

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

**SAN JUAN FINANCIAL INC**

CIK: **1122101** | IRS No.: **943363969** | State of Incorporation: **CO** | Fiscal Year End: **1231**  
Type: **10QSB** | Act: **34** | File No.: **000-31357** | Film No.: **04969854**  
SIC: **6162** Mortgage bankers & loan correspondents

Mailing Address  
4410 NEWTON ST  
DENVER CO 80211

Business Address  
4410 NEWTON STREET  
DENVER CO 80211  
3036944895

UNITED STATES  
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 JUNE 30, 2004

OR

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 0-31357

SAN JUAN FINANCIAL, INC.

Colorado

94-3363969

-----  
State or other jurisdiction  
of incorporation

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

4410 Newton Street  
Denver, CO 80211

-----  
Address of principal executive offices

(720) 434-1194

-----  
Registrant's telephone number, including area code

N/A

-----  
Former address of principal executive offices

Indicate by check mark whether the Registrant (1) has files 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) had been subject to such filing requirements for the past 90 days.

Yes

X

No

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As of August 11, 2004 the Company had 63,000 outstanding shares of common stock.

SAN JUAN FINANCIAL, INC.  
(A Development Stage Company)

FINANCIAL STATEMENTS  
June 30, 2004

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SAN JUAN FINANCIAL, INC.  
(A Development Stage Company)

BALANCE SHEET  
June 30, 2004  
(Unaudited)

ASSETS

CURRENT ASSETS		
Cash and cash equivalents	\$	--
	-----	
Total current assets		--
		-----
TOTAL ASSETS		--
		=====

LIABILITIES AND STOCKHOLDERS' EQUITY

CURRENT LIABILITIES		
	\$	--
STOCKHOLDERS' EQUITY		
Preferred stock, no par value; 10,000,000 shares authorized; no shares issued and outstanding		--
Common stock, no par value; 750,000,000 shares authorized; 63,000 shares issued and outstanding at June 30, 2004		63,000
Deficit accumulated during the development stage		(63,000)
		-----
Total shareholders' equity		--
		-----
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	\$	--
		=====

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

SAN JUAN FINANCIAL, INC.  
(A Development Stage Company)

STATEMENTS OF OPERATIONS AND ACCUMULATED DEFICIT  
(Unaudited)

	For the three months ended June 30,		For the six months ended June 30,		For the period from inception (April 10, 2000) to June 30,
	2004	2003	2004	2003	2004
REVENUES	\$ --	\$ --	\$ --	\$ --	\$ --
EXPENSES					
Bank service charges	--	--	--	--	148
Filing fees	--	--	--	--	5,811
Internet expenses	--	--	--	--	982
Licenses and permits	--	--	--	--	173
Office supplies	--	--	--	--	99
Postage and delivery	--	--	--	--	146
Professional fees	--	--	--	--	48,675
Travel expenses	--	--	--	--	6,966
	-----	-----	-----	-----	-----
Total expenses	--	--	--	--	63,000
	-----	-----	-----	-----	-----
NET LOSS	--	--	--	--	(63,000)
Accumulated deficit					
Balance, beginning of period	(63,000)	(63,000)	(63,000)	(63,000)	--
	-----	-----	-----	-----	-----
Balance, end of period	\$ (63,000)	\$ (63,000)	\$ (63,000)	\$ (63,000)	\$ (63,000)
	=====	=====	=====	=====	=====
NET LOSS PER SHARE	\$ (NIL)	\$ (NIL)	\$ (NIL)	\$ (NIL)	\$ (1.00)
	=====	=====	=====	=====	=====
WEIGHTED AVERAGE NUMBER OF SHARES OUTSTANDING	63,000	63,000	63,000	63,000	63,000
	=====	=====	=====	=====	=====

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

STATEMENTS OF CASH FLOWS  
(Unaudited)

