

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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(HTML Version on secdatabase.com)

FILER

INVESTORS FINANCE INC

CIK: 52268 | IRS No.: 990112763 | State of Incorporation: HI | Fiscal Year End: 1231
Type: 10QSB | Act: 34 | File No.: 000-02664 | Film No.: 05788071
SIC: 6141 Personal credit institutions

Mailing Address
820 MILILANI STREET
3RD FLOOR
HONOLULU HI 96813

Business Address
820 MILILANI STREET
3RD FLOOR
HONOLULU HI 96813
8085337437

<PERIOD> 03/31/05
U.S. SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-QSB

(Mark One)

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

For the quarterly period ended March 31, 2005

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

For the transition period from _____ to _____

Commission file number: 0-2664

INVESTORS FINANCE, INC.
(Exact name of small business issuer as specified in its charter)

Hawaii
(State or other jurisdiction of
incorporation or organization)

99-0112763
(I.R.S. Employer
Identification No.)

820 Mililani, 3rd floor, Honolulu, Hawaii
(Address of principal executive offices)

96813
(Zip Code)

Issuer's telephone number: (808)533-7437

Check whether the issuer (1) filed all reports required to be filed by
Section 13 or 15(d) of the Exchange Act during the past 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

Number of shares outstanding of the issuer's common stock as of
December 31, 2004:

6,000,000. However, the number of authorized shares of
common stock was increased during September, 2003 to 9,000,000,
although these additional shares were not issued at the close of the
period ending.

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

Part 1 - Financial Information

Item 1. Financial Statements

(UNAUDITED)

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Item 2. Plan of Operations

The Company Investors Finance, Inc., a Hawaii corporation (Company) is headquartered in the State of Hawaii with its corporate office located at 820 Mililani Street, 3rd Floor, Honolulu, Hawaii 96813. During the time period of this report, the Company continued to deliver its principal services of the lending, loan originating, brokering and servicing of nonprime residential mortgages from its office in Hawaii at 820 Mililani St., Ste. 300, Honolulu, Hawaii 96813. In May of 2004, the Company formed a wholly owned subsidiary San Diego Home Loans, Inc., a California corporation located at 10080 Carroll Canyon Road, San Diego, California 92131. The new subsidiary San Diego Home Loans took over control of the California operations of Investors Finance, Inc., doing business as Ohana Finance. The Company in July of 2004 caused to be filed Articles of Organization for IFI Capital Mortgage Fund, a Hawaii Limited Liability Company as a co-managed member. The Companies CEO Michael Monaco will also act as a co-managing member of the IFI Capital Mortgage Fund, LLC. On August 30, 2004, the Company acquired all the shareholder interest of an independent mortgage company based on the Island of Maui in the State of Hawaii which operated under a similar name Ohana Finance & Mortgage, Inc. The acquisition of Ohana Mortgage solidifies the name OHANA (the word Ohana means Family in Hawaiian) for IFI as a trade name. On October 1, 2004, the Company also formed a new wholly owned subsidiary Sub 500 Mortgage, Inc., a California corporation located at 10080 Carroll Canyon Road, San Diego, California 92131. Sub 500 Mortgage, Inc., was formed to originate and fund mortgage loans in the States of Hawaii and California for the purpose of assisting credit impacted borrowers who are unable to acquire mortgage loans in today's marketplace. Management of the Company believes that these opportunities will enhance the Company's position as an acting parent corporation.

Item 3. Controls and Procedures

The financial statements and other financial information included in this quarterly report, are believed to fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the period presented in this quarterly report. Management has retained the services of a certified public accountant to prepare a compilation of its books and records and to the best of our knowledge and belief, this report correctly reflects the financial condition of the Company as of March 31, 2005. While the financial statements have not been audited, the Company anticipates having audited financial statements prepared when it is financially able to do so.

PART II

Item 1. Legal Proceedings

The Company engaged in no litigation during the time period of this report. Additionally, from time to time, the Company is involved in litigation in the ordinary course of its business. As a result of legal defenses and insurance arrangements, the Company does not believe that any such litigation, if decided unfavorably to the Company, would have a material adverse effect on its business or assets.

Further, to the knowledge of management, no director, officer, affiliate or holder of record or beneficial owner of more than 5% of the common voting stock of the Company is a party adverse to the Company.

Item 2. Changes In Securities.

An additional 1,000,000 Million Shares of Common Stock of Investors Finance, Inc., were previously authorized by shareholder action and then issued to Michael Monaco CEO for the Company.

Item 3. Defaults Upon Senior Securities (NONE)

Item 4. Submission of Matters to a Vote of Security Holders. During the time period of this report, no matters were submitted to a vote of security holders.

Item 5. Other Information (None)

Item 6. Exhibits and Reports on Form 8-K (NONE)

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.

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.

(Registrant)
Investors Finance, Inc.

By: /s/ Michael S. Monaco

Michael S. Monaco,
Chief Executive Officer
Chief Financial Officer

CERTIFICATION

I, Michael S. Monaco, the Chief Executive Officer, Chief Financial Officer, and Chairman of Board of Investors Finance, Inc. certify as follows:

1. I have reviewed this quarterly report on Form 10-QSB of Investors Finance, Inc.;
2. Based on my knowledge, this 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 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 period presented in this quarterly report. Management retained the services of a certified public accountant to prepare a compilation of its books and records and to the best of our knowledge and belief, this report correctly reflects the financial condition of the Company as of March 31, 2005. While the financial statements have not been audited, the Company anticipates having audited financial statements prepared when it is financially able to do so.
4. I am responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-14 and 15d-14) for the registrant and 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. I have indicated in this quarterly report whether or not there were significant changes in internal controls or in other factors that could have significantly affected internal controls subsequent to the date of our most recent evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

/s/ Michael S. Monaco

Michael S. Monaco
Chief Executive Officer
Chief Financial Officer