

U.S. SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-QSB

(Mark One)

☒ QUARTERLY REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934 FOR THE QUARTERLY PERIOD ENDED MARCH 31, 2004.

☐ TRANSITION REPORT UNDER SECTION 13 OR 15(d) OF THE EXCHANGE ACT OF 1934 FOR THE TRANSITION PERIOD FROM _____ TO _____.

COMMISSION FILE NUMBER: 000-49924

DAWN CAPITAL CORP.

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

NEVADA

88-0513395

(State or other jurisdiction of

(IRS Employer Identification No.)

incorporation or organization)

C/o Resident Agents of Nevada

Suite 4-711 S. Carson, Carson City, Nevada 89701

(Address or principal executive offices)

(775) 882-4641

(Registrants telephone number)

Securities registered pursuant to Section 12 (b) of the Act: None

Securities registered pursuant to Section 12 (g) of the Act: Common Stock, \$0.001 Par Value.

Indicate by check mark whether the Registrant (1) had 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 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

As of March 31, 2004, the Registrant had 4,524,000 shares of common stock issued and outstanding.

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

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SIGNATURE

DAWN CAPITAL CORP.
(A Development Stage Company)

BALANCE SHEET

(unaudited)

	March 31, 2004	December 31, 2003
	\$	\$
ASSETS		
CURRENT ASSETS		
Cash	692	1,817
LONG TERM		
Incorporation and start up costs	<u>0</u>	<u>2,082</u>
	692	3,899
LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES		
Accounts Payable	0	732
Contingencies (Note 1)		
STOCKHOLDERS' EQUITY (CAPITAL DEFICIENCY)		
Capital Stock		

Common Stock, par value of \$.001 each

100,000,000 shares authorized

4,524,000 issued and outstanding	4,524	4,524
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Deficit accumulated during development stage	(3,832)	(1357)
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	692	3167
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	692	3899
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The accompanying notes are an integral part of these interim financial statements

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DAWN CAPITAL CORP.
(A Development Stage Company)
INTERIM STATEMENTS OF OPERATIONS
(Unaudited)

	Three	Three
	Months	Months
	Ended	Ended
	March 31, 2004	March 31, 2003

GENERAL AND
ADMINISTRATIVE
EXPENSES

Bank Charges	\$ 30	\$ 23
Accounting and filing costs	0	732

NET LOSS FOR THE

PERIOD	\$ 30	\$ 755
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BASIC NET LOSS

PER SHARE	\$ 0.00	\$ 0.00
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WEIGHTED AVERAGE

COMMON SHARES

OUTSTANDING	4,524,000	4,524,000
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The accompanying notes are an integral part of these interim financial statements.

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DAWN CAPITAL CORP.

(A Development Stage Company)

INTERIM STATEMENTS OF CASH FLOWS

(Unaudited)

Three	Three
Months	Months
Ended	Ended
March 31, 2004	March 31, 2003

CASH FLOWS FROM OPERATING

ACTIVITIES

Net loss for the period	\$	<30>	\$	<755>
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Increase in accounts payable				<732>
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NET CASH USED IN		
OPERATING ACTIVITIES	<30>	<23>
<hr/>		
CASH USED IN INVESTING ACTIVITIES	0	0
<hr/>		
CASH FLOWS FROM		
FINANCING ACTIVITIES	0	0
<hr/>		
NET CASH FLOWS		
FROM FINANCING ACTIVITES	0	0
<hr/>		
INCREASE (DECREASE)		
IN CASH	<30>	<23>
CASH, BEGINNING OF		
PERIOD	722	1840
<hr/>		
CASH, END OF PERIOD	\$ 692	1,817
<hr/>		
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The accompanying notes are an integral part of these interim financial statements

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NOTES TO INTERIM FINANCIAL STATEMENTS
(Unaudited)

NOTE 1 – NATURE OF OPERATIONS AND BASIS OF PRESENTATION

The Company was incorporated on November 21, 2001 in the State of Nevada. To date the Company has had no business operations and was organized for the purpose of creating a corporate vehicle to locate and acquire an operating business. The ability of the Company to continue as a going concern is dependent on raising capital to acquire a business venture.

