COVENTURE INTERNATIONAL INC
Form 10QSB
June 17, 2002

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-QSB

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF
THE SECURITIES EXCHANGE ACT OF 1934

For the Quarterly Period ended April 30, 2002

Commission File Number: 0-31539

COVENTURE INTERNATIONAL INC.
(Exact name of small business issuer as specified in its charter)

Delaware	98-0231607
(Jurisdiction of Incorporation)	(I.R.S. Employer Identification No.)

Suite 174, 3559 - 27th Street N.E.
Calgary, Alberta, Canada T1Y 5E4
(Address of principal executive office) (Zip Code)

Registrant's telephone number, including area code: (403) 949-5621

Check whether the issuer (1) filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 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 [x] No [ ]

As of May 31, 2002 the Company had 6,718,200 shares of common stock issued and outstanding.

PART I: FINANCIAL INFORMATION

To simplify the language in this document, Coventure International Inc. is referred to as
"We" or the "Company".

Item 1. Financial Statements

Coventure International Inc.
(formerly Liquidpure Corp.)
(a development stage enterprise)
Consolidated Financial Statements
April 30, 2002 and April 30, 2001
(Unaudited)

INDEPENDENT ACCOUNTANTS' REPORT

To the Board of Directors and Stockholders of
Coventure International Inc.
(formerly Liquidpure Corp.)
Calgary, AB Canada

We have reviewed the accompanying consolidated balance sheet of Coventure International Inc. as at April 30, 2002, the related consolidated statement of operations for the three-month and nine-month periods then ended, and the related consolidated statement of cash flows for the nine-month period then ended. These financial statements are the responsibility of the Corporation'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 of making inquiries of persons responsible for financial and accounting matters. It is substantially less in scope than an audit conducted in accordance with generally accepted auditing standards, 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 not aware of any material modifications that should be made to such consolidated financial statements for them to be in conformity with generally accepted accounting principles.

N.I. Cameron Inc.
CHARTERED ACCOUNTANTS

Vancouver, Canada,
June 11, 2002

Coventure International Inc.
(formerly Liquidpure Corp.)
(a development stage enterprise)
Consolidated Balance Sheet
April 30, 2002

(expressed in U.S. dollars)

ASSETS

	April 30, 2002 (Unaudited)	July 31, 2001
CURRENT		
Cash	$ 2,619	$ 301
Accounts receivable	282	-
	2,901	301
LICENSE, at cost (Note 4)	-	1,000
	$ 2,901	$ 1,301

LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIT)

CURRENT LIABILITIES		
Accounts payable and accrued liabilities	$ 12,159	$ 3,229
Advances from stockholder (Note 4)	10,000	-
	22,159	3,229
STOCKHOLDERS' EQUITY (DEFICIT)		
Share capital (Notes 3 and 6)		
Common stock - $0.0001 par value 30,000,000 authorized; 10,568,200 issued and outstanding	1,057	1,057
Preferred stock - $0.0001 par value 5,000,000 authorized		
Share subscriptions received (Note 3)	20,000	-
Additional paid-in capital	25,425	25,425
Deficit accumulated in the development stage	(65,740)	(28,410)
	(19,258)	(1,928)
	$ 2,901	$ 1,301

SUBSEQUENT EVENT (Note 6)

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

Coventure International Inc.
(formerly Liquidpure Corp.)
(a development stage enterprise)
Consolidated Statements of Operations
For the Nine-Month and Three-Month Periods Ended
April 30, 2002 and April 30, 2001
(Unaudited)

(expressed in U.S. dollars)

	Three Months Ended April 30, 2002	Three Months Ended April 30, 2001	Nine Months Ended April 30, 2002	Nine Months Ended April 30, 2001	Period from March 31, 1999 (date of incorporation) to April 30, 2002	Period from March 31, 1999 (date of incorporation) to April 30, 2001
REVENUE	$ 2,678	$ -	$ 2,678	$ -	$ 2,678	$ -
EXPENSES						
Professional fees	12,673	1,071	12,673	7,289	24,493	9,560
Management fees	11,340	-	12,598	2,026	16,677	4,079
Administration	4,990	419	7,049	5,331	14,210	6,734
Consulting	4,500	-	4,500	-	9,850	5,350
Advertising and promotion	$ 2,188	-	2,188	-	2,188	-
Loss on abandonment of license	-	-	1,000	-	1,000	-
	(35,691)	(1,490)	(40,008)	(14,646)	(68,418)	(25,723)
LOSS FROM OPERATIONS	$(33,013)	$(1,490)	$(37,330)	$(14,646)	$ (65,740)	$ (25,723)

LOSS PER SHARE -				
Basic and diluted	$ (0.003)	$(0.000)	$ (0.004)	$ (0.001)

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

Coventure International Inc.
(formerly Liquidpure Corp.)
(a development stage enterprise)
Consolidated Statements of Cash Flows
For the Nine-Month Periods Ended
April 30, 2002 and April 30, 2001
(Unaudited)

