

# SECURITIES AND EXCHANGE COMMISSION

## FORM 10-Q

Quarterly report pursuant to sections 13 or 15(d)

Filing Date: **1996-12-30** | Period of Report: **1996-09-30**  
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### FILER

#### **HORTITECH INC**

CIK: **805902** | IRS No.: **870444506** | State of Incorporation: **UT** | Fiscal Year End: **1231**  
Type: **10-Q** | Act: **34** | File No.: **033-09782-LA** | Film No.: **96688080**  
SIC: **6770** Blank checks

Mailing Address  
*16935 W BERNARDO DR  
SUITE 232  
SAN DIEGO CA 92127*

Business Address  
*16935 W BERNARDO DR  
SUITE 232  
SAN DIEGO CA 92127  
6196181710*

SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, DC 20549

-----  
FORM 10-Q

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

For the quarterly period ended September 30, 1996 Commission File No. 33-9782-LA  
-----

HORTITECH, INC.

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

UTAH

87-0444506

-----  
(State or other jurisdiction of incorporation  
or organization)

-----  
(I.R.S. Employer Identification  
No.)

16935 W. Bernardo Dr., Suite 232, San Diego, CA

92127

-----  
(Address of principal executive offices)

-----  
(Zip Code)

REGISTRANT'S TELEPHONE NUMBER, INCLUDING AREA CODE: (619) 618-1710

Indicate by check mark whether the registrant (1) has 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 [X] No

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

Class	Outstanding as of September 30, 1996
----- CLASS A COMMON STOCK \$0.001 PAR VALUE	----- 18,845,555

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HORTITECH, INC.  
(A DEVELOPMENT STAGE COMPANY)

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PART 1 - FINANCIAL INFORMATION

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ITEM 1. FINANCIAL STATEMENTS (UNAUDITED)  
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The accompanying unaudited financial statements have been prepared in accordance with the instructions to Form 10-Q pursuant to the rules and regulations of the Securities and Exchange Commission and, therefore does not include all information and footnotes necessary for a complete presentation of the financial position, results of operations, cash flows, and stockholders' equity in conformity with generally accepted accounting

principles. In the opinion of management, all adjustments considered necessary for a fair presentation of the results of operations and financial position have been included and all such adjustments are of a normal recurring nature.

The unaudited balance sheet of the Company as of September 30, 1996 and the related audited balance sheet of the Company as of December 31, 1995, the unaudited related statements of operations and cash flows for nine month period ended September 30, 1996 and the year ended December 31, 1995, and the unaudited statement of shareholders' equity for nine months ended September 30, 1996.

Operating results for the quarter ended September 30, 1996, are not necessarily indicative of the results that can be expected for the year ending December 31, 1996.

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HORTITECH, INC.  
Balance Sheet  
September 30, 1996  
(Unaudited)

ASSETS

	September 30, 1996	December 31, 1995
	-----	-----
Cash in Bank	\$ 86,841	\$ 714
Accounts Receivable		3,500
Marketable Securities		
Spa International	21,520	
Market Value Adjustment	\$ 3,480	
Organizational Expense	\$ 55,280	
	-----	-----
Total Assets	\$167,121	\$4,214
	-----	-----
	-----	-----

LIABILITIES

Current Liabilities		
Accounts Payable	\$ 0	\$ 23
	-----	-----
Total Liabilities	\$ 0	\$ 23
	-----	-----

-----

SHAREHOLDERS' EQUITY

Common Stock @ \$.001 par value		
200,000,000 shares authorized		
Issued *18,845,555 in 1996,		
1,227,757 in 1995	18,845	1,228
Additional Paid-In Capital	382,362	228,517
Prior Retained Earnings	(225,554)	
Retained Earnings (Loss)	(8,532)	(225,554)
	-----	-----
Total Equity	\$ 167,121	\$ 4,191
	-----	-----
TOTAL LIABILITIES & EQUITY	\$ 167,121	\$ 4,214
	-----	-----
	-----	-----

\*Adjusted for 50:1 reverse split 7/7/96

HORTITECH, INC.  
Statement of Operations  
(Unaudited)

