

Edgar Filing: COLE INC - Form 10QSB

COLE INC  
Form 10QSB  
October 09, 2003

U. S. Securities and Exchange Commission  
Washington, D. C. 20549

FORM 10-QSB

[X] QUARTERLY REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended September 30, 2003

[ ] TRANSITION REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from \_\_\_\_\_ to \_\_\_\_\_

Commission File No.  
0-31377

COLE, INC.  
(Name of Small Business Issuer in its Charter)

UTAH 87-0642556  
(State or Other Jurisdiction of (I.R.S. Employer I.D. No.)  
incorporation or organization)

1223 Wilshire Blvd. #912  
Santa Monica, California 90403  
(Address of Principal Executive Offices)

Issuer's Telephone Number: (310)795-0252

4848 South Highland Drive Box #140  
Salt Lake City, Utah 84117  
(Former Name or Former Address, if changed since last Report)

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Sections 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 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.

(1) Yes X No (2) Yes X No  
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APPLICABLE ONLY TO ISSUERS INVOLVED IN BANKRUPTCY PROCEEDINGS DURING THE PRECEDING FIVE YEARS

None, Not Applicable;

APPLICABLE ONLY TO CORPORATE ISSUERS Indicate the number of shares outstanding of each of the Registrant's classes of common stock, as of the

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latest practicable date:

November 7, 2002

1,085,051

### PART I - FINANCIAL INFORMATION

#### Item 1. Financial Statements.

The Financial Statements of the Registrant required to be filed with this 10-QSB Quarterly Report were prepared by management and commence on the following page, together with related Notes. In the opinion of management, the Financial Statements fairly present the financial condition of the Registrant.

COLE, INC.  
 [A Development Stage Company]  
 BALANCE SHEETS  
 For the Period Ending September 30, 2003 and the Year Ended December 31, 2002

|   | 09/30/03<br>-----<br>[Unaudited] | 12/31/02<br>----- |
|---|----------------------------------|-------------------|
| <b>ASSETS</b>   |                                  |                   |
| <b>Assets</b>   |                                  |                   |
| Cash  | \$ 1,044                         | 98                |
| Property, Plant & Equipment   | 1,410                            | 1,410             |
| Less: Accumulated Depreciation  | (1,410)                          | (1,410)           |
|   | -----                            | -----             |
| Total Assets  | \$ 1,044<br>=====                | 98<br>=====       |
| <b>LIABILITIES AND STOCKHOLDERS' DEFICIT</b>  |                                  |                   |
| <b>Current Liabilities:</b>   |                                  |                   |
| Accrued Liabilities   | \$ 250                           | 250               |
| Payable to shareholder  | 6,100                            | 3,600             |
| Income Taxes Payable  | 100                              | 100               |
|   | -----                            | -----             |
| Total Current Liabilities   | 6,450                            | 3,950             |
| Total Liabilities   | 6,450                            | 3,950             |
|   | -----                            | -----             |
| <b>Stockholders' Deficit:</b>   |                                  |                   |
| Common Stock, \$.01 par value;<br>authorized 50,000,000 shares; issued and<br>outstanding, 1,085,051 shares and<br>1,085,051 respectively | 10,850                           | 10,850            |
| Paid-in Capital   | 3,155                            | 3,155             |
| Accumulated Deficit   | (19,411)                         | (17,857)          |
|   | -----                            | -----             |

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|  |    |         |         |
|--|----|---------|---------|
| Total Stockholders' Equity                 |    | (5,406) | (3,852) |
| Total Liabilities and Stockholders' Equity | \$ | 1,044   | 98      |

COLE, INC.  
 Statements of Operations  
 For the Three and Nine Month Periods Ended September 30, 2003 and 2002  
 and for the period from inception through September 30, 2003

|                                     | For the<br>Three Months<br>Ended<br>09/30/03 | For the<br>Nine Months<br>Ended<br>09/30/03 | For t<br>Three M<br>Ende<br>09/30 |
|-------------------------------------|--|---|-----------------------------------|
| Revenues                            | \$ 107                                       | \$ 107                                      | \$                                |
| Cost of Sales                       | 0  | 0   |                                   |
| Gross Margin                        | 107  | 107   |                                   |
| General and Administrative Expenses | 1,223  | 1,661                                       |                                   |
| Net Loss from Operations            | (1,116)                                      | (1,554)                                     |                                   |
| Net Loss Before Income Taxes        | (1,116)                                      | (1,554)                                     |                                   |
| Provision for Income Taxes          | 0  | 0   |                                   |
| Net Loss                            | \$ (1,116)                                   | \$ (1,554)                                  | \$                                |
| Loss Per Share                      | \$ (.01)                                     | \$ (.01)                                    | \$                                |
| Weighted Average Shares Outstanding | 1,085,051                                    | 1,085,051                                   | 1,0                               |

