

Edgar Filing: ARMITEC INC - Form 10QSB/A

ARMITEC INC  
Form 10QSB/A  
August 28, 2001

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20459

FORM 10-QSB/A

QUARTERLY REPORT UNDER SECTION 13 OR 15(D) OF

THE SECURITIES EXCHANGE ACT OF 1934

FOR QUARTER ENDED: JUNE 30, 2001

COMMISSION FILE NUMBER: 0-11419

ARMITEC, INC.

(EXACT NAME OF REGISTRANT AS SPECIFIED IN ITS CHARTER)

DELAWARE

22-2435595

-----  
(STATE OR OTHER JURISDICTION OF INCORPORATION OR  
ORGANIZATION

(I.R.S. EMPLOYER  
IDENTIFICATION NO.)

2965 B-2 COBB PARKWAY, ATLANTA, GEORGIA 30339

ADDRESS OF PRINCIPAL EXECUTIVE OFFICES OF INCORPORATION ZIP CODE  
OR ORGANIZATION

770-980-9806

REGISTRANTS TELEPHONE NUMBER, INCLUDING AREA CODE

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by section 13 or 15(d) of the Securities and 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 last 90 days.

YES

NO

APPLICABLE ONLY TO CORPORATE ISSUERS

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as to the latest practical date.

| CLASS              | No. of shares Outstanding on June 30, 2001 |
|--------------------|--|
| Common Stock       | 18,808,632                                 |
| Par Value \$.00167 |  |
| Per share          |  |

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(A DEVELOPMENT STAGE COMPANY)

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ARMITEC, INC.  
(A DEVELOPMENT STAGE COMPANY)  
CONSOLIDATED CONDENSED BALANCE SHEETS

|                        | JUNE 30,<br>2001<br>-----<br>(UNAUDITED) |
|------------------------|--|
| ASSETS                 |  |
| CURRENT ASSETS         |  |
| Cash                   | \$ -                                     |
| Inventory              | 14,264<br>-----                          |
| Total current assets   | 14,264<br>-----                          |
| Leasehold Improvements | 6,000<br>-----                           |

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|   |             |
|---|-------------|
| OTHER ASSETS  |             |
| Deferred offering costs   |             |
| Other receivables   | 103,870     |
|   | -----       |
| Total other assets  | 103,870     |
|   | -----       |
|   | \$ 124,134  |
|   | =====       |
| LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIT)  |             |
| CURRENT LIABILITIES   |             |
| Accounts payable  | \$ 90,160   |
| Bank overdraft  | 8,688       |
| Related party obligations   | 294,180     |
|   | -----       |
| Total Current Liabilities   | 393,028     |
|   | -----       |
| COMMITMENTS AND CONTINGENCIES   |             |
| STOCKHOLDERS' EQUITY (DEFICIT)  |             |
| Common stock, par value \$.0016; 50,000,000<br>shares authorized; 18,808,632 issued and outstanding | 30,094      |
| Paid-in capital   | 24,033      |
| Common stock subscriptions  | 1,606,741   |
| Common stock subscriptions receivable   | (1,500,000) |
| (Deficit) accumulated during the development stage  | (429,762)   |
|   | -----       |
| Total Stockholders' Equity (Deficit)  | (268,894)   |
|   | -----       |
|   | \$ 124,134  |
|   | =====       |

The accompanying notes are an integral part of these financial statements

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|   | THREE MONTHS ENDED<br>JUNE 30, |      | SIX MONTHS ENDED<br>JUNE 30, |      |
|---|--------------------------------|------|------------------------------|------|
|   | 2001                           | 2000 | 2001                         | 2000 |
| REVENUES  | \$ -                           | \$ - | \$ -                         | \$ - |
| EXPENSES  |                                |      |                              |      |
| General and administrative                              | 107,922                        |      | 168,953                      |      |
| Interest  | 1,456                          |      | 3,096                        |      |
| Total expenses  | 109,378                        | -    | 172,049                      |      |
| NET (LOSS)  | \$ (109,378)                   | \$ - | \$ (172,049)                 | \$ - |
| NET (LOSS) PER SHARE                                    | \$ (0.01)                      |      | \$ (0.01)                    |      |
| WEIGHTED AVERAGE NUMBER OF<br>COMMON SHARES OUTSTANDING | 18,808,632                     |      | 18,808,632                   |      |

The accompanying notes are an integral part of these financial statements

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ARMITEC, INC.  
(A Development Stage Company)  
CONSOLIDATED CONDENSED STATEMENTS OF CASH FLOWS  
(UNAUDITED)

|                                      | SIX MONTHS<br>ENDED<br>JUNE 30,<br>2001 | CUMMUL<br>FRO<br>JULY<br>200<br>(COMMENC<br>OF<br>DEVELO<br>STAG<br>TO<br>JUNE 30, |
|--------------------------------------|---|--|
| CASH FLOWS FROM OPERATING ACTIVITIES |   |  |
| Net (loss)                           | \$ (172,049)                            | \$ (   |

