qualified stock options which vest immediately and are exercisable at $.20 per share valued at $48,760, with an unspecified number of additional options to be issued over the next two years at exercise prices to be determined by the Board of Directors in accordance with the 2005 Plan at the time of issuance. Accordingly, the Company has reflected aggregate officer compensation charged to operations of $223,879 (the value of the shares and options of $274,890 less the face amount of the loan balance of $51,110).

2. Other Related Party Transactions

In 2007, Tek loaned the Company $794,526. In 2006, Tek loaned the Company $114,136. At December 31, 2007, the Company owes Tek $908,662.

The following amounts are included in the above mentioned loans: In 2007, Tek made purchases of parts, supplies, services and equipment rentals on behalf of the Company for a total of $228,982 and the Company incurred rent to Tek, Ltd of $72,000. In 2006 Tek made purchases of parts, supplies, services and equipment rentals on behalf of the Company for a total of $73,092 and the Company incurred rent to Tek, Ltd of $74,750.

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NOTE H - LITIGATION

From time to time, the Company is party to what it believes are routine litigation and proceedings that may be considered as part of the ordinary course of its business. Except for the proceedings noted below, the Company is not aware of any pending litigation or proceedings that could have a material effect on the Company's results of operations or financial condition.

1. A customer filed a complaint in the Circuit Court of the Eighteenth Judicial District of the State of Florida on January 23, 1997 alleging breach of contract. During 2000, the Company settled with that customer at a cost of $175,000; $25,000 is to be paid quarterly over two years. $95,000 remained unpaid at December 31, 2007.

2. In April 2004, a law firm filed a judgment against the Company in the amount of approximately $40,000 in connection with non-payment of legal fees owed to it. Inasmuch as this is a perfection of an already recorded liability, management does not believe that the judgment will have a material impact on the financial position of the Company. In March 2005, a settlement was reached whereby the Company made a down payment of $2,500 and agreed to pay the balance in 24 equal monthly installments of approximately $1,600. The last payment made was in November 2006 and the Company is in default of the settlement agreement. There is a remaining balance of $7,917 as of December 31, 2007.

NOTE I - SUBSEQUENT EVENTS

In February 2008, the Company received gross proceeds of $215,000 in connection with the private placement sale to accredited investors of 15,250,000 shares of restricted common stock.

In February 2008, the Company issued 2,500,000 shares of restricted common stock to an investor relations firm for services rendered and to be rendered.

In February 2008, the Company entered into a non-binding letter of intent providing for the acquisition of all of the outstanding shares of Cellvine, Ltd., a private Israeli company that develops and markets coverage and capacity solutions for the wireless telecommunications industry, in exchange for 85% of the outstanding common stock of Wi-tron on a fully diluted basis, leaving the existing owners of the Company's common stock with 15% on a fully diluted basis. Among other things, the agreement provides for the conversion of the Tek, Ltd. debt ($908,662 at December 31, 2007) into common stock at $.05 per share. Pursuant to the merger, the Company will change its name to Cellvine.

Exhibit 23.1

MOORE & ASSOCIATES, CHARTERED
ACCOUNTANTS AND ADVISORS
PCAOB REGISTERED

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the use, in the statement on Form 10KSB of WI-TRON Inc., of our report dated April 10, 2008 on our audit of the financial statements of WI-TRON Inc. as of December 31, 2007 and December 31, 2006, and the related statements of operations, stockholders' equity and cash flows for the years ended December 31, 2007 and 2006, and the reference to us under the caption "Experts."

/s/ Moore & Associates, Chartered
Moore & Associates Chartered
Las Vegas, Nevada
April 12, 2008

2675 S. Jones Blvd. Suite 109, Las Vegas, NV 89146 (702)253-7499 Fax (702)253-7501

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

WI-TRON, INC.

April 14, 2008	By:	/s/ John C. Lee Name: John C. Lee Title: Chief Executive Officer, and Director

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Signature	Title	Date
/s/ John C. Lee John C. Lee	Chief Executive Officer and director	April 14, 2008
/s/ Tarlochan S. Bains Tarlochan S. Bains	Vice President and Director	April 14, 2008
/s/ Mikio Tajima Mikio Tajima	Director	April 14, 2008