

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

Form 10-QSB

X...Quarterly report under section 13 or 15(d) of the Securities Exchange Act of 1934 for the quarterly period ended August 31, 2003.

....Transition report under section 13 or 15(d) of the Securities Exchange Act of 1934 for the transition period from _____ to _____.

SUNBURST ACQUISITIONS IV, INC.
(Name of small business in its charter)

| | | |
|---|--------------------------|---|
| Colorado | 0-23561 | 84-1431797 |
| (State or other jurisdiction of incorporation) | (Commission File Number) | (IRS Employer Identification Number) |
| 103 - 20120 64th Avenue Langley, B.C., Canada | | V2Y 1M8 |
| (Address of principal executive offices) | | (Zip Code) |

Registrant's telephone number, including area code (303) 321-0461

Check whether the issuer (1) filed all reports required to be filed by Section 13 or 15(d) of the Securities 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 ☐

Applicable only to issuers involved in bankruptcy proceedings during the past five years:

Check whether the issuer has filed all documents and reports required to be filed by Section 12, 13 or 15(d) of the Exchange Act 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: 35,457,597 as of August 31, 2003.

Transitional Small Business Disclosure Format (Check one):
Yes ☐ No ☒

PART I - FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS AND EXHIBITS

(a) The unaudited financial statements of registrant as of and for the period ending August 31, 2003 follow.

SUNBURST ACQUISITIONS IV, INC. and SUBSIDIARY
(A Development Stage Company)

FINANCIAL STATEMENTS

August 31, 2003

INDEX TO FINANCIAL STATEMENTS:

Balance Sheet

Statements of Operations

Statements of Cash Flows

Notes to Financial Statements

Sunburst Acquisitions IV, Inc. and Subsidiary
(A Development Stage Company)
BALANCE SHEET
August 31, 2003

ASSETS

CURRENT ASSETS

| | |
|---|---------------|
| Cash and cash equivalents | \$ 11,294 |
| Accounts receivable, net allowance for doubtful account of \$13,360 | 9,025 |
| Notes receivable, net allowance for doubtful account of \$75,000 | - |
| Other current assets | <u>3,610</u> |
| Total current assets | <u>23,929</u> |

OTHER ASSETS

| | |
|-------------------------|----------------|
| Deposits on merchandise | <u>174,942</u> |
|-------------------------|----------------|

| | |
|---------------------|--------------------------|
| TOTAL ASSETS | <u><u>\$ 198,871</u></u> |
|---------------------|--------------------------|

LIABILITIES AND STOCKHOLDERS' EQUITY

CURRENT LIABILITIES

| | |
|----------------------------------|---------------|
| Accounts payable | \$ 9,998 |
| Accrued interest | 13,577 |
| Notes payable - related parties | <u>28,500</u> |
| Total current liabilities | <u>52,075</u> |

LONG-TERM LIABILITIES

| | |
|-------------------|---------------|
| Customer deposits | <u>41,712</u> |
|-------------------|---------------|

STOCKHOLDERS' EQUITY

| | |
|---|----------------|
| Preferred stock, no par value; 20,000,000 shares authorized; no shares issued and outstanding | - |
| Common stock, no par value; 200,000,000 shares authorized; 35,457,597 shares issued and outstanding | 1,701,843 |
| Additional paid-in capital from stock options | 48,320 |
| Deficit accumulated during the development stage | (1,649,383) |
| Accumulated other comprehensive income | <u>4,304</u> |
| | <u>105,084</u> |

| | |
|---|--------------------------|
| TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY | <u><u>\$ 198,871</u></u> |
|---|--------------------------|

