

Semper Flowers, Inc.  
Form 10-Q  
August 14, 2009

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

FORM 10-Q

(Mark One)

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

For the quarterly period ended June 30, 2009

TRANSITION REPORT UNDER SECTION 13 or 15(d) OF THE EXCHANGE ACT

For the transition period from \_\_\_\_\_ to \_\_\_\_\_

Commission File Number: 333-149158

SEMPER FLOWERS, INC.

(Exact name of small business issuer as specified in its charter)

Nevada

(State or other jurisdiction of incorporation or organization)

26-1212244

(I.R.S. Employer Identification No.)

1040 First Avenue, Suite. 173, New York, New York 10021

(Address of principal executive offices)

212-861-9239

(Issuer's telephone number)

(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, as amended (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. Yes  No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer.

Large accelerated filer

Accelerated filer

Non-accelerated filer

Smaller reporting company

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes  No

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Indicate by check mark whether the registrant has filed all documents and reports required to be filed by Section 12, 13 or 15(d) of the Securities Exchange Act of 1934 subsequent to the distribution of securities under a plan confirmed by a court. Yes  No

The number of shares of Common Stock of the issuer outstanding as of June 30, 2009 was 4,933,529.

Transitional Small Business Disclosure Format (check one): Yes  No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes  No

SEMPER FLOWERS, INC.  
(a development stage company)

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SEMPER FLOWERS, INC.  
(a development stage company)  
BALANCE SHEETS

	June 30, 2009 (UNAUDITED)	December 31, 2008 (AUDITED)
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	\$ 52	\$ 50
Total assets	\$ 52	\$ 50
<b>LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIT)</b>		
<b>CURRENT LIABILITIES</b>		
Accounts payable	\$ 24,087	\$ 20,000
Advance from shareholder	49,159	42,833
Total current liabilities	73,246	62,833
<b>STOCKHOLDERS' EQUITY (DEFICIT)</b>		
Preferred stock, \$.0001 par value, 10,000,000 shares authorized, no shares issued and outstanding	-	-
Common stock, \$.0001 par value, 100,000,000 shares authorized, 4,933,529 issued and outstanding	493	493
Additional paid-in capital	246,183	246,183
Deficit accumulated during the development stage	(319,870)	(309,459)
Total stockholders' equity (deficit)	(73,194)	(62,783)
Total liabilities and stockholders' equity (deficit)	\$ 52	\$ 50

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

SEMPER FLOWERS, INC.  
(a development stage company)  
STATEMENTS OF OPERATIONS  
(UNAUDITED)

	For the three months ended		For the six months ended		Cumulative Totals From Inception (October 9, 2007) Through
	June 30, 2009	June 30, 2008	June 30, 2009	June 30, 2008	June 30, 2009
Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
Costs of revenue	-	-	-	-	-
Gross profit	-	-	-	-	-
General and administrative expenses					
Payroll	-	4,500	-	9,000	114,500
Legal and professional fees	2,500	12,561	5,000	69,858	149,115
Office and administrative	885	5,359	5,411	11,091	41,133
Interest expense	-	3,000	-	6,000	11,000
Total operating expenses	3,385	25,420	10,411	95,949	315,748
Loss from continuing operations	(3,385)	(25,420)	(10,411)	(95,949)	(315,748)
Discontinued operations, net of tax:					
Income (loss) from operations	-	4,527	-	12,206	5,303
Loss on disposal of subsidiary	-	-	-	-	(9,425)
Loss from discontinued operations	-	4,527	-	12,206	(4,122)
Net Loss	\$ (3,385)	\$ (20,893)	\$ (10,411)	\$ (83,743)	\$ (319,870)
(Loss) per share:					
Basic and diluted earnings (loss) per share	\$ (0.00)	\$ (0.00)	\$ (0.00)	\$ (0.02)	
Weighted average shares outstanding - basic and diluted	4,933,529	4,933,529	4,933,529	4,933,529	

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

## SEMPER FLOWERS, INC.

(a development stage company)

