

SECURITIES AND EXCHANGE COMMISSION

FORM 10-Q

Quarterly report pursuant to sections 13 or 15(d)

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FILER

**Original Source Entertainment, Inc.**

CIK: **1500198** | IRS No.: **270863354** | State of Incorpor.: **NV** | Fiscal Year End: **1231**  
Type: **10-Q** | Act: **34** | File No.: **333-169732** | Film No.: **111185089**  
SIC: **6794** Patent owners & lessors

Mailing Address  
8201 SOUTH SANTA FE  
DRIVE #229  
LITTLETON CO 89108

Business Address  
8201 SOUTH SANTA FE  
DRIVE #229  
LITTLETON CO 89108  
303-495-3728

SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549

FORM 10-Q

Quarterly Report Pursuant to Section 13 or 15(d) Securities Exchange Act of 1934  
for Quarterly Period Ended September 30, 2011

-OR-

Transition Report Pursuant to Section 13 or 15(d) of the Securities And Exchange Act  
of 1934 for the transaction period from \_\_\_\_\_ to \_\_\_\_\_

Commission File Number 333-169732

Original Source Entertainment, Inc.  
(Exact name of Registrant  
in its charter)

Nevada  
(State or Other Jurisdiction of Incorporation  
or Organization)

27-0863354  
(I.R.S. Employer Identification Number)

8201 South Santa Fe Drive #229, Littleton, CO  
(Address of Principal Executive Offices)

80120  
(Zip Code)

Registrant's Telephone Number, Including Area Code: (303) 495-3728

Indicate by check mark 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 preceding 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

Indicate by check mark whether the registrant has submitted electronically and posted on  
its corporate Web site, if any, every Interactive Data File required to be submitted and  
posted pursuant to Rule 405 of Regulation S-T (section 232.405 of this chapter) during  
the preceding 12 months (or for such shorter period that the registrant was required to  
submit and post such files). Yes  No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated  
filer, a non-accelerate filer, or a small reporting company as defined by Rule 12b-2 of the  
Exchange Act):

Large accelerated filer   
Accelerated filer

Non-accelerated filer   
Smaller reporting company

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes  No

The number of outstanding shares of the registrant's common stock, November 7, 2011:  
Common Stock - 4,585,000

**ORIGINAL SOURCE ENTERTAINMENT, INC.**  
**FORM 10-Q**  
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ORIGINAL SOURCE ENTERTAINMENT, INC.  
(A Development Stage Company)  
CONSOLIDATED BALANCE SHEETS

	Dec. 31, 2010	Sept. 30, 2011 (Unaudited)
<b>ASSETS</b>		
<b>Current assets</b>		
Cash	\$9,129	\$4,909
<b>Total current assets</b>	9,129	4,909
<b>Total Assets</b>	\$9,129	\$4,909
 <b>LIABILITIES &amp; STOCKHOLDERS' EQUITY</b>		
<b>Current liabilities</b>		
Related party payables	\$952	\$952
Accrued interest payable	-	120
Notes payable - current	2,000	3,500
<b>Total current liabilities</b>	2,952	4,572
Notes payable	10,500	12,500
<b>Total Liabilities</b>	13,452	17,072
<b>Stockholders' Equity</b>		
Preferred stock, \$.001 par value; 5,000,000 shares authorized; none issued and outstanding		
Common stock, \$.001 par value; 45,000,000 shares authorized; 4,500,000 (2010) and 4,585,000 (2011) shares issued and outstanding	-  4,500	-  4,585
Additional paid in capital	-	4,165
Deficit accumulated during the dev. stage	(8,823)	(20,913)
<b>Total Stockholders' Equity</b>	(4,323)	(12,163)
<b>Total Liabilities and Stockholders' Equity</b>	\$9,129	\$4,909

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

ORIGINAL SOURCE ENTERTAINMENT, INC.  
(A Development Stage Company)  
CONSOLIDATED STATEMENTS OF OPERATIONS  
(Unaudited)

