

# SECURITIES AND EXCHANGE COMMISSION

## FORM 10QSB

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

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### FILER

#### Daytona Systems Inc.

CIK: **1394778** | IRS No.: **208023589** | State of Incorporation: **DE** | Fiscal Year End: **1231**  
Type: **10QSB** | Act: **34** | File No.: **000-52714** | Film No.: **071293653**  
SIC: **6770** Blank checks

#### Mailing Address

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393  
WASHINGTON VA 22747

#### Business Address

360 MAIN STREET PO BOX  
393  
WASHINGTON VA 22747  
540-675-3149

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**  
Washington, D.C. 20549

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**FORM 10-QSB**  
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**QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE  
ACT OF 1934**

For the quarterly period ended: **September 30, 2007**  
or

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

For the transition period from: \_\_\_\_\_ to \_\_\_\_\_

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**Daytona Systems, Inc.**

(Exact name of small business issuer as specified in its charter)

**Delaware**  
(State or Other Jurisdiction  
of Incorporation)

**000-52714**  
(Commission  
File Number)

**20-8023589**  
(I.R.S. Employer  
Identification No.)

**360 Main Street**

**Washington, VA 22747**  
(Address of Principal Executive Office) (Zip Code)

**540-675-3149**  
(Issuer's telephone number, including area code)

**N/A**  
(Former name, former address and former fiscal year, if changed since last report)

Check whether the issuer (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  No

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

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

**APPLICABLE ONLY TO ISSUERS INVOLVED IN BANKRUPTCY  
PROCEEDINGS DURING THE PRECEDING FIVE YEARS:**

Check whether the registrant has 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 a court.  Yes  No

Transitional Small Business Disclosure Format (check one):  Yes  No



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**Dayton Systems, Inc.**  
**Balance Sheet**  
**September 30, 2007**

<b>Assets</b>	
Current assets	
Cash and cash equivalents	\$ <u>81</u>
Total current assets	<u>81</u>
Total assets	<u><u>81</u></u>
<b>Liabilities and Stockholders' Equity</b>	
Total liabilities	\$ -0-
Stockholders' Equity:	
Common Stock; Par value \$.001 par value; 35,000,000 shares authorized, 100,000 shares issued and outstanding	100
Additional paid-in capital	-0-
Retained earnings (deficit)	<u>(12)</u>
Total stockholders' equity	<u>88</u>
Total Liabilities and Stockholders' Equity	\$ <u><u>88</u></u>

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



**Dayton Systems, Inc.**  
**Statement of Income and Retained Earnings**  
**For the Quarter Ended September 30, 2007**

Revenues	\$	-0-
Operating and administrative expenses		12
		<hr/>
Income (loss) from operations		(12)
Other income (expense)		-0-
		<hr/>
Net income (loss)		(12)
Retained Earnings, Beginning of Year		-0-
		<hr/>
Retained Earnings, (deficit)	\$	(12)
		<hr/> <hr/>

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



**Dayton Systems, Inc.**  
**Statement of Cash Flows**  
**For the Quarter Ended September 30, 2007**

**Cash Flows Provided From Investing Activities**

Net income	\$	(12)
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Adjustments to reconcile net income to net cash provided (used) by operating activities:		-0-
		-0-

Net cash provided (used) by operating activities		(12)
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<b>Cash Flows Provided From Investing Activities</b>		-0-
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<b>Cash Flows Used By Financing Activities</b>		100
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Net proceeds for stock issuance		100
---------------------------------	--	-----

<b>Net increase (decrease) in cash and cash equivalents</b>		88
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<b>Cash and cash equivalents at inception</b>		-0-
		-0-

<b>Cash and cash equivalents, end of period</b>	\$	88
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**Supplemental disclosure**

Interest paid during the period	\$	-0-
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The accompanying notes are an integral part of these financial statements.

## **1. Description of the Company and Summary of Significant Accounting Policies**

### **Description of the Company**

Dayton Systems, Inc., a Delaware corporation, was formed on December 18, 2006. The Company is currently seeking registration of its common stock in accordance with the Securities Exchange Act of 1934.

### **Basis of Accounting**

The Company's policy is to prepare its financial statements on the accrual basis of accounting in accordance with generally accepted accounting principles. Revenues are recognized when earned. Expenses are recognized in the period in which they are incurred.

### **Cash and Cash Equivalents**

For purposes of the statements of cash flows, the Company considers all highly liquid investments with original maturities of three months or less to be cash equivalents. Cash and cash equivalents are stated at cost which approximates fair market value.

### **Stock-Based Compensation Plans**

The Company currently does not have any stock-based compensation plans.

### **Income Taxes**

The Company recognizes income tax expense based on the liability method of accounting for income taxes. Deferred tax assets and liabilities are recognized for the income tax effect of temporary differences between the tax basis of assets and liabilities and their carrying values for financial reporting purposes. Deferred tax expense or benefit is the result of changes in deferred tax assets and liabilities during the period.

### **Earnings (Loss) Per Share**

The Company reports both basic earnings per share, which is based on the weighted average number of common shares outstanding, and diluted earnings per share, which is based on the weighted average number of common shares as well as all potentially dilutive common shares outstanding. For the quarter ended March 31, 2007, the Company did not have potentially dilutive shares issued or outstanding.

