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GLOBAL ASSETS & SERVICES INC
Form 10QSB
November 22, 2004

SECURITIES AND EXCHANGE COMMISSION

Washington, DC 20549

FORM 10QSB

Quarterly Report under Section 13 or 15(d) of
the Securities Exchange Act of 1934

For Quarter Ended -----	Commission File Number -----
September 30, 2004	0-30145 33-41063-A

GLOBAL ASSETS & SERVICES, INC.

(Exact name of registrant as specified in its charter)

Florida -----	59-3723328 -----
State or Other Jurisdiction of incorporation or organization)	(I.R.S. Employer Identification Number)

13575 58th Street North, Suite 122, Clearwater, FL 33760

(Address of principal Executive Offices) Zip Code)

Registrant's telephone number, including area code: (727) 538-1434

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 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 the filing requirements for at least the past 90 days.

Yes X No
----- -----

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

88,997,767 as of September 30, 2004

Item 1. Financial Statements

GLOBAL ASSETS & SERVICES, INC.
(RESTATED)

(A DEVELOPMENT STAGE COMPANY)

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FINANCIAL STATEMENTS

FOR THE NINE-MONTHS ENDED SEPTEMBER 30, 2004

Michael Johnson & Co., LLC.
9175 Kenyon Ave., #100
Denver, CO 80237
Phone: 303-796-0099
Fax: 303-796-0137

ACCOUNTANT'S REVIEW REPORT

Board of Directors of
Global Assets and Services, Inc.

We have reviewed the accompanying balance sheet for Global Assets & Services, Inc. (a development stage company) for September 30, 2004 and the related statements of operations for the three and nine-months ended September 30, 2004 and 2003 and for the period from May 25, 1988 (inception) to September 30, 2004 and cash flows for the nine-months ended September 30, 2004 and 2003 and for the period from May 25, 1988 (inception) to September 30, 2004, included in the accompanying Securities and Exchange Commission 10-QSB for the period ended September 30, 2004. These financial statements are the responsibility of the Company's management.

We conducted our review in accordance with standards established by the American Institute of Certified Public Accountants. A review of interim financial information consists principally of applying analytical procedures to financial data and making inquiries of persons responsible for financial and accounting matters. It is substantially less in scope than an audit conducted in accordance with auditing standards generally accepted in the United States, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

Based on our review, we are unaware of any material modifications that should be made to the accompanying financial statements for them to be in conformity with accounting principles generally accepted in the United States.

The accompanying financial statements have been prepared assuming that the Company will continue as a going concern. As discussed in Note 2 to the financial statements, the Company is in the Development State, and will require funds from profitable operations, from borrowing or from sale of equity securities to execute its business plan. Management's plan in regard to these matters, are also discussed in Note 2. These factors raise substantial doubt about its ability to continue as a going concern. The financial statements do not include any adjustments that might result from this uncertainty.

We have previously audited, in accordance with auditing standards generally accepted in the United States, the balance sheet as of December 31, 2003, and the related statements of operations, stockholders' equity and cash flows for the year then ended (not presented herein). In our report dated April 12, 2004, we expressed an unqualified opinion on those financial statements. In our opinion, the information set forth in the accompanying balance sheet as of September 30, 2004 is fairly stated in all material respects in relation to the balance sheet from which it has been derived.

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/s/ Michael Johnson & Co., LLC
 Michael Johnson & Co., LLC
 Denver, CO
 November 15, 2004

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GLOBAL ASSETS AND SERVICES, INC.
 (A Development Stage Company)
 Balance Sheets
 (Unaudited)

	September 30, 2004

ASSETS:	
Current assets:	
Cash	\$ 1,000

Total current assets	1,000

TOTAL ASSETS	\$ 1,000
	=====
LIABILITIES AND STOCKHOLDERS' EQUITY:	
Current Liabilities:	
Accounts Payable and Accrued Liabilities	\$ -
Notes Payable - Shareholder	1,000

Total Current Liabilities	1,000

Stockholders' Equity:	
Common Stock, \$.001 Par Value, 100,000,000 shares authorized, 88,997,767 shares issued and outstanding in 2004 and 31,497,767 issued and outstanding in 2003	88,997
Additional Paid-In Capital	3,243,653
Deficit accumulated during the development stage	(3,332,650)

Total Stockholders' Equity (Deficit)	-

TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	\$ 1,000
	=====

See Accountant's Review Report.