COLE, INC.  
 Statements of Cash Flows

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For the Three and Nine Month Periods Ended September 30, 2003 and 2002  
and for the period from inception through September 30, 2003

|   | For the<br>Three Month<br>Period Ending<br>09/30/03 | For the<br>Nine Month<br>Period Ending<br>09/30/03 | For the<br>Three<br>Month<br>Period<br>Ending<br>09/30/02 |
|---|---|--|---|
| Cash Flows Provided by/(Used for) Operating Activities                            |   |  |   |
| Net Loss  | \$ (1,116)  | \$ (1,554)   | \$ 0  |
| Adjustments to reconcile net income to net cash provided by operating activities: |   |  |   |
| Increase in Depreciation  | 0   |  | 0   |
| Increase/(Decrease) in income taxes payable                                       | 0   |  | 0   |
| Increase/(Decrease) in amount due to shareholder                                  | 0   |  | 0   |
| Decrease/(Increase) in accrued liabilities  | 0   |  | 0   |
| Net Cash Provided by/(Used for) in Operating Activities                           | (1,116)   | (1,554)  |   |
| Cash Flows Provided by Investing Activities                                       |   |  |   |
| Purchase of equipment   | 0   |  | 0   |
| Net Cash Used by Investing Activities   | 0   |  | 0   |
| Cash Flows Provided by Financing Activities                                       |   |  |   |
| Issued stock for cash   | 0   |  | 0   |
| Increase in loan from shareholder   | 1,000   | 2,500  |   |
| Net Cash Provided by Financing Activities   | 0   |  | 0   |
| Net Increase(decrease) in Cash  | (116)   | 946  |   |
| Beginning Cash Balance  | 1,160   | 98   |   |
| Ending Cash Balance   | \$ 1,044  | \$ 1,044   | \$ 0  |

COLE, INC.

Notes to the Interim Financial Statements

### NOTE 1- BASIS OF PRESENTATION

The accompanying unaudited interim financial statements of Cole, Inc. have been prepared in accordance with generally accepted accounting principles and the rule of the Securities and Exchange Commission ("SEC"), and should be read in conjunction with the audited financial statements. In the opinion of management, all adjustments, consisting of normal recurring adjustments, necessary for a fair presentation of financial position and the results of operations for interim are not necessarily indicative of the results to be expected for the full

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year.

Item 2. Management's Discussion and Analysis or Plan of Operation.

Plan of Operation.

The Company created relationships with a limited number of clients, these relationships have ceased to generate revenue. Furthermore, the Company will continue to rebuild its business by attracting new clients. The Company has discontinued its advertising, but will start a new advertising campaign if it is successful in raising funds.

Results of Operations

The Company's operations during the quarterly period ended September 30, 2001, resulted in \$0 in revenues and incurred expenses of \$769, stemming from costs related to sales, and also, general and administrative expenses.

Liquidity

At September 30, 2003, the Company had total cash of \$1,044 and total liabilities of \$6,450. Management believes that its cash on hand of \$1,044 will be sufficient to allow it to continue its operations for the next three months. If necessary, the Company's management will borrow funds to the Company in an amount not to exceed \$25,000, which will give the Company sufficient funds to continue operations for the next twelve months.

PART II - OTHER INFORMATION

Item 1. Legal Proceedings.

None; not applicable.

Item 2. Changes in Securities.

None; not applicable

Item 3. Defaults Upon Senior Securities.

None; not applicable.

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

None; not applicable

Item 5. Other Information.

None; applicable

Item 6. Exhibits and Reports on Form 8-K.

None; not applicable

(b) Reports on Form 8-K.

None; Not Applicable.

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CERTIFICATION PURSUANT TO  
18 U.S.C. SECTION 1350,  
AS ADOPTED PURSUANT TO  
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Cole, Inc. (the "Company") on Form 10-QSB for the quarter ended September 30, 2003, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, James Doolin, Chief Executive Officer and Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. 1350, as adopted pursuant to 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and result of operations of the Company.

Date: 10/02/03

/S/JAMES DOOLIN  
James Doolin, Chief Executive Officer and  
Chief Financial Officer

### CERTIFICATION

I, James Doolin, certify that:

1. I have reviewed this quarterly report on Form 10-QSB of Cole, Inc.;
2. Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this quarterly report;
3. Based on my knowledge, the financial statements and other financial information included in this quarterly report fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this quarterly report;
4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-14 and 15d-14) for the registrant and have:
  - a) Designed such disclosure controls and procedures to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this quarterly report is being prepared;
  - b) Evaluated the effectiveness of the registrant's disclosure controls and procedures as of a date within 90 days prior to the filing date of this quarterly report (the "Evaluation Date"); and
  - c) Presented in this quarterly report our conclusions about the effectiveness of the disclosure controls and procedures based on our evaluation as of the

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Evaluation Date;

5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

a) All significant deficiencies in the design or operation of internal controls which could adversely affect the registrant's ability to record, process, summarize and report financial data and have identified for the registrant's auditors any material weaknesses in internal controls; and

b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls; and

6. The registrant's other certifying officers and I have indicated in this quarterly report whether or not there were significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of our most recent evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

Date: 10/02/03

/S/JAMES DOOLIN

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James Doolin, Chief Executive Officer and  
Chief Financial Officer

SIGNATURES

Pursuant to the requirements 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.

COLE, INC.

Date: 10/02/03

/S/ JAMES DOOLIN

James Doolin, President and Director