

COCONNECT INC
Form 10-Q
August 14, 2008

U. S. SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-Q

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

For the quarterly period ended June 30, 2008

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

For the transition period from _____ to _____

Commission File Number: 000-29735

COCONNECT, INC.

Nevada	63-1205304
(State or other	(IRS
jurisdiction	Employer
of	Identification
Incorporation)	Number)

2038 Corte del
Nogal, Suite
110
Carlsbad,
California
92011
(Address of
principal
executive
offices)

760-804-8844
(Issuer's
Telephone
Number)

Indicate by check mark whether the registrant (1) filed all reports required to be filed by Section 13 or 15(d) of the 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 past 90 days. Yes ☒ No ☐

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

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Large accelerated filer ____ Accelerated filer ____ Non-accelerated filer ____ Smaller reporting company ☒ X

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

APPLICABLE ONLY TO ISSUERS INVOLVED IN BANKRUPTCY
PROCEEDINGS DURING THE PRECEDING FIVE YEARS

Check whether the registrant filed all documents and reports required to be filed by Section 12, 13, or 15(d) of the Exchange Act of 1934 after the distribution of securities under a plan confirmed by a court. Yes ____ No ____

APPLICABLE ONLY TO CORPORATE ISSUERS

State the number of shares outstanding of each of the issuer's classes of common equity, as of the latest practicable date:

149,873,400 common shares outstanding, \$0.001 par value, as of August 14, 2008

PART I

ITEM 1.

FINANCIAL STATEMENTS

COCONNECT, INC			
BALANCE SHEETS			
		June 30,	December 31,
		2008	2007
ASSETS	(unaudited)		
Current assets			
Cash	\$	-	-
Total current assets		-	-
TOTAL ASSETS	\$	0	0
LIABILITIES AND STOCKHOLDERS' DEFICIT			
Current liabilities			
Accounts payable	\$	34,040	34,040
Convertible Note Payable	\$	55,000	54,813
Total current liabilities		89,040	88,853
TOTAL LIABILITIES	\$	89,040	88,853
STOCKHOLDERS' DEFICIT			
Common stock, 150,000,000 shares authorized, \$0.001 par value			
149,873,400 and 149,873,400 shares issued and outstanding as of June 30, 2008 and December 31, 2007 respectively.			
	\$	149,873	149,873
Additional paid-in capital	\$	11,200,967	11,200,967
	\$	(11,439,880)	(11,439,693)

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Deficit accumulated during
the development stage

TOTAL STOCKHOLDERS' DEFICIT	(89,039)	(88,853)
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TOTAL LIABILITIES AND STOCKHOLDERS' DEFICIT	\$ 0	0
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COCONNECT, INC				
STATEMENTS OF OPERATIONS				
	For the Period		For the Period	
	Three months ended June 30,		Six months ended June 30,	
	2008	2007	2008	2007
	(unaudited)		(unaudited)	
Revenues				
Sales	\$ -	\$ -	\$ -	\$ -
Total revenues	-	-	-	-
Expenses				
Consulting Expenses	-	-	-	525,000
Depreciation	-	-	-	734
General and administrative	-		-	
Total operating expenses	-	-	-	525,734
Loss from operations	-	-	-	(525,734)
Other income (expense)				
Interest expense	-	(1,633)	(187)	(9,311)
Total other income (expense)	-	(1,633)	(187)	(9,311)
Net Loss before Income Tax	-	(1,633)	(187)	(535,045)
Income Tax		-		-
NET LOSS	\$ -	\$ (1,633)	\$ (187)	\$ (535,045)
Basic and diluted loss				
per common share	\$ -	\$ (0.00)	\$ (0.00)	\$ (0.01)
Weighted average common				

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shares

outstanding	149,873,400	83,407,005	149,873,400	80,998,165
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COCONNECT, INC			
STATEMENTS OF CASH FLOWS			
For the Period			
Six months ended June 30,			
		2008	2007
(unaudited)			
CASH FLOWS FROM			
OPERATING ACTIVITIES			
Net Loss	\$	(187)	\$ (535,045)
Adjustments to reconcile net loss to net cash used in operating activities:			
Stock issued for services		-	525,000
Notes issued for services		187	
Depreciation		-	734
Changes in operating assets and liabilities:			
Accrued expenses and interest		-	9,311
NET CASH USED IN OPERATING ACTIVITIES		-	-
CASH FLOWS FROM INVESTING ACTIVITIES			
NET CASH USED IN INVESTING ACTIVITIES			
		-	-
CASH FLOWS FROM FINANCING ACTIVITIES			
NET CASH PROVIDED BY FINANCING ACTIVITIES			
		-	-
NET CHANGE IN CASH		-	-
CASH BALANCES			
Beginning of period		-	-

