

COCONNECT INC  
Form 10-Q  
May 06, 2009

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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 March 31, 2009

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  
(State or other jurisdiction  
of Incorporation)

63-1205304  
(IRS Employer  
Identification 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.

Large accelerated filer  Accelerated filer  Non-accelerated filer  Smaller reporting company

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

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:

133,915 common shares outstanding, \$0.001 par value, as of April 22, 2009

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PART I

ITEM 1.

FINANCIAL STATEMENTS

COCONNECT, INC.

Balance Sheets at March 31, 2009 and March 31, 2008

Statements of Operations for the three months ended March 31, 2009 and March 31, 2008

Statements of Cash Flows for the three months ended March 31, 2009 and March 31, 2008

Notes to Financial Statements

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Pollard-Kelley Auditing Services, Inc.....  
Auditing Services 4500 Rockside Road Suite 450, Independence, OH 44131  
330-836-2558

Report of Independent Certified Public Accountants

Board of Directors  
CoConnect, Inc.

We have reviewed the accompanying consolidated balance sheets of CoConnect, Inc. as of March 31, 2009 and the related consolidated statements of income, stockholders' equity, and cash flows for the three-month then ended. These interim financial statements are the responsibility of the Company's management.

We conducted our review in accordance with the standards of the Public Company Accounting Oversight Board. A review of interim financial statements consists principally of applying analytical procedures and making inquiries of persons responsible for financial and accounting matters. It is substantially less in scope than an audit in accordance with the standards of the Public Company Accounting Oversight Board, the object of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

The accompanying financial statements have been prepared assuming that the Company will continue as a going concern. As discussed in notes to the financial statements, the Company has negative working capital, negative cash flows from operations and recurring operating losses which raises substantial doubt about its ability to continue as a going concern. Management's plans in regard to these matters are also described in the notes to the financial statements. These financial statements do not include any adjustments that might result from the outcome of this uncertainty.

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with generally accepted accounting principles accepted in the United States of America.

Pollard-Kelley Auditing Services, Inc.

/S/ Pollard-Kelley Auditing Services, Inc.

May 4, 2008  
Independence, Ohio



COCONNECT, INC  
BALANCE SHEETS

	March 31, 2009 (unaudited)	December 31, 2008
<b>ASSETS</b>		
Current assets		
Cash	\$ -	\$ -
Total current assets	-	-
<b>TOTAL ASSETS</b>	<b>\$ -</b>	<b>\$ -</b>
<b>LIABILITIES AND STOCKHOLDERS' DEFICIT</b>		
Current liabilities		
Accounts payable	\$ 37,540	\$ 37,540
Due to Related Party	19,458	11,609
Convertible Note Payable	55,000	55,000
Total current liabilities	111,998	104,149
<b>TOTAL LIABILITIES</b>	<b>111,998</b>	<b>104,149</b>
<b>STOCKHOLDERS' DEFICIT</b>		
Common stock, 150,000,000 shares authorized, \$0.001 par value 133,915 and 149,873,400 presplit shares issued and outstanding as of March 31, 2009 and December 31, 2008 respectively.	134	134
Additional paid-in capital	11,350,707	11,350,707
Deficit accumulated during the development stage	(11,462,838)	(11,454,989)
<b>TOTAL STOCKHOLDERS' DEFICIT</b>	<b>(111,998)</b>	<b>(104,149)</b>
<b>TOTAL LIABILITIES AND STOCKHOLDERS' DEFICIT</b>	<b>\$ -</b>	<b>\$ -</b>

The accompanying notes are an integral part of these financial statements

COCONNECT, INC  
STATEMENTS OF OPERATIONS

		For the Period	
		Three months ended March 31,	
		2009	2008
		(unaudited)	
Revenues			
	Sales	\$ -	\$ -
Total revenues		-	-
Expenses			
	Professional fees	5,000	-
	General and administrative	2,849	-
Total operating expenses		7,849	-
Loss from operations		(7,849)	-
Other income (expense)			
	Interest expense	-	(187)
Total other income (expense)		-	(187)
Net Loss before Income Tax		(7,849)	(187)
Income Tax		-	-
NET LOSS		(7,849)	(187)
Basic and diluted loss			
	per common share	\$ (0.06)	\$ (0.00)
Weighted average common			
	shares outstanding (2008		
	restated for split)	133,915	41,600

