

SECURITIES AND EXCHANGE COMMISSION

FORM 10QSB/A

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

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FILER

S D E HOLDINGS 2 INC

CIK: **1110282** | IRS No.: **841529309** | State of Incorp.: **NV** | Fiscal Year End: **0228**
Type: **10QSB/A** | Act: **34** | File No.: **000-30129** | Film No.: **03546379**
SIC: **9995** Non-operating establishments

Mailing Address
P O BOX 1467
BOULDER CO 80306

Business Address
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BOULDER CO 80306
3034405356

SECURITIES AND EXCHANGE COMMISSION
Washington D.C. 20549

FORM 10-QSB/A

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

For the Quarterly Period ended: August 31, 2002

Commission file number 000-30129

S.D.E. HOLDINGS 2, INC.

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

Nevada

84-1529309

(State or other jurisdiction of
or organization)

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

7609 Ralston Road, Arvada, CO 80002

Address of principal executive offices)

(303) 422-8127

(Issuer's telephone number)

Check whether the registrant (1) filed all reports required to be filed by
Section 13 or 15(d) of the Exchange Act of 1934 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 X No

As of August 31, 2002 1,000,000 shares of common stock were outstanding.

Transitional Small Business Disclosure Format: Yes No X

SDE HOLDINGS 2, INC.

(A DEVELOPMENT STAGE COMPANY)
FINANCIAL STATEMENTS

AUGUST 31, 2002
(UNAUDITED)

MICHAEL JOHNSON & CO., LLC
Certified Public Accountants
9175 East Kenyon Ave., Suite 100
Denver, Colorado 80237

Michael B. Johnson C.P.A.
Member: A.I.C.P.A.
Colorado Society of C.P.A.s

Telephone: (303) 796-0099
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ACCOUNTANT'S REVIEW REPORT

Board of Directors
SDE Holdings 2, Inc.
Denver, CO

We have reviewed the accompanying balance sheet of SDE Holdings 2, Inc. (a

development stage company) for August 31, 2002 and the related statement of operations for the three and six-months ended August 31, 2002 and 2001 and the period from January 19, 2000 (inception) to August 31, 2002, and cash flows for the six-months ended August 31, 2002 and 2001 and the period from January 19, 2000 (inception) to August 31, 2002, included in the accompanying Securities and Exchange Commission Form 10-QSB for the period ended August 31, 2002. These financial statements are the responsibility of the Company's management.

We conducted our review in accordance with standards established by the American Institute of Certified Public Accountants. A review of interim financial information consists principally of applying analytical procedures to financial data and making inquiries of persons responsible for financial and accounting matters. It is substantially less in scope than an audit conducted in accordance with auditing standards generally accepted in the United States, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

Based on our review, we are unaware of any material modifications that should be made to the accompanying financial statements for them to be in conformity with accounting principles generally accepted in the United States.

We have previously audited, in accordance with auditing standards generally accepted in the United States, the balance sheet as of February 28, 2002 and 2001, and the related statements of operations, stockholders' equity and cash flows for the year then ended (not presented herein). In our report dated May 4, 2002, we expressed an unqualified opinion on those financial statements. In our opinion, the information set forth in the accompanying balance sheet as of August 31, 2002 is fairly stated in all material respects in relation to the balance sheet from which it has been derived.

Michael Johnson & Co., LLC
November 20, 2002
/s/Michael Johnson & Co., LLC

<TABLE>
<CAPTION>

S.D.E. HOLDINGS 2, INC.
(A Development Stage Company)
Balance Sheets
(Unaudited)

<S>	<C>	<C>
	August 31, 2002	February 28, 2002
	-----	-----
ASSETS:		
Current assets:		
Cash	\$ -	\$ -
	-----	-----
Total Current Assets	-	-
	-----	-----
TOTAL ASSETS	\$ -	\$ -
	=====	=====
LIABILITIES AND STOCKHOLDERS' EQUITY:		
Current Liabilities:		
Accounts Payable - Related Party	\$ 2,220	\$ 2,220
	-----	-----
Total Current Liabilities	2,220	2,220
	-----	-----
Stockholders' Equity:		
Common Stock, \$.001 Par Value, 25,000,000 shares		
authorized, 1,000,000 shares issued and outstanding	1,000	1,000
Deficit accumulated during the development stage	(3,220)	(3,220)
	-----	-----
Total Stockholders' Deficit	(2,220)	(2,220)
	-----	-----
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	\$ -	\$ -
	=====	=====

</TABLE>

See Accountant's Review Report

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<CAPTION>

<S>	<C>	Three-Months Ended August 31,		Six-Months Ended August 31,		January 19, 2000 (Inception) to August 31, 2002
		2002 ----	2001 ----	2002 ----	2001 ----	2002 ----
Revenue						
Revenue		\$ -	\$ -	\$ -	\$ -	\$ -
		-----	-----	-----	-----	-----
Total Income		-	-	-	-	-
Operating Expenses						
General and Administrative		-	-	-	-	3,220
		-----	-----	-----	-----	-----
Total Expenses		-	-	-	-	3,220
		-----	-----	-----	-----	-----
Net Loss From Operations		-	-	-	-	(3,220)
		-----	-----	-----	-----	-----
Other Income						
Interest Income		-	-	-	-	-
		-----	-----	-----	-----	-----
Net Loss		\$ -	\$ -	\$ -	\$ -	\$ (3,220)
		=====	=====	=====	=====	=====
Per Share Information:						
Weighted average number of common shares outstanding		1,000,000	1,000,000	1,000,000	1,000,000	
		-----	-----	-----	-----	
Net Loss per Common Share		*	*	*	*	
		=====	=====	=====	=====	