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End of period	\$	-	\$	-
SUPPLEMENTAL DISCLOSURE:				
Interest paid	\$	-	\$	-
Income taxes paid		-		-
NON-CASH ACTIVITIES:				
Stock issued for services	\$		\$	525,000

COCONNECT, INC.
Notes to the Financial Statements
For the quarterly period ended June 30, 2008

NOTE 1. GENERAL

CoConnect, Inc. (the “Company”) has elected to omit substantially all footnotes to the financial statements for the three months ended June 30, 2008, since there have been no material changes (other than indicated in other footnotes) to the information previously reported by the Company in their Annual Report filed on the form 10 KSB for the twelve months ended December 31, 2007.

NOTE 2. UNAUDITED INFORMATION

The information furnished herein was taken from the books and records of the Company without audit. However, such information reflects all adjustments which are, in the opinion of management, necessary to properly reflect the results of the interim period presented. The information presented is not necessarily indicative of the results from operations expected for the full fiscal year.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OR PLAN OF OPERATIONS

The below discussion is furnished in accordance with Item 303 of Regulation S-B.

FORWARD-LOOKING STATEMENTS

This discussion and analysis in this Quarterly Report on Form 10-Q should be read in conjunction with the accompanying Consolidated Financial Statements and related notes. Our discussion and analysis of our financial condition and results of operations are based upon our consolidated financial statements, which have been prepared in accordance with accounting principles generally accepted in the United States. The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires us to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of any contingent liabilities at the financial statement date and reported amounts of revenue and expenses during the reporting period. We review our estimates and assumptions on an on-going basis. Our estimates are based on our historical experience and other assumptions that we believe to be reasonable under the circumstances. Actual results are likely to differ from those estimates under different assumptions or conditions, but we do not believe such differences will materially affect our financial position or results of operations. Our critical accounting policies, the policies we believe are most important to the presentation of our financial statements and require the most difficult, subjective and complex judgments, are outlined below in "Critical Accounting Policies," and have not changed significantly.

In addition, certain statements made in this report may constitute "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. These forward-looking statements involve known or unknown risks, uncertainties and other factors that may cause the actual results, performance, or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Specifically, but not limited to, 1) our ability to obtain necessary regulatory approvals for our products; and 2) our ability to increase revenues and operating income, is dependent upon our ability to develop and sell our products, general economic conditions, and other factors. You can identify forward-looking statements by terminology such as "may," "will," "should," "expects," "intends," "plans," "anticipates," "believes," "estimates," "predicts," "potential," "continues" or the negative of these terms or other comparable terminology. We base these forward-looking statements on our expectations and projections about future events, which we derive from the information currently available to us. Such forward-looking statements relate to future events or our future performance. Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee future results, levels of activity, performance or achievements. Forward-looking statements are only predictions. The forward-looking events discussed in this Quarterly Report, the documents to which we refer you, and other statements made from time to time by us or our representatives, may not occur, and actual events and results may differ materially and are subject to risks, uncertainties, and assumptions about us. For these statements, we claim the protection of the "bespeaks caution" doctrine. The forward-looking statements speak only as of the date hereof, and we expressly disclaim any obligation to publicly release the results of any revisions to these forward-looking statements to reflect events or circumstances after the date of this filing.

OVERVIEW AND PLAN OF OPERATION

We are currently seeking to acquire assets or shares of an entity actively engaged in business which generates revenues. We have several acquisitions in mind and are investigating the candidates to determine whether or not they will add value to the Company for the benefit of our shareholders. Our Board of Directors intends to obtain certain assurances of value of the target entity's assets prior to consummating such a transaction. Any business combination or transaction will likely result in a significant issuance of shares and substantial dilution to our present stockholders.

RECENT DEVELOPMENTS

None.

RESULTS OF OPERATIONS

During the periods ended June 30, 2008 and 2007, the Company had no revenues from operations.

The Company had \$0 in total operating expenses for the three months ended June 30, 2008. Total operating expenses for the three months ended June 30, 2007 were \$1,633 comprised solely of interest expenses.

