

SECURITIES AND EXCHANGE COMMISSION

FORM 10QSB

Optional form for quarterly and transition reports of small business issuers under section 13 or 15(d)

Filing Date: **2003-02-10** | Period of Report: **2002-12-31**
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FILER

CREATIVE BEAUTY SUPPLY INC

CIK: **1011662** | IRS No.: **223392051** | State of Incorporation: **NJ** | Fiscal Year End: **1231**
Type: **10QSB** | Act: **34** | File No.: **000-26361** | Film No.: **03546796**
SIC: **2844** Perfumes, cosmetics & other toilet preparations

Mailing Address
380 TOTOWA ROAD
TOTOWA NJ 07512

Business Address
380 TOTOWA RD
TOTOWA NJ 07512
2012920125

U.S. Securities and Exchange Commission
Washington, D.C. 20549

FORM 10-QSB

QUARTERLY REPORT UNDER SECTION 13 or 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended: December 31, 2002

TRANSITION REPORT UNDER SECTION 13 OR 15(d)
OF THE EXCHANGE ACT

For the transition period from: to:

Commission file number: 000-26361

Creative Beauty Supply, Inc.
(Exact name of Small Business Issuer in its charter)

NEW JERSEY 22-3392051
(State or other jurisdiction of (I.R.S. Employer
incorporation or organization Identification No.)

380 Totowa Road, Totowa, NJ 07512
(Address of principal executive offices) (Zip Code)

Registrant's Telephone number, including area code: 973-904-0004

Check mark whether the Issuer (1) has filed all reports required by Section 13 or 15(d) of the Exchange Act 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 the filing requirements for at least the past 90 days. YES: X NO:

APPLICABLE ONLY TO ISSUERS INVOLVED IN BANKRUPTCY PROCEEDINGS DURING THE PREVIOUS FIVE YEARS

Check whether the registrant filed all documents and reports required to be filed by Section 12, 13, or 15(d) of the Exchange Act after the distribution of securities under a plan confirmed by the court. YES: X NO:

APPLICABLE ONLY TO CORPORATE ISSUERS

State the number of shares outstanding of each of the issuer's classes of common stock, as of the last practicable date: 3,494,650

Transitional Small Business Disclosure Format. YES: NO: X

CREATIVE BEAUTY SUPPLY, INC.
BALANCE SHEETS

ASSETS

<TABLE>
<CAPTION>

	DECEMBER 31, 2002	MARCH 31, 2002
	----- (Unaudited)	-----
	<c>	<c>
CURRENT ASSETS:		
Cash and cash equivalents	\$ 351,393	\$ 383,108
Marketable securities	280,000	364,500
Accounts receivable	2,124	2,123
Inventory	63,923	66,353
Prepaid expenses	-	2,494
	-----	-----
TOTAL CURRENT ASSETS	697,440	818,578
 PROPERTY AND EQUIPMENT , net of accumulated depreciation	 8,318	 161
	-----	-----
TOTAL ASSETS	\$ 705,758	\$ 818,739
	=====	=====
LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES:		
Accounts payable - trade	\$ 18,911	\$ 10,887
Payroll taxes withheld and accrued	1,198	1,188
Accrued expenses	994	825
Deferred income taxes	-	63,569
	-----	-----
TOTAL CURRENT LIABILITIES	21,103	76,469
	-----	-----
STOCKHOLDERS' EQUITY		
Preferred stock, par value \$.001, authorized 10,000,000 shares, issued and outstanding -0- shares	-	-
Common stock, par value \$.001, authorized 100,000,000 shares, issued and outstanding 3,494,650 shares	3,495	3,495
Additional paid-in-capital	1,288,781	1,288,781
Accumulated deficit	(687,621)	(634,271)
Accumulated other comprehensive income	80,000	84,265
	-----	-----
TOTAL STOCKHOLDERS' EQUITY	684,655	742,270
	-----	-----
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	\$ 705,758	\$ 818,739
	=====	=====

