

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

FORM 10-QSB

[Mark One]

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

For the quarterly period ended : June 30, 2001

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

COMMISSION FILE NUMBER: 33-19980-D

CGI HOLDING CORPORATION

(Exact name of small business issuer as specified in its charter)

Nevada 87-0450450

State of other jurisdiction of I.R.S. Employer I.D. No.
incorporation or organization

8400 Brrokfield Ave, Brookfield, Illinois 60513

(Address of principal executive offices) (Zip Code)

Issuer's telephone number, including area code (708) 387-9200

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 Company was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No Yes No

APPLICABLE ONLY TO CORPORATE ISSUERS

State the number of shares outstanding of each of the issuer's classes of common equity, as of the latest practicable date: 16,416,294 shares of its \$0.001 par value common stock as of August 10, 2001.

Transitional Small Business Disclosures Format (check one) Yes No

CGI HOLDING CORPORATION

FORM 10-QSB

For the quarter ended June 30, 2001

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PART I - FINANCIAL INFORMATION

ITEM 1 - FINANCIAL STATEMENTS

CGI HOLDING CORPORATION, INC.
 COMPARATIVE CONSOLIDATED BALANCE SHEET
 JUNE 30, 2001, DECEMBER 31, 2000 AND JUNE 30, 2000
 (UNAUDITED)

	JUNE 30 2001 -----	DECEMBER 31, 2000 -----	JUNE 30 2000 -----
CURRENT ASSETS			
Cash	117,148	582,972	103,562
Accounts Receivable	2,740,480	2,100,057	3,694,577
Allowance for Bad Debts	(104,854)	(62,854)	(67,489)
Inventory	640,126	616,062	624,353
Other Current Assets	98,516	22,304	85,688
Note Receivable	350,000	350,000	-
Joint Venture Receivable	876,990	-	-
Refundable Income Taxes	-	-	67,092
Deferred Tax Asset	221,265	-	195,308
Current Assets of Discontinued Operations	-	-	653,439
	-----	-----	-----
Total Current Assets	4,939,672	3,608,541	5,356,529
PROPERTY, PLANT AND EQUIPMENT			
Property, Plant and Equipmet	990,983	915,214	1,589,366
Less:Accumulated Depreciation	(244,159)	(188,631)	(319,011)
	-----	-----	-----
Subtotal	746,824	726,583	1,270,355
Fixed Assets of Discontinued Operations(Net)	-	-	160,936
	-----	-----	-----
NET PROPERTY, PLANT AND EQUIPMENT	746,824	726,583	1,431,291
OTHER ASSETS			
Goodwill	2,709,012	316,716	499,929
Other Assets	196,991	89,493	93,997
Goodfaith Deposits	80,000	470,000	-
	-----	-----	-----
TOTAL OTHER ASSETS	2,986,003	876,209	593,926
	-----	-----	-----
TOTAL ASSETS	8,672,499	5,211,333	7,381,746
	=====	=====	=====
CURRENT LIABILITIES			
Current Portion of Long Term Debt	826,727	474,955	782,220
Notes Payable-Line of Credit	494,904	1,412,236	2,284,503
Accounts Payable	789,498	579,493	835,560
Short-Term Borrowings	100,000	150,000	152,050
Deferred Revenue	364,361	-	-
Accrued Corporate Taxes	361,078	131,808	-
Accrued Liabilities	180,808	196,535	225,372
Loan Payable- Shareholder	467,000	-	615,000
Current Liabilities of Discontinued Operations	-	-	178,274
	-----	-----	-----
TOTAL CURRENT LIABILITIES	3,584,376	2,945,027	5,072,979
	-----	-----	-----
LONG TERM LIABILITIES			

GROSS PROFIT	2,662,882	1,917,445	1,433,472	1,084,640
SELLING, GENERAL AND ADMINISTRATIVE EXPENSES	1,756,041	1,504,670	1,166,081	832,915
INCOME FROM OPERATIONS	906,841	412,775	267,391	251,725
OTHER INCOME (EXPENSES)				
Other Income	107,479	70,342	69,449	69,142
Interest Income	3,095	-	20	-
Interest Expense	(114,719)	(184,698)	(59,460)	(83,726)
TOTAL OTHER INCOME (EXPENSE)	(4,146)	(114,356)	10,009	(14,584)
INCOME BEFORE CORPORATE INCOME TAXES	902,695	298,419	277,400	237,141
INCOME TAX PROVISION	361,078	110,730	144,836	95,247
NET INCOME FROM CONTINUING OPERATIONS	541,617	187,689	132,564	141,894
DISCONTINUED OPERATIONS (NET OF TAX OF \$88,389 AND 62,406)	-	149,834	-	72,990
NET INCOME	541,617	337,523	132,564	214,884
NET INCOME PER COMMON SHARE FROM CONTINUING OPERATIONS	\$0.040	\$0.0175	\$0.008	\$0.0126
NET INCOME PER COMMON SHARE FROM DISCONTINUED OPERATIONS	\$0.000	\$0.0140	\$0.000	\$0.0065
NET INCOME PER COMMON SHARE	\$0.040	\$0.0314	\$0.008	\$0.0191
WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING	13,476,845	10,732,541	16,416,294	11,229,779