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

Sunburst Acquisitions IV, Inc. and Subsidiary
(A Development Stage Company)
STATEMENTS OF OPERATIONS

| | For the period from inception (August 27, 1997) to August 31, <u>2003</u> | For the six months ended August 31, <u>2003</u> | <u>2002</u> | For the three months ended August 31, <u>2003</u> | <u>2002</u> |
|---|---|---|--------------------|---|--------------------|
| REVENUES | \$ 246,394 | \$ 13,579 | \$ - | \$ - | \$ - |
| EXPENSES | | | | | |
| Cost of goods sold | 27,425 | 10,786 | - | - | - |
| Selling, general and administrative | <u>1,075,988</u> | <u>3,407</u> | <u>172,116</u> | <u>5,565</u> | <u>62,300</u> |
| Total expenses | 1,103,413 | 14,193 | 172,116 | 5,565 | 62,300 |
| NET OPERATING LOSS | (857,019) | (614) | (172,116) | (5,565) | (62,300) |
| OTHER INCOME AND EXPENSE | | | | | |
| Interest expense | (41,006) | (2,303) | (2,546) | (1,152) | (1,151) |
| Gain on sale of securities | <u>469,863</u> | <u>-</u> | <u>69,863</u> | <u>-</u> | <u>-</u> |
| NET LOSS FROM CONTINUING OPERATIONS | (428,162) | (2,917) | (104,799) | (6,717) | (63,451) |
| DISCONTINUED OPERATIONS | | | | | |
| Loss from operations of HollywoodBroadcasting.com disposed of (net of income taxes of \$0) | (2,066,371) | - | - | - | - |
| Gain on disposition of discontinued operations (net of income taxes of \$0) | <u>845,150</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| NET LOSS | (1,649,383) | (2,917) | (104,799) | (6,717) | (63,451) |
| Accumulated deficit | | | | | |
| Balance, beginning of period | <u>-</u> | <u>(1,646,466)</u> | <u>(1,445,664)</u> | <u>(1,642,666)</u> | <u>(1,487,012)</u> |

| | | | | | |
|---|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| Balance, end of period | <u>\$ (1,649,383)</u> | <u>\$ (1,649,383)</u> | <u>\$ (1,550,463)</u> | <u>\$ (1,649,383)</u> | <u>\$ (1,550,463)</u> |
| NET LOSS PER SHARE | <u>\$ (0.01)</u> | <u>\$ (NIL)</u> | <u>\$ (NIL)</u> | <u>\$ (NIL)</u> | <u>\$ (NIL)</u> |
| Other comprehensive income | | | | | |
| Unrealized foreign exchange income (loss) | <u>\$ 4,304</u> | <u>\$ 10,114</u> | <u>\$ (12,419)</u> | <u>\$ (1,496)</u> | <u>\$ (13,427)</u> |
| OTHER COMPREHENSIVE INCOME (LOSS) | <u>\$ 4,304</u> | <u>\$ 10,114</u> | <u>\$ (12,419)</u> | <u>\$ (1,496)</u> | <u>\$ (13,427)</u> |
| TOTAL COMPREHENSIVE INCOME (LOSS) | <u>\$ (1,645,079)</u> | <u>\$ 7,197</u> | <u>\$ (117,218)</u> | <u>\$ (8,213)</u> | <u>\$ (76,878)</u> |
| TOTAL COMPREHENSIVE INCOME (LOSS) PER SHARE | | | | | |
| Loss from continuing operations | \$ (0.01) | \$ - | \$ - | \$ - | \$ - |
| Loss from discontinued operations | (0.06) | - | - | - | - |
| Gain on disposal of discontinued operations | 0.03 | - | - | - | - |
| Other comprehensive income | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Total comprehensive income (loss) | <u>\$ (0.05)</u> | <u>\$ 0.00</u> | <u>\$ (0.00)</u> | <u>\$ (0.00)</u> | <u>\$ (0.00)</u> |
| WEIGHTED AVERAGE NUMBER OF SHARES OF COMMON STOCK AND COMMON STOCK EQUIVALENTS OUTSTANDING | | | | | |
| | <u>33,590,654</u> | <u>35,457,597</u> | <u>32,808,151</u> | <u>35,457,597</u> | <u>33,112,499</u> |

