Alynx, Co.
Form 10KSB
January 23, 2008

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-KSB

(Mark One)

S

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended December 31, 2007

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TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from ________ to __________

Commission File Number: 000-52491

ALYNX, CO.

(Exact name of Registrant as specified in charter)

NEVADA	**90-0300868**
State or other jurisdiction	I.R.S. Employer
of incorporation or organization	Identification No.
706 Rildah Circle, Kaysville, Utah	**84037**
(Address of principal executive offices)	(Zip Code)

Issuer s telephone number, including area code: (801) 628-5555

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

Securities registered pursuant to Section 12(g) of the Act: Common Stock, Par Value $.001

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

Check whether the Issuer (1) has 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. (1) Yes S No £ (2) Yes S No £

Check if disclosure of delinquent filers in response to Item 405 of Regulation S-B is not 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. S

Indicate by check mark whether the Registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). S

The registrant had no revenues for the 12 months ended December 31, 2007.

The aggregate market value of the voting stock held by non-affiliates of the registrant (2,863,680 shares) is $157,502, computed by reference to the average bid and asked price of the Common Stock ($0.055) as of January 17, 2008.

At January 17, 2008, there were 22,863,680 shares of the registrant s Common Stock outstanding.

DOCUMENTS INCORPORATED BY REFERENCE

None

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Forward Looking Statements

The statements contained in this report that are not historical facts are forward-looking statements that represent management s beliefs and assumptions based on currently available information. Forward-looking statements include the information concerning the Company s possible or assumed future results of operations, business strategies, need for financing, competitive position, potential growth opportunities, the effects of competition and the effects of future legislation or regulations. Forward-looking statements include all statements that are not historical facts and can be identified by the use of forward-looking terminology such as the words believes, intends, may, will, should, anticipates, expects, could, plans, or comparable terminology or by discussions of strategy or trends. Although management believes that the expectations reflected in such forward-looking statements are reasonable, the Company cannot give any assurances that these expectations will prove to be correct. Such statements by their nature involve risks and uncertainties that could significantly affect expected results, and actual future results could differ materially from those described in such forward-looking statements.

Among the factors that could cause actual future results to differ materially are the risks and uncertainties discussed in this report. While it is not possible to identify all factors, management continues to face many risks and uncertainties including, but not limited to, the availability of suitable merger or acquisition candidates, the willingness of operating entities to acquire an interest in the Company, resolutions of conflicts of interest of management in selecting potential merger or acquisition candidates, the results of operations and profitability of the Company following the acquisition of a new business venture, the acceptance in the market of the products or services offered by the Company following an acquisition, and the ability of the Company to meet its financial obligations as a reporting company prior to any acquisition. Should one or more of these risks materialize, or should the underlying assumptions prove incorrect, actual results could differ materially from those expected. The Company disclaims any intention or obligation to update publicly or revise such statements whether as a result of new information, future events or otherwise.

PART I

ITEM 1. DESCRIPTION OF BUSINESS

Business Development

Alynx, Co. (the Company) was originally formed as a Utah corporation on July 30, 1985, under the name Leibra, Inc. On October 1, 1986, the stockholders approved a merger with Leitech, Inc., a newly formed Nevada corporation which was incorporated on September 22, 1986, to change the domicile of the Company from the State of Utah to the State of Nevada. The Company has had several name changes in connection with various business acquisitions, all of which have been discontinued or rescinded. For the past several years the Company has had no active business operations and has been seeking to acquire an interest in a business with long-term growth potential. The Company has no subsidiaries.

The Company is a shell company and is seeking potential business acquisitions or opportunities to enter into in an effort to commence business operations. The Company has been engaged in preliminary discussions with, and has commenced preliminary due diligence on, a potential target company. The Company has retained counsel to assist management in the acquisition process and has prepared a draft letter of intent in connection with these preliminary discussions. However, the draft letter of intent has not been executed by either party and there are currently no agreements with respect to any acquisition, nor can an assurance be given that the Company will ever consummate any such transaction.