*Less than \$.01

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<CAPTION>

S.D.E. HOLDINGS 2, INC.
(A Development Stage Company)
Statement of Stockholders' Equity (Deficit)
August 31, 2002
(Unaudited)

<S>	<C>	<C>	<C>	<C>	<C>
	Common Stock # of Shares -----	Amount -----	Additional Paid-In Capital -----	Deficit Accumulated During the Development Stage -----	Totals -----
Balance - January 19, 2000	-	\$ -	\$ -	\$ -	\$ -
Issuance for cash February 21, 2000	1,000,000	1,000	-	-	1,000
Net Loss for Period	-	-	-	(220)	(220)
	-----	-----	-----	-----	-----
Balance - February 29, 2000	1,000,000	1,000	-	(220)	780
	-----	-----	-----	-----	-----
Net Loss for year	-	-	-	(2,349)	(2,349)
	-----	-----	-----	-----	-----
Balance - February 28, 2001	1,000,000	1,000	-	(2,569)	(1,569)
	-----	-----	-----	-----	-----
Net Loss for year	-	-	-	(651)	(651)
	-----	-----	-----	-----	-----
Balance - February 28, 2002	1,000,000	1,000	-	(3,220)	(2,220)
	-----	-----	-----	-----	-----
Net Loss for Period	-	-	-	-	-

Balance - August 31, 2002	----- 1,000,000 =====	----- \$ 1,000 =====	----- \$ - =====	----- \$ (3,220) =====	----- \$ (2,220) =====
---------------------------	-----------------------------	----------------------------	------------------------	------------------------------	------------------------------

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<CAPTION>

S.D.E. HOLDINGS 2, INC.
(A Development Stage Company)
Statement of Cash Flows
(Unaudited)

<S>	<C>	<C>	<C>
	Six-Months Ended August 31, 2002	2001	January 19, 2000 (Inception) to August 31, 2002
	-----	-----	-----
Cash Flows from Operating Activities:			
Net Loss	\$ -	\$ -	\$ (3,220)
Increase in Accounts Payable	-	-	2,220
	-----	-----	-----
Net Cash Flows Used by Operating Activities	-	-	(1,000)
	-----	-----	-----
Cash Flows from Financing Activities:			
Issuance of Common Stock	-	-	1,000
	-----	-----	-----
Net Cash Flows Provided by Financing Activities	-	-	1,000
	-----	-----	-----
Net Increase (Decrease) in Cash	-	-	-
	-----	-----	-----
Cash and cash equivalents - Beginning of period	-	-	-
	-----	-----	-----
Cash and cash equivalents - End of period	\$ -	\$ -	\$ -
	=====	=====	=====
Supplemental Disclosure of Cash Flow Information			
Cash paid for Interest	\$ -	\$ -	\$ -
	=====	=====	=====
Cash paid for Income Taxes	\$ -	\$ -	\$ -
	=====	=====	=====

</TABLE>
See Accountant's Review Report

SDE HOLDINGS 2, INC.
(A DEVELOPMENT STAGE COMPANY)
Notes to Financial Statements
August 31, 2002
(Unaudited)

Note 1 - Presentation of Interim Information:

In the opinion of the management of SDE Holdings 2, Inc., the accompanying unaudited financial statements include all normal adjustments considered necessary to present fairly the financial position as of August 31, 2002 and the results of operations for the three and six-months ended August 31, 2002 and 2001 and the period from January 19, 2000 (inception) to August 31, 2002, and cash flows for the six-months ended August 31, 2002 and 2001 and the period from January 19, 2000 (inception) to August 31, 2002. Interim results are not necessarily indicative of results for a full year.

The financial statements and notes are presented as permitted by Form 10-QSB, and do not contain certain information included in the Company's audited financial statements and notes for the fiscal year ended February 28, 2002.

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

- - - -----

LIQUIDITY AND CAPITAL RESOURCES

The Company had \$0 cash capital at the end of the period and no current assets. The Company will be forced to either borrow or make private placements of stock in order to fund operations. No assurance exists as to the ability to achieve loans or make private placements of stock.

Results of Operation for the Three Month Period Ended August 31, 2002 compared to same period in 2001.

The company had no revenues or operations in the quarter in 2002 nor 2001. The company incurred no expenses in the quarter in 2002 or 2001.

Results of Operations for the Six Month Period Ended August 31, 2002 compared to same period in 2001.

The Company had no operations or revenues for the six month period ended August 31, in 2002 or 2001. The Company incurred no general and administrative expenses in the period in 2002 in or 2001. The Company had no loss in the period in 2002 or 2001. The loss per share was none in the period in 2002 or in 2001.