For the current fiscal year, the Company anticipates incurring a loss as a result of legal and accounting expenses, and expenses associated with locating and evaluating acquisition candidates. The Company anticipates that until a business combination is completed with an acquisition candidate, it will not generate revenues, and may continue to operate at a loss after completing a business combination, depending upon the performance of the acquired business.

LIQUIDITY AND CAPITAL RESOURCES

At June 30, 2008, the Company had total assets of \$0 and total liabilities of \$89,040, resulting in a working capital deficiency of \$89,040. The Company had a stockholders' deficit of \$89,040 at June 30, 2008.

NEED FOR ADDITIONAL FINANCING

Additional funding will be required in order for the company to survive as a going concern and to finance growth and to achieve our strategic objectives. Management is actively pursuing additional sources of funding. If we do not raise sufficient funds in the future, we may not be able to fund expansion, take advantage of future opportunities, meet our existing debt obligations or respond to unanticipated requirements. Financing transactions in the future may include the issuance of equity or debt securities, obtaining credit facilities, or other financing mechanisms.

The amount and timing of our future capital requirements will depend upon many factors, including the level of funding received from possible future private placements of our common stock and the level of funding obtained through other financing sources, and the timing of such funding.

We intend to retain any future earnings to retire any existing debt, finance the expansion of our business and any necessary capital expenditures, and for general corporate purposes.

GOING CONCERN

The accompanying financial statements have been prepared assuming we will continue as a going concern. We have had substantial operating losses for the past years and are dependent upon outside financing to continue operations. The financial statements do not include any adjustments that might result from the outcome of this uncertainty. It is management's plan to raise necessary funds from shareholders to satisfy the expense requirements of the Company.

OFF-BALANCE SHEET FINANCINGS

None.

GOVERNMENTAL REGULATIONS

None.

RESEARCH AND DEVELOPMENT

None.

EMPLOYEES

We currently have no full time employees.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

None.

ITEM 4. CONTROLS AND PROCEDURES

As required by Rule 13a-15 under the Securities Exchange Act of 1934 ("Exchange Act") we carried out an evaluation of the effectiveness of the design and operation of our disclosure controls and procedures as June 30, 2008, being the date of our most recently completed fiscal quarter. This evaluation was carried out under the supervision and with the participation of our Chief Executive and Chief Financial Officer. Based upon that evaluation, our Chief Executive and Chief Financial Officer have concluded that our disclosure controls and procedures are effective to ensure that information required to be disclosed in our Exchange Act reports is recorded, processed, summarized, and reported within the time periods specified in the Securities and Exchange Commission's rules and forms, and that such information is accumulated and communicated to them to allow timely decisions regarding required disclosure.

During our most recently completed fiscal quarter ended June 30, 2008, there were no changes in our internal control over financial reporting that have materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

We currently do not have an audit committee, or a person serving on our Board of Directors who would qualify as a financial expert.

PART II

ITEM 1. LEGAL PROCEEDINGS

None.

ITEM 1A. RISK FACTORS

Not Applicable.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

None.

ITEM 3. DEFAULT UPON SENIOR SECURITIES

None.

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

None.

ITEM 5. OTHER INFORMATION

None.

ITEM 6. EXHIBITS

Ex. #	Description
3(i).1	Certificate of Incorporation filed as an exhibit to the Company's registration statement on Form 10SB12G filed on July 29, 1999 and incorporated herein by reference.
3(ii).1	By-Laws filed as an exhibit to the Company's registration statement on Form 10SB12G filed on July 29, 1999 and incorporated herein by reference.
14.1	CoConnect, Inc. Code of Ethics filed as an exhibit to our annual report on Form 10-KSB filed on June 19, 2005 and incorporated herein by reference
31.1	Rule 13a-12(a)/15d-14(a) Certification of Chief Executive Officer and Chief Financial Officer pursuant to 18 U.S.C Section 1350, as adopted pursuant to Section 302 the Sarbanes-Oxley Act of 2002.
32.1	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.

Signatures

In accordance with Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant caused this report to be signed on its behalf on August 14, 2008, by the undersigned, thereunto duly authorized.

COCONNECT, INC.

/s/ Mark

L. Baum

By: Mark

L. Baum

Its:

Chairman of the Board of Directors,
CEO and

CFO

(Principal Accounting Officer)