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GLOBAL ASSETS AND SERVICES, INC.
(A Development Stage Company)
Statements of Operations
(Unaudited)

	Three-Months Ended September 30,		Nine-Months Ended September 30,	
	2004	2003	2004	2003
Revenue				
Revenue	\$ -	\$ -	\$ -	
(Less) Cost of Sales	-	-	-	
Total Income	-	-	-	
Operating Expenses				
Doubtful Accounts	-	-	-	
Consultant Fees	193,637	-	193,637	26
Legal & Accounting	40,975	500	40,975	
Advertising	-	-	-	
Directors & Officers Fees	-	-	-	43
Telephone	-	829	-	
Travel	-	-	-	
Rent	-	1,125	-	
Business Expenses	-	869	250	
Total Expenses	234,612	3,323	234,862	71
Net Loss From Operations	(234,612)	(3,323)	(234,862)	(71)
Other Income				
Interest Expense	-	-	-	
Interest Income	-	-	-	
Net Loss	\$ (234,612)	\$ (3,323)	\$ (234,862)	\$ (71)
Per Share Information:				
Weighted average number of common shares outstanding	31,497,767	29,292,767	31,497,767	29,292,767
Net Loss per Common Share	\$ (0.01)	*	\$ (0.01)	\$ (0.01)

See Accountant's Review Report

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GLOBAL ASSETS AND SERVICES, INC.
(A Development Stage Company)
Statement of Cash Flows
(Unaudited)

	Nine-Months Ended September 30, 2004	2003
	-----	-----
Cash Flows from Operating Activities:		
Net Loss	\$ (234,862)	\$ (715,000)
Stocks issued for services	37,500	700
Adjustments to reconcile net loss to cash used in operating activities:		
Increase (decrease) in accounts payable	(21,795)	
Net Cash Flows Used by Operating Activities	----- (219,157)	----- (15,000)
Cash Flows from Financing Activities:		
Proceeds from Notes Payable - Shareholder	1,000	16,000
Payment of Notes Payable - Shareholders	(31,175)	
Issuance of Stock for Asset Acquisition	-	
Issuance of Common Stock	250,000	
Net Cash Flows Provided by Financing Activities	----- 219,825	----- 16,000
Net Increase (Decrease) in Cash	----- 668	----- 1,000
Cash and cash equivalents - Beginning of period	----- 332	----- 1,000
Cash and cash equivalents - End of period	----- \$ 1,000	----- \$ 1,000
Supplemental Disclosure of Cash Flow Information		
Cash paid for Interest	----- \$ -	----- -
Cash paid for Income Taxes	----- \$ -	----- -
Non-Cash Transactions		
Common stock issued for services	----- \$ 37,500	----- \$ 700

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GLOBAL ASSETS AND SERVICES, INC.
(A Development Stage Company)
Statement of Stockholders' Equity (Deficit)
September 30, 2004
(Unaudited)

	Common Stock # of Shares	Amount	Additonal Paid-In Capital
Balance - December 31, 1997	4,397,767	4,397	204,566
Balance - December 31, 1998	4,397,767	4,397	204,566
Balance - December 31, 1999	4,397,767	4,397	204,566
Balance - December 31, 2000	4,397,767	4,397	204,566
Stock issued for services 12/11	3,400,000	3,400	-
Net Loss for year	-	-	-
Balance - December 31, 2001	7,797,767	7,797	204,566
Stock issued for cash 3/28	20,000	20	1,980
Stock issued for services 3/28	6,800,000	6,800	673,200
Stock issued for services 4/2	1,000,000	1,000	99,000
Stock issued for services 6/18	500,000	500	49,500
Stock issued for services 7/12	710,000	710	70,327
Stock issued for Asset Acquistion 8/12	1,750,000	1,750	654,500
Stock issued for services 8/12	590,000	590	58,410
Stock issued for cash 9/18	80,000	80	19,920
Stock issued for cash 10/15	4,945,000	4,945	489,555
Net Loss for Year	-	-	-
Balance - December 31, 2002	24,192,767	24,192	2,320,958
Stock issued for services 1/15	2,775,000	2,775	252,225
Stock issued for services 3/11	2,630,000	2,630	252,370
Stock issued for services 4/20	100,000	100	9,900
Stock issued for services 5/28	1,800,000	1,800	178,200
Loss for Year	-	-	-
Balance - December 31, 2003	31,497,767	31,497	3,013,653
Stock Issued for Cash	50,000,000	50,000	200,000
Stock Issued for Services	7,500,000	7,500	30,000
Loss for Period	-	-	-
Balance - September 30, 2004	88,997,767	\$ 88,997	\$3,243,653

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See Accountant's Review Report

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GLOBAL ASSETS AND SERVICES, INC.
(A Development Stage Company)
Notes to Financial Statements
September 30, 2004
(Unaudited)

Note 1 - Presentation of Interim Information:

In the opinion of the management of Global Assets & Services, Inc., the accompanying unaudited financial statements include all normal adjustments considered necessary to present fairly the financial position as of September 30, 2004, and the results of operations for the three-months and nine-months ended September 30, 2004 and 2003, and May 25, 1988 (inception) to September 31, 2004, and cash flows for the nine-months ended September 30, 2004 and 2003 and May 25, 1988 (inception) to September 30, 2004. Interim results are not necessarily indicative of results for a full year.