Business of the Company

<u>Selection of a Business</u>

The Company anticipates that businesses for possible acquisition will be referred by various sources, including its officers and directors, shareholders, professional advisors, securities broker-dealers, venture capitalists, members of the financial community, and others who may present unsolicited proposals. The Company will not engage in any general solicitation or advertising for a business opportunity, and will rely on personal contacts of its officers and directors and their affiliates, as well as indirect associations between them and other business and professional people. By relying on word of mouth, the Company may be limited in the number of potential acquisitions it can identify. While it is not presently anticipated that the Company will engage unaffiliated professional firms specializing in business acquisitions or reorganizations, such firms may be retained if management deems it in the best interest of the Company.

Compensation to a finder or business acquisition firm may take various forms, including one-time cash payments, payments based on a percentage of revenues or product sales volume, payments involving issuance of securities (including those of the Company), or any combination of these or other compensation arrangements. Consequently, the Company is currently unable to predict the cost of utilizing such services.

The Company will not restrict its search to any particular business, industry, or geographical location, and management reserves the right to evaluate and enter into any type of business in any location. The Company may participate in a newly organized business venture or a more established company entering a new phase of growth or in need of additional capital to overcome existing financial problems. Participation in a new business venture entails greater risks since in many instances management of such a venture will not have proved its ability, the eventual market of such venture s product or services will likely not be established, and the profitability of the venture will be unproved and cannot be predicted accurately. If the Company participates in a more established firm with existing financial problems, it may be subjected to risk because the financial resources of the Company may not be adequate to eliminate or reverse the circumstances leading to such financial problems.

In seeking a business venture, the decision of management will not be controlled by an attempt to take advantage of any anticipated or perceived appeal of a specific industry, management group, product, or industry, but will be based on the business objective of seeking long-term capital appreciation in the real value of the Company.

The analysis of new businesses will be undertaken by or under the supervision of the officers and directors. In analyzing prospective businesses, management will consider, to the extent applicable: the available technical, financial, and managerial resources, working capital and other prospects for the future, the nature of present and expected competition, the quality and experience of management services which may be available and the depth of that management, the potential for further research, development, or exploration, the potential for growth and expansion, the potential for profit, the perceived public recognition or acceptance of products, services, or trade or service marks, name identification and other relevant factors.

The decision to participate in a specific business may be based on management s analysis of the quality of the other firm s management and personnel, the anticipated acceptability of new products or marketing concepts, the merit of technological changes, and other factors which are difficult, if not impossible, to analyze through any objective criteria. It is anticipated that the results of operations of a specific firm may not necessarily be indicative of the potential for the future because of the requirement to substantially shift marketing approaches, expand significantly, change product emphasis, change or substantially augment management, and other factors.

The Company will analyze all available factors and make a determination based on a composite of available facts, without reliance on any single factor. The period within which the Company may participate in a business cannot be predicted and will depend on circumstances beyond the Company s control, including the availability of businesses, the time required for the Company to complete its investigation and analysis of prospective businesses, the time required to prepare appropriate documents and agreements providing for the Company s participation, and other circumstances.

Acquisition of a Business

In implementing a structure for a particular business acquisition, the Company may become a party to a merger, consolidation, or other reorganization with another corporation or entity; joint venture; license; purchase and sale of assets; or purchase and sale of stock, the exact nature of which cannot now be predicted. The structure of the particular business acquisition may be approved by the Board of Directors and may not require the approval of the Company s shareholders. Notwithstanding the above, the Company does not intend to participate in a business through the purchase of minority stock positions. On the consummation of a transaction, it is likely that the present management and shareholders of the Company will not be in control of the Company. In addition, a majority or all of the Company s directors may, as part of the terms of the acquisition transaction, resign and be replaced by new directors without a vote of the Company s stockholders.