</TABLE>

The accompanying notes are an integral part
of these financial statements

CREATIVE BEAUTY SUPPLY, INC.
STATEMENTS OF OPERATIONS

(UNAUDITED)

<TABLE>
<CAPTION>

NINE MONTHS ENDED DECEMBER 31, THREE MONTHS ENDED DECEMBER 31,

	2002	2001	2002	2001
	-----	-----	-----	-----
NET SALES	\$ 149,529	\$ 166,354	\$ 46,336	\$ 55,248
COST OF GOODS SOLD	112,894	130,587	35,435	43,369
GROSS PROFIT	----- 36,635	----- 35,767	----- 10,901	----- 11,879
OPERATING EXPENSES:				
Salaries - officers	24,220	161,050	8,030	144,680
Payroll taxes	2,056	2,141	695	667
Auto and delivery	6,523	6,478	2,215	2,518
Consulting fees	-	171,990	-	171,990
Employee welfare	7,097	5,143	2,442	2,100
Insurance	3,680	2,849	1,360	1,297
Office	1,874	1,483	597	54
Professional fees	46,367	26,851	6,134	2,917
Rent	11,655	11,403	3,900	3,801
Store supplies	888	667	213	218
Taxes	500	240	260	-
Telephone	2,229	1,450	533	527
Utilities	1,378	1,235	282	223
Miscellaneous	872	907	314	-
Depreciation	1,236	161	412	54
TOTAL OPERATING EXPENSES	----- 110,575	----- 394,048	----- 27,387	----- 331,046
LOSS FROM OPERATIONS BEFORE OTHER INCOME	----- (73,940)	----- (358,281)	----- (16,486)	----- (319,167)
OTHER INCOME:				
Gain on sale of securities	8,333	33,333	-	33,333
Gain on sale of assets	700	-	-	-
Interest income	11,557	8,033	3,385	2,191
TOTAL OTHER INCOME	----- 20,590	----- 41,366	----- 3,385	----- 35,524
NET LOSS	----- (53,350)	----- (316,915)	----- (13,101)	----- (283,643)
	=====	=====	=====	=====

LOSS PER COMMON SHARE, BASIC AND DILUTED	\$ (0.02) =====	\$ (0.17) =====	\$ (0.00) =====	\$ (0.15) =====
WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING	3,494,650 =====	1,864,650 =====	3,494,650 =====	1,864,640 =====

</TABLE>

The accompanying notes are an integral part
of these financial statements

CREATIVE BEAUTY SUPPLY, INC.
STATEMENTS OF CASH FLOWS
NINE MONTHS ENDED DECEMBER 31, 2002 AND 2001

(UNAUDITED)

<TABLE>

<CAPTION>

	2002 ----	2001 ----
<s>	<c>	<c>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net loss	\$ (53,350)	\$ (316,915)
Adjustments to reconcile net loss to net cash provided by (used in) operating activities:		
Depreciation	1,236	161
Gain on sale of marketable securities	(8,333)	(33,333)
Gain on sale of assets	(700)	-
Operating expenses through issuance of common stock	-	308,490
Changes in operating assets and liabilities:		
Accounts receivable	(1)	(772)
Inventory	2,430	3,521
Prepaid expenses	2,494	2,337
Accounts payable	8,024	(3,439)
Payroll taxes withheld and accrued	10	2,166
Accrued expenses	169	(1,403)
	-----	-----
Net cash used in operating activities	(48,021)	(39,187)
	-----	-----
CASH FLOWS FROM INVESTING ACTIVITIES:		
Acquisition of property and equipment	(9,394)	-

Proceeds from sale of marketable securities	25,000	50,000
Proceeds from sale assets	700	-
	-----	-----
Net cash provided by investing activities	16,306	50,000
	-----	-----
CASH FLOWS FROM FINANCING ACTIVITIES:		
Issuance of stock options	-	30
	-----	-----
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(31,715)	10,843
CASH AND CASH EQUIVALENTS		
- beginning of period	383,108	235,507
	-----	-----
CASH AND CASH EQUIVALENTS - end of period	\$ 351,393	\$ 246,350
	=====	=====