	9 months ended Sept. 30, 1996	For Years Ended	
		1995	1994
	-----	-----	-----
Revenues	\$ 3,480	\$ 0	\$ 0
Expenses	12,012	6,019	
	-----	-----	
Net Profit (loss) 9/30/96	(8,532)		
Deficit	-----		
Total Retained Earnings 9/30/96	\$ (8,532)		
Net Loss 1995		(6,019)	
		-----	
		-----	
Net Loss from Discontinued Operations 1994			(9,162)
			-----
			-----
Accumulated Earnings (Loss)	\$ (23,713)		
	-----		
	-----		

HORTITECH, INC.  
Shareholders Equity  
(Unaudited)

	Common Stock Shares	Amount	Add'l Paid In Capital	Accum. Pr. (Deficit)
	-----	-----	-----	-----
Balance Dec. 31, 1995	1,227,757	\$1,228	\$228,517	\$ (225,554)
6/39/96 Earnings (Loss)	-----	-----	-----	(4,127)
	-----	-----	-----	-----
Total as of June 30, 1996	1,227,757	1,228	228,517	(229,681)
 New Issue July 7, 1996	 18,000,000	 18,000	 0	 -----
	-----	-----	-----	-----
Total as of 7/7/96	19,227,757	19,228	228,517	(22,681)
 Reverse Split 50:1 as of 7/7/96	 384,555	 385	 18,843	
 Shares Issued to Officers & Directors 7/7/96 @ par	 2,461,000	 2,461		
 Private Placement-Reg S July 15, 1996	 16,000,000	 16,000	 134,000	
 Net Earnings (Loss) Sept. 30, 1996	 -----	 -----	 -----	 (8,052)
 Balance 9/30/96	 18,845,555	 18,846	 381,360	 (234,086)
 Per Share Equity	 0.0088			

HORTITECH, INC.  
(FORMERLY WESTERN ANTENNA CORPORATION)  
(a development stage company)  
Statement of Cash Flow

	Ending 9/30/96 -----	Year Ended 12/31/95 -----
OPERATING ACTIVITIES:		
Changes in Operating Assets & Liabilities		
Net Loss	\$ (14,507)	\$ (5,786)
Stock issued for service		0
Increase(decrease) in accounts		

payable, taxes payable and notes payable (see Note 5)	321	0
	-----	-----
Net Cash used by Operating activities	(14,186)	(5,786)
	-----	-----
INVESTING ACTIVITIES:		
Loans Receivable	11,500	(3,500)
Marketable Securities	30,000	
	-----	-----
Total Investment Activities	41,500	(3,500)
	-----	-----
FINANCING ACTIVITIES:		
Cash contributed to additional paid in capital	134,000	9,900
Stock offering cost		
Issuance of common stock	18,461	100
	-----	-----
Net Cash provided by financing activities	152,461	10,000
	-----	-----
Increase in Cash (See Note 4)	86,127	714
Cash at beginning of period	714	0
	-----	-----
Cash at end of period	\$ 86,841	\$ 4,214
	-----	-----
Supplemental Cash Flow Information		
Interest	\$ 0	\$ 0
Taxes	\$ 0	\$ 0
Non Cash Financing Activities:		
Stock issued for services	\$ 0	\$ 0

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS.

HORTITECH, INC.  
(formerly Western Antenna Corporation)  
(a development stage company)

(unaudited)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Organization

The financial statements presented are those of Hortitech, Inc. (formerly Western Antenna Corporation), (a development stage company). The Company

was incorporated under the laws of the state of Utah on October 24, 1986. The Company completed a public offering of equity securities in November 1987. The net proceeds received by the Company was \$150,000. On August 31, 1987, the Company completed acquisition of all the outstanding common shares of Western Antenna Research, Inc., a Colorado corporation. The Company's name was subsequently changed to Western Antenna Corporation. After two years of unsuccessful operations, the name of the Company was changed to Hortitech, Inc. on November 29, 1989. The Company was incorporated for the purpose of providing a vehicle which could be used to raise capital and seek business opportunities believed to hold a potential for profit.

#### B. Accounting Method

The Company's financial statements are prepared using the accrual method of accounting. The Company has adopted a calendar year end.

#### C. Cash Equivalents

The Company considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

#### D. Provision for Taxes

At December 31, 1995, the Company has net operating loss carry forwards totaling approximately \$226,084 that may be offset against future taxable income through 2009. No tax benefit has been reported in 1995 financial statements, because the Company believes there is a 50% or greater chance the carry forward will expire unused. Accordingly, the potential tax benefits of the loss carry forward have been offset by valuation allowance of the same amount.