In the event the Company enters into an acquisition transaction with another entity, the Company will be required to report the transaction in a Current Report on Form 8-K within four business days following the execution of the agreement, and any amendment thereto, and within four business days following the closing of the transaction. In addition, because the Company is a shell company, if the transaction results in the Company no longer being a shell company, it will be required to file within four business days a Current Report on Form 8-K which includes the information that would be required if the Company were filing a general form for registration of securities on Form 10 reflecting the Company and its securities upon consummation of the transaction, including information on the new business and management of the Company after closing.

In connection with the Company s acquisition of a business, the present shareholders of the Company, including officers and directors, may, as a negotiated element of the acquisition, sell a portion or all of the Company s Common Stock held by them at a significant premium over their original investment in the Company. It is not unusual for affiliates of the entity participating in the reorganization to negotiate to purchase shares held by the present shareholders in order to reduce the number of restricted securities held by persons no longer affiliated with the Company and thereby reduce the potential adverse impact on the public market in the Company s Common Stock that could result from substantial sales of such shares after the restrictions no longer apply. As a result of such sales, affiliates of the entity participating in the business reorganization with the Company would acquire a higher percentage of equity ownership in the Company. Public investors will not receive any portion of the premium that may be paid in the foregoing circumstances. Furthermore, the Company s shareholders may not be afforded an opportunity to approve or consent to any particular stock buy-out transaction.

In the event sales of shares by present stockholders of the Company, including officers and directors, is a negotiated element of a future acquisition, a conflict of interest may arise because directors will be negotiating for the acquisition on behalf of the Company and for sale of their shares for their own respective accounts. Where a business opportunity is well suited for acquisition by the Company, but affiliates of the business opportunity impose a condition that management sell their shares at a price which is unacceptable to them, management may not sacrifice their financial interest for the Company to complete the transaction. Where the business opportunity is not well suited, but the price offered management for their shares is high, management will be tempted to effect the acquisition to realize a substantial gain on their shares in the Company. Management has not adopted any policy for resolving the foregoing potential conflicts, should they arise, and does not intend to obtain an independent appraisal to determine whether any price that may be offered for their shares is fair. Stockholders must rely, instead, on the obligation of management to fulfill its fiduciary duty under state law to act in the best interests of the Company and its stockholders.

It is anticipated that any securities issued in any such reorganization would be issued in reliance on exemptions from registration under applicable federal and state securities laws. Securities, including shares of the Company s Common Stock, issued by the Company in such a transaction would be restricted securities as defined in Rule 144 promulgated by the Securities and Exchange Commission. Under amendments to Rule 144 recently adopted by the Commission, and which take effect on February 15, 2008, these restricted securities could not be resold under Rule 144 until the following conditions were met: the Company ceased to be a shell company; remained subject to the Exchange Act reporting obligations; filed all required Exchange Act reports during the preceding 12 months; and at least one year had elapsed from the time the Company filed Form 10 information reflecting the fact that it had ceased to be a shell company. In some circumstances, however, as a negotiated element of the transaction, the Company may agree to register such securities either at the time the transaction is consummated, under certain conditions, or at specified times thereafter. Although the terms of such registration rights and the number of securities, if any, which may be registered cannot be predicted, it may be expected that registration of securities by the Company in these circumstances would entail substantial expense to the Company. The issuance of substantial additional securities and their potential sale into any trading market that may develop in the Company s securities may have a depressive effect on such market.

While the actual terms of a transaction to which the Company may be a party cannot be predicted, it may be expected that the parties to the business transaction will find it desirable to structure the acquisition as a so-called tax-free event under sections 351 or 368(a) of the Internal Revenue Code of 1986, (the Code). In order to obtain tax-free treatment under section 351 of the Code, it would be necessary for the owners of the acquired business to own 80% or more of the voting stock of the surviving entity. In such event, the shareholders of the Company would retain less than 20% of the issued and outstanding shares of the surviving entity. Section 368(a)(1) of the Code provides for tax-free treatment of certain business reorganizations between corporate entities where one corporation is merged with or acquires the securities or assets of another corporation. Generally, the Company will be the acquiring corporation in such a business reorganization, and the tax-free status of the transaction will not depend on the issuance of any specific amount of the Company s voting securities. It is not uncommon, however, that as a negotiated element of a transaction completed in reliance on section 368, the acquiring corporation issue securities in such an amount that the shareholders of the acquired corporation will hold 50% or more of the voting stock of the surviving entity. Consequently, there is a substantial possibility that the shareholders of the Company immediately prior to the transaction would retain less than 50% of the issued and outstanding shares of the surviving entity.