	<b>Three Months Ended Sept. 30, 2010</b>	<b>Three Months Ended Sept. 30, 2011</b>	<b>Nine Months Ended Sept. 30, 2010</b>	<b>Nine Months Ended Sept. 30, 2011</b>	<b>Aug. 20, 2009 (Inception) Through Sept. 30, 2011</b>
Royalty revenue	\$273	\$812	\$1,167	\$5,101	\$6,666
Operating expenses:					
General and administrative	5,471	4,938	6,664	17,071	27,459
	5,471	4,938	6,664	17,071	27,459
Gain (loss) from operations	(5,198)	(4,126)	(5,497)	(11,970)	(20,793)
Other income (expense):					
Interest expense	-	(52)	-	(120)	(120)
Income (loss) before provision for income taxes	(5,198)	(4,178)	(5,497)	(12,090)	(20,913)
Provision for income tax	-	-	-	-	-
<b>Net income (loss)</b>	<b>\$(5,198)</b>	<b>\$(4,178)</b>	<b>\$(5,497)</b>	<b>\$(12,090)</b>	<b>\$(20,913)</b>
<b>Net income (loss) per share</b>					
(Basic and fully diluted)	(0.00)	(0.00)	(0.00)	(0.00)	
Weighted average number of common shares outstanding	4,500,000	4,555,333	4,222,222	4,535,083	

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

ORIGINAL SOURCE ENTERTAINMENT, INC.  
(A Development Stage Company)  
CONSOLIDATED STATEMENTS OF CASH FLOWS  
(Unaudited)

	Nine Months Ended Sept. 30, 2010	Nine Months Ended Sept. 30, 2011	Aug. 20, 2009 (Inception) Through Sept. 30, 2011
<b>Cash Flows From Operating Activities:</b>			
Net income (loss) during the development stage	\$(5,497)	\$(12,090)	\$(20,913)
Adjustments to reconcile net loss to net cash provided by (used for) operating activities:			
Related party payables	952	-	952
Accrued payables	-	120	120
Compensatory stock issuances	-	-	3,000
	(4,545)	(11,970)	(16,841)
<b>Net cash provided by (used for) operating activities</b>	<b>(4,545)</b>	<b>(11,970)</b>	<b>(16,841)</b>
<b>Cash Flows From Investing Activities:</b>			
	-	-	-
<b>Net cash provided by (used for) investing activities</b>	<b>-</b>	<b>-</b>	<b>-</b>

(Continued On Following Page)

ORIGINAL SOURCE ENTERTAINMENT, INC.  
(A Development Stage Company)  
CONSOLIDATED STATEMENTS OF CASH FLOWS  
(Unaudited)

(Continued From Previous Page)

	<b>Nine Months Ended Sept. 30, 2010</b>	<b>Nine Months Ended Sept. 30, 2011</b>	<b>Aug. 20, 2009 (Inception) Through Sept. 30, 2011</b>
<b>Cash Flows From Financing Activities:</b>			
Notes payable - borrowings	10,500	3,500	16,000
Sale of common stock	500	4,250	5,750
<b>Net cash provided by (used for) financing activities</b>	<b>11,000</b>	<b>7,750</b>	<b>21,750</b>
<b>Net Increase (Decrease) In Cash</b>	<b>6,455</b>	<b>(4,220)</b>	<b>4,909</b>
<b>Cash At The Beginning Of The Period</b>	<b>1,221</b>	<b>9,129</b>	<b>-</b>
<b>Cash At The End Of The Period</b>	<b>\$7,676</b>	<b>\$4,909</b>	<b>\$4,909</b>

Schedule Of Non-Cash Investing And Financing Activities

None

Supplemental Disclosure

Cash paid for interest	\$-	\$-	\$-
Cash paid for income taxes	\$-	\$-	\$-

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



**ORIGINAL SOURCE ENTERTAINMENT, INC.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**(Unaudited)**

**NOTE 1. ORGANIZATION, OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:**

Original Source Entertainment, Inc. (the “Company”), was incorporated in the State of Nevada on August 20, 2009. The Company plans to license songs to the television and music industry for use in television shows or movies.