### **Use of Estimates**

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

### **Common Stock**

The Company is authorized to issue up to 35,000,000 shares of its common stock, par value \$0.001 per share. On March 13, 2007, the Company issued 100,000 common shares to Belmont Partners, LLC at \$0.001 per share, or \$100.

## **Item 2. Management's Discussion and Analysis or Plan of Operation.**

Dayton Systems, Inc. (the "Company") was originally incorporated on December 18, 2006 under the laws of the State of Delaware. The Company was initially formed as a "blank check" entity for

the purpose of seeking a merger, acquisition or other business combination transaction with a privately owned entity seeking to become a publicly-owned entity.

The Company's current principal business activity is to seek a suitable reverse acquisition candidate through acquisition, merger or other suitable business combination method.

It is the intent of management and significant stockholders to provide sufficient working capital necessary to support and preserve the integrity of the corporate entity. However, there is no legal obligation for either management or significant stockholders to provide additional future funding. Should this pledge fail to provide financing, the Company has not identified any alternative sources. Consequently, there is substantial doubt about the Company's ability to continue as a going concern.

The Company's need for capital may change dramatically because of any business acquisition or combination transaction. There can be no assurance that the Company will identify any such business, product, technology or company suitable for acquisition in the future. Further, there can be no assurance that the Company would be successful in consummating any acquisition on favorable terms or that it will be able to profitably manage the business, product, technology or company it acquires.

## **PLAN OF OPERATION**

The Company's current purpose is to seek, investigate and, if such investigation warrants, merge or acquire an interest in business opportunities presented to it by persons or companies who or which desire to seek the perceived advantages of a Securities Exchange Act of 1934 registered corporation. As of the date of this registration statement, the Company has no particular acquisitions in mind and has not entered into any negotiations regarding such an acquisition, and neither the Company's officer and director nor any promoter and affiliate has engaged in any negotiations with any representatives of the owners of any business or company regarding the possibility of a merger or acquisition between the Company and such other company.

Pending negotiation and consummation of a combination, the Company anticipates that it will have, aside from carrying on its search for a combination partner, no business activities, and, thus, will have no source of revenue. Should the Company incur any significant liabilities prior to a combination with a private company, it may not be able to satisfy such liabilities as are incurred.

If the Company's management pursues one or more combination opportunities beyond the preliminary negotiations stage and those negotiations are subsequently terminated, it is foreseeable that such efforts will exhaust the Company's ability to continue to seek such combination opportunities before any successful combination can be consummated. In that event, the Company's common stock will become worthless and holders of the Company's common stock will receive a nominal distribution, if any, upon the Company's liquidation and dissolution.

### **Item 3. Controls and Procedures.**

The management of the Company, including the principal executive and financial officer, conducted and evaluation of the effectiveness of the design and operation of our disclosure controls and procedures as defined in Exchange Act Rule 13a-15(e) and 15d-15(e) as of September 30, 2007. Based on that evaluation, the principal executive and financial officer concluded that as of September 30, 2007, our disclosure controls and procedures were effective at the reasonable assurance level to ensure (i) that information required to be disclosed by us in the reports we file or submit under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms and (ii) that information required to be disclosed in reports that we file or submit under the

Exchange Act is accumulated and communicated to our management including our chief executive and financial officer, to allow timely decisions regarding required disclosure. No change in our internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) occurred during the fiscal quarter ended September 30, 2007 that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting.

## PART II - OTHER INFORMATION

### Item 1. Legal Proceedings.

We are currently not a party to any pending legal proceedings and no such actions by, or to the best of our knowledge, against us have been threatened.

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

None

### Item 3. Defaults Upon Senior Securities.

None

### Item 4. Submission of Matters to a Vote of Security Holders.

No matter was submitted during the quarter ending September 30, 2007, covered by this report to a vote of our shareholders, through the solicitation of proxies or otherwise.

### Item 5. Other Information.

None

### Item 6. Exhibits.

Exhibit Number	Exhibit Title
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31.1	Certification of Joseph Meuse pursuant to 18 U.S.C. Section 1350 as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
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32.1	Certification of Joseph Meuse pursuant to 18 U.S.C. Section 1350 as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
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\*Incorporated by reference to Exhibit 3.2 to our registration statement on Form 10-SB filed on July 3, 2007 (File no: 000-52713)

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## SIGNATURES

In accordance with the requirements of Section Exchange Act, the registrant caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

**Dayton Systems, Inc.**

Date: October 10, 2007

By: /s/ Joseph Meuse  
Joseph Meuse  
President and Chief Executive Officer

**CERTIFICATION**  
**SECTION 302 CERTIFICATION OF OUR CHIEF FINANCIAL OFFICER**

I, Joseph Meuse, certify that:

1. I have reviewed this quarterly report on Form 10-QSB of Clopton House Corporation..;
2. Based on my knowledge, this report does not contain any untrue statement of 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 officer 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)) 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) 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
  - (c) 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 quarter in the 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 officer 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 the 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 control over financial reporting.

/s/ Joseph Meuse

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Joseph Meuse  
President and Chief Executive Officer  
October 11, 2007

**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 on Form 10-QSB ("Form 10-QSB") of Daytona Systems, Inc., (the "Company") for the quarterly period ended September 30, 2007 as filed with the Securities and Exchange Commission on the date hereof, I, Joseph Meuse, President and 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 Form 10-QSB 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 Form 10-QSB fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Joseph Meuse

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Joseph Meuse  
President and Chief Executive Officer  
October 11, 2007