</TABLE>

The accompanying notes are an integral part of these financial statements

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CREATIVE BEAUTY SUPPLY, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2002

NOTE 1 - BASIS OF PRESENTATION

The accompanying unaudited financial statements have been prepared in accordance with generally accepted accounting principles for interim financial information and with the instructions to Form 10QSB and Article 10 of Regulation S-X. 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, all adjustments (consisting of normal recurring accruals) considered necessary for a fair presentation have been included. Operating results for the nine months ending December 31, 2002 are not necessarily indicative of the results that may be expected for the year ended March 31, 2003. The unaudited financial statements should be read in conjunction with the financial statements and footnotes thereto included in the Company's Form 10KSB for the year ended March 31, 2002.

NOTE 2 - INVENTORY

The Company's policy is to compute inventory for interim reporting on the gross profit method using the gross profit for the prior fiscal year.

NOTE 3 - DEFERRED INCOME TAXES

The Company has a deferred tax asset at December 31, 2002 of \$86,052 resulting from net operating loss carryforwards net of unrealized gains from marketable securities. A valuation allowance has been recorded for the full amount of the deferred tax asset.

NOTE 4 - COMPREHENSIVE LOSS

Other comprehensive income for the nine months ended December 31, 2002 consisted of an unrealized holding loss arising during the period (net of an income taxes of -0- after applying a net operating loss carryforwards) in the amount of \$60,000.

Other comprehensive loss for the nine months ended December 31, 2001 consisted of an unrealized holding loss arising during the period (net of an income tax benefit of -0- after applying a valuation allowance for the entire amount of the benefit) in the amount of \$24,672.

	Nine Months Ended December 31,	
	2002	2001
	-----	-----
Net Loss	\$(53,350)	\$(316,915)
Unrealized holding loss arising during the period net of income tax benefit of -0- and \$-0-.	(60,000)	(24,672)
Reclassifications	55,735	-
Total Comprehensive Loss	\$(57,615) =====	\$(341,587) =====

NOTE 5 - MARKETABLE SECURITIES

The cost and fair value of marketable equity securities that are available-for-sale are as follows:

<TABLE>

<CAPTION>

	December 31, 2002	March 31, 2002
	-----	-----
<s> Cost	<c> \$200,000	<c> \$216,666
Gross unrealized gain	80,000	147,834
	----- \$280,000 =====	----- \$364,500 =====

</TABLE>

The unrealized appreciation (loss) of marketable equity securities that are available for sale are as follows:

<TABLE>

<CAPTION>

	December 31, 2002	March 31, 2002
	-----	-----
<s>	<c>	<c>
Net unrealized gain	\$ 80,000	\$147,834
Deferred income taxes	-	(63,569)
	-----	-----
	\$ 80,000	\$ 84,265
	=====	=====

</TABLE>

These amounts are presented as accumulated other comprehensive income (loss).

During the nine months ended December 31, 2002 and 2001 sales proceeds and gross realized gains and losses on securities classified as available-for-sale were:

<TABLE>

<CAPTION>

	2002	2001
	----	----
<s>	<c>	<c>
Sales proceeds	\$ 25,000	-
	=====	=====
Gross realized gains	\$ 8,333	-
	=====	=====

</TABLE>

The method used to determine the costs of securities sold was actual cost per share.

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

Trends and Uncertainties. Demand for the Company's products will be dependent on, among other things, market acceptance of the Company's concept and general economic conditions, which are cyclical in nature. Inasmuch as a major portion of the Company's activities is the receipt of revenues from the sales of its products, the Company's business operations may be adversely affected by the Company's competitors and prolonged recessionary periods.

Hairstyles in the industry change drastically from season to season. The recent trend away from straight hair will have a favorable impact on the sales of the Company's hair products such as perms, etc. although the extent of this impact is indeterminable.