(expressed in U.S. dollars)

	Nine Months Ended April 30, 2002	Nine Months Ended April 30, 2001	Period From March 31, 1999 (date of incorporation) to April 30, 2002	Period From March 31, 1999 (date of incorporation) to April 30, 2001
Cash flows used in operating activities				
Net loss for the period	$(37,330)	$ (14,646)	$ (65,740)	$ (25,723)
Adjustment to reconcile net loss to net cash used in operating activities				
Loss on abandonment of license	1,000	-	1,000	-
	(36,330)	(14,646)	(64,740)	(25,723)
Changes in operating assets and liabilities				
Accounts receivable	(282)	-	(282)	-
Accounts payable	8,930	(605)	12,159	1,498
Net cash used in operating activities	(27,682)	(15,251)	(52,863)	(24,225)
Investing activities				
Purchase of license	-	-	(1,000)	(1,000)
Net cash used in investing activities	-	-	(1,000)	(1,000)

Financing activities				
Advances from stockholder	10,000	-	10,000	-
Issuance of share capital	-	-	26,482	26,482
Deposit on shares to be issued	20,000	-	20,000	-
Net cash provided by financing activities	30,000	-	56,482	26,482
Increase (decrease) in cash during the period	2,318	(15,251)	2,619	1,257
Cash at beginning of period	301	16,508	-	-
Cash at end of period	$ 2,619	$ 1,257	$ 2,619	$ 1,257

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

Coventure International Inc.
(formerly Liquidpure Corp.)
(a development stage enterprise)
Notes to Consolidated Financial Statements
April 30, 2002
(Unaudited)

(expressed in U.S. dollars)

1. FORMATION AND BUSINESS OF THE COMPANY

Coventure International Inc. (the "Company") was incorporated in Delaware, U.S.A. on March 31, 1999 as Bullet Environmental Systems, Inc. and changed its name on May 25, 2000 to Liquidpure Corp. On February 14, 2002, the Company changed its name to Coventure International Inc.

The Company is a development stage enterprise engaged in the business of providing management consulting products and services through an eventual network of regionally licensed operators in North America. The Company's services will include strategic analysis, planning, consulting and coaching. To date the Company has not commenced any operational activities other than the development of its business plan and the selection and acquisition of the domain name.

These financial statements include the accounts of the Company and its wholly-owned subsidiary Coventure Canada Ltd. (the "Subsidiary"). The Subsidiary was incorporated in the Province of Alberta, Canada on February 5, 2002.

Going concern

The accompanying financial statements have been presented assuming the Company will continue as a going concern. At April 30, 2002, the Company had accumulated $65,740 in losses and had no material revenue producing operations. At the date of this report, the Company's ability to continue as a going concern is dependent upon its ability to raise additional capital or merge with a

revenue-producing venture partner.

2. SIGNIFICANT ACCOUNTING POLICIES

Interim Financial Statements

The accompanying unaudited interim financial statements have been prepared in accordance with generally accepted accounting principles in the United States and Form 10-QSB requirements. Accordingly, they do not include all of the information and footnotes required by generally accepted accounting principles for complete financial statements. In the opinion of management, the accompanying interim financial statements contain all the adjustments (consisting of only normal recurring accruals) necessary to present fairly the Company's financial position as of April 30, 2002 and its result of operations and its cash flows for the nine-month period ending April 30, 2002. The results of operations for the interim period are not necessarily indicative of the results to be expected for the fiscal year. For further information, refer to the financial statements and related footnotes for the year ended July 31, 2001 included in the Company's annual report on Form 10-KSB.

Coventure International Inc.
(formerly Liquidpure Corp.)
(a development stage enterprise)
Notes to Consolidated Financial Statements
April 30, 2002
(Unaudited)

(expressed in U.S. dollars)

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from these estimates.

Income taxes

The Company uses the liability method of accounting for income taxes. Under this method, deferred tax assets and liabilities are determined based on the difference between financial statement and tax bases of assets and liabilities and are measured using the enacted tax rates and laws that are expected to be in effect when the differences are expected to reverse. Deferred tax assets are reduced by a valuation allowance in respect of amounts considered by management to be less likely than not of realization in future periods.

Foreign currency translation

Unless otherwise stated, all amounts are in United States dollars. The functional currency of the Company and its Subsidiary is the Canadian dollar. Hence, all asset and liability amounts denominated in Canadian dollars have been translated using the exchange rate as at April 30, 2002 and all expenses have been translated using the average exchange rate for each month. The rates used were as follows:

(equivalent Cdn $ per U.S. $)

April 30, 2002 rate .6376

3. SHARE CAPITAL

Holders of the common stock are entitled to one vote per share and share equally in any dividends declared and distributions on liquidation.

During the period, the Company issued a private placement offering memorandum to issue up to 1,000,000 common shares at a price of $0.25 per share. As at April 30, 2002, the Company had received share subscriptions totaling $20,000 to purchase 80,000 shares. Subsequent to April 30, 2002, the Company received an additional $17,500 to purchase 70,000 shares. All shares subscribed have been issued subsequent to April 30, 2002.