Basis of Presentation

The accompanying unaudited financial statements have been prepared in accordance with the instructions to Form 10-Q and do not include all of the information and disclosures required by generally accepted accounting principles for complete financial statements. All adjustments which are, in the opinion of management, necessary for a fair presentation of the results of operations for the interim periods have been made and are of a recurring nature unless otherwise disclosed herein. The results of operations for such interim periods are not necessarily indicative of operations for a full year.

Principles of consolidation

The accompanying consolidated financial statements include the accounts of Original Source Entertainment, Inc. and its wholly owned subsidiary. All intercompany accounts and transactions have been eliminated in consolidation.

Cash and cash equivalents

The Company considers all highly liquid investments with an original maturity of three months or less as cash equivalents.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**ORIGINAL SOURCE ENTERTAINMENT, INC.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**(Unaudited)**

**NOTE 1. ORGANIZATION, OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:**

Net income (loss) per share

The net income (loss) per share is computed by dividing the net income (loss) by the weighted average number of shares of common outstanding. Warrants, stock options, and common stock issuable upon the conversion of the Company's preferred stock (if any), are not included in the computation if the effect would be anti-dilutive and would increase the earnings or decrease loss per share.

Income tax

The Company accounts for income taxes pursuant to ASC 740. Under ASC 740 deferred taxes are provided on a liability method whereby deferred tax assets are recognized for deductible temporary differences and operating loss carryforwards and deferred tax liabilities are recognized for taxable temporary differences. Temporary differences are the differences between the reported amounts of assets and liabilities and their tax bases. Deferred tax assets are reduced by a valuation allowance when, in the opinion of management, it is more likely than not that some portion or all of the deferred tax assets will not be realized. Deferred tax assets and liabilities are adjusted for the effects of changes in tax laws and rates on the date of enactment.

Revenue recognition

Revenue is recognized on an accrual basis after services have been performed under contract terms, the service price to the client is fixed or determinable, and collectibility is reasonably assured.

Property and equipment

Property and equipment are recorded at cost and depreciated under the straight line method over each item's estimated useful life.

Financial Instruments

The carrying value of the Company's financial instruments, as reported in the accompanying balance sheet, approximates fair value.

**ORIGINAL SOURCE ENTERTAINMENT, INC.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**(Unaudited)**

**NOTE 1. ORGANIZATION, OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:**

Stock based compensation

The Company accounts for employee and non-employee stock awards under ASC 718, whereby equity instruments issued to employees for services are recorded based on the fair value of the instrument issued and those issued to non-employees are recorded based on the fair value of the consideration received or the fair value of the equity instrument, whichever is more reliably measurable.

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

We are currently not aware of any trends that are reasonably likely to have a material impact on our liquidity. Our current cash balance is estimated to be sufficient to fund our current operations for two months.

We have not received any significant revenues to date. As of September 30, 2011, we had a cash balance of \$4,909. As a result of our limited working capital, we have had to limit our operations. Until we are able to raise additional funds to pursue our business plan and generate material revenues, our activities will be restricted.

We are still pursuing our recent public offering. If we do not raise at least \$75,000, we may attempt to raise additional capital through the private sale of our equity securities or borrowings from third party lenders. We have no commitments or arrangements from any person to provide us with any additional capital. If additional financing is not available when needed, we may need to dramatically change our business plan, sell the registrant or cease operations. We do not have any present plans, proposals, arrangements or understandings with any representatives of the owners of any business or company regarding the possibility of an acquisition or merger.

### Liquidity and Capital Resources

-----

For the nine months ended September 30, 2011 and 2010, we did not pursue any investing activities.

For the nine months ended September 30, 2011, we had notes payable-borrowings of \$3,500 and received \$4,250 from the sale of common stock. As a result, we had net cash provided by financing activities of \$7,750 for the nine months ended September 30, 2011.

For the nine months ended September 30, 2010, we had notes payable-borrowings of \$10,500 and received \$500 from the sale of common stock. As a result, we had net cash provided by financing activities of \$11,000 for the nine months ended September 30, 2010.

For the period from inception through September 30, 2011, we had notes payable-borrowings of \$16,000 and received proceeds from the sale of common stock of \$5,750 resulting in net cash provided by financing activities of \$21,750.