CGI HOLDING CORPORATION, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
SIX MONTHS ENDED JUNE 30, 2001 AND 2000
(UNAUDITED)

	SIX MONTHS ENDED JUNE 30	
	2001	2000
CASH FLOWS FROM OPERATING ACTIVITIES		
Net profit	541,617	337,523
Non-Cash Items Included in Net Profit		
Depreciation	52,359	122,825
Amortization	141,883	26,607
Allowance for Bad Debts	(8,001)	(100,000)
OTHER CHANGES:		
Change in Accounts Receivable	(1,041,692)	(1,055,400)
Change in Inventory	(24,064)	14,957
Change in Prepaid Corporate Taxes	-	143,937
Change in Other Current Assets	16,059	88,485
Change in Costs and Estimated Earnings		
Over Billings	-	74,154
Change in other Assets	17,384	(250)

Change in Accounts Payable	(155,281)	149,730	
Change in Accrued Expenses	(199,245)	47,159	
Change in Accrued Income Taxes	229,270	(21,312)	
Change in Deferred Revenue	364,361	-	
Change in Deferred Taxes	-	182,459	
Change in Good Faith Deposit	(349,500)	-	
	-----	-----	
NET CASH CHANGE FROM OPERATING ACTIVITIES	(414,850)		10,874
	-----	-----	
CASH FLOWS FROM INVESTING ACTIVITIES			
Fixed Assets Acquired	(56,578)	(7,600)	
	-----	-----	
NET CASH CHANGE FROM INVESTING ACTIVITIES	(56,578)		(7,600)
	-----	-----	
CASH FLOWS FROM FINANCING ACTIVITIES			
Change in Debt	(17,066)	(179,280)	
Proceeds from Sale of Stock	-	225,000	
	-----	-----	
NET CASH CHANGE FROM FINANCING ACTIVITIES	(17,066)		45,720
	-----	-----	
NET CASH CHANGE	(488,494)	48,994	
CASH RECEIVED IN ACQUISITION	22,670	-	
CASH BALANCE: JANUARY 1	582,972	117,190	
	-----	-----	
CASH BALANCE: JUNE 30	117,148	166,184	
	=====	=====	

Supplemental Information

Interest Paid	114,719	178,716
Income Taxes Paid	131,808	(100,595)

Supplemental Schedule of Non Cash Investing and Financing Activities

On March 27, 2001, the Company issued 6,186,515 shares of its common stock in a merger with WorldMall.Com. The Company received assets of \$681,568 and liabilities of \$841,557 and realized goodwill of \$2,534,179.

CGI HOLDING CORPORATION, INC.
FOOTNOTES TO FINANCIAL STATEMENTS
JUNE 30, 2001

NOTE 1 - MERGER WITH WORLDMALL.COM

The Company acquired the common stock WorldMall.Com on March 27, 2001. Pursuant to the merger all the issued and outstanding shares of common stock of WorldMall.Com were converted into shares of voting common stock of CGI Holding Corporation. At the time of the merger, 9,331,903 shares of WorldMall.Com were converted to 6,186,515 shares of CGI Holding Corporation. The market value of CGI stock on the date of the merger was \$0.30 per share.

WorldMall.Com was incorporated in October, 1999 in the State of New York. It is presently engaged in the internet industry and provides web site development, hosting, support, maintenance and an on-line shopping mall through which web sites may be accessed.

The transaction was accounted for using the purchase method of accounting. The balance sheet included in this filing reflects the acquisition of WorldMall.Com.

NOTE 2 - USE OF ESTIMATES

The Company follows generally accepted accounting principles (GAAP). The preparation of financial statements in conformity with GAAP requires management

to make estimates and assumptions that affect the amounts reported in the attached financial statements and accompanying notes. Actual results could differ from estimates.

