

Edgar Filing: PETAPEER HOLDINGS INC - Form 10QSB

PETAPEER HOLDINGS INC

Form 10QSB

August 19, 2002

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, DC 20549

FORM 10-QSB

☒ Quarterly Report pursuant to Section 13 or 15(d) of the Securities  
Exchange Act of 1934

For the quarterly period ended June 30, 2002

☐ Transition Report pursuant to 13 or 15(d) of the Securities  
Exchange Act of 1934

For the transition period to

Commission File Number 000-27621

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Studio Bromont Inc.

-----  
(Exact name of small Business Issuer as specified in its charter)

Florida

95-4720231

-----  
(State or other jurisdiction of  
incorporation or organization)

-----  
(IRS Employer  
Identification No.)

2300 W. Sahara, Ave., Suite 500  
Las Vegas, Nevada

89102

-----  
(Address of principal executive offices)

-----  
(Zip Code)

Issuer's telephone number,  
including area code:

514-891-9070

-----

(Former name, former address and former  
fiscal year, if changed since last report)

Check whether the issuer (1) filed all reports required to be filed by Section  
13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12  
months (or for such shorter period that the issuer was required to file such  
reports), and (2) has been subject to such filing requirements for the past 90  
days ☒ Yes ☐ No

State the number of shares outstanding of each of the issuer's classes of common  
stock, as of the latest practicable date: 13,703,416 Shares of Common Stock  
outstanding as of June 30, 2002.

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## PART 1 - FINANCIAL INFORMATION

### Item 1. Financial Statements

The accompanying unaudited financial statements have been prepared in accordance with the instructions to Form 10-QSB and Item 310 (b) of Regulation S-B, and, therefore, do not include all information and footnotes necessary for a complete presentation of financial position, results of operations, cash flows, and stockholders' equity in conformity with generally accepted accounting principles. In the opinion of management, all adjustments considered necessary for a fair presentation of the results of operations and financial position have been included and all such adjustments are of a normal recurring nature. Operating results for the six months ended June 30, 2002 are not necessarily indicative of the results that can be expected for the year ending December 31, 2002.

2

Studio Bromont, Inc.  
(A Development Stage Company)  
Financial Statements  
June 30, 2002

Studio Bromont, Inc.  
(A Development Stage Company)  
Balance Sheet

	June 30, 2002	December 31, 2001
	-----	-----
	(Unaudited)	
<b>Assets</b>		
<b>Current Assets</b>		
-----		
Subscriptions Receivable	\$ 1,333	\$ 1,333
	-----	-----
Total Current Assets	1,333	1,333
<b>Other Assets</b>		
-----		
Capital Assets, Net	3,644	4,164
Technology Costs, Net	20,762	26,958
	-----	-----
Total Other Assets	24,406	31,122
	-----	-----

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Total Assets	\$ 25,739	\$ 32,455
	=====	=====
Liabilities & Stockholders' Equity		
Current Liabilities		
-----		
Accounts Payable and		
Accrued Liabilities	\$ 607,305	\$ 562,617
Note Payable	99,422	99,422
Note Payable - Related Party	141,574	141,574
Accrued Interest	21,021	16,267
	-----	-----
Total Current Liabilities	869,322	819,880
Stockholders' Equity		
-----		
Common Stock, 50,000,000		
Shares Authorized		
at \$0.001 Par Value;		
9,668,224 Shares		
Issued &		
Outstanding	13,703	9,668
Additional Paid In		
Capital (Deficit)	1,393,149	991,665
Common Stock Subscribed	231,731	231,731
Deficit Accumulated in		
the Development Stage	(1,482,166)	(1,020,489)
Less: Treasury Stock	(1,000,000)	(1,000,000)
	-----	-----
Total Stockholders' Equity	(843,583)	(787,425)
	-----	-----
Total Liabilities &		
Stockholders' Equity	\$ 25,739	\$ 32,455
	=====	=====

See accompanying notes to financial statements.