We are currently pursuing a public offering of our common shares. If the offering is successful, we will have sufficient funds to last the registrant for the next twelve months, including additional sales and marketing efforts. If the offering is only partially successful, it may be necessary for us to raise additional capital through debt or equity. There can be no assurance that additional capital will be available to the registrant.

We currently have no agreements, arrangements or understandings with any person to obtain funds through bank loans, lines of credit or any other sources. Our inability to raise funds for the above purposes will have a severe negative impact on our ability to remain a viable company.

#### Results of Operations

-----

For the three months ended September 30, 2011, we received royalty revenue of \$812 and had general and administrative expenses of \$4,938 resulting in an operating loss of \$(4,126).

For the three months ended September 30, 2010, we received royalty revenue of \$273 and had general and administrative expenses of \$5,471 resulting in an operating loss of \$(5,198).

For the nine months ended September 30, 2011, we received royalty revenue of \$5,101 and had general and administrative expenses of \$17,071 resulting in an operating loss of \$(11,970).

For the nine months ended September 30, 2010, we received royalty revenue of \$1,167 and had general and administrative expenses of \$6,664 resulting in an operating loss of \$(5,497).

For the period from inception to September 30, 2011, we received royalty revenue of \$6,666 and had general and administrative expenses of \$27,459 resulting in an operating loss of \$(20,793).

The increase in general and administrative expenses from 2010 to 2011 was directly related to our current public offering, including filing fees, auditing and legal fees.

General and administrative expenses will continue to increase as we complete our public offering and implement sales and marketing initiatives.

#### Plan of Operation

-----

Over the next twelve months, the registrant intends to focus on adding hundreds of additional songs to our catalog and to place as many songs with the television and movie industry as we possibly can.

On an ongoing basis, we will need to:

Milestone	Timeline	Estimated Cost
Increase net sales and expand gross margin by continuing to locate additional songs	9-12 months	\$1,000 to \$5,000
Execute our marketing strategy to enhance customer awareness and appreciation of our catalog	3-12 months	\$1,000 to \$50,000
Provide a superior client experience through consistent customer service that will ensure customer satisfaction and promote the frequency and value of customer spending	2-12 months	\$1,000 to \$100,000
Expand distribution channels of our catalog	6-12 months	\$3,000 to \$75,000

Our current cash balance is estimated to be sufficient to fund our current operations for two months. We are attempting to increase the sales to raise much needed cash for the remainder of the year, which will be supplemented by our efforts to raise cash through the issuance of equity securities. It is our intent to secure a market share in the music industry, which we feel will require additional capital over the long term to undertake sales and marketing initiatives, and to manage timing differences in cash flows.

In the event we are not successful in selling all of the securities to raise at least \$75,000, we would utilize any available funds raised the following order of priority:

- for general and administrative expenses, including legal and accounting fees and administrative support expenses incurred in connection with our reporting obligations with the SEC.
- for sales and marketing; and
- for the signing of additional intellectual property.

#### Going Concern

-----

Our auditors have issued an opinion on our financial statements, which includes a statement describing our going concern status. This means that there is substantial doubt that we can continue as an on-going business for the next twelve months unless we obtain additional capital to pay our bills and meet our other financial obligations. This is because we have generated only minimal revenues. We do not anticipate revenues will significantly increase until we begin heavily marketing the product. Accordingly, we must raise capital from sources other than the actual sale of the product. We must raise capital to implement our project and stay in business. Even if we raise the maximum amount of money in our current public offering, we do not know how long the money will last, however, we do believe it will last at least twelve months. We can offer no assurance that we will raise any funds in our current public offering.

## Off-Balance Sheet Arrangements

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The registrant had no material off-balance sheet arrangements as of September 30, 2011.