On July 16, 2002, the Company completed a Form 10SB registration (“10SB”) with the United States Securities and Exchange Commission (“SEC”) and as a result is subject to the regulations governing reporting issuers in the United States.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Use of Estimates and Assumptions.

Preparation of the Company’s financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amount and disclosures. Accordingly, actual results could differ from those estimates.

Foreign Currency Translation.

The financial statements are presented in United States dollars. In accordance with Statement of Financial Accounting Standards No. 52, “Foreign Currency Translation”, foreign denominated monetary assets and liabilities are translated to their United States dollar equivalents using foreign exchange rates, which prevailed at the balance sheet date. Revenue and expenses are translated at average rates of exchange during the year. Related translation adjustments are reported as a separate component of stockholders’ equity, whereas gains or losses resulting from foreign currency transactions are included in results of operations.

Fair Value of Financial Instruments.

In accordance with the requirements of SFAS No. 107, the Company has determined of the estimated fair value of financial instruments using available market information and appropriate valuation methodologies. The fair value of financial instruments classified as current assets or liabilities including cash and cash equivalents and accounts payable approximate carrying value due to the short-term maturity of the instruments.

Net Loss per Common Share.

Basic earnings per share includes no dilution and is computed by dividing income available to common stockholders by the weighted average number of common shares outstanding for the period. Dilutive earnings per share reflects the potential dilution of securities that could share in the earnings of the Company. Because the Company does not have any potentially dilutive securities, the accompanying presentation is only of basic loss per share.

STOCK BASED COMPENSATION

The Company has not granted or paid any stock based compensation.

Recent Accounting Pronouncements

In April 2003, the Financial Accounting Standards Board (FASB) issued Statement of Financial Accounting Standards (SFAS) No. 149, "Amendment of Statement 133 on Derivative Instruments and Hedging Activities," effective for contracts entered into or modified after June 30, 2003. This amendment clarifies when a contract meets the characteristics of a derivative, clarifies when a derivative contains a financing component and amends certain other existing pronouncements. The Company believes the adoption of the SFAS No. 149 will not have a material effect on the Company's financial statements.

In May 2003, the FASB issued SFAS No. 150, "Accounting for Certain Financial Instruments with Characteristics of both Liabilities and Equity." SFAS No. 150 is effective for financial instruments entered into or modified after May 31, 2003, and otherwise is effective at the beginning of the first interim period beginning after June 15, 2003. SFAS No. 150 requires the classification as a liability of any financial instruments with a mandatory redemption feature, an obligation to repurchase equity shares, or a conditional obligation based on the issuance of a variable number of its equity shares. The Company believes the adoption of SFAS No. 150 will not have a material effect on the Company's financial statements.

In January 2003, the FASB issued FASB Interpretation No. 46, "Consolidation of Variable Interest Entities" (FIN 46). FIN 46 states that companies that have exposure to the economic risks and potential rewards from another entity's assets and activities have a controlling financial interest in a variable interest entity and should consolidate the entity, despite the absence of clear control through a voting equity interest. The consolidation requirements apply to all variable interest entities created after January 31, 2003. For variable interest entities that existed prior to February 1, 2003, the consolidation requirements are effective for annual or interim periods beginning after June 15, 2003. Disclosure of significant variable interest entities is required in all financial statements issued after January 31, 2003, regardless of when the variable interest was created. The Company does not expect the adoption of FIN 46 to have a material impact on its financial statements.

NOTE 3- RELATED PARTY TRANSACTIONS

Gerry Racicot, a director has provided a cash advance totaling \$1,049 at June 30, 2002. Amounts due from related parties are non-interest bearing and have no specific terms of repayment.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS.

The following discussion should be read in conjunction with the Company's consolidated financial statements and the notes thereto. The discussion of results, causes and trends should not be construed to imply any conclusion that such results or trends will necessarily continue in the future.