#### E. Significant Accounting Policies

Additional accounting policies will be determined when principal operations begin.

#### NOTE 2. GOING CONCERN

The Company's financial statements are prepared using the generally accepted accounting principles applicable to a going concern which contemplates the realization of assets and liquidation of liabilities in the normal course of business. However, the Company has no current source of revenue. Without realization of additional capital, it would be unlikely for the Company to continue as a going concern. It is management's plan to seek additional capital through a merger with an existing operating company.

#### NOTE 3. REVERSE STOCK SPLIT



A one for fifty reverse stock split was authorized at a meeting of the shareholders on July 8, 1996. The attached statements reflect the one for fifty reverse stock split on a retroactive basis.

NOTE 4. ADDITIONAL CAPITAL

On July 5, 1996, 18,000,000 shares of common stock was sold at par value for \$18,000. The purchasing group were aware of the impending reverse stock split.

On July 9, 1996, 2,461,000 post reverse shares were issued to the officers and Directors for \$2,461. 1,000,000 post reverse shares were issued for \$1,000 and 15,000,000 post reverse shares were issued for \$150,000.00.

NOTE 5. EXTRAORDINARY GAIN

In payment of a \$20,765 loan to Donner Investment and a \$735 loan to Escondido Capital, 25,000 shares of Spa International common stock (current market value of \$25,000), was accepted in lieu of these loans.

NOTE 6. CHANGE IN TRANSFER AGENT

On July 24, 1996, the Board of Directors resolved to change the Transfer Agent from Interstate Transfer to I-Data Corporation in Dallas, TX.

PART 1. FINANCIAL INFORMATION

BASIS OF PRESENTATION

General

The accompanying unaudited financial statements have been prepared in accordance with instructions to Form 10-QSB therefore, do not include all information and footnotes necessary for a complete presentation of financial position, results of operations, cash flows and stockholders' equity in conformity with generally accepted accounting principles. Except as disclosed herein, there has been no material change in the information disclosed in the notes to the financial statements included in the Company's annual report in Form 10-KSB for the year ended December 31, 1995. In the opinion of Management, all adjustments considered necessary for a fair presentation of the results of operations and financial position have been included and all such adjustments are of a normal recurring nature. Operating results for the six months ended June 30, 1996 are not necessarily indicative of the results that can be expected for the

year ending December 31, 1996.

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ITEM 2. MANagements DISCUSSION AND ANALYSIS OF FINANCIAL  
CONDITIONS AND RESULTS OF OPERATIONS

INTRODUCTION

The Registrant is a "development stage company." Management has been seeking opportunities to acquire operating entities, which in the opinion of management will provide a profit to the registrant. On September 6, 1994, the Company effected a ten for one reverse stock split.

RESULTS OF OPERATIONS

The Company has no operations for the three months ended March 31, 1996 and no operations for the nine months ended September 30, 1996. The Company accrued for general and administrative expenses \$-0- for the first nine months of 1996 compared with \$1,000 for 1995.

FINANCIAL CONDITION

The Company generated cash from receiving payment on a note for \$3,500 and paid its accounts payable and accounting amounts due. The Company had no other operations for the nine months, ended September 30, 1996. The Company accrued \$-0- general or administrative expenses for the first quarter of 1996 compared to \$1,000 for 1995. Occasionally, the Company may enter into transactions for working capital pursuant to which debt can be extinguished, including recapitalization. There can be no assurance that any further such transactions will be undertaken or will be favorable to the stockholders.

PART II. OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

Not Applicable.

ITEM 2. CHANGE IN SECURITIES

Not Applicable

ITEM 3. DEFAULTS ON SENIOR SECURITIES

Not Applicable

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

Not Applicable

ITEM 5. EXHIBITS ON REPORTS OF FORM 8-K

- A. Exhibits none
- B. Reports on Form 8K none

SIGNATURES

Pursuant to the requirements of the Securities and Exchange Commission Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Date: 12/9/96  
-----

Hortitech, Inc.

/s/ Patrick M. Flynn  
-----

Patrick M. Flynn, President  
Chief Executive Officer and Director

Date: 12/9/96  
-----

/s/ Glennis E. Temme  
-----

Glennis E. Temme  
Principial Financial Officer/Director

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