Results of Operations.

The Company sells approximately 1,000 different products at varying mark ups ranging from 20 to 40 percent. The Company has two types of

customers, beauty salons and the general public. The gross profit margin on sales of merchandises to the general public ranges from 30 to 40 percent depending on the product sold. The gross margin on sales of merchandise to beauty salons is somewhat less ranging from 20 to 28 percent depending on the product sold and the discount given. The Company's product margin increased for December 31, 2002 over December 31, 2001 due to a change in sales mix. Although sales decreased (wholesale decreased by 2% and retail decreased by 11%) products sold were sold at higher margins resulting in a higher gross margin for the nine months ended December 31, 2002.

Nine Months Ended December 31, 2002 as compared to nine months ended December 31, 2001

For the nine months ended December 31, 2002, the Company had a net loss of \$(53,350). The Company had net sales of \$149,529 with a cost of goods sold of \$112,894 resulting in gross profit of \$36,635 for the nine months ended December 31, 2002.

The Company had operating expenses of \$110,575 for the nine months ended December 31, 2002. These expenses primarily consisted of officer's salaries of \$24,220, auto and delivery of \$6,523, employee welfare of \$7,097, professional fees of \$46,367, rent of \$11,655, telephone of \$2,229, utilities of \$1,378, store supplies of \$888, insurance of \$3,680, office expenses of \$1,874, payroll taxes of \$2,056 and other miscellaneous expenses of \$1,372. Depreciation was \$1,236 for the nine months ended December 31, 2002.

For the nine months ended December 31, 2001, the Company had a net loss of \$(316,915). The Company had net sales of \$166,354 with a cost of goods sold of \$130,587 resulting in gross profit of \$35,767 for the nine months ended December 31, 2001.

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The Company had operating expenses of \$394,048 for the nine months ended December 31, 2001. These expenses primarily consisted of officer's salaries of \$161,050, auto and delivery of \$6,478, employee welfare of \$5,143, consulting fees of \$171,990, professional fees of \$26,851, rent of \$11,403, telephone of \$1,450, utilities of \$1,235, store supplies of \$667, insurance of \$2,849, office expenses of \$1,483, payroll taxes of \$2,141 and other miscellaneous expenses of \$1,147. Depreciation was \$161 for the nine months ended December 31, 2001.

Assets for the nine months ended December 31, 2002 decreased by approx. \$112,981. This was a direct result of sales of marketable securities and the decline in the market value of securities held for sale.

Liabilities for the nine months ended December 31, 2002 decreased by approx. \$55,366. This was a direct result of a decrease in deferred income tax liability from the decline in unrealized gains from securities held for sale.

Working capital at December 31, 2002 was approx. \$676,337 and at March 31, 2002 it was \$742,109, a decrease approx. \$65,772. The decrease was a direct result from a decrease in current assets of \$121,138 net of a decrease of current liabilities of \$55,366. Cash decreased by \$31,715, market value of securities held for sale decreased by \$84,500 and inventory increased by \$2,430. Accounts payable increased by \$8,024 while deferred tax liabilities decreased by \$63,569.

Stockholders Equity decreased by the loss for the six months. There were no equity transactions during the period.

Sales for the nine months ended December 31, 2002 were \$149,529 as compared to \$166,354 for the nine months ended December 31, 2001, a 10% decrease.

Gross profit for the nine months ended December 31, 2002 was \$36,635 as compared to \$35,767 for the nine months ended December 31, 2001, a 2% increase.

Operating expenses for the nine months ended December 31, 2002 were \$110,575 as compared to \$394,048 for the nine months ended December 31, 2001, a decrease of 72%. In 2001, the Company paid officer salaries and consulting fees through the issuance of common stock in the amount of \$308,490 while in 2002 there were no such expenditures.

