

Edgar Filing: JURAK CORP WORLD WIDE INC - Form 10-Q

JURAK CORP WORLD WIDE INC  
Form 10-Q  
April 13, 2001

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, DC 20549

Form 10-Q

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

For the quarterly period ended February 28, 2001

-----  
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 333-61801  
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JURAK CORPORATION WORLD WIDE, INC.  
(Exact name of registrant as specified in its charter)

MINNESOTA  
-----

88-0407679  
-----

(State or other jurisdiction of  
incorporation or organization)

(IRS Employer Identification No.)

1181 Grier Drive, Suite C, Las Vegas, NV 89119-3746  
-----

(Address of principal executive offices)

(702) 914-9688  
-----

(Registrant's telephone number, including area code)

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

15,527,750 Common Shares were outstanding as of April 16, 2001  
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JURAK CORPORATION WORLD WIDE, INC.

I N D E X

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Part I. FINANCIAL INFORMATION  
Item I. FINANCIAL STATEMENTS

JURAK CORPORATION WORLD WIDE, INC.

CONDENSED BALANCE SHEETS

| ASSETS   | February 28,<br>2001<br>-----<br>(Unaudited) | May 31,<br>2000<br>-----<br>(Audited) |
|--|--|---------------------------------------|
| Cash (including savings)                       | \$ 1,331                                     | \$ 12,899                             |
| Accounts receivable                            | 188  | 488                                   |
| Inventories                                    | 95,003                                       | 174,852                               |
|  | -----  | -----                                 |
| Total current assets                           | 96,522                                       | 188,239                               |
| Property, plant and equipment - net            | 52,690                                       | 74,548                                |
| Other assets                                   | 102,200                                      | 65,959                                |
|  | -----  | -----                                 |
|  | \$ 251,412                                   | \$ 328,746                            |
|  | =====  | =====                                 |
| LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIT) |  |                                       |
| Accounts payable                               | \$ 85,259                                    | \$ 29,159                             |
| Accrued expenses                               | 168,548                                      | 63,534                                |

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|                                     |             |             |
|-------------------------------------|-------------|-------------|
| Payable to stockholder, officer     | 1,223,734   | 1,079,674   |
|                                     | -----       | -----       |
| Total current liabilities           | 1,477,541   | 1,172,367   |
| <br>STOCKHOLDERS' EQUITY (DEFICIT): |             |             |
| Common stock                        | 15,528      | 15,528      |
| Additional paid-in capital          | 569,158     | 569,158     |
| Accumulated deficit                 | (1,810,815) | (1,428,307) |
|                                     | -----       | -----       |
|                                     | (1,226,129) | (843,621)   |
|                                     | -----       | -----       |
|                                     | \$ 251,412  | \$ 328,746  |
|                                     | =====       | =====       |

Note: The balance sheet at May 31, 2000 has been taken from the audited financial statements at that date, and has been condensed.

See Notes to Condensed Financial Statements.

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### JURAK CORPORATION WORLD WIDE, INC.

#### STATEMENTS OF OPERATIONS (Unaudited)

|   | Three Months Ended<br>February 28 |              | Nine Months<br>Februa |
|---|-----------------------------------|--------------|-----------------------|
|   | 2001                              | 2000         | 2001                  |
|   | -----                             | -----        | -----                 |
| Sales                                       | \$ 276,553                        | \$ 92,693    | \$ 663,284            |
| Cost of sales                               | 38,159                            | 7,044        | 83,910                |
|   | -----                             | -----        | -----                 |
| Gross profit                                | 238,394                           | 85,649       | 579,374               |
| Selling, general and administrative expense | 331,688                           | 173,452      | 908,257               |
|   | -----                             | -----        | -----                 |
| Loss from operations                        | (93,294)                          | (87,803)     | (328,883)             |
|   | -----                             | -----        | -----                 |
| Other income (expense):                     |                                   |              |                       |
| Interest income                             | --                                | 223          | 460                   |
| Interest expense                            | (18,500)                          | (15,000)     | (54,085)              |
|   | -----                             | -----        | -----                 |
|   | (18,500)                          | (14,777)     | (53,625)              |
|   | -----                             | -----        | -----                 |
| Loss before income taxes                    | (111,794)                         | (102,580)    | (382,508)             |
| Income taxes                                | --                                | --           | --                    |
|   | -----                             | -----        | -----                 |
| Net loss                                    | \$ (111,794)                      | \$ (102,580) | \$ (382,508)          |
|   | =====                             | =====        | =====                 |

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|   |            |            |            |
|---|------------|------------|------------|
| Loss per common share                   | \$ (0.01)  | \$ (0.01)  | \$ (0.02)  |
|   | =====      | =====      | =====      |
| Loss per common share assuming dilution | \$ (0.01)  | \$ (0.01)  | \$ (0.02)  |
|   | =====      | =====      | =====      |
| Weighted average outstanding shares     | 15,527,750 | 15,527,750 | 15,527,750 |
|   | =====      | =====      | =====      |

See Notes to Condensed Financial Statements.