## STATEMENT OF CHANGES IN STOCKHOLDERS' EQUITY (DEFICIT)

FOR THE PERIOD FROM OCTOBER 9, 2007 (INCEPTION) TO JUNE 30, 2009

	Preferred Stock		Common Stock		Additional	Accumulated	Total
	Shares	Amount	Shares	Amount	Paid-in Capital	Deficit	Stockholders' Equity (Deficit)
Balance, October 9, 2007 (Inception)	-	\$ -	-	\$ -	\$ -	\$ -	\$ -
Issuance of restricted shares to officer @ \$0.05 per share	-	-	2,000,000	200	99,800	-	100,000
Issuance of Common Stock for services @ \$.05 per share	-	-	423,529	42	21,134	-	21,176
Sale of Common Stock @ \$.05 per share	-	-	2,510,000	251	125,249	-	125,500
Net loss	-	-	-	-	-	(152,623)	(152,623)
Balance, December 31, 2007	-	-	4,933,529	493	246,183	(152,623)	94,053
Net loss	-	-	-	-	-	(156,836)	(156,836)
Balance, December 31, 2008	-	-	4,933,529	493	246,183	(309,459)	(62,783)
Net loss	-	-	-	-	-	(10,411)	(10,411)

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Balance, June  
30, 2009  
(unaudited)

-	\$	-	4,933,529	\$	493	\$	246,183	\$	(319,870)	\$	(73,194)
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The accompanying notes to the unaudited financial statements are an integral part of these statements.



SEMPER FLOWERS, INC.  
(a development stage company)  
STATEMENTS OF CASH FLOWS  
(UNAUDITED)

	For the six months ended		Cumulative Totals From Inception (October 29,2007) Through
	June 30, 2009	June 30, 2008	June 30, 2009
<b>Cash flows from operating activities:</b>			
Net loss	\$ (10,411)	\$ (95,949)	\$ (323,992)
<b>Adjustments to reconcile net loss to net cash used in operating activities:</b>			
Discontinued operations	-	12,206	4,122
Common stock issued for services	-	-	121,176
<b>Increase in assets and liabilities:</b>			
Subscription receivable	-	30,000	-
Accounts payable and accrued expenses	4,087	(1,310)	24,087
<b>Net cash used in operating activities</b>	<b>(6,324)</b>	<b>(55,053)</b>	<b>(174,607)</b>
<b>Cash flows from financing activities:</b>			
Advance from shareholder	6,326	-	49,159
Proceeds from sale of capital stock	-	-	125,500
<b>Net cash provided by financing activities</b>	<b>6,326</b>	<b>-</b>	<b>174,659</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>2</b>	<b>(55,053)</b>	<b>52</b>
Cash and cash equivalents - beginning of period	50	64,053	-
<b>Cash and cash equivalents - end of period</b>	<b>\$ 52</b>	<b>\$ 9,817</b>	<b>\$ 52</b>
<b>Supplemental disclosures of cash flow information</b>			

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Cash paid for income taxes	\$	-	\$	-	\$	-
Cash paid for interest	\$	-	\$	6,000	\$	11,000

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

SEMPER FLOWERS, INC.  
Notes to (unaudited) Financial Statements  
June 30, 2009

NOTE 1 - NATURE OF BUSINESS

Semper Flowers, Inc. (“the Company”) was formed as a Nevada corporation on October 9, 2007. Semper Flowers, Inc. seeks to add value by acquiring, consolidating, and operating flower and gift retail stores. The Company’s three keys to business success are great locations, efficient delivery service, and joining trade associations that promote local delivery from anywhere in the country.

The Company’s initial acquisition was Absolute Flowers, which was discontinued in November 2008 (See Note 5). The Company’s operations currently consist of management evaluating other suitable florists and gift retail stores for investment and improvement.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The accompanying financial statements have been prepared, in accordance with accounting principles generally accepted in the United States (“U.S. GAAP”) and pursuant to the rules and regulations of the Securities and Exchange Commission (the “SEC”). The accompanying financial statements include the accounts of the Company. The information furnished herein reflects all adjustments (consisting of normal recurring accruals and adjustments) which are, in the opinion of management, necessary to fairly present the operating results for the respective periods. Certain information and footnote disclosures normally present in annual consolidated financial statements prepared in accordance with accounting principles generally accepted in the United States of America have been omitted pursuant to such rules and regulations. These financial statements should be read in conjunction with the audited financial statements and footnotes included in the Company's Annual report on Form 10-K filed on April 15, 2009. The results of the six months ended June 30, 2009 are not necessarily indicative of the results to be expected for the full year ending December 31, 2009.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents

The Company considers all highly liquid debt instruments and other short-term investments with a maturity of three months or less, when purchased, to be cash equivalents.