Therefore, regardless of the form of the business acquisition, it may be anticipated that stockholders immediately prior to the transaction will experience a significant reduction in their percentage of ownership in the Company.

Notwithstanding the fact that the Company is technically the acquiring entity in the foregoing circumstances, generally accepted accounting principles will ordinarily require that such transaction be accounted for as if the Company had been acquired by the other entity owning the business and, therefore, will not permit a write-up in the carrying value of the assets of the other company.

The manner in which the Company participates in a business will depend on the nature of the business, the respective needs and desires of the Company and other parties, the management of the business, and the relative negotiating strength of the Company and such other management.

The Company will participate in a business only after the negotiation and execution of appropriate written agreements. Although the terms of such agreements cannot be predicted, generally such agreements will require specific representations and warranties by all of the parties thereto, will specify certain events of default, will detail the terms of closing and the

conditions which must be satisfied by each of the parties prior to such closing, will outline the manner of bearing costs if the transaction is not closed, will set forth remedies on default, and will include miscellaneous other terms.

Operation of Business After Acquisition

The Company s operation following its acquisition of a business will be dependent on the nature of the business and the interest acquired. The Company is unable to predict whether the Company will be in control of the business or whether present management will be in control of the Company following the acquisition. It may be expected that the business will present various risks, which cannot be predicted at the present time.

Governmental Regulation

It is impossible to predict the government regulation, if any, to which the Company may be subject until it has acquired an interest in a business. The use of assets and/or conduct of businesses that the Company may acquire could subject it to environmental, public health and safety, land use, trade, or other governmental regulations and state or local taxation. In selecting a business in which to acquire an interest, management will endeavor to ascertain, to the extent of the limited resources of the Company, the effects of such government regulation on the prospective business of the Company. In certain circumstances, however, such as the acquisition of an interest in a new or start-up business activity, it may not be possible to predict with any degree of accuracy the impact of government regulation. The inability to ascertain the effect of government regulation on a prospective business activity will make the acquisition of an interest in such business a higher risk.

Competition

The Company will be involved in intense competition with other business entities, many of which will have a competitive edge over the Company by virtue of their stronger financial resources and prior experience in business. There is no assurance that the Company will be successful in obtaining suitable investments.

Employees

The Company is a development stage company and currently has no employees. Ken Edwards, the Company s President and principal shareholder, will devote such time to the affairs of the Company as he deems appropriate, which is estimated to be approximately 20 hours per month. Mr. Edwards is compensated through an arrangement with his company, Booder Corp., which is paid $1,000 per month for these services. Management of the Company expects to use consultants, attorneys, and accountants as necessary, and does not anticipate a need to engage any full-time employees so long as it is seeking and evaluating businesses. The need for employees and their availability will be addressed in connection with a decision whether or not to acquire or participate in a specific business industry.

ITEM 2. DESCRIPTION OF PROPERTY

The Company has no office facilities and does not presently anticipate the need to lease commercial office space or facilities. For now the business address of Ken Edwards, the President and principal shareholder, is being used as the Company address. The Company may lease commercial office facilities in the future at such time as operations have developed to the point where the facilities are needed, but has no commitments or arrangements for any facilities. There is no assurance regarding the future availability of commercial office facilities or terms on which the Company may be able to lease facilities in the future, nor any assurance regarding the length of time the present arrangement may continue.

ITEM 3. LEGAL PROCEEDINGS

No legal proceedings are reportable pursuant to this item.

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

No matters were submitted to a vote of shareholders of the Company during the fourth quarter of the fiscal year ended December 31, 2007.