Sales for the two periods were as follows:

	2002		2001	
	-----		-----	
Wholesale	65,837	44%	69,272	42%
Retail	83,692	56%	97,082	58%
	-----		-----	
	149,529		166,354	
	=====		=====	

Sales are decreasing due to loss of customers. Wholesale sales have decreased by approx. 5% and retail sales have decreased by approx. 14%.

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Gross profit increased slightly due to the changes in mix between wholesale and retail customers. Gross profit is also effected by the products sold.

Operating expenses decreased by approx. 72% as compared to 2001. However, after removing the one time charges for officer salaries and consulting fees, operating expenses increased from 2001 to 2002 by approx. \$25,017 or approx. 29%.

All categories of expenses were consistent with 2001 with the exception of professional fees. Professional fees increased by approx. \$19,516 or 72%. The majority of this increase was due to an increase in auditing fees.

The unrealized loss from marketable securities held for sale was due directly from the decline in market value over the nine month period.

Three Months Ended December 31, 2002 as compared to Three Months Ended December 31, 2001

Sales for the three months ended December 31, 2002 decreased by \$8,912, a 16% decrease as compared to the same three month period ended December 31, 2001. Gross profit for the three months ended December 31, 2002 decreased by \$978, a 8% decrease, as compared to the same three month period ended December 31, 2001. Operating expenses for the three month period ended December 31, 2002 decreased by \$303,659, a 92% decrease, as compared to the same three month period ended December 31, 2001. However, after removing the one time charges for officer salaries and consulting fees of \$308,490, operating expenses increased by \$4,831, a 21% increase, as compared to the same three month period ended December 31, 2001.

Sales decreased due to a lower sales volume. Gross profit decrease due to lower sales volume and changes in sales mix. Operating expenses increased after removing the none cash charges for officers salaries and consulting fees, due to higher auditing and legal fees during the three month period ending December 31, 2002 as compared to the same three month period ended December 31, 2001.

The major cause of the Company's losses from operations have been the low sales volume. Management is looking for new suppliers at more favorable prices and to increase their customer base and sales income.

Management believes that if it can increase its customer base significantly and obtain products from new sources at favorable pricing, it will have a favorable impact in the Company's results of operations. However, management does not believe this can be accomplished within the next twelve months sufficient enough to generate a net profit from operations.

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Liquidity.

Capital and Source of Liquidity. In April 2002, the Company renewed its lease for a term of two (2) years commencing May 1, 2002 at a monthly rental of \$1,300 per month.

For the nine months ended December 31, 2002, the Company pursued no financing activities. For the nine months ended December 31, 2001, the Company issued stock options valued at \$30 resulting in cash flows from financing activities of \$30.

For the nine months ended December 31, 2002, the Company acquired property and equipment of \$9,394, received proceeds from the sale of

marketable securities of \$25,000 and received proceeds from the sale of assets of \$700.

For the nine months ended December 31, 2001, the Company received proceeds from the sale of marketable securities of \$50,000 resulting in net proceeds provided by investing activities of \$50,000.

Plan of Operation.

During the next twelve months, the Company may obtain new product lines by negotiating with various manufacturers. The Company does not intend to hire any additional employees.

The Company's liquidity will be decreased due to little or no increase in revenue and higher operating costs.

The Company is not delinquent on any of its obligations even though the Company has had limited operating revenues. The Company intends to market its products utilizing cash made available from the sale of its products. The Company is of the opinion that revenues from the sales of its products and the proceeds from the sale of its securities will be sufficient to pay its expenses.

The Company does not have nor does it intend to have pension and/or other post-retirement benefits in the future.

The Company does not have any or intends to have any derivative instruments or hedging activities.

Item 3. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

Our management, under the supervision and with the participation of our chief executive officer and chief financial officer, conducted an evaluation of our "disclosure controls and procedures" (as defined in Securities Exchange Act of 1934 (the "Exchange Act") Rules 13a-14(c)) within 90 days of the filing date of this quarterly report on Form 10QSB (the "Evaluation Date"). Based on their evaluation, our chief executive officer and chief financial officer have concluded that as of

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the Evaluation Date, our disclosure controls and procedures are effective to ensure that all material information required to be filed in this quarterly report on Form 10QSB has been made known to them in a timely fashion.