Recoverability of Long-Lived Assets

The Company reviews the recoverability of its long-lived assets on a periodic basis whenever events and changes in circumstances have occurred which may indicate a possible impairment. The assessment for potential impairment is based primarily on the Company's ability to recover the carrying value of its long-lived assets from expected future cash flows from its operations on an undiscounted basis. If such assets are determined to be impaired, the impairment recognized is the amount by which the carrying value of the assets exceeds the fair value of the assets. Property and equipment to be disposed of by sale is carried at the lower of the then current carrying value or fair value less estimated costs to sell. Goodwill is tested for impairment annually or more frequently if an event indicates that the asset might be impaired. In accordance with SFAS No. 142, the fair value of goodwill is determined based on a discounted cash flow methodology.

SEMPER FLOWERS, INC.  
Notes to (unaudited) Financial Statements  
June 30, 2009

NOTE 2- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

Shipping and Handling Costs

The Company accounts for shipping and handling costs as a component of "Cost of Sales".

Advertising

The Company's policy is to expense the costs of advertising and marketing as incurred.

Accounts Receivable

The Company believes accounts receivable are collectible, therefore there is no reserve needed.

Inventories

Inventory would consist primarily of fresh cut flowers, wrapping, vases, and stationary, and is carried at the lower of average cost or market.

Revenue Recognition

The Company follows the guidance of the Securities and Exchange Commission's Staff Accounting Bulletin 104 for revenue recognition. In general, the Company records revenue when persuasive evidence of an arrangement exists, services have been rendered, the sales price to the customer is fixed or determinable, and collectability is reasonably assured.

Retail sales for floral and specialty gift orders are recognized at the point of sale. Sales tax is excluded from revenue. Internet sales are recognized when the merchandise is delivered to the customer. In circumstances where the criteria are not met, revenue recognition is deferred until resolution occurs. The Company recognizes shipping and handling fees as revenue, and the related expenses as a component of cost of sales.

Cost of Sales

Cost of sales includes the costs of inventory sold during the period, including fresh cut flowers, gift items and packaging materials, the salaries and related expenses of production and distribution personnel, and freight and delivery expenses.

Income Taxes

The Company accounts for income taxes under Statement of Financial Accounting Standards No. 109, "Accounting for Income Taxes ("SFAS No.109"). SFAS No.109 requires the recognition of deferred tax assets and liabilities for both the expected impact of differences between the financial statements and tax basis of assets and liabilities, and for the expected future tax benefit to be derived from tax loss carry-forwards. SFAS No. 109 additionally requires the

establishment of a valuation allowance to reflect the likelihood of realization of deferred tax assets. Deferred income taxes are determined using the liability method for the temporary differences between the financial reporting basis and income tax basis of the Company's assets and liabilities. Deferred income taxes are measured based on the tax rates expected to be in effect when the temporary differences are included in the Company's tax return. Deferred tax assets and liabilities are recognized based on anticipated future tax consequences attributable to differences between financial statement carrying amounts of assets and liabilities and their respective tax bases. The Company accounts for income taxes under Statement of Financial Accounting Standards No. 109, "Accounting for Income Taxes ("SFAS No.109"). SFAS No.109 requires the recognition of deferred tax assets and liabilities for both the expected impact of differences between the financial statements and tax basis of assets and liabilities, and for the expected future tax benefit to be derived from tax loss carry-forwards. SFAS No. 109 additionally requires the establishment of a valuation allowance to reflect the likelihood of realization of deferred tax assets.

#### Earnings (Loss) Per Share of Common Stock

The Company presents basic earnings (loss) per share and, if appropriate, diluted earnings per share in accordance with SFAS 128, "Earnings Per Share ("SFAS 128"). Under SFAS 128, basic net income (loss) per share is computed by dividing net income (loss) for the period by the weighted-average number of shares outstanding during the period. Diluted net income per share is computed by dividing net income for the period by the weighted-average number of common share equivalents during the period