

Edgar Filing: NEW ENVIRONMENTAL TECHNOLOGIES CORP - Form 10QSB

NEW ENVIRONMENTAL TECHNOLOGIES CORP  
Form 10QSB  
July 16, 2002

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

FORM 10-QSB

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

For the quarterly period ended June 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. 2-76219-NY

New Environmental Technologies Corporation  
-----  
(Name of Small Business Issuer in its Charter)

NEVADA  
-----  
(State or Other Jurisdiction of  
incorporation or organization)

11-2609717  
-----  
(I.R.S. Employer I.D. No.)

9005 Cobble Canyon Lane  
Sandy, Utah 84093  
-----  
(Address of Principal Executive Offices)

Issuer's Telephone Number: (801) 942-0555

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  No   
-----

(2) Yes  No   
-----

APPLICABLE ONLY TO ISSUERS INVOLVED IN BANKRUPTCY  
PROCEEDINGS DURING THE PRECEDING FIVE YEARS

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:

Edgar Filing: NEW ENVIRONMENTAL TECHNOLOGIES CORP - Form 10QSB

June 30, 2002

2,620,326  
-----

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.

NEW ENVIRONMENTAL TECHNOLOGIES CORPORATION  
(A Development Stage Company)

FINANCIAL STATEMENTS

June 30, 2002 and December 31, 2001

NEW ENVIRONMENTAL TECHNOLOGIES CORPORATION  
(A Development Stage Company)  
Balance Sheets

ASSETS

|   | June 30,<br>2002<br>(Unaudited) | December 31,<br>2001 |
|---|---------------------------------|----------------------|
| CURRENT ASSETS  |                                 |                      |
| Cash  | \$ -                            | \$ -                 |
|   | -----                           | -----                |
| TOTAL ASSETS  | \$ -                            | \$ -                 |
|   | =====                           | =====                |
| LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIT)  |                                 |                      |
| CURRENT LIABILITIES   |                                 |                      |
| Accounts payable  | \$ 36,807                       | \$ 34,591            |
| Accounts payable - related party  | 21,584                          | 18,992               |
| Accrued interest payable - related party  | 3,119                           | 2,308                |
|   | -----                           | -----                |
| Total Liabilities   | 61,510                          | 55,891               |
|   | -----                           | -----                |
| STOCKHOLDERS' EQUITY (DEFICIT)  |                                 |                      |
| Common stock authorized 100,000,000 shares at<br>\$0.001 par value; 2,620,326 shares issued and outstanding |                                 | 2,620                |
| 2,620   |                                 |                      |
| Additional paid-in capital  | 150,692                         | 150,692              |
| Deficit accumulated during the development<br>stage   | (214,822)                       | (209,203)            |
|   | -----                           | -----                |
| Total Stockholders' Equity (Deficit)  | (61,510)                        | (55,891)             |
|   | -----                           | -----                |
| TOTAL LIABILITIES AND STOCKHOLDERS'   |                                 |                      |

Edgar Filing: NEW ENVIRONMENTAL TECHNOLOGIES CORP - Form 10QSB

EQUITY (DEFICIT) \$ - \$ -  
===== =====

The accompanying notes are an integral part of these financial statements.

2

NEW ENVIRONMENTAL TECHNOLOGIES CORPORATION  
(A Development Stage Company)  
Statements of Operations  
(Unaudited)

|  | >From              |           |                  |            |              |
|--|--------------------|-----------|------------------|------------|--------------|
|  | For the            |           | For the          |            | Inception on |
|  | Three Months Ended |           | Six Months Ended |            | January 7,   |
|  | June 30,           |           | June 30,         |            | 1982 Through |
|  | 2002               | 2001      | 2002             | 2001       | June 30,     |
|  | 2002               |           |                  |            |              |
| REVENUES   | \$ -               | \$ -      | \$ -             | \$ -       | \$ -         |
| EXPENSES   | 1,586              | 661       | 5,619            | 8,892      | 214,822      |
| NET LOSS   | \$ (1,586)         | \$ (661)  | \$ (5,619)       | \$ (8,892) | \$ (214,822) |
| LOSS PER SHARE<br>OF COMMON STOCK                | \$ (0.00)          | \$ (0.00) | \$ (0.00)        | \$ (0.00)  |              |
| WEIGHTED AVERAGE<br>NUMBER OF SHARES OUTSTANDING |                    |           |                  |            |              |
| OUTSTANDING                                      | 2,620,326          | 2,620,326 | 2,620,326        | 2,620,326  |              |

The accompanying notes are an integral part of these financial statements.