## Critical Accounting Policies and Estimates

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Management's discussion and analysis of its financial condition and results of operations is based upon our consolidated financial statements, which have been prepared in accordance with U.S. generally accepted accounting principles. The preparation of these financial statements requires us to make estimates and judgments that affect the reported amounts of assets, liabilities, revenue and expenses, and related disclosure of contingent assets and liabilities. On an on-going basis, we evaluate our estimates, including those related to the reported amounts of revenues and expenses and the valuation of our assets and contingencies. We believe our estimates and assumptions to be reasonable under the circumstances. However, actual results could differ from those estimates under different assumptions or conditions. Our financial statements are based on the assumption that we will continue as a going concern. If we are unable to continue as a going concern we would experience additional losses from the write-down of assets.

## New Accounting Pronouncements

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The registrant has adopted all recently issued accounting pronouncements. The adoption of the accounting pronouncements, including those not yet effective, is not anticipated to have a material effect on the financial position or results of operations of the registrant.

## Item 3. Quantitative and Qualitative Disclosures About Market Risk

Not applicable for smaller reporting companies.

## Item 4. Controls and Procedures

During the three months ended September 30, 2011, there were no changes in our internal controls over financial reporting (as defined in Rule 13a-15(f) and 15d-15(f) under the Exchange Act) that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

## Evaluation of Disclosure Controls and Procedures

Under the supervision and with the participation of our management, including our chief executive officer and principal financial officer, we conducted an evaluation of our disclosure controls and procedures, as such term is defined under Rule 13a-15(e) and Rule 15d-15(e) promulgated under the Securities Exchange Act of 1934, as amended, as of September 30, 2011. Based on this evaluation, our chief executive officer and principal financial officers have concluded such controls and procedures to be effective as of September 30, 2011 to ensure that information required to be disclosed by the issuer in the reports that it files or submits under the Act is recorded, processed, summarized and reported, within the time periods specified in the Commission's rules and forms and to ensure that information required to be disclosed by an issuer in the reports that it files or submits under the Act is accumulated and communicated to the issuer's management, including its principal executive and principal financial officers, or persons performing similar functions, as appropriate to allow timely decisions regarding required disclosure.



## PART II - OTHER INFORMATION

### Item 1. Legal Proceedings

None

### Item 1A. Risk Factors

Not applicable for smaller reporting companies

### Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

None

### Item 3. Defaults Upon Senior Securities.

None

### Item 4. (Removed and Reserved)

### Item 5. Other Information

None

### Item 6. Exhibits

Exhibit 31\* - Certifications pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

Exhibit 32\* - Certifications pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

Exhibit 101.INS\*\* XBRL Instance Document

Exhibit 101.SCH\*\* XBRL Taxonomy Extension Schema Document

Exhibit 101.CAL\*\* XBRL Taxonomy Extension Calculation Linkbase Document

Exhibit 101.DEF\*\* XBRL Taxonomy Extension Definition Linkbase Document

Exhibit 101.LAB\*\* XBRL Taxonomy Extension Label Linkbase Document

Exhibit 101.PRE\*\* XBRL Taxonomy Extension Presentation Linkbase Document

\* Filed herewith

\*\*XBRL (Extensible Business Reporting Language) information is furnished and not filed or a part of a registration statement or prospectus for purposes of Sections 11 or 12 of the Securities Act of 1933, as amended, is deemed not filed for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, and otherwise is not subject to liability under these sections.

## 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 thereunto duly authorized.

Dated: November 7, 2011

ORIGINAL SOURCE ENTERTAINMENT, INC.

By: /s/Lecia L. Walker

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Lecia L. Walker  
Chief Executive Officer  
Principal Financial Officer

302 CERTIFICATION

I, Lecia Walker, certify that:

1. I have reviewed this amended quarterly report on Form 10-Q of Original Source Entertainment, Inc.;

2. 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;

3. 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 registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officers 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 controls over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant 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 registrant, 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 my 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 registrant'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 registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant'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 registrant'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 registrant's internal controls over financial reporting.

Date: November 7, 2011

/s/Lecia L. Walker

-----  
Lecia L. Walker  
Chief Executive Officer  
Principal Financial Officer

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 amended Quarterly Report of Original Source Entertainment, Inc. (the "Company") on Form 10-Q for the quarter ended September 30, 2011 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Lecia L. Walker, Chief Executive Officer and Principal Financial Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 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 result of operations of the Company.

