

Camelot Entertainment Group, Inc.  
Form 10QSB  
May 20, 2005

**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, 2005

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 000-3078

**CAMELOT ENTERTAINMENT GROUP, INC.**

-----  
(Exact name of registrant as specified in its charter)  
Delaware 52-2195605

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

2020 Main Street #990  
Irvine, CA 92614

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(Address of principal executive offices (zip code))

(949) 777-1090

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(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

As of March 31, 2005, the Registrant had outstanding 74,951,902 shares of Common Stock, \$0.001 par value.



**CAMELOT ENTERTAINMENT GROUP, INC.  
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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 MARKET 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**

**Item 1. - Financial Statements**

**Camelot Entertainment Group, Inc.  
BALANCE SHEET**

**31-Mar-05  
(Unaudited)**

**31-Dec-04  
(Unaudited)**

ASSETS

CURRENT ASSETS:

Cash	1,139.65
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OTHER ASSETS:

Investments

Licensing Agreements and Technologies

Patents

Total assets	\$ 1,139.65
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LIABILITIES

CURRENT

Accounts payable and accrued liabilities	\$ 100,632
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Due to officers	0
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Total current liabilities	100,632
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STOCKHOLDERS' EQUITY

Common stock, \$.001 par value, 150,000,000 shares authorized	74,952
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74,591,209 issued and outstanding	
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Subscription receivable	(258,072)
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Additional paid-in capital	7,408,347
(Deficit) Accumulated during Development stage	(7,324,719)
Net Income (Loss) current period	
Total stockholders' equity	(99,492)
Total liabilities and stockholders' equity	\$ 1,139.65

notes are an integral part of these financial statements.

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**Camelot Entertainment Group, Inc.**  
**STATEMENTS OF OPERATIONS**  
(Unaudited)

	For the 3 months ended		Cumulative from October 12, 1999 (Inception ) to March 31,2005
	31-Mar-05	31-Mar-04	
Revenue:			
Professional services	\$ -		\$ 58,567
Expenses:			
Cost of services	-		95,700
Sales and marketing	-		53,959
Research and development	-		252,550
General and administrative	117,121	131,681	4,209,520
Impairment of assets	-		2,402,338
Impairment of investments in other companies	-		710,868
 Total expenses	 117,121	 131,681	 7,724,935
Income (loss) from operations	(117,121)	(131,681)	(7,666,368)
Interest (expense)		-	(9,294)
Other income (expense), net	25		(21,652)
Gain on extinguishment of debt		-	255,500
Net (loss)	\$ (117,096)	\$ (131,681)	\$ (7,441,814)
 Net (loss) per share:			
Basic & diluted	\$ (0.0016)	\$ (0.003)	
 WEIGHTED AVERAGE SHARES OUTSTANDING:			
Basic & diluted	74,951,209	38,297,485	

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



**Camelot Entertainment Group, Inc.**

**STATEMENTS OF CASH FLOW  
(Unaudited)**

	For the three months		Cummulative
	ended March 31,		from
	2005	2004	12-Oct-99
			(Inception )
			to
			31-Mar-05
<b>OPERATING ACTIVITIES</b>			
Net (loss) income for the period	\$ (117,096)	\$ (131,681)	\$ (7,441,814)
Adjustments to reconcile net (loss) to cash provided (used) by operating activities:			
Value of options expensed			351,000
Gain on extinguishment of debt			(255,500)
Depreciation			3,997
Amortization of deferred compensation			1,538,927
Common Stock issued for debt			40,000