

Edgar Filing: FREEWILLPC COM INC - Form 10QSB

FREEWILLPC COM INC
Form 10QSB
May 13, 2002

FORM 10-QSB

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D. C. 20549

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

For the quarter ended: March 31, 2002

Commission file number: 333-48312

FREEWILLPC.COM, INC.

(exact name of registrant as specified in its charter)

Nevada

(State of Incorporation)

75-2877111

(IRS ID No.)

709-B West Rusk, Suite 500, Rockwall, Texas 75087

(Address of principal executive offices) (Zip code)

Registrant's telephone number, including area code: 972-772-5930

Check whether the issuer (1) filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act during the past twelve 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. Yes [x] No [].

Shares of common stock outstanding at March 31, 2002:

4,600,000

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FREEWILLPC.COM, INC.

CONDENSED BALANCE SHEETS
March 31, 2002 and December 31, 2001

ASSETS

	March 31, 2002 (Unaudited)	D
	-----	-----
CURRENT ASSETS:		
Cash	\$2,277	
Accounts receivable	13,093	
Prepaid expenses		
	-----	-----
Total current assets	15,370	
PROPERTY AND EQUIPMENT:		
Website (net of \$6,111 and \$5,278 amortization respectively)	3,889	
	-----	-----
TOTAL ASSETS	\$19,259	
	=====	=====

LIABILITIES AND STOCKHOLDERS' EQUITY

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LIABILITIES	
Accounts payable	\$15,159
STOCKHOLDERS' EQUITY	
Common stock, \$0.001 par value, 25,000,000 authorized, 4,600,000 and 4,580,000 shares issued and outstanding at March 31, 2002 and December 31, 2001 respectively	4,600
Additional paid-in-capital	102,337
Deficit accumulated during the development stage	(102,837)

Total Stockholders' Equity	4,100

TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	\$19,259
	=====

See notes to unaudited condensed financial statements

F-1

FREEWILLPC.COM, INC.

CONDENSED STATEMENT OF OPERATIONS
Three months ended March 31, 2002 and 2001

Three months ended March 31, 2002 (Unaudited)	Three months ended March 31, 2001 (Unaudited)
-----	-----

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REVENUE:		
Sales	\$0	\$0
COST OF SALES:	0	0
	-----	-----
GROSS PROFIT	0	0
OPERATING EXPENSE:		
Depreciation and amortization	833	833
Consulting - related party		
General and administrative	52,896	630
	-----	-----
Total Operating Expense	53,729	1,463
	-----	-----
NET LOSS	(\$53,729)	(\$1,463)
	=====	=====
Weighted average shares outstanding	4,596,222	4,200,000
	=====	=====
Loss per share - basic and diluted	(\$0.00)	(\$0.00)
	=====	=====

See notes to unaudited condensed financial statements

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FREEWILLPC.COM, INC.

STATEMENT OF STOCKHOLDERS' EQUITY AND ACCUMULATED DEFICIT

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Period from inception (June 13, 2000) to March 31, 2002

	Common Shares	Stock Amount	Paid In Capital	Accumula Defici
<hr style="border-top: 1px dashed black;"/>				
Balance, June 13, 2000 (date of inception)	-0-	-0-	-0-	
Shares issued on June 13, 2000 for:				
Cash	500,000	500		
Services	3,500,000	3,500		
June 15, 2000 for:				
Website development	200,000	200	9,800	
Paid in capital by shareholder			600	
Net Loss				(9,
<hr style="border-top: 1px dashed black;"/>				
Balance December 31, 2000	4,200,000	\$4,200	\$10,400	(9,
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Sale of common stock	380,000	380	94,620	
Expenses of offering			(10,163)	
Paid in capital by shareholder			1,200	
Net Loss				(40,
<hr style="border-top: 1px dashed black;"/>				
Balance December 31, 2001	4,580,000	4,580	96,057	(49,
<hr style="border-top: 3px double black;"/>				
Stock issued for services	20,000	20	5,980	
Paid in capital by shareholder			300	
Net Loss				(53,
<hr style="border-top: 1px dashed black;"/>				
Balance March 31, 2002	4,600,000	4,600	102,337	(102,
<hr style="border-top: 3px double black;"/>				

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See notes to unaudited condensed financial statements

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FREEWILLPC.COM, INC.