Forward Looking Statements

The information in this discussion may contain 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 risks and uncertainties, including statements regarding the Company's capital needs, business strategy and expectations. Any statements that are not of historical fact may be deemed to be forward-looking statements. These forward-looking statements involve substantial risks and uncertainties. In some cases you can identify forward-looking statements by terminology such as "may," "will," "should," "expect," "plan," "intend," "anticipate," "believe," "estimate," "predict," "potential," or "continue", the negative of the terms or other comparable terminology. Forward-looking statements in this Report also include references to anticipated sales volume and product margins, efforts aimed at establishing new or improving existing relationships with customers, other business development activities, anticipated financial performance, business prospects and similar matters. Actual events or results may differ materially from the anticipated results or other expectations expressed in the forward-looking statements. In evaluating these statements, you should consider various factors, including the risks included from time to time in other reports or registration statements filed

materially from any forward-looking statements. The Company disclaims any obligation to publicly update these statements, or disclose any difference between actual results and those reflected in these statements. Such information constitutes harbor for forward-looking statements. However, the company, as a penny stock company, cannot claim this safe harbor.

Critical Accounting Policies

Our significant accounting policies are described in the notes to our financial statements for the year ended December 2002. There has been no change to our accounting policies since that time.

We believe that the estimates, assumptions and judgments involved in the accounting policies described below have the greatest impact on our financial statements, so we consider these to be our critical accounting policies. Because of the uncertainty inherent in these matters, actual results could differ from the estimates we used in applying the critical accounting policies. Within the context of these critical accounting policies, we are not currently aware of any reasonably likely event that would result in materially different amounts being reported.

Results of Operations.

On July 16, 2002 the Registrant completed a Form 10SB registration with the United States Securities and Exchange Commission. As such the Registrant is subject to the regulations governing reporting issuers in the United States.

To date the Registrant has had no business operations and was organized for the purpose of creating a corporate vehicle to locate and acquire an operating business entity.

For the three months ended March 31, 2004 the Registrant incurred bank charges of \$30 (March 31, 2003 – \$23).

For the three months ended March 31, 2004 the Registrant had a net loss of \$30 or 0.00 cents per share (March 31, 2003 - \$755).

Liquidity and Capital Resources

During the three months ended March 31, 2004 the Registrant used \$0 in cash for investing activities. As at March 31, 2004 the Registrant had \$692 cash in the bank (December 31, 2003 - \$1,817).

As the Registrant does not currently engage in any business activities that provide any cash flow, the Registrant is dependant on the Registrant raising capital or receiving loans from management in order to meet the costs of identifying, investigating and analyzing business combinations and for general corporate needs.

ITEM 3. QUALITATIVE AND QUANTITATIVE DISCLOSURE ABOUT MARKET RISK

The Company does not have an active business at this time.

Inflation and Currency Fluctuation

Management does not believe that inflation or currency fluctuation have had a material adverse affect on the financial statements for the periods presented.

ITEM 4. CONTROLS AND PROCEDURES

(A) Evaluation of disclosure controls and procedures

Our chief executive officer and our chief financial officer, after evaluating the effectiveness of the Company's "disclosure controls and procedures" (as defined in Exchange Act Rules 13a-14 (C) and 15-d-14 (C) as of a date (the "Evaluation Date") within 90 days of filing date of this quarterly report, have concluded that as of the Evaluation Date, our disclosure controls and procedures were adequate and designed to ensure that material information relating to us and our consolidated subsidiaries would be made known to them by others within those entities.

(B) Changes in internal controls

There were no significant changes in our internal controls or to our knowledge, in other factors that could significantly affect our internal controls subsequent to the Evaluation Date. No corrective actions were taken with regard to any significant deficiencies or material weaknesses in such controls.

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PART II. – OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS.

The Registrant is not a party to any material pending legal proceedings and, to the best of its knowledge, no such action by or against the Registrant has been threatened.

ITEM 2. CHANGES IN SECURITIES AND USE OF PROCEEDS.

Not Applicable.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES.

Not Applicable.

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

Not Applicable.

ITEM 5. OTHER INFORMATION

None.

ITEM 6. EXHIBITS AND REPORTS ON FORM 8-K

(a) Reports on Form 8-K. The Registrant did not file any reports on Form 8-K during the quarterly period ended March 31, 2004.

(b) Exhibits. Exhibits included or incorporated by reference herein: See Exhibit Index.