2

Studio Bromont, Inc.  
(A Development Stage Company)  
Statement of Operations  
(Unaudited)

For the Three  
Months Period Ended

For the Six  
Months Period Ended

Deficit  
Accumulated  
During the

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	June 30, 2002	June 30, 2001	June 30, 2002	June 30, 2001	Development Stage
Revenue	\$-	\$-	\$-	\$-	\$-
-----					
Expenses					
-----					
General & Administrative	416,911	67,592	418,138	91,082	826,799
Depreciation & Amortization	3,358	5,182	6,716	6,876	21,454
Legal Fees	7,624	74,928	32,069	114,381	154,763
Salaries & Benefits	-	65,840	-	65,840	306,488
Travel	-	9,183	-	24,462	29,193
-----					
Total Expenses	427,893	222,725	456,923	302,641	1,338,697
-----					
Income (Loss) From Operations	(427,893)	(222,725)	(456,923)	(302,641)	(1,338,697)
Other Income (Expenses)					
-----					
Interest Expense	(2,377)	(1,580)	(4,754)	(1,580)	(15,892)
-----					
Total Other Income (Expenses)	(2,377)	(1,580)	(4,754)	(1,580)	(15,892)
-----					
Net Income (Loss)	\$ (430,270)	\$ (224,305)	\$ (461,677)	\$ (304,221)	\$ (1,354,589)
=====					
Loss Per Share	\$ (0.05)	\$ (0.02)			
Weighted Average Shares Outstanding	9,172,532	8,500,000			

See accompanying notes to financial statements.

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	For the Six Months Ended		Deficit
	June	June	Accumulated
	30, 2002	30, 2001	During the
			Development
			Stage
-----			
Cash Flows from Operating Activities			
-----			
Net Income (Loss)	\$ (461,677)	\$ (304,221)	\$ (1,354,589)
Adjustment to Reconcile			
Net (Loss) to Net			
Cash Provided by Operating Activities;			
Stock Issued for Services	405,519	-	405,519
Increase in Due to Related Party	-	8,366	
Deficiency from Subsidiary	-	-	(127,577)
Depreciation & Amortization	6,716	6,876	21,454
Increase (Decrease) in			
Accounts Payable			
/Accrued Expenses	44,688	133,943	607,305
Increase (Decrease) in Interest Payable	4,754	-	21,021
(Increase) Decrease in Accounts Receivable	-	(653)	-
(Increase) Decrease in Prepaid Expenses	-	(10,000)	-
-----			
Net Cash Provided (Used)			
By Operating Activities	-	(165,689)	(426,867)
Cash Flows from Investing Activities			
-----			
Payments for Technology Costs	-	(40,655)	(40,655)
Payments for Computer Equipment	-	(3,596)	(5,205)
-----			
Net Cash Provided (Used) by			
Investing Activities	-	(44,251)	(45,860)

See accompanying notes to financial statements.

	For the Six Months Ended		Deficit
	June	June	Accumulated
	30, 2002	30, 2001	During the
			Development
			Stage
-----			
Cash Flows from Investing Activities			
-----			
Proceeds from Stock Subscriptions	-	221,731	231,731
Proceeds from Notes Payable	-	-	99,422
Proceeds from Related Party Notes	-	-	141,574
Net Cash Provided (Used) by			

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Financing Activities	-	-	472,727
<hr/>			
Increase (Decrease) in Cash	-	11,791	-
Cash at Beginning of Period	-	1,068	-
<hr/>			
Cash at End of Period	\$ -	\$ 12,859	\$ -
<hr/>			

### Disclosures from Operating Activities

Interest	\$ -	\$ -	\$ -
Taxes	-	-	-

### Supplemental Non Cash Disclosure

On June 12, 2002, the Company issued 4,035,192 shares of common stock for services performed in behalf of the Company. The shares were issued at \$0.10 per share pursuant to an S-8 Registration dated June 12, 2002. Accordingly, \$401,484 has been charged to additional paid-in capital.

5

Studio Bromont, Inc.  
(A Development Stage Company)  
Notes to Financial Statements  
June 30, 2002

### Financial Statement Preparation

The condensed financial statements included herein have been prepared by the Company, without audit, 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 generally accepted accounting principles have been condensed or omitted pursuant to such rules and regulations, although the Company believes that the disclosures are adequate to make the information presented not misleading.

In the opinion of the Company, all adjustments, consisting of only normal recurring adjustments, necessary to present fairly the financial position of the Company as of June 30, 2002 and the results of its operations and changes in its financial position from December 31, 2001 through June 30, 2002 have been made. The results of its operations for such interim period is not necessarily indicative of the results to be expected for the entire year.