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JURAK CORPORATION WORLD WIDE, INC.  
 CONDENSED STATEMENTS OF CASH FLOWS  
 (Unaudited)

|   | Nine Months Ended<br>February 28 |              |
|---|----------------------------------|--------------|
|   | 2001                             | 2000         |
|   | ----                             | ----         |
| CASH FLOWS FROM OPERATING ACTIVITIES:           |                                  |              |
| Net loss  | \$ (382,508)                     | \$ (355,850) |
| Depreciation                                    | 22,448                           | 9,000        |
| Changes in current assets and liabilities:      |                                  |              |
| Accounts receivable                             | 300                              | (577)        |
| Inventories                                     | 79,849                           | 26,925       |
| Accounts payable                                | 56,100                           | (12,710)     |
| Accrued expenses                                | 105,014                          | (1,997)      |
| Payable to stockholder, officer                 | 144,060                          | 347,493      |
|   | -----                            | -----        |
| Net cash provided by operating activities       | 25,263                           | 12,284       |
| CASH FLOWS FROM INVESTING AND OTHER ACTIVITIES: |                                  |              |
| Purchase of equipment                           | (590)                            | (3,150)      |
| Restricted cash                                 | (36,241)                         | (12,847)     |
|   | -----                            | -----        |
| Net cash used in investing and other activities | (36,831)                         | (15,997)     |
| CASH FLOWS FROM FINANCING ACTIVITIES:           |                                  |              |
| Issuance of common stock                        | --                               | --           |
|   | -----                            | -----        |
| Net decrease in cash and savings                | (11,568)                         | (3,713)      |
| Cash and savings:                               |                                  |              |
| Beginning of period                             | 12,899                           | 6,836        |
|   | -----                            | -----        |
| End of period                                   | \$ 1,331                         | \$ 3,123     |
|   | =====                            | =====        |

See Notes to Condensed Financial Statements.

JURAK CORPORATION WORLD WIDE, INC.

NOTES TO CONDENSED FINANCIAL STATEMENTS  
(Unaudited)

Note 1. Condensed Financial Statements:

The condensed balance sheet as of February 28, 2001, the statement of operations for the three-month and nine-month periods ended February 28, 2001 and 2000, and the condensed statement of cash flows for the nine-month periods then ended have been prepared by the Company, without audit. In the opinion of management, all adjustments (which include only normal recurring adjustments) necessary to present fairly the financial position, results of operations and changes in cash flows at February 28, 2001 and for all periods presented have been made.

Certain information and footnote disclosures normally included in financial statements prepared in accordance with generally accepted accounting principles have been condensed or omitted. It is suggested that these condensed financial statements be read in conjunction with the financial statements and notes thereto included in the Company's May 31, 2000 audited financial statements. The results of operations for the period ended February 28, 2001 are not necessarily indicative of the operating results for the full year.

Note 2. Inventories:

Inventories consist of the following:

|                | February 28,<br>2001<br>---- | May 31,<br>2000<br>---- |
|----------------|------------------------------|-------------------------|
| Raw materials  | \$ 16,900                    | \$ 16,900               |
| Finished goods | 78,103                       | 157,952                 |
|                | -----                        | -----                   |
| Totals         | \$ 95,003<br>=====           | \$ 174,852<br>=====     |

Note 3. Stockholders' Equity (Deficit):

During the nine months ended February 28, 2001, stockholders' deficit changed for a net loss of \$382,508.

JURAK CORPORATION WORLD WIDE, INC.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION  
AND RESULTS OF OPERATIONS

The Company has continued to increase its revenue from sales of its products. There were sales of \$276,553 during the three months ended February

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28, 2001, compared to \$92,693 for the same period in 2000. There were cost of sales of \$38,159 in 2001, and cost of sales in 2000 was \$7,044, for a gross profit of \$238,394 in 2001, compared to a gross profit of \$85,649 in 2000. During the same period the Company expended selling, general, and administrative expenses of \$173,452 in 2000 for a net loss of \$102,580; in 2001 it expended selling, general and administrative expenses of \$331,688 for a net loss of \$111,794, and a net loss per share of \$.01. The increase in selling, general and administrative expense was due to increased printing costs, two new employees, the purchase of new computer equipment and increased sales commissions.

There were sales of \$663,284 during the nine months ended February 28, 2001, compared to \$284,465 for the same period in 2000. There were cost of sales of \$83,910 in 2001, and cost of sales in 2000 was \$33,565, for a gross profit of \$579,374 in 2001, compared to a gross profit of \$250,900 in 2000. During the same period the Company expended selling, general, and administrative expenses of \$534,890 in 2000 for a net loss of \$355,850; in 2001 it expended selling, general and administrative expenses of \$908,257 for a net loss of \$382,508, and a net loss per share of \$.02. The increase in selling, general and administrative expense was due to increased printing costs, two new employees, the purchase of new computer equipment and increased sales commissions.

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### PART II. OTHER INFORMATION

#### Item 1. Legal Proceedings

The Company is aware of no legal proceeding which is pending or threatened to which the Company is a party or of which its property is subject.

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

- (b) No reports on Form 8-K were filed during the nine months ended February 28, 2001.

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SIGNATURE

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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.

JURAK CORPORATION WORLD WIDE, INC.

Date: April 12, 2001

By: /s/ Anthony Carl Jurak  
Anthony Carl Jurak  
Chairman of the Board and Director