

# 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: **1996-12-30** | Period of Report: **1996-10-31**  
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### FILER

#### HARBOUR CAPITAL CORP

CIK: **897082** | IRS No.: **841204841** | State of Incorporation: **DE** | Fiscal Year End: **1231**  
Type: **10QSB** | Act: **34** | File No.: **001-12573** | Film No.: **96687997**  
SIC: **6770** Blank checks

Business Address  
3127 RAMSHORN DRIVE  
CASTLE ROCK CO 80104  
3036601710

FORM 10-Q SB

SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

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

For the quarterly period ended October 31, 1996

OR

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

Commission file number: 33-57982-D

HARBOUR CAPITAL CORP.

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(Exact name of registrant as specified in its charter)

Delaware

84-1204841

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(State or other jurisdiction of incorporation or organization)

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

3127 Ramshorn Drive, Castle Rock, Colorado

80104

---

(Address of principal executive offices)

(Zip Code)

(303) 660-1710

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(Registrant's telephone number, including area code)

Not Applicable

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(Former name, former address and former fiscal year, if changed since last report)

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  No

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

Class of Securities	Shares Outstanding at December 15, 1996
Common Stock, par value \$.00001 per share	142,036

Transitional Small Business Disclosure Format

Yes                      No    X  
\_\_\_\_\_                      \_\_\_\_\_

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The Board of Directors  
Harbour Capital Corp.

The accompanying balance sheet of Harbour Capital Corp. as of October 31, 1996, and the related statements of operations and accumulated deficit and cash flows for the period then ended were not audited by us and, accordingly, we do not express an opinion on them

Aurora, Colorado  
December 18, 1996

COMISKEY & COMPANY  
PROFESSIONAL CORPORATION

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Harbour Capital Corp.  
(A Development Stage Company)  
BALANCE SHEET  
October 31, 1996

ASSETS

CURRENT ASSETS

Cash and cash equivalents	\$ 74,519
	-----
Total current assets	74,519

OTHER ASSETS

Organizational costs (net)	80
Restricted cash	80,410
	-----
Total other assets	80,490

TOTAL ASSETS	\$ 155,009
	=====

LIABILITIES AND STOCKHOLDERS' EQUITY

CURRENT LIABILITIES

Accounts payable - related party	\$ 2,640
Accounts payable	1,654
	-----
Total current liabilities	4,294

STOCKHOLDERS' EQUITY

Common stock, \$0.00001 par value;  
4,000,000 shares authorized; 142,036  
shares issued and outstanding at  
July 31, 1996.

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Preferred stock, \$0.00001 par value; 20,000 shares authorized; no shares issued and outstanding	-
Additional paid-in capital	165,162
Deficit accumulated during the development stage	(14,598)
	-----
Total stockholders' equity	150,715
	-----
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	\$ 155,009
	=====

The accompanying notes are an integral part  
of the financial statements

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Harbour Capital Corp.  
(A Development Stage Company)  
STATEMENTS OF LOSS AND ACCUMULATED DEFICIT

	Period May 11, 1992 (Inception) to October 31,	three months ended October 31,	six months ended October 31,		
	-----	-----	-----	-----	-----
REVENUES					
Interest income	\$ 19,919	\$ 1,905	\$ 1,854	\$ 3,782	\$ 3,788
	-----	-----	-----	-----	-----
EXPENSES					
Professional fees	17,510	454	332	1,652	1,675
Office expense	3,082	1,125	25	1,549	31
Filing fees	1,000	-	-	250	-
Rent	2,675	150	150	300	300
Amortization	669	37	38	75	75
Taxes and licenses	3,068	-	-	-	250
Dues and subscriptions	125	-	-	-	-
Bank fees	264	-	-	-	-
Travel	4,496	-	351	-	-
Transfer agent	1,628	-	-	738	102
	-----	-----	-----	-----	-----
Total expenses	34,517	1,766	896	4,566	2,784
	-----	-----	-----	-----	-----
NET INCOME (LOSS)	(14,598)	139	958	(784)	1,004
Accumulated deficit					
Balance, beginning of period	-	(14,737)	(13,571)	(13,814)	(13,617)
	-----	-----	-----	-----	-----

Balance, end of period	\$ (14,598)	\$ (14,598)	\$ (12,613)	\$ (14,598)	\$ (12,613)
	=====	=====	=====	=====	=====
NET INCOME (LOSS) PER SHARE	\$ (0.11)	\$ NIL	\$ 0.01	\$ (0.01)	\$ 0.01
	=====	=====	=====	=====	=====
WEIGHTED AVERAGE NUMBER OF SHARES OUTSTANDING	133,728	142,036	142,036	142,036	142,036
	=====	=====	=====	=====	=====

The accompanying notes are an integral part  
of the financial statements

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Harbour Capital Corp.  
(A Development Stage Company)  
STATEMENTS OF CASH FLOWS

	Period May 11, 1992 (Inception) to October 31, 1996	For the six months ended October 31, 1996                      1995	
	-----	-----	-----
CASH FLOWS FROM OPERATING ACTIVITIES			
Net income (loss)	\$ (14,598)	\$ (784)	\$ 1,004
Non cash items included in net income (loss):			
Rent	2,675	300	300
Amortization expense	670	76	75
Changes in:			
Current assets	-	-	-
Current liabilities	4,294	612	(1,118)
	-----	-----	-----
Net cash provided (used) by operating activities	(6,959)	204	261
CASH FLOWS FROM INVESTING ACTIVITIES	-	-	-
CASH FLOWS FROM FINANCING ACTIVITIES			
Issuance of common stock	184,196	-	-
Statutory escrow contribution	(80,410)	-	-
Deferred offering costs paid	(21,558)	-	-
Organizational costs	(750)	-	-