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

Sunburst Acquisitions IV, Inc. and Subsidiary
(A Development Stage Company)
STATEMENTS OF CASH FLOWS

| | For the period from inception (August 27, 1997) to August 31, <u>2003</u> | For the six months <u>ended August 31,</u> <u>2003</u> | <u>2002</u> |
|--|---|--|----------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Net loss | \$ (1,649,383) | \$ (2,917) | \$ (104,799) |
| Adjustments to reconcile net income (loss) to net cash flows from operating activities: | | | |
| Gain on sale of securities | (469,863) | - | (69,863) |
| Foreign exchange income (loss), unrealized | 4,304 | 10,114 | (12,419) |
| Issuance of options | 79,320 | - | 79,320 |
| Depreciation | 52,332 | - | - |
| Allowance for doubtful accounts | 88,360 | - | - |
| Discontinued operations | (846,150) | - | - |
| (Increase) decrease in inventory | (57,705) | 22,245 | (13,475) |
| Increase in other assets | (653,809) | (87,692) | (106,621) |
| (Increase) decrease in accounts receivable | (30,523) | 12,219 | - |
| Increase in stock subscriptions | - | - | 197,536 |
| Increase in accrued expenses | 147,940 | 2,302 | 46 |
| Increase in customer deposits | 41,712 | 41,712 | - |
| Increase (decrease) in accounts payable | <u>128,892</u> | <u>3,734</u> | <u>(5,086)</u> |
| Net cash flows from operating activities | (3,164,573) | 1,717 | (35,361) |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Purchase of investment | (22,353) | - | - |
| Maturity of investment | 22,353 | - | - |
| Proceeds from sale of securities | 394,863 | - | 69,863 |
| Purchase of property and equipment | <u>(208,585)</u> | <u>-</u> | <u>-</u> |
| Net cash flows from investing activities | 186,278 | - | 69,863 |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | |
| Proceeds of sale of discontinued operations | 1,000 | - | - |
| Related party debt | 691,056 | - | (43,000) |
| Proceeds from notes payable to stockholders | 548,191 | - | - |
| Proceeds from notes payable | 100,500 | - | - |
| Proceeds from exercise of options | 33,000 | - | 30,000 |
| Issuance of common stock | <u>1,615,842</u> | <u>-</u> | <u>-</u> |

| | | | |
|---|------------------|------------------|------------------|
| Net cash flows from financing activities | <u>2,989,589</u> | <u>-</u> | <u>(13,000)</u> |
| NET INCREASE IN CASH AND CASH EQUIVALENTS | 11,294 | 1,717 | 21,502 |
| CASH AND CASH EQUIVALENTS, BEGINNING OF PERIOD | <u>-</u> | <u>9,577</u> | <u>460</u> |
| CASH AND CASH EQUIVALENTS, END OF PERIOD | <u>\$ 11,294</u> | <u>\$ 11,294</u> | <u>\$ 21,962</u> |

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

Sunburst Acquisitions IV, Inc. and Subsidiary
(A Development Stage Company)
Notes to Financial Statements
August 31, 2003

1. Management's Representation of Interim Financial Information

The accompanying financial statements have been prepared by Sunburst Acquisitions IV, Inc. 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 as allowed by such rules and regulations, and management believes that the disclosures are adequate to make the information presented not misleading. These financial statements include all of the adjustments which, in the opinion of management, are necessary to a fair presentation of financial position and results of operations. All such adjustments are of a normal and recurring nature. These financial statements should be read in conjunction with the audited financial statements at February 28, 2003.

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

SPECIAL NOTE OF CAUTION REGARDING FORWARD-LOOKING STATEMENTS

Certain statements in this report, including statements in the following discussion which are not statements of historical fact, are what are known as "forward looking statements," which are basically statements about the future. For that reason, these statements involve risk and uncertainty since no one can accurately predict the future. Words such as "plans," "intends," "will," "hopes," "seeks," "anticipates," "expects" and the like often identify such forward looking statements, but are not the only indication that a statement is a forward looking statement. Such forward looking statements include statements concerning our plans and objectives with respect to the present and future operations of the Company, and statements which express or imply that such present and future operations will or may produce revenues, income or profits. Numerous factors and future events could cause the Company to change such plans and objectives or fail to successfully implement such plans or achieve such objectives, or cause such present and future operations to fail to produce revenues, income or profits. Therefore, the reader is advised that the following discussion should be considered in light of the discussion of risks and other factors contained in this report on Form 10QSB and in the Company's other filings with the Securities and Exchange Commission. No statements contained in the following discussion should be construed as a guarantee or assurance of future performance or future results.