The financial statements and notes are presented as permitted by Form 10-QSB, and do not contain certain information included in the Company's audited financial statements and notes for the fiscal year ended December 31, 2003.

Note 2 - Going Concern:

The Company's financial statements have been presented on the basis that it is a going concern, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business.

The Company is in the development stage and has not earned any revenue from operations. The Company's ability to continue as a going concern is dependent upon its ability to develop additional sources of capital or locate a merger candidate and ultimately, achieve profitable operations. The accompanying financial statements do not include any adjustments that might result from the outcome of these uncertainties. Management is seeking new capital to revitalize the Company.

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GLOBAL ASSETS AND SERVICES, INC.
(A Development Stage Company)
Notes to Financial Statements
September 30, 2004
(Unaudited)

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Note 3 - Share Purchase Agreement:

On September 15, 2004 the Board of Directors resolved that for the consideration received in the private placement (\$250,000), the transfer agent is authorized and instructed to issue 50,000,000 shares of Restricted Common stock to Praise Direct Holdings Limited for the purchase of the assets of the company. It was also resolved that 7,500,000 shares of Restricted Common stock be issued to Top Harmony Holdings Limited for services.

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Item 2. Management's Discussion and Analysis of Financial Condition and Results

of Operations

The forward-looking statements included in Management's Discussion and Analysis of Financial Condition and Results of Operations, which reflect management's best judgment based on factors currently known, involve risks and uncertainties. Our actual results may differ significantly from the results discussed in the forward-looking statements. You should not regard their inclusion as a representation by us that the objectives or plans will be achieved. Factors that might cause such a difference include, but are not limited to, competitive, technological, financial and business challenges making it more difficult than expected to sell products and services. We may be unable to hire and retain our key sales, technical and management personnel; there may be other material adverse changes in our industry or in our operations or business, and any or all of these factors may affect our ability to achieve our projected sales growth. Forward-looking information provided by Global Assets and Services, Inc. should be evaluated in the context of these factors.

Results of Operations for the quarter ended September 30, 2004 compared to

quarter ended September 30, 2003

The Company had no revenue for the period in 2004 or 2003. The company incurred expenses totalling \$234,612 in the quarter in 2003 compared to \$3,323 in expenses in the quarter in 2003. The expenses in the quarter in 2004 consisted of legal and accounting of \$40,975, consulting fees of \$193,637, and miscellaneous expenses. The company had a net loss of (\$234,612) in the quarter

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in 2004 compared to a (\$3,323) loss in the quarter in 2003. The company had a loss per share in the quarter in 2004 of (\$.01). The loss per share in the quarter in 2003 was nominal.

Results of Operations for the Nine Months Ended September 30, 2004 and

September 30, 2003

The Company had no revenues for the nine month period ended September 30 in 2004 or 2003. The Company incurred expenses in the period in 2004 of \$234,862 compared to \$715,868 in the period in 2003. The company incurred \$193,637 in consulting, \$40,975 in legal and accounting fees, \$1,125 in rent, and \$869 in miscellaneous expenses in the period in 2004 compared to \$268,299 in consulting fees, \$3,000 in legal and accounting, \$435,000 in Directors' and officers' fees, \$1,959 in telephone expenses, \$3,998 in rent, and \$3,612 in miscellaneous expenses in 2003 in the period. The company had a net loss of (\$234,862) in the nine month period in 2004 compared a net loss of (\$715,868) in 2003. The net loss per share was (\$.01) for the period in 2004 and (\$.02) in 2003.

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The company expects to continue to incur expenses for the foreseeable future at a similar rate as in the nine month period in 2004. It cannot predict revenues at the date of this report.

Liquidity and Capital Resources

At September 2004, the Company had \$1,000 cash and no other current assets with which to conduct operations. The lack of liquidity or liquid assets raises substantial doubt about the Company's ability to continue as a going concern unless it is able to generate sufficient cash flows to meet its obligations and sustain operations.

NEED FOR ADDITIONAL FINANCING

The Company does not have capital sufficient to meet the Company's cash needs, including the costs of compliance with the continuing reporting requirements of the Securities Exchange Act of 1934. The Company will have to seek loans or equity placements to cover such cash needs. There is no assurance, however, that without funds it will ultimately allow registrant to carry out any business. The Company's needs for additional financing are likely to increase substantially. The Company will need to raise additional funds to conduct any business activities in the next twelve months.

No commitments to provide additional funds have been made by management or other stockholders. Accordingly, there can be no assurance that any additional funds will be available to the Company to allow it to cover its expenses as they may be incurred. As of the date of this report management does not have any plan for raising additional capital, and does not know if or when it can or will develop a plan.