NOTE 3 - NOTES PAYABLE

	CURRENT	LONG-TERM	
A. M & T BANK			
Note is a line of credit for the Company's operating subsidiary WorldMall.Com	70,100	-	
B. MARINE BANK-LINE OF CREDIT			
Note is due on 9/1/01 with an interest rate of 10.00%. The total amount available is \$600,000.	424,804	-	
	-----	-----	
TOTAL LINE OF CREDIT	494,904	-	
C. UNION FEDERAL SAVINGS			
Note dated 8/20/99 with a 6 year amortization and interest rate of 11.25%.	83,537	335,616	
D. OTTO BARTH			
Note payable due June 30, 2002 with interest rate of 8.25%.	50,000	-	
E. AUDREY LOVE			
Note payable due October 30, 2001 with an interest rate of 8.25%.	100,000	-	
F. JOHN ENGLISH			
Note payable due 7/1/01 with interest rate of 8.00%.	250,000	-	
G. PAUL DOLL			
Note payable due December 1, 2001 with interest rate of 10.00%.	35,000	-	
H. JOHN DIMARIA			
Note payable due September 15, 2001 with interest rate of 10%	100,000	-	
I. COLE TAYLOR BANK			
This note is dated June 29, 2001 carrying an interest rate of prime plus 2 for 36 months. Payments are \$11,111.11 plus interest.	133,333	266,667	
J. VEHICLE LOAN			
Payable at \$303.05/month with interest rate of 7.65%.	3,490	-	
K. VEHICLE LOAN			
60 month note dated 4/3/99 with interest rate of 7.59%.	4,699	7,547	
L. HIGH FALLS DEVELOPMENT			
Note dated August 25, 2000 at prime plus 2. Payments are \$5,555.56 principle plus interest.	66,667	97,782	
	-----	-----	
TOTALS	1,321,631	707,612	
	=====	=====	

NOTE 3 - LOAN FROM SHAREHOLDERS

The Company and SECO-Illinois borrowed funds from shareholders to cover operating expenses. The total outstanding principal balance due as of June 30, 2001 was \$753,637. The details of the balance on June 30, 2001 were as follows.

Jim Spachman	\$185,000 - No repayment terms. Interest paid monthly as 10.00%.
John Giura	101,637 - No repayment terms.
Pat Martin	67,000 - No repayment terms.
Jaime Bendersky	300,000 - Short term note with an interest rate of 10%.
Michael Balkin	100,000 - Note Due August 22, 2001 with an interest rate of 10%.

NOTE 4 - The financial statements reflect all adjustments which are, in the opinion of management, necessary to present a fair statement of the results for the six months ended June 30, 2001 and 2000.

NOTE 5 - PRO FORMA STATEMENT OF OPERATIONS

The following pro forma results of operations include the operations of WorldMall.Com for the the periods presented.

CGI HOLDING CORPORATION, INC.
PRO FORMA CONSOLIDATED STATEMENTS OF OPERATIONS
FOR THE SIX MONTHS ENDED JUNE 30, 2001 AND 2000
(UNAUDITED)

	SIX MONTHS ENDED JUNE 30	
	2001	2000
SALES	6,271,347	5,935,657
COST OF GOODS SOLD	3,497,700	3,925,585
GROSS PROFIT	2,773,647	2,010,072
SELLING, GENERAL AND ADMINISTRATIVE EXPENSES	2,069,953	1,677,566
INCOME FROM OPERATIONS	703,694	332,506
OTHER INCOME (EXPENSES)		
Other Income	107,479	70,342
Interest Income	3,095	-
Interest Expense	(134,743)	(186,234)
TOTAL OTHER INCOME (EXPENSE)	(24,169)	(115,892)
INCOME BEFORE CORPORATE INCOME TAXES	679,525	216,614
INCOME TAX PROVISION	265,015	84,479
NET INCOME FROM CONTINUING OPERATIONS	414,510	132,135
DISCONTINUED OPERATIONS		

(NET OF TAX OF \$25,982)	-	149,834	

NET INCOME	414,510	281,969	
	=====		
NET INCOME PER COMMON SHARE FROM CONTINUING OPERATIONS	\$0.031	\$0.0123	
	=====		
NET INCOME PER COMMON SHARE FROM DISCONTINUED OPERATIONS	\$0.000	\$0.0140	
	=====		
NET INCOME PER COMMON SHARE	\$0.031	\$0.0263	
	=====		
WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING	13,476,845	10,732,541	
	=====		

NOTE 6 - GOODWILL

Goodwill in the amount of \$2,534,179 was realized in the purchase of WorldMall.com on March 27, 2001. This is being amortized using the straight line method over a period of five years or \$126,709 per quarter.