PART II

ITEM 5. MARKET FOR COMMON EQUITY AND RELATED STOCKHOLDER MATTERS

Market Information

The Company s Common Stock was approved for quotation on the OTC Bulletin Board on July 19, 2007. Only a limited number of shares have traded since the approval of the quotation in July 2007. The Common Stock is currently traded with the trading symbol of AYXC. The table below sets forth for the periods indicated the high and low sales prices as reported by Bloomberg information services. These quotations reflect inter-dealer prices, without retail mark-up, mark-down, or commission and may not necessarily represent actual transactions.

	Quarter	High	Low
FISCAL YEAR ENDED			
DECEMBER 31, 2007	Third	$0.10	$0.01
	Fourth	$0.10	$0.01

The Company s Common Stock is considered to be penny stock under rules promulgated by the Securities and Exchange Commission. Under these rules, broker-dealers participating in transactions in these securities must first deliver a risk disclosure document which describes risks associated with these stocks, broker-dealers duties, customers rights and remedies, market and other information, and make suitability determinations approving the customers for these stock transactions based on financial situation, investment experience and objectives. Broker-dealers must also disclose these restrictions in writing, provide monthly account statements to customers, and obtain specific written consent of each customer. With these restrictions, the likely effect of designation as a penny stock is to decrease the willingness of broker- dealers to make a market for the stock, to decrease the liquidity of the stock and increase the transaction cost of sales and purchases of these stocks compared to other securities.

There are no outstanding options, warrants, or other instruments convertible into shares of the Company s Common Stock, except for outstanding promissory notes in the aggregate principal amount of $10,000 which are convertible into approximately 2,000,000 shares at the option of the note holders after the Company ceases to be a shell company.

Holders

At January 17, 2008, the Company had 597 shareholders of record. The number of record holders was determined from the records of the Company s transfer agent and does not include beneficial owners of common stock whose shares are held in the names of various security brokers, dealers, and registered clearing agencies. The Company has appointed Interwest Transfer Company, Inc., 1981 East 4800 South, Suite 100, Salt Lake City, Utah, to act as its transfer agent for the Common Stock.

Dividends

The Company has not declared or paid any cash dividends on its Common Stock during the two fiscal years ended December 31, 2007, or in any subsequent period. The Company does not anticipate or contemplate paying dividends on its Common Stock in the foreseeable future. The only restrictions that limit the ability to pay dividends on common equity, or that are likely to do so in the future, are those restrictions imposed by law. Under Nevada corporate law, no dividends or other distributions may be made which would render a company insolvent or reduce assets to less than the sum of liabilities plus the amount needed to satisfy outstanding liquidation preferences.

Unregistered Sales of Securities

The Company has not issued any shares of its Common Stock, or any shares of its authorized preferred stock, since April 2006. However, the Company has issued the following promissory notes which have not been reported in prior reports:

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On May 26, 2006, the Company issued a promissory note evidencing a loan of $2,500 to the Company by Chantel Smith. The note bears interest at the rate of 10% per annum and is due and payable by the Company 30 days after the date demand is made by the holder, or June 1, 2009, whichever is earlier. The principal balance of, and interest due on, the note is convertible into common shares of the Company at the rate of $0.005 per share at any time the Company ceases to be a shell company. The note was issued without registration under the Securities Act by reason of the exemption from registration afforded by the provisions of Section 4(2) thereof as a transaction by an issuer not involving any public offering. Ms. Smith represented that she was a non-accredited investor as defined in Rule 501 of Regulation D at the time of the transaction. She represented that she was familiar with the business, history, and operations of the Company. She delivered appropriate investment representations with respect to the issuance of the note and consented to the imposition of restrictive legends. She did not enter into the transaction with the Company as a result of or subsequent to any advertisement, article, notice, or other communication published in any newspaper, magazine, or similar media or broadcast on television or radio, or presented at any seminar or meeting. She was also afforded the opportunity to ask questions of the Company s management and to receive answers concerning the terms and conditions of the transaction. No underwriting discounts or commissions were paid in connection with the transaction.