/s/Lecia L. Walker

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Lecia L. Walker  
Chief Executive Officer  
Principal Financial Officer

November 7, 2011

**ORIGINAL SOURCE  
ENTERTAINMENT, INC.  
CONSOLIDATED  
STATEMENTS OF  
OPERATIONS (USD \$)**

	<b>3 Months Ended</b>		<b>9 Months Ended</b>		<b>25 Months Ended</b>
	<b>Sep. 30, 2011</b>	<b>Sep. 30, 2010</b>	<b>Sep. 30, 2011</b>	<b>Sep. 30, 2010</b>	<b>Sep. 30, 2011</b>
<u>Royalty revenue</u>	\$ 812	\$ 273	\$ 5,101	\$ 1,167	\$ 6,666
<u>General and administrative</u>	4,938	5,471	17,071	6,664	27,459
<u>Total operating expenses</u>	4,938	5,471	17,071	6,664	27,459
<u>Gain (loss) from operations</u>	(4,126)	(5,198)	(11,970)	(5,497)	(20,793)
<u>Interest expense</u>	(52)		(120)		(120)
<u>Income (loss) before provision for income taxes</u>	(4,178)	(5,198)	(12,090)	(5,497)	(20,913)
<u>Net income (loss)</u>	\$ (4,178)	\$ (5,198)	\$ (12,090)	\$ (5,497)	\$ (20,913)
<u>Weighted average number of common shares outstanding</u>	4,555,333	4,500,000	4,535,083	4,222,222	

**ORIGINAL SOURCE  
ENTERTAINMENT, INC.  
CONSOLIDATED  
STATEMENTS OF CASH  
FLOWS (USD \$)**

**9 Months Ended      25 Months Ended**

**Sep. 30, 2011   Sep. 30, 2010   Sep. 30, 2011**

<u>Net income (loss) during the development stage</u>	\$ (12,090)	\$ (5,497)	\$ (20,913)
<u>Related party payables</u>	952	952	952
<u>Accrued payables</u>	120		120
<u>Compensatory stock issuances</u>			3,000
<u>Net cash provided by (used for) operating activities</u>	(11,970)	(4,545)	(16,841)
<u>Notes payable</u>	16,000	10,500	16,000
<u>Sale of common stock</u>	4,250	500	5,750
<u>Net cash provided by (used for) financing activities</u>	7,750	11,000	21,750
<u>Net Increase (Decrease) In Cash</u>	(4,220)	6,455	4,909
<u>Cash At The Beginning Of The Period</u>	4,909	7,676	4,909
<u>Cash At The End Of The Period</u>	\$ 4,909	\$ 7,676	\$ 4,909

**Document and Entity  
Information (USD \$)**

**3 Months Ended  
Sep. 30, 2011**

**Document and Entity Information**

<u>Entity Registrant Name</u>	Original Source Entertainment, Inc.
<u>Document Type</u>	10-Q
<u>Document Period End Date</u>	Sep. 30, 2011
<u>Amendment Flag</u>	false
<u>Entity Central Index Key</u>	0001500198
<u>Current Fiscal Year End Date</u>	--12-31
<u>Entity Common Stock, Shares Outstanding</u>	4,585,000
<u>Entity Public Float</u>	\$ 0
<u>Entity Filer Category</u>	Smaller Reporting Company
<u>Entity Current Reporting Status</u>	No
<u>Entity Voluntary Filers</u>	No
<u>Entity Well-known Seasoned Issuer</u>	No
<u>Document Fiscal Year Focus</u>	2011
<u>Document Fiscal Period Focus</u>	Q3



**ORGANIZATION,  
OPERATIONS AND  
SUMMARY OF  
SIGNIFICANT  
ACCOUNTING POLICIES**

**3 Months Ended**

**Sep. 30, 2011**

**ORGANIZATION,  
OPERATIONS AND  
SUMMARY OF  
SIGNIFICANT  
ACCOUNTING POLICIES**

**ORGANIZATION,  
OPERATIONS AND  
SUMMARY OF  
SIGNIFICANT  
ACCOUNTING POLICIES**

**NOTE 1. ORGANIZATION, OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:**

Original Source Entertainment, Inc. (the “Company”), was incorporated in the State of Nevada on August 20, 2009. The Company plans to license songs to the television and music industry for use in television shows or movies.