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|   |            |       |
|---|------------|-------|
| Adjustments to reconcile net loss to net cash used by operating activities: |            |       |
| Common stock issued for services  |            |       |
| Changes in operating assets and liabilities:                                |            |       |
| Increase (decrease) in  |            |       |
| Inventories   | (14,264)   |       |
| Accounts payable  | 38,910     |       |
|   | -----      | ----- |
| Net Cash (Used) by Operating Activities                                     | (147,403)  | (     |
|   | -----      | ----- |
| CASH FLOWS FROM INVESTING ACTIVITIES  |            |       |
| Increase in leasehold improvements  | (6,000)    |       |
| Increase in other receivables   | (103,870)  |       |
| Increase in deferred offering costs   |            |       |
|   | -----      | ----- |
| Net Cash to financing activities  | (109,870)  | (     |
|   | -----      | ----- |
| CASH FLOWS FROM FINANCING ACTIVITIES  |            |       |
| Increase in paid-in capital   |            |       |
| Increase in common stock subscriptions                                      | 127,992    |       |
| Increase in related party obligations                                       | 120,493    |       |
|   | -----      | ----- |
| Net Cash from financing activities  | 248,485    |       |
|   | -----      | ----- |
| NET (DECREASE) IN CASH  | (8,788)    |       |
| CASH AT BEGINNING OF PERIOD,  | 100        |       |
|   | -----      | ----- |
| BANK OVERDRAFT AT END OF PERIOD   | \$ (8,688) | \$    |
|   | =====      | ===== |
| SUPPLEMENTAL INFORMATION  |            |       |
| Interest paid   | \$ 3,096   | \$    |
|   | =====      | ===== |
| NON-CASH ACTIVITIES   |            |       |
| Deferred offering costs applied to common stock subscriptions received      |            | \$    |
|   |            | ===== |

The accompanying notes are an integral part of these financial statements

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|   | COMMON STOCK |           | PAID-IN<br>CAPITAL | COMMON STOCK SUBS |                |
|---|--------------|-----------|--------------------|-------------------|----------------|
|   | SHARES       | AMOUNT    |                    | AMOUNT            | RECEIV         |
| (AUDITED)   |              |           |                    |                   |                |
| BALANCES, AT INCEPTION  | 15,947,542   | \$ 25,516 | \$ -               | -                 |                |
| Shares issued for compensation<br>to employees @ \$.01              | 1,027,100    | 1,643     | 8,628              |                   |                |
| Shares issued to settle debt @ \$.01                                | 18,000       | 29        | 151                |                   |                |
| Shares issued for outside<br>services @ \$.01                       | 1,815,990    | 2,906     | 15,254             |                   |                |
| Net (loss) for the period   |              |           |                    |                   |                |
| BALANCES, DECEMBER 31, 2000<br>(unaudited)                          | 18,808,632   | \$ 30,094 | \$ 24,033          | -                 |                |
| Common stock subscribed, net<br>of stock offering costs of \$21,251 |              |           |                    | 1,606,741         | (1,500,000)    |
| Net (loss) for the six months<br>ended June 30, 2001                |              |           |                    |                   |                |
| BALANCES, MARCH 31, 2001, (UNAUDITED)                               | 18,808,632   | \$ 30,094 | \$ 24,033          | \$ 1,606,741      | \$ (1,500,000) |

The accompanying notes are an integral part of these financial statements

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Note 1. BASIS OF PRESENTATION

In the opinion of management, the accompanying unaudited consolidated condensed financial statements have been prepared in accordance with generally accepted accounting principles for interim financial information and with the instructions to Form 10-QSB. Accordingly, they do not include all of the information and footnotes required by generally accepted accounting principles for complete financial statements. In the opinion of management, all adjustments (consisting of normal recurring accruals) considered necessary for a fair presentation of the Company's financial position as of June 30, 2001 and the results of its operations and cash flows for the three and six months ended June 30, 2001 have been made. Operating results for the six months ended June 30, 2001 are not necessarily indicative of the results that may be expected for the year ended December 31, 2001.

These condensed financial statements should be read in conjunction with the financial statements and notes thereto contained in the Company's Form 10-KSB for the year ended December 31, 2000.

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ITEM 2. PLAN OF OPERATION

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The Company's operations since inception have been limited due to its inability to obtain financing on the net assets it was to liquidate of an established local uniform company pursuant to a management contract previously entered into. The Company is financially dependent on its principal shareholder, who has financed the majority of its cash flows to date. Management of the Company believes that the Company will be successful in selling its outstanding stock subscriptions, thereby raising sufficient capital to pursue its business plan.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, Registrant has duly caused this report to be signed on its behalf by the undersigned thereto duly authorized.

ARMITEC, INC.

August 28, 2001

/s/ BRUCE R. DAVIS

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President and Chief Executive Officer