The accompanying notes are an integral part of these financial statements

COCONNECT, INC  
STATEMENTS OF CASH FLOWS

	For the Period Three months ended March 31,	
	2009 (unaudited)	2008
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net Loss	\$ (7,849)	\$ -
Adjustments to reconcile net loss to net cash used in operating activities:		
Notes issued for services	-	187
Changes in operating assets and liabilities:		
Accrued expenses and interest	7,849	-
<b>NET CASH USED IN OPERATING ACTIVITIES</b>	-	187
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	-	-
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
<b>NET CASH PROVIDED BY FINANCING ACTIVITIES</b>	-	-
<b>NET CHANGE IN CASH</b>	-	187
<b>CASH BALANCES</b>		
Beginning of period	-	-
End of period	\$ -	\$ 187
<b>SUPPLEMENTAL DISCLOSURE:</b>		
Interest paid	\$ -	\$ -
Income taxes paid	-	-
<b>NON-CASH ACTIVITIES:</b>		

The accompanying notes are an integral part of these financial statements

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COCONNECT, INC.  
Notes to the Financial Statements  
For the quarterly period ended March 31, 2009

GENERAL

CoConnect, Inc. (the Company) has elected to omit substantially all footnotes to the financial statements for the three months ended March 31, 2009, 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 K for the twelve months ended December 31, 2008.

EQUITY TRANSACTIONS

None.

RELATED PARTY TRANSACTIONS

For the period ended March 31, 2009, the Noctua Fund Manager, LLC paid \$7,849 to cover professional fees and certain general and administrative expenses of the Company. As of March 31, 2009, there is \$19,458 due to related parties. The Noctua Fund Manager, LLC's managing member is Mark Baum our President.

REVERSE SPLIT

On December 12, 2008, a majority of the holders of our common shares voted to authorize a reverse split of our common shares at a rate of 1 share for every 12,000 shares held, with a floor of 100 shares. On March 10, 2009, Nasdaq notified us that the reverse split shareholder action of December 12, 2008, which took effect on January 12, 2009, would effect our stock trading symbol as of March 10, 2009 and that our new trading stock symbol would be "CCON." Prior to the 1:12,000 reverse split the company had 149,873,400 shares issued and outstanding, pursuant to the split the amount of common shares issued and outstanding were 133,915.

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.

On December 12, 2008, a majority of the holders of our common shares voted to authorize a reverse split of our common shares at a rate of 1 share for every 12,000 shares held. On March 10, 2009, Nasdaq notified us that the reverse split shareholder action of December 12, 2008, which took effect on January 12, 2009, would effect our stock trading symbol as of March 10, 2009 and that our new trading stock symbol would be "CCON."

#### RECENT DEVELOPMENTS

None.

#### RESULTS OF OPERATIONS

During the periods ended March 31, 2009 and 2008, the Company had no revenues from operations.

The Company had \$0 in total operating expenses for the three months ended March 31, 2008 comprised of general and administrative expenses. Total operating expenses for the three months ended March 31, 2009 were \$7,849 comprised of consulting and general administrative expenses.

For the current fiscal year, the Company anticipates incurring a loss as a result of 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 March 31, 2009, the Company had total assets of \$0 and total liabilities of \$111,998 resulting in a working capital deficiency of \$111,998. The Company had a stockholders' deficit of \$111,998 at March 31, 2009.

#### 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 March 31, 2009, 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 March 31, 2009, 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 April 22, 2009, by the undersigned, thereunto duly authorized.

COCONNECT, INC.

/ s /            M a r k   L .  
Baum  
By: Mark L. Baum  
Its: Chairman of the Board of Directors,  
CEO and  
CFO (Principal Accounting Officer)