ITEM II

CGI HOLDING CORPORATION, INC. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITIONS AND RESULTS OF OPERATIONS

FINANCIAL CONDITIONS

The Company's total assets at June 30, 2001 were \$8,672,499 which represents an increase over last year in the amount of \$3,461,66 and \$1,290,753 over the same quarter last year. This increase is mainly attributable to the merger with WorldMall.Com on March 27, 2001 which is detailed in the financial statement footnotes. Correspondingly, total debt increased \$275,684 from year end and decreased \$1,534,466 from the second quarter of 2000.

LIQUIDITY AND CAPITAL RESOURCES

Cash flows for the first six months was a negative \$414,850 compared to a positive \$10,874 for the first six months of 2000. During the year the Company advanced WorldMall.Com \$269,500 prior to there merger on March 27, 2001. These funds were part of the merger agreement.

Working capital at the end of this quarter was \$1,355,296. This compares to working capital of \$283,550 at the end of the second quarter of 2000. Current short term debt at June 30, 2001 was \$1,888,631 compared to \$3,833,773 at June 30, 2000.

RESULTS OF OPERATIONS

Sales for the first six months of 2001 were \$5,826,936 representing an decrease of \$15,479 or less than one quarter percent over the same period last year. The loss of Roli Ink's sales was made up by the increased contract income of the SECO companies. Gross margins increased this year \$745,437 over the same quarter last year. Gross margin percentage this year was 45.70% versus 32.82% last year. This profitability was achieved by improved bidding and job selection by the SECO Companies.

Selling and administrative expenses were \$1,756,041 representing a decrease from last year in the amount of \$251,371. The Company is currently amortizing goodwill related to the purchase of WorldMall.Com in the amount of \$126,079 per quarter.

Interest expense for the six months ended June 30, 2001 was \$114,719 compared to \$184,698 for the first six months of 2000. When the Company sold its Roli Ink Subsidiary in the fourth quarter of 2000, much of the proceeds were applied to debt reduction. The Company has also increased its short term borrowings in the first half of 2001 to finance a few large jobs for the SECO Companies.

Net income for the first six months was \$541,617 or \$0.040 per share compared to \$187,689 from continuing operations last year or \$0.0175 per share.

Segment Analysis

INDUSTRY SEGMENT SIX MONTHS ENDED JUNE 30, 2001

	SECO	TRIFINITY	WORLDMALL	CGI	CONSOLIDATED
SALES	4,498,981	879,783	448,172	-	5,826,936
COST OF SALES	2,403,180	451,848	309,027	-	3,164,055
GROSS PROFIT	2,095,801	427,935	139,145	-	2,662,881
SELLING AND ADMINISTRATION	801,372	331,111	341,109	282,449	1,756,041
INCOME FROM OPERATIONS	1,294,429	96,824	(201,964)	(282,449)	906,840
OTHER INCOME (EXPENSE)					
OTHER INCOME	107,479	-	-	-	107,479
INTEREST INCOME	-	-	3,095	3,095	
INTEREST EXPENSE	(41,707)	(45,866)	(9,321)	(17,825)	(114,719)
TOTAL	65,772	(45,866)	(9,321)	(14,730)	(4,145)
INCOME BEFORE TAXES	1,360,201	50,958	(211,285)	(297,179)	902,695

INDUSTRY SEGMENT SIX MONTHS ENDED JUNE 30, 2000

	SECO	TRIFINITY	CGI	ROLI CONSOLIDATED	DISCONTINUED
SALES	4,986,382	856,034	-	5,842,416	1,463,145
COST OF SALES	3,423,053	501,917	-	3,924,970	775,676
GROSS PROFIT	1,563,329	354,117	-	1,917,446	687,469
SELLING AND ADMINISTRATION	1,141,333	298,673	64,665	1,504,671	435,748
INCOME FROM OPERATIONS	421,996	55,444	(64,665)	412,775	251,721

OTHER INCOME (EXPENSE)

OTHER INCOME	67,867	2,475	-	70,342	-
INTEREST INCOME	-	-	-	-	-
INTEREST EXPENSE	(96,190)	(49,904)	(38,604)	(184,698)	(13,499)

TOTAL (28,323) (47,429) (38,604) (114,356) (13,499)