3

NEW ENVIRONMENTAL TECHNOLOGIES CORPORATION  
(A Development Stage Company)  
Statements of Stockholders' Equity (Deficit)

|   | Common Stock | Additional | Deficit     |
|---|--------------|------------|-------------|
|   | Shares       | Paid-in    | Accumulated |
|   |              | Capital    | During the  |
|   |              |            | Development |
|   |              |            | Stage       |
| Balance, December 31, 2000  | 2,620,326    | \$2,620    | \$150,692   |
|   |              |            | \$(189,742) |
| Net loss for the year<br>ended December 31, 2001                  | -            | -          | -           |
|   |              |            | (19,461)    |
| Balance, December 31, 2001  | 2,620,326    | 2,620      | 150,692     |
|   |              |            | (209,203)   |
| Net loss for the six<br>months ended June 30, 2002<br>(unaudited) | -            | -          | -           |
|   |              |            | (5,619)     |
| Balance, June 30, 2002<br>(unaudited)                             | 2,620,326    | \$ 2,620   | \$ 150,692  |
|   |              |            | \$(214,822) |

The accompanying notes are an integral part of these financial statements.

Edgar Filing: NEW ENVIRONMENTAL TECHNOLOGIES CORP - Form 10QSB

4

NEW ENVIRONMENTAL TECHNOLOGIES CORPORATION  
 (A Development Stage Company)  
 Statements of Cash Flows  
 (Unaudited)

|   | For the<br>Six Months Ended<br>June 30, |            | >From<br>Inception on<br>January 7,<br>1982 Through<br>June 30,<br>2002 |
|---|---|------------|---|
|   | 2002                                    | 2001       |   |
| <b>CASH FLOWS FROM OPERATING<br/>ACTIVITIES:</b>                                |   |            |   |
| Net loss  | \$ (5,619)                              | \$ (8,892) | \$ (214,822)  |
| Adjustments to reconcile net loss to<br>net cash used by operating activities:  |   |            |   |
| Stock issued for services   | -                                       | -          | 2,538   |
| Changes in operating assets and<br>liabilities:                                 |   |            |   |
| Increase (decrease) in accounts payable   | 2,216                                   |            |   |
| Increase (decrease) in accounts payable<br>- related party and accrued interest | 3,403                                   | 8,882      | 61,511  |
|   | -----                                   | -----      | -----   |
| Net Cash Used by Operating<br>Activities  | -                                       | (10)       | (150,773)   |
|   | -----                                   | -----      | -----   |
| <b>CASH FLOWS FROM INVESTING<br/>ACTIVITIES:</b>                                |   |            |   |
|   | -                                       | -          | -   |
|   | -----                                   | -----      | -----   |
| <b>CASH FLOWS FROM FINANCING<br/>ACTIVITIES:</b>                                |   |            |   |
| Issuance of common stock for cash   | -                                       | -          | 150,773   |
|   | -----                                   | -----      | -----   |
| Net Cash Provided by Financing<br>Activities                                    | -                                       | -          | 150,773   |
|   | -----                                   | -----      | -----   |
| <b>NET INCREASE (DECREASE)<br/>IN CASH</b>                                      | -                                       | (10)       | -   |
| <b>CASH AT BEGINNING OF PERIOD</b>  | -                                       | 10         | -   |
|   | -----                                   | -----      | -----   |
| <b>CASH AT END OF PERIOD</b>  | \$ -                                    | \$ -       | \$ -  |
|   | =====                                   | =====      | =====   |
| <b>CASH PAID FOR:</b>   |   |            |   |
| Interest  | \$ -                                    | \$ -       | \$ -  |
| Income taxes  | \$ -                                    | \$ -       | \$ -  |
| <b>SCHEDULE OF NON CASH FINANCING<br/>ACTIVITIES</b>                            |   |            |   |

## Edgar Filing: NEW ENVIRONMENTAL TECHNOLOGIES CORP - Form 10QSB

Stock issued for services                      \$            -      \$            -      \$        2,538

The accompanying notes are an integral part of these financial statements.