Liquidity and Capital Resources

We remain in the development stage. Since inception we have undergone two unsuccessful business combinations, which have caused us to incur significant liabilities and have resulted in the accumulation of a substantial deficit during the development stage. As of August 31, 2003, we have total current assets of \$23,929, total current liabilities of \$52,075, and a deficit of \$1,649,383 accumulated in the development stage.

During the 2nd quarter of 2003 (June – August) there were no private placements or any changes to our issued capital. Our issued and outstanding shares remain at 35,457,597. We had cash on hand of \$11,294 as of August 31, 2003.

We plan to use our cash on hand to pay on-going expenses related to compliance with our reporting obligations under the Securities Exchange Act of 1934. In the event additional capital is needed, it is our intention to raise it by offering additional common stock for sale in a private placement offering.

The Company believes that if the manufacturer (Romlight) commences regular delivery of the ballast we will be able to sell ballasts and collect payments from purchasers before delivery of the product. Therefore, we plan to pay for the purchase of the ballasts on delivery using funds generated from sale of the units. If we begin receiving regular deliveries of units from the manufacturer and are able to implement this plan, our current cash on hand combined with revenues from product sales will be adequate to satisfy our cash needs for the next twelve months. However, since there is no assurance that product will be delivered, we may be required to continue to seek additional funding for working capital needs.

Management has been testing various sizes of the ballast since February of 2001. Initially there were problems with the quality of the ballast, which now have been overcome. All recent samples have been consistent and have met customer standards. The issue now is one of delivery. Romlight has not been able to raise funding so that production can be increased and ballasts delivered.

Plan of Operations

We remain in the development stage. Our current plan of operations for the fiscal year of 2003 is to develop a business related to the marketing, distribution and sale of digital electronic ballasts through our wholly owned Canadian subsidiary, Sunburst Digital, Inc. However, such operations cannot begin until we are able to obtain adequate assurances that the manufacturer is able to deliver product in accordance with agreed-upon delivery dates. Since

delivery dates continue to remain uncertain, we are also actively looking at a number of other business opportunities.

At the beginning of the previous fiscal year, we had signed a sub-distributorship agreement with 1357784 Ontario Ltd. ("EPI") pursuant to a contract between EPI and Romlight International, the manufacturer. However, both the contract between EPI and Romlight, and the sub-distributorship agreement have now been cancelled. Our subsidiary, Sunburst Digital, Inc. signed an agreement directly with Romlight on April 2, 2003. The terms and conditions of the new agreement are the same as those contained in our original agreement with EPI, and under the new agreement all deposits that we had previously paid to EPI have been forwarded to Romlight.

Also, under the terms of the new agreement with Romlight, we have an annual purchase commitment of 100,000 ballasts. However, this commitment is subject to the ability of the manufacturer to produce and deliver ballasts in a timely fashion. During the previous fiscal year, Romlight was not able to deliver the product. Under the new contract, our annual purchase commitment will not commence until the first 5,000 ballasts have been received. Based upon current information provided by Romlight, this is unlikely to happen in 2003.

In a report from Romlight on October 7, 2003 the Company was informed that Romlight is taking steps to have the ballast produced "off-shore". No schedule has been received from Romlight. They have indicated that a ramp up of production is expected in early 2004.

We continue to test all sizes of the ballast. We caution, however, that the ballasts are a new product and that acceptance may be limited.

We believe that the quality of the product from 70 up to 600-watts is now consistent. We are not continuing to market the product, and will do no further marketing efforts until delivery is certain.

The Company continues to look at other energy-efficient products and look at other business opportunities.

