

Edgar Filing: COLE INC - Form 10QSB

COLE INC
Form 10QSB
November 14, 2002

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, 2002

[] 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)

4848 South Highland Drive Box #140
Salt Lake City, Utah 84117
(Address of Principal Executive Offices)

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

(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 _____

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
latest practicable date:

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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, 2002 and the Year Ended December 31, 2001

| | 09/30/02 | 12/31/01 |
|---|-------------|----------|
| | ----- | ----- |
| | [Unaudited] | |
| ASSETS | | |
| Assets | | |
| Cash | \$ 9 | 773 |
| Property, Plant & Equipment | 1,410 | 1,410 |
| Less: Accumulated Depreciation | (1,291) | (939) |
| | ----- | ----- |
| Total Assets | \$ 128 | 1,244 |
| | ===== | ===== |
| LIABILITIES AND STOCKHOLDERS' DEFICIT | | |
| Current Liabilities: | | |
| Accrued Liabilities | \$ 162 | 311 |
| Payable to shareholder | 3,500 | 1,500 |
| Income Taxes Payable | 0 | 100 |
| | ----- | ----- |
| Total Current Liabilities | 3,662 | 1,911 |
| Total Liabilities | 3,662 | 1,911 |
| | ----- | ----- |
| Stockholders' Deficit: | | |
| Common Stock, \$.01 par value; authorized 50,000,000 shares; issued and outstanding, 1,085,051 shares and 1,085,051 respectively | 10,850 | 10,850 |
| Paid-in Capital | 3,155 | 3,155 |
| Accumulated Deficit | (17,539) | (14,672) |
| | ----- | ----- |
| Total Stockholders' Equity | (3,534) | 667 |

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| | | |
|--|--------------------------|-------------------------|
| Total Liabilities and Stockholders' Equity | ----- \$ 128 ===== | ----- 1,244 ===== |
|--|--------------------------|-------------------------|

COLE, INC.
Statements of Operations
For the Three and Nine Month Periods Ended September 30, 2002 and 2001
and for the period from inception through September 30, 2002

| | For the Three Months Ended 09/30/02 ----- | For the Nine Months Ended 09/30/02 ----- | For t Three M Ende 09/30 ----- |
|-------------------------------------|---|--|--|
| Revenues | \$ 0 | \$ 266 | \$ |
| Cost of Sales | 0 | 0 | |
| Gross Margin | ----- 0 | ----- 266 | |
| General and Administrative Expenses | 769 | 3,489 | |
| Net Loss from Operations | ----- (769) | ----- (3,223) | |
| Net Loss Before Income Taxes | ----- (769) | ----- (3,223) | |
| Provision for Income Taxes | 0 | 0 | |
| Net Loss | ----- \$ (769) ===== | ----- \$ (3,223) ===== | \$ |
| Loss Per Share | ----- \$ (.01) ===== | ----- \$ (.01) ===== | \$ |
| Weighted Average Shares Outstanding | ----- 1,085,051 ===== | ----- 1,085,051 ===== | 1,0 |

COLE, INC.
Statements of Cash Flows
For the Three and Nine Month Periods Ended September 30, 2002 and 2001
and for the period from inception through September 30, 2002

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| | For the Three Month Period Ending 09/30/02 | For the Nine Month Period Ending 09/30/02 | For the Three Month Period Ending 09/30/02 |
|---|---|--|---|
| Cash Flows Provided by/(Used for) Operating Activities | | | |
| Net Loss | \$ (769) | \$ (3,223) | \$ |
| Adjustments to reconcile net income to net cash provided by operating activities: | | | |
| Increase in Depreciation | 117 | 351 | |
| Increase/(Decrease) in income taxes payable | 0 | 0 | |
| Increase/(Decrease) in amount due to shareholder | 54 | 365 | |
| Shares issued for forgiveness of debt | 0 | 0 | |
| Decrease/(Increase) in accrued liabilities | 0 | (257) | |
| Net Cash Provided by/(Used for) in Operating Activities | (598) | (2,764) | |
| 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 | 0 | 2,000 | |
| Net Cash Provided by Financing Activities | 0 | 0 | |
| Net Increase(decrease) in Cash | (598) | (764) | |
| Beginning Cash Balance | 607 | 773 | |
| Ending Cash Balance | \$ 9 | \$ 9 | \$ |

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 year.

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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, 2002, the Company had total cash of \$9 and total liabilities of \$3,762. Management believes that its cash on hand of \$9 will not be sufficient to allow it to continue its operations for the next three months. The Company's management will loan the Company money, not to exceed \$25,000. This 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., Inc. (the "Company") on Form 10-QSB for the period ending September 30, 2002 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:11/14/02

/S/JAMES DOOLIN
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: 11/14/02

/S/JAMES DOOLIN
James Doolin, President and Director