(a) Plan of Operation. S.D.E. Holdings 2, Inc. (the "Company") intends to seek to acquire assets or shares of an entity actively engaged in business which generates revenues, in exchange for its securities. The Company has no particular acquisitions in mind and has not entered into any negotiations regarding such an acquisition. As of the date of this report, the Company has no plans, arrangements, understandings or commitments with respect to any potential merger or acquisition, nor is the Company engaged in negotiations with respect to such matter.

transferred will not materially differ from the representations included in such closing documents, or the transaction will be voidable.

(b) Liquidity and Capital Resources. At August 31, 2002, the Company had minimal cash or other assets with which to conduct operations. There can be no assurance that the Company will be able to complete its business plan and to exploit fully any business opportunity that management may be able to locate on behalf of the Company. Due to the lack of a specified business opportunity, the Company is unable to predict the period for which it can conduct operations. Accordingly, the Company will need to seek additional financing through loans, the sale and issuance of additional debt and/or equity securities, or other financing arrangements. Management of the Company and its counsel have advised that they will pay certain costs and expenses of the Company from their personal funds as interest free loans in order to facilitate development of the Company's business plan. Management believes that the Company has inadequate working capital to pursue any operations at this time; however, loans to the Company from management and its counsel may facilitate development of the business plan. For the foreseeable future, the Company through its management and counsel intend to pursue acquisitions as a means to develop the Company. The Company does not intend to pay dividends in the foreseeable future. As of the end of the reporting period, the Company had no material cash or cash equivalents. There was no significant change in working capital during this quarter.

Trends: The company expects that the trend of no income and ongoing losses will continue in the future until a business combination has been made which may afford revenues and potential cash flows. No assurance can be made that any such combination will ever occur.

Evaluation of Internal and Disclosure Controls

The management of the company has evaluated the effectiveness of the issuer's disclosure controls and procedures as of a date within 90 days prior to the filing date of the report (evaluation date) and have concluded that the disclosure controls and procedures are adequate and effective based upon their evaluation as of the evaluation date.

There were no significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of the most recent evaluation of such, including any corrective actions with regard to significant deficiencies and material weaknesses.

PART II--OTHER INFORMATION

Item 1. Legal Proceedings.

- - - -----

There are no pending legal proceedings, and the Company is not aware of any threatened legal proceedings, to which the Company is a party.

Item 2. Changes in Securities.

- - - -----

(a) There have been no material modifications in any of the instruments defining the rights of the holders of any of the Company's registered securities.

(b) None of the rights evidenced by any class of the Company's registered securities have been materially limited or qualified by the issuance or modification of any other class of the Company's securities.

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) Exhibits

SK# 99.14 Sarbanes-Oxley Certification

(b) Reports on Form 8-K

No reports on Form 8-K were filed during the quarter for which this report is filed.

SIGNATURES

In accordance with the requirements of the Securities Exchange Act of 1934, as amended, the registrant caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

S.D.E. Holdings 2, Inc.

Date: January 28, 2003

/s/Scott Deitler

Scott Deitler, President

CERTIFICATION OF DISCLOSURE 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 Amended Quarterly Report of S.D.E. Holding 2, Inc. (the "Company") on Form 10-QSB/A for the period ending August 31, 2002 as filed with the Securities and Exchange Commission on the date hereof (the "Report"). I, Scott Deitler, Chief Executive Officer of the Company, certify, pursuant to 18 USC section 1350, as adopted pursuant to section 906 of the Sarbanes-Oxley Act of 2002, that to the best of my knowledge and belief:

- (1) I am the certifying Officer and I have reviewed the report being filed;
- (2) Based on my knowledge, the 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 the report;
- (3) Based on my knowledge, the financial statements, and other financial information included in the report, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer, as of, and for, the periods presented in the report.
- (4) I and the other certifying officers are responsible for establishing and maintaining disclosure controls and procedures (as such term is defined in paragraph (c) of this section) for the issuer and have:
 - i. Designed such disclosure controls and procedures to ensure that material information relating to the issuer, including its consolidated subsidiaries, is made know to them by others within those entities, particularly during the period in which the periodic reports are being prepared;
 - ii. Evaluated the effectiveness of the issuer's disclosure controls and procedures as of a date within 90 days prior to the filing date of the report ("Evaluation Date"); and
 - iii. Presented in the report their conclusions about the effectiveness of the disclosure controls and procedures based on their evaluation as of the Evaluation Date;
- (5) I and the other certifying officers have disclosed, based on their most recent evaluation, to the issuer's auditors and the audit committee of the Board of Directors (or persons fulfilling the equivalent function);

- i. All significant deficiencies in the design or operation of internal controls which could adversely affect the issuer's ability to record, process, summarize and report financial data and have identified for the issuer's auditors any material weaknesses in internal controls; and ii. Any fraud, whether or not material, that involves management or other employees who have a significant role in the issuer's internal controls; and
- (6) I and the other certifying officers have indicated in the 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 their most recent evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

Dated: January 28, 2003

Officer: Scott Deitler

Name: Scott Deitler

Position: Chief Executive Officer