Coventure International Inc.
(formerly Liquidpure Corp.)
(a development stage enterprise)
Notes to Consolidated Financial Statements
April 30, 2002
(Unaudited)

(expressed in U.S. dollars)

4. RELATED PARTY TRANSACTIONS

a) During the period, the Company paid management fees of $12,598 (2001 - $0), rent of $945 (2001 - $0) and automobile allowance of $377 (2001 - $0) to a director and officer of the Company. In addition, the Company paid $1,889 (2001 - $0) to the spouse of this director and officer for administrative services. During the period ended April 30, 2001, the Company paid management fees of $2,026 to a former director and officer of the Company and rent of $1,064 to a company controlled by a former director and officer of the Company. These transactions have been recorded using the exchange amount.

b) The advances from a stockholder are interest-free and repayable on demand.

c) During a prior period, the Company acquired a non-exclusive commercial license from a company controlled by a former director and officer of the Company. During the nine-month period ended April 30, 2002, the Company abandoned this license.

5. FINANCIAL INSTRUMENTS AND CONCENTRATIONS OF CREDIT RISK

The Company's financial instruments consist of cash, accounts receivable, accounts payable and advances from stockholder. It is management's opinion that the Company is not exposed to significant interest, currency or credit risks arising from these financial instruments. The fair value of these financial instruments approximate their carrying values.

6. SUBSEQUENT EVENT

Subsequent to April 30, 2002, 4,000,000 common shares were returned to the treasury of the Company.

Item 2. Management's Discussion and Analysis or Plan of Operations

This report contains certain forward-looking statements. The Company wishes to advise readers that actual results may differ substantially from such forward-looking statements. Forward-looking statements involve risks and uncertainties that could cause actual results to differ materially from those expressed in or implied by the statements, including, but not limited to, the following: the ability of the Company to search for appropriate business opportunities and subsequently acquire or merge with such entity, to meet its cash and working capital needs, the ability of the Company to maintain its existence as a viable entity, and other risks detailed in the Company's periodic report filings with the Securities and Exchange Commission.

The Company plans to be a North American provider of management consulting products and services to a network of regionally licensed operators.

In April 2002 the Company issued a private placement offering memorandum to sell a maximum of 1,000,000 common shares at a price of $0.25 per share. As at April 30, 2002, the Company had received share subscriptions for $20,000 to purchase 80,000 common shares, which has enabled us to commence operations. Subsequent to April 30, 2002 the Company received an additional $17,500 to purchase 70,000 common shares

The drafting and design of the Coventure regional sales and marketing materials continued over the period. Final design and print production was initiated in early May. The Coventure website (www.coventure.com) was, at the end of April three-quarters complete, and went live in mid-May.

A test of the Coventure Analysis methodologies was tested on a mid-sized firm located in Calgary, Alberta. The results proved that the methodology for assessing business dysfunction was sound, however management is refining how the presentation of the results to the client is approached. These adjustments are expected to result in the increased amount of sales of Coventure products and services following the Analysis.

Over the period the advertising of Coventure services was tested in a selection of regional publications targeting small business owners. Employment advertising for an Area Manager to engage in new business development in the test market was commenced. Two potential candidates were identified and brought in for second round interviews and a selection for the position was made in May.

During the next twelve months, the Company plans to: (1) raise $250,000 through the sale of equity securities via a private placement before July 31, 2002; (2) refine, market and expand the Company's methodologies and initiate its licensing program, and (3) hire, train and implement outside sales personnel, analysts and consultants.

During the nine months ended April 30, 2002 the Company's operations used $27,682 in cash. Operating capital was provided by the sale of the Company's

common stock ($20,000) and a loan of $10,000 from John Hromyk, an officer and director of the Company.

PART II: OTHER INFORMATION

Item 1. Legal Proceedings - None

Item 2. Changes in Securities

On May 17, 2002 a total of 150,000 common shares were issued to two individuals for $37,500 cash received through private placements. These transactions were exempt from registration pursuant to Rule 903 of the Securities and Exchange Commission.

Item 3. Defaults upon Senior Securities - None

Item 4. Submission of Matters to a Vote of Security Holdings - None

Item 5. Other Information

In May, 2002 the President of the Company, John Hromyk, returned 4,000,000 common shares to the authorized and unissued treasury of the Company.

Item 6. Exhibits and Reports on Form 8-K

(a) Exhibits - None
(b) Reports on Form 8-K - None

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, this Form 10-QSB Report for the Quarterly Period ended April 30, 2002, has been signed below by the following person on behalf of the Registrant and in the capacity and on the date indicated.

Dated: June 14, 2002

COVENTURE INTERNATIONAL INC.
A Delaware Corporation

By: /s/John Hromyk

Title: President and Principal Financial and Accounting Officer

Coventure 10-QSB draft #2 changes 6-14-02