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EXHIBIT INDEX

Number

Exhibit Description

- 3.1 Certificate of Incorporation (incorporated by reference to Exhibit 3.1 of the Registration Statement on Form 10-QSB filed on July 16, 2002).
- 3.2 By-Laws of the Corporation (incorporated by reference to Exhibit 3.2 of the Form 10-QSB filed on July 16, 2002).
- 3.3 Articles of the Corporation (incorporated by reference to Exhibit 3.3 of the Registration Statement on Form 10-QSB filed on July 16, 2002).
- 31 Section 302 certifications
- 32 Section 906 certifications

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) 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.

DAWN CAPITAL CORP.

Dated: May 15th, 2004

By: /s/ Gerry Racicot,
Gerry Racicot, President, CEO and Director

Dated: May 15th, 2004

/s/ Keith Attoe
Keith Attoe, Treasurer, Chief Financial Officer,
Principal Accounting Officer and Director

FORM OF OFFICER'S CERTIFICATE
PURSUANT TO SECTION 302

The undersigned Chief Financial Officer and Principal Accounting Officer of Dawn Capital Corp., hereby certifies that: Dawn Capital Corp., hereby certifies that:

1. I have reviewed this quarterly report on Form 10-QSB;
2. based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary in order 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 quarterly report;
3. based on my knowledge, the financial statements, and other financial information included in this quarterly report, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this quarterly report;
4. The company's other certifying officers and I are responsible for establishing and maintaining "disclosure controls and procedures" (as defined in Exchange Act Rules 13a-14 and 15d-14) for the company and have:
 - a. designed such disclosure controls and procedures 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 quarterly report is being prepared;
 - b. evaluated the effectiveness of the Company's disclosure controls and procedures as of a date within 90 days prior to the filing of this quarterly report (the "Evaluation Date"); and
 - c. presented in this quarterly report their conclusions about the effectiveness of the disclosure controls and procedures based on the required evaluation as of that date;
5. The Company's other certifying officers and I have disclosed based on our most recent evaluation, to the company's auditors and to the audit committee of the board of directors (or persons fulfilling the equivalent function):
 - a. all significant deficiencies in the design or operation of internal controls which could adversely affect the company's ability to record, process, summarize and report financial data and have identified for the company's auditors any material weaknesses in internal controls; and
 - b. any fraud, whether or not material, that involves management or other employees who have a significant role in the company's internal controls; and
6. The company's other certifying officers and I have indicated in the report whether or not there were significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of their evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

Date: May 15th, 2004

/s/ Gerry Racicot
Gerry Racicot
President, CEO and Director

FORM OF OFFICER'S CERTIFICATE
FORM OF OFFICER'S CERTIFICATE
PURSUANT TO SECTION 302

The undersigned Chief Financial Officer and Principal Accounting Officer of Dawn Capital Corp., hereby certifies that:

1. I have reviewed this quarterly report on Form 10-QSB;
2. based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary in order 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 quarterly report;
3. based on my knowledge, the financial statements, and other financial information included in this quarterly report, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this quarterly report;
4. The company's other certifying officers and I are responsible for establishing and maintaining "disclosure controls and procedures" (as defined in Exchange Act Rules 13a-14 and 15d-14) for the company and have:
 - a. designed such disclosure controls and procedures 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 quarterly report is being prepared;
 - b. evaluated the effectiveness of the Company's disclosure controls and procedures as of a date within 90 days prior to the filing of this quarterly report (the "Evaluation Date"); and
 - c. presented in this quarterly report their conclusions about the effectiveness of the disclosure controls and procedures based on the required evaluation as of that date;
5. The Company's other certifying officers and I have disclosed based on our most recent evaluation, to the company's auditors and to the audit committee of the board of directors (or persons fulfilling the equivalent function):
 - a. all significant deficiencies in the design or operation of internal controls which could adversely affect the company's ability to record, process, summarize and report financial data and have identified for the company's auditors any material weaknesses in internal controls; and
 - b. any fraud, whether or not material, that involves management or other employees who have a significant role in the company's internal controls; and
6. The company's other certifying officers and I have indicated in the report whether or not there were significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of their evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

Date: May 15th, 2004

/s/ Keith Attoe
Keith Attoe, Treasurer, Chief Financial Officer, Principal
Accounting Officer and Director