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On May 29, 2006, the Company issued three promissory notes evidencing loans of $2,500 each to the Company by 1st Orion Corp., Cassandra Linza, and The Lorikeet Company, Inc. The notes each bear interest at the rate of 10% per annum and are due and payable by the Company 30 days after the date demand is made by the holder, or June 1, 2009, whichever is earlier. The principal balance of, and interest due on, each note is convertible into common shares of the Company at the rate of $0.005 per share at any time the Company ceases to be a shell company. The notes were issued without registration under the Securities Act by reason of the exemption from registration afforded by the provisions of Section 4(2) thereof as a transaction by an issuer not involving any public offering. Each holder represented that she or it was a non-accredited investor as defined in Rule 501 of Regulation D at the time of the transaction. Each holder represented that she or it was familiar with the business, history, and operations of the Company. Each party delivered appropriate investment representations with respect to the issuance of the notes and consented to the imposition of restrictive legends. None of the parties entered into the transaction with the Company as a result of or subsequent to any advertisement, article, notice, or other communication published in any newspaper, magazine, or similar media or broadcast on television or radio, or presented at any seminar or meeting. Each party, or the person representing the entity, was also afforded the opportunity to ask questions of the Company s management and to receive answers concerning the terms and conditions of the transaction. No underwriting discounts or commissions were paid in connection with the transaction.

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On May 4, 2007, the Company issued a promissory note evidencing a loan of $15,000 to the Company by Ken Edwards, the Company s sole officer and director and principal shareholder. The note bears interest at the rate of 10% per annum and is due and payable by the Company 30 days after the date demand is made by the holder, or May 4, 2009, whichever is earlier. The note was issued without registration under the Securities Act by reason of the exemption from registration afforded by the provisions of Section 4(2) and Section 4(6) thereof as a transaction by an issuer not involving any public offering. Mr. Edwards was an accredited investor as defined in Rule 501 of Regulation D at the time of the transaction. He acknowledged appropriate investment representations with respect to the issuance of the note. He did not enter into the transaction with the Company as a result of or subsequent to any advertisement, article, notice, or other communication published in any newspaper, magazine, or similar media or broadcast on television or radio, or presented at any seminar or meeting. No underwriting discounts or commissions were paid in connection with the transaction.

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On October 1, 2007, the Company issued a promissory note evidencing an ongoing arrangement by Ken Edwards to loan up to $25,000 to the Company. The note bears interest at the rate of 12% per annum and is due and payable by the Company 30 days after the date demand is made by the holder, or December 31, 2008, whichever is earlier. The note was issued without registration under the Securities Act by reason of the exemption from registration afforded by the provisions of Section 4(2) and Section 4(6) thereof as a transaction by an issuer not involving any public offering. Mr. Edwards was an accredited investor as defined in Rule 501 of Regulation D at the time of the transaction. He acknowledged appropriate investment representations with respect to the issuance of the note. He did not enter into the transaction with the Company as a result of or subsequent to any advertisement, article, notice, or other communication published in any newspaper, magazine, or similar media or broadcast on television or radio, or presented at any seminar or meeting. No underwriting discounts or commissions were paid in connection with the transaction.

Purchases of Equity Securities

There were no purchases made during the fourth quarter ended December 31, 2007, by or on behalf of the Company or any affiliated purchaser of shares or other units of any class of the Company s Common Stock.

ITEM 6. MANAGEMENT S DISCUSSION AND ANALYSIS OR PLAN OF OPERATION

Plan of Operations

The Company had no operations or revenue during the last two fiscal years. Due to this, the Company realized a net loss. The Company does not expect to generate any meaningful revenue or incur operating expenses, except for administrative, legal, professional, accounting and auditing costs associated with the filing requirements of a public reporting company, unless and until it acquires an interest in an operating company. The Company is a shell company and is seeking potential business acquisitions or opportunities to enter into in an effort to commence business operations. The Company has been engaged in preliminary discussions with, and has commenced preliminary due diligence on, a potential target company. The Company has retained counsel to assist management in the acquisition process and has prepared a draft letter of intent in connection with these preliminary discussions. However, the draft letter of intent has not been executed by either party and there are currently no agreements with respect to any acquisition, nor can an assurance be given that the Company will ever consummate any such transaction.