INCOME BEFORE TAXES 393,673 8,015 (103,269) 298,419 238,222

INDUSTRY SEGMENT
THREE MONTHS ENDED JUNE 30, 2001

SECO TRIFINITY WORLD MALL CGI CONSOLIDATED

SALES	2,140,282	433,924	448,172	-	3,022,378
COST OF SALES	1,061,882	217,998	309,026	-	1,588,906
GROSS PROFIT	1,078,400	215,926	139,146	-	1,433,472
SELLING AND ADMINISTRATION	446,732	157,315	341,109	220,925	1,166,081
INCOME FROM OPERATIONS	631,668	58,611	(201,963)	(220,925)	267,391

OTHER INCOME (EXPENSE)

OTHER INCOME	69,449	-	-	-	69,449
INTEREST INCOME	-	-	-	20	20
INTEREST EXPENSE	(16,132)	(22,057)	(9,321)	(11,950)	(59,460)

TOTAL 53,317 (22,057) (9,321) (11,930) 10,009

INCOME BEFORE TAXES 684,985 36,554 (211,284) (232,855) 277,400

INDUSTRY SEGMENT
THREE MONTHS ENDED JUNE 30, 2000

SECO TRIFINITY CGI CONSOLIDATED ROLI
DISCONTINUED

SALES	3,007,120	322,693	-	3,329,813	740,011
COST OF SALES	2,048,064	197,109	-	2,245,173	388,575
GROSS PROFIT	959,056	125,584	-	1,084,640	351,436
SELLING AND ADMINISTRATION	658,769	129,181	44,965	832,915	210,183
INCOME FROM OPERATIONS	300,287	(3,597)	(44,965)	251,725	141,253

OTHER INCOME (EXPENSE)

OTHER INCOME	67,867	1,275	-	69,142	-
INTEREST INCOME	-	-	-	-	-
INTEREST EXPENSE	(43,402)	(25,449)	(14,875)	(83,726)	(5,857)
TOTAL	24,465	(24,174)	(14,875)	(14,584)	(5,857)
INCOME BEFORE TAXES	324,752	(27,771)	(59,840)	237,141	135,396

Forward Looking Statements

This report included forward looking statements made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. These statements contain information regarding growth and earnings expectations based on the Company's current assumptions involving a number of risks and uncertainties. There are certain important factors that can cause actual results to differ materially from the forward looking statements, including, without limitation, adverse business or market conditions: the ability of the Company to secure and satisfy customers: and adverse competitive developments. Readers are cautioned not to place undue reliance on forward looking statements.

PART II - OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

People of the State of Illinois, Plaintiff, v. Robert Larsen, Et. Al., Defendants, No. 96 CH 1033.

This action is pending in the Circuit Court of the Nineteen Judicial Circuit, Lake County, Illinois. The Company is not a party to this action. However, SECO-Illinois is a defendant. This action, filed in 1996, was brought by the State of Illinois to compel defendant Larsen to conduct an environmental clean-up of his property. SECO-Illinois was thereafter named an additional defendant, from whom the State sought the imposition of unspecified penalties as the result of certain asbestos removal work which it had conducted on the subject property. In the summer of 1999, Larsen filed a counterclaim against SECO-Illinois, seeking unspecified damages against it for sums Larsen was allegedly caused to expend by reason of improper remediation work performed by SECO-Illinois. The matter remains pending and undetermined, and currently is in the process of discovery. Discovery to date has indicated that Larsen is seeking damages in excess of \$200,000.

Trifinity, Inc., successor - in - interest of Salle International, L.L.C. v. General Nutrition Corporation et al.

Trifinity is engaged in litigation in the U.S. District Court of Western Pennsylvania against General Nutrition Corporation whereby Trifinity is seeking damages against the defendant in the amount of \$315,000. The case is currently on an arbitration trail list. Counsel for Trifinity has no opinion as to the outcome.

ITEM 2. CHANGES IN SECURITIES

NONE

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

NONE

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

NONE

ITEM 5. OTHER INFORMATION

NONE

ITEM 6. EXHIBITS AND REPORTS ON FORM 8-K

(A) EXHIBITS

NONE

(B) REPORTS ON FORM 8-K

NONE

SIGNATURES

In accordance with Section 13 or 15(d) of the Exchange Act, the registrant caused this report to be signed on its behalf by the undersigned, thereunto duly authorized,

CGI HOLDING CORPORATION

DATED: AUGUST 15, 2001 BY: /S/ JOHN GIURA

John Giura, Director, President and
Chief Financial Officer

DATED: AUGUST 15, 2001

In accordance with the Exchange Act, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

Signature	Title
/s/ John Giura	President, Director and Chief Financial Officer

John Giura

/s/ Jaime Bendersky	Director
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Jaime Bendersky