Irrespective of whether the Company's cash assets prove to be inadequate to meet the Company's operational needs, the Company will compensate providers of services by issuances of stock in lieu of cash.

The Company has no plans for any research and development in the next twelve months. The Company has no plans at this time for purchases or sales of fixed assets which would occur in the next twelve months.

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The Company has no expectation or anticipation of significant changes in number of employees in the next twelve months.

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The Company's auditor has issued a "going concern" qualification as part of his opinion in the Audit Report. There is substantial doubt about the ability of the Company to continue as a "going concern." The Company has no business, no capital, debt in excess of \$234,000, all of which is current, no cash, no assets, except intangible licenses which are illiquid and no capital commitments. The effects of such conditions could easily be to cause the Company's bankruptcy.

GOING CONCERN

The Company's auditor has issued a "going concern" qualification as part of his opinion in the Audit Report for year ended December 31, 2003. There is substantial doubt about the ability of the Company to continue as a "going concern." The Company has no business, limited capital, debt in excess of \$1,000 of which is all current, \$1,000 in cash, minimal other liquid assets, and no capital commitments. The effects of such conditions could be to cause the Company's bankruptcy.

Management hopes to seek and obtain funding, via loans or private placements of stock for operations, debt and to provide working capital. Management has plans to seek capital in the form of loans or stock private placements.

Item 3. Controls and Procedures

The management of the company has evaluated the effectiveness of the issuer's disclosure controls and procedures as of a date within 90 days prior to the filing date of the report (evaluation date) and have concluded that the disclosure controls and procedures are adequate and effective based upon their evaluation as of the evaluation date.

There were no significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of the most recent evaluation of such, including any corrective actions with regard to significant deficiencies and material weaknesses.

Trends: The company expects that the trend of no income and ongoing losses will continue in the future until a business operation has been achieved which may afford revenues and potential cash flows. No assurance can be made that any such operation will ever occur.

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PART II - OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

None

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ITEM 2. CHANGES IN SECURITIES

On September 15, 2004 the Board of Directors resolved that for the consideration received in the private placement (\$250,000), 50,000,000 shares of Restricted Common stock was issued to Praise Direct Holdings Limited. Also 7,500,000 shares of Restricted Common stock be issued to Top Harmony Holdings Limited for services.

ITEM 3. DEFAULT UPON SENIOR SECURITIES

None

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

None

ITEM 5. OTHER INFORMATION

Xexi Xu was appointed President and director in September 2004, and Alice Chan was appointed Secretary and director in September 2004.

New Directors and Executive Officers

The following biographical information concerning the New Directors is provided.

Mr. Xu Kexi, age 41, graduated from high school in Shanghai in 1982. Mr. Xu was the supervisor of the Shanghai Textile Company from 1982 to 1985, the Export Manager of Shengzhen China Import-Export Company from 1985-1990, the Manager of Shanghai Galaxy Film Limited from 1990-1996. From 1996 to the present, Mr. Xu has been the Chief Executive Officer of Shanghai Asia Loyalty Tradings Limited.

Miss Chan Yi Tung Alice Anastasia, age 36, graduated in 1995 from the University of Minnesota, United States of America. She was the Administrative Manager of Minghua Group Holdings Limited, a company listed on NASD's Overt-the-Counter Bulletin Board in the United States of America until May 2002. In the past, Miss Chan has worked as the Sales Manager for the KYH Steel Co., Limited, a steel stocklist in Hong Kong, and as the Administrative Officer of B+B Asia Limited, a contractor in Hong Kong, with its parent company, located in Germany. At present, Miss Chan is a director of Genuisoft Limited, a company involved in the research, development, and production of remote surveillance monitoring, data security, and wireless communication systems.

The New Directors have taken office on September 20, 2004. Mr. Xu Kexi, one of the New Directors beneficially own 50,000,000 common shares of the Company. None of the New Directors has been involved in any trans- action with the Company or any of its Current Directors or officers that is required to be disclosed pursuant to the rules and regulations of the Securities and Exchange Commission prior to date hereof.

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Prior to September 20, 2004, the Company spun off the shares of its wholly owned subsidiary Global Tech Assets, Inc. pro rata to shareholders as a dividend. Global Tech holds the technology licenses previously held by the Company. None of which were producing revenue.

ITEM 6. EXHIBITS

Exhibits: 31 Sarbanes-Oxley Certification
 32 Sarbanes-Oxley Certification

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GLOBAL ASSETS & SERVICES, INC.
(A Development Stage Company)

SIGNATURES

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.

GLOBAL ASSETS & SERVICES, INC.

Date: November 22, 2004

By: /s/ Kexi Xu

Kexi Xu, President, CEO, & CFO

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