Changes in Internal Controls

There have been no significant changes (including corrective actions with regard to significant deficiencies or material weaknesses) in our

internal controls or in other factors that could significantly affect these controls subsequent to the Evaluation Date set forth above.

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PART II
OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS.

Not applicable.

ITEM 2. CHANGES IN SECURITIES.

Not applicable.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES.

Not applicable.

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

Not applicable.

ITEM 5. OTHER INFORMATION.

Not applicable.

ITEM 6. EXHIBITS AND REPORTS ON FORM 8-K.

(a) Exhibit 99 - Certifications pursuant to
18 U.S.C. Section 1350

(b) Not applicable.

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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.

Creative Beauty Supply, Inc.
(Registrant)

Dated: January 23, 2003

By: /s/ Carmine Catizone

Carmine Catizone, President

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CERTIFICATIONS

I, Carmine Catizone, certify that:

1. I have reviewed this quarterly report on Form 10QSB of Creative Beauty Supply, Inc.
2. Based on my knowledge, the quarterly 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 quarterly report;
3. Based on my knowledge, the financial statements, and other financial information included in this quarterly 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 quarterly 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-14 and 15d-14) for the registrant and we have:
 - (a) designed such disclosure controls and procedures 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 quarterly report is being prepared;
 - (b) evaluated the effectiveness of the registrant's disclosure controls and procedures as of a date within 90 days prior to the filing date of this quarterly report (the "Evaluation Date"); and

(c) presented in this quarterly report our conclusions about the effectiveness of the disclosure controls and procedures based on our evaluation as of the Evaluation Date;

5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent function):

(a) all significant deficiencies in the design or operation of internal controls which could adversely affect the registrant's ability to record, process, summarize and report financial data and have identified for the registrant's auditors any material weaknesses in internal controls; 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; and

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(6) The registrant's other certifying officers and I have indicated in this quarterly report whether or not there were significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of our most recent evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

Date: January 23, 2003

/s/Carmine Catizone

Carmine Catizone
Chief Executive Officer

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CERTIFICATION

I, Daniel Generelli, certify that:

1. I have reviewed this quarterly report on Form 10QSB of Creative Beauty Supply, Inc.

2. Based on my knowledge, the quarterly 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 quarterly report;

3. Based on my knowledge, the financial statements, and other financial information included in this quarterly 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 quarterly 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-14 and 15d-14) for the registrant and we have:

(a) designed such disclosure controls and procedures 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 quarterly report is being prepared;

(b) evaluated the effectiveness of the registrant's disclosure controls and procedures as of a date within 90 days prior to the filing date of this quarterly report (the "Evaluation Date"); and

(c) presented in this quarterly report our conclusions about the effectiveness of the disclosure controls and procedures based on our evaluation as of the Evaluation Date;

5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent function):

(a) all significant deficiencies in the design or operation of internal controls which could adversely affect the registrant's ability to record, process, summarize and report financial data and have identified for the registrant's auditors any material weaknesses in internal controls; 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; and

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(6) The registrant's other certifying officers and I have indicated in this quarterly report whether or not there were significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of our most recent evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

Date: January 23, 2003

/s/ Daniel Generelli

Danie Generelli, Chief 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 Quarterly Report of Creative Supply, Inc. (the "Company") on Form 10-Q for the period ending December 31, 2002 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Carmine Catizone, Chief Executive 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/Carmine Catizone

Carmine Catizone
Chief Executive Officer

February 10, 2003

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 Quarterly Report of Creative Supply, Inc. (the "Company") on Form 10-Q for the period ending September 30, 2002 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Carmine Catizone, Chief Executive 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/Daniel Generelli

Daniel Generelli
Chief Financial Officer

November 18, 2002