STATEMENT OF CASH FLOWS
Three months ended March 31, 2002 and 2001

	Three months ended March 31, 2002 (Unaudited)	Three m end Mar 31, (Unaud
	-----	-----
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net loss	(\$53,729)	
Adjustments to reconcile net loss to net cash (used) by operating activities:		
Increase (decrease) in accounts payable	216	
Decrease in prepaid expenses	43,700	
Items not requiring cash:		
Stock issued for services	6,000	
Amortization	833	
	-----	-----
NET CASH (USED) BY OPERATING ACTIVITIES:	(2,980)	
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of assets	0	
CASH FLOWS FROM FINANCING ACTIVITIES:		
Sale of common stock (net of offering expense)		
Payment of expense by shareholder	300	
	-----	-----
Total cash flows from financing activities	300	
	-----	-----
NET INCREASE IN CASH	(\$2,680)	
CASH, BEGINNING OF PERIOD	4,957	
	-----	-----
CASH, END OF PERIOD	\$2,277	

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See notes to unaudited condensed financial statements

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FREEWILLPC.COM, INC.

NOTES TO INTERIM CONDENSED FINANCIAL STATEMENTS
March 31, 2002

Note A - Presentation

The condensed balance sheet of the Company as of March 31, 2002, the related condensed statements of operations for the three months ended March 31, 2002 and 2001, the statement of stockholders' equity and accumulated deficit for the period June 13, 2000 (date of inception) to March 31, 2002, and the statements of cash flows for the three months ended March 31, 2002 and 2001, included in the condensed financial statements include all adjustments (consisting of normal, recurring adjustments) necessary to summarize fairly the Company's financial position and results of operations. The results of operations for the three months ended March 31, 2002 are not necessarily indicative of the results of operations for the full year or any other interim period. The information included in this Form 10-QSB should be read in conjunction with Management's Discussion and Analysis and Financial Statements and notes thereto included in the Company's December 31, 2001 Form 10-KSB.

Item 2: MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL
CONDITION AND RESULTS OF OPERATIONS.

Results of Operations

The Registrant is engaged in the sale of computers and computer peripheral products over the internet. We have pursued combining computer consulting and sales as a way to increase our margins and visibility among small businesses as well as target marketing small businesses through some direct marketing and email. We expected this would cause small businesses to think of us first in the future when they were to buy computers and/or computer peripheral equipment. Those expectations did not show to be true as our efforts indicate that customers are driven more by price than what they get and we feel that our competitors who were positioned in the market with better names and better prices, have taken customers who otherwise might be turned to us. We face a hard road to turn our sales effort around to be profitable.

Liquidity

The Registrant has liquid assets of \$2,277 and total current assets of \$15,370. This amount includes the funds raised in the SB-1 registration offering which was filed with the U.S. Securities & Exchange Commission in 2001 in which we raised a net amount after offering expenses of \$84,837. Almost all of this money was spent on advertising to promote our company and its website and services. However, given the market conditions and the competitiveness of the computer sales industry, price competition caused us not to have much success.

Capital Resources

The Registrant's capital resources have been generated from the sale of products through its web site and has capital resources remaining from the sale of stock under its registration statement.

There are no plans or requirements for purchase of capital items during the quarter for company purposes. The Registrant does not foresee any material capital purchase in the coming twelve months.

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PART II. OTHER INFORMATION

Item 1. Legal Proceedings.

The Company is not involved in any legal proceedings.

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Item 2. Changes in Securities.

Registrant has made no changes in its securities.

Item 3. Defaults Upon Senior Securities.

Registrant has no senior securities and accordingly no defaults.

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

Registrant submitted no matters to a vote of security holders.

Item 5. Other Information.

None.

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

None.

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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.

FreewillPC.com, Inc.

(Registrant)

BY: /s/ David McCune

David McCune
Its: President and Secretary

DATE: May 9, 2002
Rockwall, Texas

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