	For the six months ended June 30, 2004	For the six months ended June 30, 2003	For the period from inception (April 10, 2000) to June 30, 2004
	-----	-----	-----
CASH FLOWS FROM OPERATING ACTIVITIES			
Net loss	\$ --	\$ --	\$ (63,000)
Adjustments to reconcile net loss to net cash flows from operating activities	--	--	
	-----	-----	
Net cash flows from operating activities	--	--	(63,000)
CASH FLOWS FROM INVESTING ACTIVITIES	--	--	--
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from the issuance of common stock	--	--	63,000
	-----	-----	-----
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	--	--	--
CASH AND CASH EQUIVALENTS, BEGINNING OF PERIOD	--	--	
	-----	-----	-----
CASH AND CASH EQUIVALENTS, END OF PERIOD	\$ --	\$ --	\$ --
	=====	=====	=====

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

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SAN JUAN FINANCIAL, INC.  
(A Development Stage Company)

NOTES TO FINANCIAL STATEMENTS  
June 30, 2004  
(Unaudited)

1. Management's Representation of Interim Financial Information

The accompanying financial statements have been prepared by San Juan Financial, Inc. 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 statements 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 December 31, 2003.

ITEM 2. MANagements Discussion and Analysis of Financial Condition and Plan of Operation

The Company has never generated any revenues. The Company has not been active for the past two-and-half years. The Company does not have any available credit, bank financing or other external sources of liquidity.

During the year ending December 31, 2004 the Company will attempt to acquire another business.

### Item 3. Controls And Procedures

Based on the evaluation of the Company's disclosure controls and procedures by Troy Fullmer, the Company's Chief Executive and Financial Officer, as of June 30, 2004 such officer has concluded that the Company's disclosure controls and procedures were effective as of June 30, 2004 in ensuring that information required to be disclosed by the Company in the reports that it files or submits under the Securities and Exchange Act of 1934, as amended, is recorded, processed, summarized and reported, within the time period specified by the Securities and Exchange Commission's rules and forms.

There were no significant changes in the Company's internal controls or in other factors during the three months ended June 30, 2004 that could significantly affect these controls subsequent to the date of their evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

## PART II OTHER INFORMATION

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

#### (a) Exhibits

Number -----	Exhibit -----
31	Rule 13a-14(a) Certifications
32	Section 1350 Certifications

#### (b) Reports on Form 8-K

The Company did not file any reports on Form 8-K during the quarter ended June 30, 2004.



SIGNATURES

In accordance with Section 13 or 15(d) of the Exchange Act, the registrant caused this report to be signed on its behalf by the undersigned, thereunto duly authorized on August 12th 2004.

SAN JUAN FINANCIAL, Inc.

By: /s/ Troy Fullmer

-----  
Troy Fullmer, Chief Executive and  
Principal Financial Officer

CERTIFICATIONS

I, Troy Fullmer, the Chief Executive Officer of San Juan Financial, Inc., certify that:

1. I have reviewed this quarterly report on Form 10-QSB of San Juan Financial, Inc.;
2. Based on my knowledge, this 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 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(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15 and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) 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) designed such internal control over financial reporting, or cause such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c) 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
  - d) 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 fiscal 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(s) and I have disclosed, based on our most recent evaluation of the 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 significant role in the registrant's internal control over financial reporting.

August 11, 2004

/s/ Troy Fullmer

-----  
Troy Fullmer, Chief Executive Officer

#### CERTIFICATIONS

I, Troy Fullmer, the Principal Financial Officer of San Juan Financial, Inc., certify that:

1. I have reviewed this quarterly report on Form 10-QSB of San Juan Financial, Inc.;
2. Based on my knowledge, this 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 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(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15 and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) 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) designed such internal control over financial reporting, or cause such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c) 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

d) 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 fiscal 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(s) and I have disclosed, based on our most recent evaluation of the 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 significant role in the registrant's internal control over financial reporting.

August 11, 2004

/s/ Troy Fullmer

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Troy Fullmer, Principal Financial Officer

EXHIBIT 32

In connection with the Quarterly Report of San Juan Financial, Inc. (the "Company") on Form 10-QSB for the period ended June 30, 2004 as filed with the Securities and Exchange Commission (the "Report"), Troy Fullmer, the Chief Executive and Principal Financial Officer of the Company, certifies, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to the best of her knowledge:

- (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 results of the Company.

SAN JUAN FINANCIAL, Inc.

August 11, 2004

By: /s/ Troy Fullmer

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Troy Fullmer, Chief Executive and  
Principal Financial Officer