Net cash provided by financing activities	81,478	-	-
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	74,519	204	261
CASH AND CASH EQUIVALENTS, BEGINNING OF PERIOD	-	74,315	71,531
CASH AND CASH EQUIVALENTS, END OF PERIOD	\$ 74,519	\$ 74,519	\$ 71,792

The accompanying notes are an integral part  
of the financial statements

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Harbour Capital Corp.  
(A Development Stage Company)  
NOTES TO FINANCIAL STATEMENTS  
October 31, 1996  
(Unaudited)

1. Management's representation of interim financial information

The accompanying financial statements have been prepared by Harbour Capital Corp. without audit pursuant to the rules and regulations of the Securities and Exchange Commission. Certain information and footnote disclosures normally included in financial statements prepared in accordance with generally accepted accounting principles have been condensed or omitted as allowed by such rules and regulations, and management believes that the disclosures are adequate to make the information presented not misleading. These financial include all of the adjustments which, in the opinion of management, are necessary to a fair presentation of financial position and results of operations. All such adjustments are of a normal and recurring nature. These financial statements should be read in conjunction with the audited financial statements at April 30, 1996.

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Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.

## Liquidity and Capital Resources

The Company completed the initial public offering of its securities in October of 1993, receiving gross proceeds of \$122,196. Total costs of the offering amounted to \$21,558. The net proceeds of the offering, therefore, amounted to \$100,638. Pursuant to the Colorado Securities Act and based upon actual and estimated offering costs, \$80,410 of that amount was deposited into escrow. By law, funds may not be released from the escrow until such time as the Company shall devote to an identified business an amount equal to or greater than 50% of the gross proceeds of the offering.

After subtracting the portion of offering proceeds that was deposited into escrow, the Company received remaining net proceeds of \$20,228. That amount, therefore, represented the only offering proceeds that would be available for use by the Company prior to the release of funds from escrow. In addition to the proceeds from the Company's public offering, the Company also previously raised \$62,000 in a private offering and a majority of those funds are still available.

Management anticipates that the Company's current liquid capital resources will be applied in the coming twelve months to three purposes. The first purpose will be to meet the Company's reporting obligations under the Securities Exchange Act of 1934, as amended. The second purpose will be to cover general and administrative expenses. The third purpose will be to cover the expenses associated with searching for and investigating business opportunities. The Company anticipates that its current resources will be adequate for those purposes for at least the coming year.

Except as described in the preceding paragraph, the Company anticipates that its capital needs will be minimal until it shall have identified a business opportunity with which to combine. In pursuing a combination transaction, the Company is likely to incur significant additional expenses. The Company expects to meet such expenses with its current liquid capital resources, but if the funds available for use by the Company prove inadequate, the Company will seek to meet such expenses by seeking to have payment of them deferred until after the combination shall have been consummated or, in the alternative, by obtaining loans or other capital contributions from the Company's founding stockholders.

The Company remains in the development stage and, since inception, has experienced no significant change in liquidity or capital resources or stockholder's equity other than the receipt of \$100,638 of net proceeds from its public offering and \$62,000 of inside capitalization funds. The Company's balance sheet for the fiscal year ended April 30, 1996, reflects a current asset value of \$74,315, consisting entirely of cash, and a total asset value of \$154,881. These figures compare to \$74,519 in current assets and \$155,009 in total assets at October 31, 1996, the total



assets consisting primarily of restricted cash deposited in escrow pursuant to the Colorado Securities Act (\$80,410) and remaining net proceeds from the Company's private and public offerings

The Company continues to carry out its plan of business as discussed above. The Company cannot predict to what extent its liquidity and capital resources will be diminished prior to the consummation of a business combination or whether its capital will be further depleted by the operating losses, if any, of the business entity which the Company eventually acquires.

#### Results of Operations

Since completing its public offering and during the fiscal quarter ended October 31, 1996, the Company has engaged in no significant operations other than the search for, and identification and evaluation of, possible acquisition candidates. Other than interest income of \$1,905 and \$1,854, respectively no revenues were received by the Company during the quarters ended October 31, 1996 and 1995. No other revenues, except interest income of \$19,919, have been received by the Company since inception. The Company experienced a net profit of \$139 and \$958 respectively, during the quarters ended October 31, 1996 and 1995. This decrease relates primarily to increased secretarial services and classified advertising costs in the current quarter.

For the current fiscal year, the Company anticipates an increased net loss owing to expenses associated primarily with compliance with reporting requirements and with locating and evaluating acquisition candidates. The Company anticipates that until a business combination is completed with an acquisition candidate, it will not generate revenues other than interest income, and may continue to operate at a loss after completing a business combination, depending upon the performance of the acquired business.

#### PART II - OTHER INFORMATION

Item 6. Exhibits and Reports on Form 8-K.

(a) Exhibits

None

(b) Reports on Form 8-K

None

#### SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the Registrant has caused this report to be signed on its behalf by the undersigned duly authorized person.

Date December 20, 1996

By:/s/ Frank L. Kramer

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Frank L. Kramer,  
Chief Financial Officer

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THIS SCHEDULE CONTAINS SUMMARY FINANCIAL INFORMATION EXTRACTED FROM THE BALANCE SHEET AND STATEMENTS OF LOSS AND ACCUMULATED DEFICIT AND IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO SUCH 10QSB FOR THE QUARTER ENDED JULY 31, 1996.

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