

DSTAGE COM INC
Form 10QSB
November 14, 2003

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 September 30, 2003

OR

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

For the transition period from to

Commission file number 000-30785

DSTAGE.COM, INC.

(Exact name of registrant as specified in its charter)

Delaware 52-2195605

(State or other jurisdiction of (I.R.S. Employer
incorporation or organization) Identification No.)

100 San Marcos Blvd. # 400
San Marcos, California 92069

(Address of principal executive offices (zip code))

(760) 510-5930

(Registrant's telephone number, including area code)

Indicate by check mark whether the registrant (1) filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the last 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

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

Class Outstanding at September 30, 2003

Common Stock, par value \$0.001 36,271,601 including 2,400,000 shares of treasury stock.

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THIS REPORT ON FORM 10-QSB CONTAINS FORWARD-LOOKING STATEMENTS WITHIN THE MEANING OF SECTION 27A OF THE SECURITIES ACT OF 1933, AS AMENDED, AND WITHIN THE MEANING OF SECTION 21E OF THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED, WHICH ARE SUBJECT TO THE "SAFE HARBOR" CREATED BY THOSE SECTIONS. THESE FORWARD-LOOKING STATEMENTS INCLUDE BUT ARE NOT LIMITED TO STATEMENTS CONCERNING OUR BUSINESS OUTLOOK OR FUTURE ECONOMIC PERFORMANCE; ANTICIPATED PROFITABILITY, REVENUES, EXPENSES OR OTHER FINANCIAL ITEMS; AND STATEMENTS CONCERNING ASSUMPTIONS MADE OR EXCEPTIONS AS TO ANY FUTURE EVENTS, CONDITIONS, PERFORMANCE OR OTHER MATTERS WHICH ARE "FORWARD-LOOKING STATEMENTS" AS THAT TERM IS DEFINED UNDER THE FEDERAL SECURITIES LAWS. ALL STATEMENTS, OTHER THAN HISTORICAL FINANCIAL INFORMATION, MAY BE DEEMED TO BE FORWARD-LOOKING STATEMENTS. THE WORDS "BELIEVES", "PLANS", "ANTICIPATES", "EXPECTS", AND SIMILAR EXPRESSIONS HEREIN ARE INTENDED TO IDENTIFY FORWARD-LOOKING STATEMENTS. FORWARD-LOOKING STATEMENTS ARE SUBJECT TO RISKS, UNCERTAINTIES, AND OTHER FACTORS, WHICH WOULD CAUSE ACTUAL RESULTS TO DIFFER MATERIALLY FROM THOSE STATED IN SUCH STATEMENTS. FORWARD-LOOKING STATEMENTS INCLUDE, BUT ARE NOT LIMITED TO, THOSE DISCUSSED IN "FACTORS THAT MAY AFFECT FUTURE RESULTS," AND ELSEWHERE IN THIS REPORT, AND THE RISKS DISCUSSED IN THE COMPANY'S OTHER SEC FILINGS.

PART I - FINANCIAL INFORMATION

DSTAGE.COM INC.
BALANCE SHEET
(A Development Stage Company)
September 30, 2003
(Unaudited)

ASSETS

CURRENT ASSETS:

Cash

OTHER ASSETS:

Investments

Licensing Agreements and Technologies

Patents

Total assets

\$ -

LIABILITIES

CURRENT

Accounts payable and accrued liabilities	\$	716,653
Due to stockholders		33,468
Total current liabilities		<u>750,121</u>

STOCKHOLDERS' EQUITY

Common stock, \$.001 par value, 50,000,000 shares authorized, 36,271,601 issued and outstanding		36,272
Additional paid-in capital		5,464,524
Treasury stock, 2,400,000 shares outstanding		(2,400)
(Deficit) accumulated during the development stage		(6,248,517)
Total stockholders' equity		<u>(750,121)</u>
Total liabilities and stockholders' equity	\$	<u>-</u>

SEE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS

DSTAGE.COM, INC.
(A Development Stage Company)
STATEMENTS OF OPERATIONS
(Unaudited)

	For the 9 months ended	For the 3 months ended	Cumulative from October 12, 1999 (Inception) to September 30, 2003
	September 30, 2003	September 30, 2002	
Revenue:			

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Professional services	\$	-	\$	4,960	\$	-	\$	760	\$	58,568
Expenses:										
Cost of services				42,200				38,000		95,700
Sales and marketing				13,705				7,046		53,959
Research and development				929				407		252,550
General and administrative		342,260		1,316,400		194,280		317,919		2,761,526
Impairment of assets				1,186,500				1,186,500		2,402,338
Impairment of investments in other companies										710,868
Total expenses		<u>342,260</u>		<u>2,559,734</u>		<u>194,280</u>		<u>1,549,872</u>		<u>6,276,941</u>
Income (loss) from operations		(342,260)		(2,554,774)		(194,280)		(1,549,112)		(6,218,373)
Interest (expense)		(8,467)				(288)				(30,144)
Other income (expense), net				(515)				(250)		
Net (loss)	\$	<u>(350,727)</u>	\$	<u>(2,555,289)</u>	\$	<u>(194,568)</u>	\$	<u>(1,549,362)</u>	\$	<u>(6,248,517)</u>
Net (loss) per share:										
Basic & diluted	\$	<u>(0.02)</u>	\$	<u>(0.21)</u>	\$	<u>(0.01)</u>	\$	<u>(0.12)</u>		
WEIGHTED AVERAGE SHARES OUTSTANDING:										
Basic & diluted		<u>17,107,749</u>		<u>12,457,037</u>		<u>29,532,471</u>		<u>12,767,525</u>		