The Company does not have sufficient cash to meet its operational needs for the next twelve months. Management s plan of operation for the next twelve months is to attempt to raise additional capital through loans from related parties, debt financing, equity financing or a combination of financing options. Currently, except for the commitment of the President of the Company, there are no understandings, commitments or agreements for such an infusion of capital and no assurances to that effect. Mr. Edwards has agreed to loan up to $25,000 to the Company upon request of the president. Through December 31, 2007, Mr. Edwards had loaned $2,500 under the terms of the promissory note, which bears interest at the rate of 12% per annum and is due and payable by the Company 30 days after the date demand is made by the note holder, or December 31, 2008, whichever is earlier. On January 15, 2008, Mr. Edwards loaned an additional $2,000 to the Company under the terms of this note. Unless the Company can obtain additional financing, its ability to continue as a going concern during the next twelve-month period is doubtful. The Company s need for capital may change dramatically if and during that period, it acquires an interest in a business opportunity.

The Company s current operating plan is to (i) handle the administrative and reporting requirements of a public company, and (ii) search for potential businesses, products, technologies and companies for acquisition. At present, the Company has no binding understandings, commitments or agreements with respect to the acquisition of any business venture, and there can be no assurance that the Company will identify a business venture suitable for acquisition in the future. Further, there can be no assurance that the Company would be successful in consummating any acquisition on favorable terms or that it will be able to profitably manage any business venture it acquires.

The accompanying financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America, which contemplate continuation of the Company as a going concern. However, the Company has incurred losses since its inception, and has no on-going operations. These factors raise substantial doubt about the ability of the Company to continue as a going concern. In this regard, management is proposing to raise any necessary additional funds not provided by operations through loans and/or through additional sales of its Common Stock. There is no assurance that the Company will be successful in raising this additional capital or in achieving profitable operations. The financial statements do not include any adjustments that might result from the outcome of these uncertainties.

The independent auditors have expressed substantial doubt about the Company s ability to continue as a going concern. Their report includes a going concern qualification because the financial statements do not include any adjustments that might result from the outcome of the uncertainties which arise from the net losses and accumulated deficit.

Off-Balance Sheet Arrangements

During the year ended December 31, 2007, the Company did not have any off-balance sheet arrangements.

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ITEM 7. FINANCIAL STATEMENTS

ALYNX, CO.

[*A Development Stage Company*]

FINANCIAL STATEMENTS

DECEMBER 31, 2007

ALYNX, CO.

[*A Development Stage Company*]

CONTENTS

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

Board of Directors

ALYNX, CO.

Kaysville, Utah

We have audited the accompanying balance sheet of Alynx, Co. [*a development stage company*] as of December 31, 2007 and the related statements of operations, stockholders' equity (deficit) and cash flows for the years ended December 31, 2007 and 2006 and for the period from re-entering the development stage on December 20, 2005 through December 31, 2007. 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 the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audit included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company s internal control over financial reporting. Accordingly, we express no such opinion. 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 Alynx, Co. [*a development stage company*] as of December 31, 2007 and the results of its operations and its cash flows for the years ended December 31, 2007 and 2006 and for the period from re-entering the development stage on December 20, 2005 through December 31, 2007, in conformity with accounting principles generally accepted in the United States of America.

The accompanying financial statements have been prepared assuming the Company will continue as a going concern. As discussed in Note 5 to the financial statements, the Company has incurred losses since its inception and has not yet been successful in establishing profitable operations. These factors raise substantial doubt about the ability of the Company to continue as a going concern. Management's plans in regards to these matters are also described in Note 5. The financial statements do not include any adjustments that might result from the outcome of these uncertainties.

/s/ Pritchett, Siler & Hardy, P.C.

PRITCHETT, SILER & HARDY, P.C.