5

NEW ENVIRONMENTAL TECHNOLOGIES CORPORATION  
 (A Development Stage Company)  
 Notes to the Financial Statements  
 June 30, 2002 and December 31, 2000

**NOTE 1 - BASIS OF FINANCIAL STATEMENT PRESENTATION**

The accompanying unaudited condensed financial statements have been prepared by the Company pursuant to the rules and regulations of the Securities and Exchange Commission. Certain information and footnote disclosures normally included in financial statements prepared in accordance with accounting principles generally accepted in the United States of America have been condensed or omitted in accordance with such rules and regulations. The information furnished in the interim condensed financial statements include normal recurring adjustments and reflects all adjustments, which, in the opinion of management, are necessary for a fair presentation of such financial statements. Although management believes the disclosures and information presented are adequate to make the information not misleading, it is suggested that these interim condensed financial statements be read in conjunction with the Company's most recent audited financial statements and notes thereto included in its February 1, 2002 Annual Report on Form 10-KSB. Operating results for the six months ended June 30, 2002 are not necessarily indicative of the results that may be expected for the year ending December 31, 2002.

**NOTE 2 - GOING CONCERN**

The Company's financial statements are prepared using generally accepted accounting principles applicable to a going concern which contemplates the realization of assets and liquidation of liabilities in the normal course of business. The Company has not yet established an ongoing source of revenues sufficient to cover its operating costs and allow it to continue as a going concern. The ability of the Company to continue as a going concern is dependent on the Company obtaining adequate capital to fund operating losses until it becomes profitable. If the Company is unable to obtain adequate capital, it could be forced to cease operations.

In order to continue as a going concern, develop a reliable source of revenues, and achieve a profitable level of operations the Company will need, among other things, additional capital resources. Management's plans to continue as a going concern include raising additional capital through sales of common stock. However, management cannot provide any assurances that the Company will be successful in accomplishing any of its plans.

The ability of the Company to continue as a going concern is dependent upon its ability to successfully accomplish the plans described in the preceding paragraph and eventually secure other sources of financing and attain profitable operations. The accompanying financial statements do not include any adjustments that might be necessary if the Company is unable to continue as a going concern.

6

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

-----  
Plan of Operation.  
-----

The Company has not engaged in any material operations since the calendar year ended December 31, 1985, or during the quarterly period ended June 30, 2002.

The Company's plan of operation for the next 12 months is to: (i) consider guidelines of industries in which the Company may have an interest; (ii) adopt a business plan regarding engaging in business in any selected industry; and (iii) to commence such operations through funding and/or the acquisition of a "going concern" engaged in any industry selected.

During the next 12 months, the Company's only foreseeable cash requirements will relate to maintaining the Company in good standing or the payment of expenses associated with reviewing or investigating any potential industries as a business venture, which the Company expects to pay from its cash resources or loans from makers of management.

Results of Operations.  
-----

During the quarterly period ended June 30, 2002, the Company had no business operations. During this period, the Company received total revenues of \$0 and had a net loss of \$1,586, as compared to the quarterly period ended June 30, 2001, when the Company received total revenues of \$0 and had a net loss of \$661.

For the six months ended June 30, 2002, the Company received total revenues of \$0 and had a net loss of \$5,619, as compared to the six months ended June 30, 2001, when the Company received total revenues of \$0 and had a net loss of \$8,892.

Liquidity.  
-----

At June 30, 2002, the Company had \$0 in current assets, with total current liabilities of \$61,510. Total stockholders' equity was (\$61,510).

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.  
-----

Edgar Filing: NEW ENVIRONMENTAL TECHNOLOGIES CORP - Form 10QSB

None; not applicable.

Item 5. Other Information.  
-----

None; not applicable.

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

(a) Exhibits.

None.

(b) Reports on Form 8-K.

None.

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 there unto duly authorized.

New Environmental Technologies Corporation

Date: 7/15/02  
-----

By/s/David S. Merrell  
-----

David C. Merrell  
Director and President

Date: 7/15/02  
-----

By/S/Corie Merrell  
-----

Corie Merrell  
Secretary and Treasurer