6

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

#### Plan of Operations

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Our principal asset is a license to use and commercialize the client software known as "Gnotella" ("Gnotella"). However, in late 2001, further development and promotion of Gnotella ceased. During the six month period ended June 30, 2002, the Company sought new business opportunities.

In or around February, 2002, the Company entered into a plan of reorganization with Studio Bromont Inc. If the plan had been consummated, the business operations of the Studio Bromont Inc. would have become the business operations of the Company. The plan of reorganization was never closed, and in or around March, 2002, the plan expired according to its terms and was never consummated. In contemplation of the transactions set forth in the plan, the Company changed its name to Studio Bromont Inc. and that remains the name of the Company as of the date of this filing.

For the next 12 months, the Company will continue to seek out business opportunities in which it can engage and/or operating companies that it can acquire. At the present time the Company has a verbal agreement to acquire through a reverse acquisition a holding company have diverse business operations. The Company hopes to enter into formal written arrangements and close the transaction within the next 30 days.

At June 30, 2002, the Company had no working capital to meet the cash requirements of the Company. In addition, at that date the Company had current liabilities totaling approximately \$850,000. We therefore believe the Company will need to raise as much as \$900,000 by selling common shares or by borrowing in order to have sufficient capital to meet its needs for the next 12 months. The Company attempted without success to raise sufficient capital to vigorously pursue its business during 2001. Accordingly, there is significant doubt as to whether we will be able to raise the \$900,000. Therefore the day to day operations of the Company are contingent upon our creditors allowing us to proceed without immediate payment of our obligations and upon our ability to raise sufficient monies to sustain minimal operations while we search for a business opportunity. It is impossible to know at this point whether we will be successful in this attempt.

It should also be noted that the Company is obligated to satisfy the costs associated with filing the required reports under the Exchange Act of 1934. It appears at the present time that these costs will also have to be met through the continued sale of stock or by borrowing additional funds. The Company's current operating plan is to (i) handle the administrative and reporting requirements of a public company; and (ii) search for potential business, products, technologies and companies for acquisition.

### PART II - OTHER INFORMATION

#### Item 1. Legal Proceedings

None

3

#### Item 2. Changes in Securities

On June 20, 2002, the Company registered 4,035,192 common shares on Form S-8 issued to three consultants of the Company. The transactions were isolated transactions with persons having a close affiliation with the Company and were exempt from registration under the Securities Act of 1933 pursuant to Section 4(2) of the Act because of not being part of a public offering. The offering was for a limited purpose and did not use the machinery of public distribution.

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Item 3. Defaults upon Senior Securities

None

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

None

Item 5. Other Information

None

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

(a) Exhibits

None

(b) Reports on Form 8-K

None

4

### SIGNATURES

In accordance with the requirements of the Securities and Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorised.

Studio Bromont Inc.

Date August 19, 2002

By: /s/ Rodger Brulotte  
-----  
Rodger Brulotte, CEO and  
Principal Financial Officer

CERTIFICATION OF CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER  
PURSUANT TO  
18 U.S.C. SECTION 1350,  
AS ADOPTED PURSUANT TO  
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

I, Rodger Brulotte, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that the Quarterly Report on Form 10-QSB of Studio Bromont Inc. for the quarterly period ended June 30, 2002 fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 and that the information contained in the Quarterly Report on Form 10-QSB fairly presents in all material respects the financial condition and results of operations of Studio Bromont Inc.

## Edgar Filing: PETAPEER HOLDINGS INC - Form 10QSB

By:

/s/ Rodger Brulotte

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Name: Rodger Brulotte

Title: Chief Executive Officer

Date: August 19, 2002

I, Rodger Brulotte, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that the Quarterly Report on Form 10-QSB of Studio Bromont Inc. for the quarterly period ended June 30, 2002 fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 and that the information contained in the Quarterly Report on Form 10-QSB fairly presents in all material respects the financial condition and results of operations of Studio Bromont Inc.

By:

/s/ Rodger Brulotte

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Name: Rodger Brulotte

Title: Chief Financial Officer

Date: August 19, 2002