Salt Lake City, Utah

January 23, 2008

ALYNX, CO.

[*A Development Stage Company*]

BALANCE SHEET

ASSETS		December 31, 2007
CURRENT ASSETS:		
Cash	$	184
Total Current Assets		184
Total Assets	$	184
LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIT)		
CURRENT LIABILITIES:		
Accounts payable	$	5,641
Accrued Interest		1,646
Accrued Interest - related party		995
Notes payable - related party		17,500
Total Current Liabilities		25,782
CONVERTIBLE NOTES PAYABLE		10,000
Total Liabilities		35,782
STOCKHOLDERS' EQUITY (DEFICIT):		
Preferred stock, $.001 par value, 5,000,000 shares authorized,		
no shares issued and outstanding		-
Common stock, $.001 par value, 100,000,000 shares authorized,		
22,863,680 shares issued and outstanding		22,864
Capital in excess of par value		1,418,002
Retained Earnings (Deficit)		(1,420,866)
Deficit accumulated during the development stage		(55,598)
Total Stockholders' Equity (Deficit)		(35,598)
	$	184

The accompanying notes are an integral part of this financial statement

ALYNX, CO.

[*A Development Stage Company*]

STATEMENTS OF OPERATIONS

	For the Year Ended December 31, 2005	2006	From reentering the Development Stage on December 20, 2005 thru December 31, 2007
REVENUE, net	$ -	$ -	$ -
EXPENSES:			
General and administrative	36,809	16,148	52,957
LOSS BEFORE OTHER INCOME (EXPENSE)	(36,809)	(16,148)	(52,957)
OTHER INCOME (EXPENSE):			
Interest expense	(2,051)	(590)	(2,641)
LOSS BEFORE INCOME TAXES	(38,860)	(16,738)	(55,598)
CURRENT TAX EXPENSE	-	-	-
DEFERRED TAX EXPENSE	-	-	-
NET LOSS	$ (38,860)	$ (16,738)	$ (55,598)
LOSS PER COMMON SHARE	$ (.00)	$ (.00)	

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

ALYNX, CO.

[*A Development Stage Company*]

STATEMENT OF STOCKHOLDERS' EQUITY (DEFICIT)

FROM DECEMBER 20, 2005 THROUGH DECEMBER 31, 2007

	Common Stock Shares	Amount	Capital in Excess of Par Value	Retained Earnings (Deficit)	Deficit Accumulated During the Development Stage
BALANCE,					
December 20, 2005	2,863,680	$ 2,864	$ 1,418,002	$ (1,420,866)	$ -
Net loss for the period ended December 31, 2005	-	-	-	-	-
BALANCE,					
December 31, 2005	2,863,680	2,864	1,418,002	(1,420,866)	-
Issuance of 20,000,000 shares common stock for cash, April 7, 2006 at $.001 per share	20,000,000	20,000	-	-	-
Net loss for the year ended December 31, 2006	-	-	-	-	(16,738)

BALANCE,									
December 31, 2006	22,863,680		22,864		1,418,002		(1,420,866)		(16,738)
Net loss for the year ended December 31, 2007	-		-		-		-		(38,860)
BALANCE,									
December 31, 2007	22,863,680	$	22,864	$	1,418,002	$	(1,420,866)	$	(55,598)

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

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ALYNX, CO.

[*A Development Stage Company*]

STATEMENTS OF CASH FLOWS

	For the Year Ended December 31, 2007	2006	From reentering the Development Stage on December 20, 2005 thru December 31, 2007
Cash Flows From Operating Activities:			
Net loss	$ (38,860)	$ (16,738)	$ (55,598)
Adjustments to reconcile net loss to net cash used by operating activities:			
Change in assets and liabilities:			
Increase in accounts payable	5,641	-	5,641
Increase in accrued interest	1,056	590	1,646
Increase in accrued interest related party	995	-	995
Decrease (increase) in prepaid expense	7,500	(7,500)	-
Net Cash Provided (Used) by Operating Activities	(23,668)	(23,648)	(47,316)