ITEM 3. CONTROLS AND PROCEDURES

The Company's Chief Executive Officer and Chief Financial Officer (or those persons performing similar functions), after evaluating the effectiveness of the Company's disclosure controls and procedures (as defined in Rules 13a-14(c) and 15d-14(c) under the Securities Exchange Act of 1934, as amended) as of a date within 90 days before the filing date of this quarterly report (the "Evaluation Date"), have concluded that, as of the Evaluation Date, the Company's disclosure controls and procedures were effective to ensure the timely collection, evaluation and disclosure of information relating to the Company that would potentially be subject to disclosure under the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder. There were no significant changes in the Company's internal controls or in other factors that could significantly affect the internal controls subsequent to the Evaluation Date.

PART II - OTHER INFORMATION

ITEM 2. CHANGES IN SECURITIES

None.

ITEM 6. EXHIBITS AND REPORTS ON FORM 8-K.

The following exhibits are filed herewith:

- 31.1 Certifications pursuant to Rule 13a-14(a) or 15d-14(a) under the Securities Exchange Act of 1934, as amended.

- 32.1 Certifications pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
- (c) No reports on Form 8-K were filed by the Company for the quarter ended August 31, 2003.

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 hereunto duly authorized.

SUNBURST ACQUISITIONS IV, INC.

By: /S/ TERRY FIELDS
Terry Fields, President and Director

By: /S/ KELLY ZASTOWNY
Kelly Zastowny, Director

Date: October 8, 2003

31.1 Certification pursuant to Rule 13a-14(a) or 15d-14(a) under the Securities Exchange Act of 1934, as amended.

I, Terry Fields, certify that:

I have reviewed this quarterly report on Form 10-QSB of Sunburst Acquisitions IV, Inc. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the company as of, and for, the periods presented in this report;

The company's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the company and have:

- (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the company, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
- (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
- (c) Evaluated the effectiveness of the company's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
- (d) Disclosed in this report any change in the company's internal control over financial reporting that occurred during the period covered by the annual report that has materially affected, or is reasonably likely to materially affect, the company's internal control over financial reporting; and

The company's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the company's auditors and the audit committee of the company's board of directors (or persons performing the equivalent functions):

- (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the company's ability to record, process, summarize and report financial information; and
- (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the company's internal control over financial reporting.

/S/ TERRY FIELDS

Date: October 8, 2003

President and Director

31.1 Certification pursuant to Rule 13a-14(a) or 15d-14(a) under the Securities Exchange Act of 1934, as amended.

I, Kelly Zastowny, certify that:

I have reviewed this quarterly report on Form 10-QSB of Sunburst Acquisitions IV, Inc.

Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the company as of, and for, the periods presented in this report;

The company's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the company and have:

- (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the company, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
- (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
- (c) Evaluated the effectiveness of the company's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
- (d) Disclosed in this report any change in the company's internal control over financial reporting that occurred during the period covered by the annual report that has materially affected, or is reasonably likely to materially affect, the company's internal control over financial reporting; and

The company's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the company's auditors and the audit committee of the company's board of directors (or persons performing the equivalent functions):

- (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the company's ability to record, process, summarize and report financial information; and
- (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the company's internal control over financial reporting.

/S/ KELLY ZASTOWNY

Date: October 8, 2003

Director

32.1 Certification pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

In connection with the Quarterly Report of Sunburst Acquisitions IV, Inc. (the "Company") on Form 10-QSB for the period ending August 31, 2003, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Terry Fields, President and a Director of the Company, certify, pursuant to 18 U.S.C. ss. 1350, as adopted pursuant to ss. 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

By:/S/ TERRY FIELDS

Terry Fields, President and Director

Date: October 8, 2003

32.1 Certification pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

In connection with the Quarterly Report of Sunburst Acquisitions IV, Inc. (the "Company") on Form 10-QSB for the period ending August 31, 2003, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Kelly Zastowny, a Director of the Company, certify, pursuant to 18 U.S.C. ss. 1350, as adopted pursuant to ss. 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

By:/S/ KELLY ZASTOWNY

Kelly Zastowny, Director

Date: October 8, 2003