Basis of Presentation

The accompanying unaudited financial statements have been prepared in accordance with the instructions to Form 10-Q and do not include all of the information and disclosures required by generally accepted accounting principles for complete financial statements. All adjustments which are, in the opinion of management, necessary for a fair presentation of the results of operations for the interim periods have been made and are of a recurring nature unless otherwise disclosed herein. The results of operations for such interim periods are not necessarily indicative of operations for a full year.

Principles of consolidation

The accompanying consolidated financial statements include the accounts of Original Source Entertainment, Inc. and its wholly owned subsidiary. All intercompany accounts and transactions have been eliminated in consolidation.

Cash and cash equivalents

The Company considers all highly liquid investments with an original maturity of three months or less as cash equivalents.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

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### Net income (loss) per share

The net income (loss) per share is computed by dividing the net income (loss) by the weighted average number of shares of common outstanding. Warrants, stock options, and common stock issuable upon the conversion of the Company's preferred stock (if any), are not included in the computation if the effect would be anti-dilutive and would increase the earnings or decrease loss per share.

### Income tax

The Company accounts for income taxes pursuant to ASC 740. Under ASC 740 deferred taxes are provided on a liability method whereby deferred tax assets are recognized for deductible temporary differences and operating loss carryforwards and deferred tax liabilities are recognized for taxable temporary differences. Temporary differences are the differences between the reported amounts of assets and liabilities and their tax bases. Deferred tax assets are reduced by a valuation allowance when, in the opinion of management, it is more likely than not that some portion or all of the deferred tax assets will not be realized. Deferred tax assets and liabilities are adjusted for the effects of changes in tax laws and rates on the date of enactment.

### Revenue recognition

Revenue is recognized on an accrual basis after services have been performed under contract terms, the service price to the client is fixed or determinable, and collectibility is reasonably assured.

### Property and equipment

Property and equipment are recorded at cost and depreciated under the straight line method over each item's estimated useful life.

### Financial Instruments

The carrying value of the Company's financial instruments, as reported in the accompanying balance sheet, approximates fair value.

### Stock based compensation

The Company accounts for employee and non-employee stock awards under ASC 718, whereby equity instruments issued to employees for services are recorded based on the fair value of the instrument issued and those issued to non-employees are recorded based on the fair value of the consideration received or the fair value of the equity instrument, whichever is more reliably measurable.

**ORIGINAL SOURCE  
ENTERTAINMENT, INC.  
CONSOLIDATED  
BALANCE SHEETS (USD  
\$)**

**Sep. 30, 2011**

**Dec. 31, 2010**

<u>Cash</u>	\$ 4,909		\$ 9,129	
<u>Total current assets</u>	4,909		9,129	
<u>Total Assets</u>	4,909		9,129	
<u>Related party payables</u>	952		952	
<u>Accrued interest payable</u>	120			
<u>Notes payable - current</u>	3,500		2,000	
<u>Total current liabilities</u>	4,572		2,952	
<u>Notes payable</u>	16,000		10,500	
<u>Total Liabilities</u>	17,072		13,452	
<u>Preferred stock</u>		[1]		[1]
<u>Common stock</u>	4,585	[2]	4,500	[3]
<u>Additional paid in capital</u>	4,165			
<u>Deficit accumulated during the dev. stage</u>	(20,913)		(8,823)	
<u>Total Stockholders' Equity</u>	(12,163)		(4,323)	
<u>Total Liabilities and Stockholders' Equity</u>	\$ 4,909		\$ 9,129	

[1] \$.001 par value; 5,000,000 shares authorized; none issued and outstanding

[2] \$.001 par value; 45,000,000 shares authorized; 4,585,000 (2011) shares issued and outstanding

[3] \$.001 par value; 45,000,000 shares authorized; 4,500,000 (2010) shares issued and outstanding