

Edgar Filing: JOINTLAND DEVELOPMENT, INC. - Form 10QSB

GLOBAL ASSETS AND SERVICES, INC.

(A DEVELOPMENT STAGE COMPANY)
FINANCIAL STATEMENTS

MARCH 31, 2005
(UNAUDITED)

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REPORT ON REVIEW BY INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

Board of Directors
Jointland Development, Inc.
Hong Kong

We have reviewed the accompanying balance sheet of Jointland Development, Inc. for March 31, 2005 and the related statement of operations and cash flows for the three-months ended March 31, 2005 and 2004, and May 25, 1988 (inception) to March 31, 2005, included in the accompanying Securities and Exchange Commission Form 10-QSB for the period ended March 31, 2005. 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.

The accompanying financial statements have been prepared assuming that the Company will continue as a going concern. As discussed in Note 2 to the financial statements the Company is in the development stage, and will require funds from profitable operations, from borrowing, or from sale of equity securities to execute its business plan. Management's plans in regard to these matters are also described in Note 2. These factors raise substantial doubt about its ability to continue as a going concern. The financial statements do not include any adjustments that might result from this uncertainty.

We have previously audited, in accordance with auditing standards generally accepted in the United States, the balance sheet as of December 31, 2004, and the related statements of operations, stockholders' equity and cash flows for the year then ended (not presented herein). In our report dated April 14, 2005, we expressed an unqualified opinion on those financial statements. In our opinion, the information set forth in the accompanying balance sheet as of March 31, 2005 is fairly stated in all material respects in relation to the balance sheet from which it has been derived.

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/s/ Michael Johnson & Co., LLC
 Michael Johnson & Co., LLC
 Denver, CO
 May 11, 2005

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JOINTLAND DEVELOPMENT, INC.
 (Formerly Global Assets and Services, Inc.)
 (A Development Stage Company)
 Balance sheets
 (Unaudited)

| | March 31, 2005 |
|---|-------------------|
| | ----- |
| ASSETS: | |
| Current assets: | |
| Cash | \$ 15,521 |
| | ----- |
| Total current assets | 15,521 |
| | ----- |
| Other assets: | |
| Prepaid Expenses | 6,431 |
| | ----- |
| Total other assets | 6,431 |
| | ----- |
| TOTAL ASSETS | \$ 21,952 |
| | ===== |
| LIABILITIES AND STOCKHOLDERS' EQUITY: | |
| Current Liabilities: | |
| Accounts Payable and Accrued Liabilities | \$ 39,963 |
| Notes Payable - Shareholder | 230,749 |
| | ----- |
| Total Current Liabilities | 270,712 |
| | ----- |
| Stockholders' Equity: | |
| Common Stock, \$0.001 Par Value, 100,000,000 shares authorized, 1,979,965 shares issued and outstanding in 2005 and 2004. | 1,981 |
| Additional Paid-In Capital | 3,480,670 |
| Deficit accumulated during the development stage | (3,731,411) |
| | ----- |
| | (248,760) |
| | ----- |
| Total Stockholders' Deficit | \$ 21,952 |
| | ===== |

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TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY

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JOINTLAND DEVELOPMENT, INC.
 (Formerly Global Assets and Services, Inc.)
 (A Development Stage Company)
 Statements of Operations
 (Unaudited)

| | Three-Months Ended | | May 25, 198 |
|---|--------------------|-----------|-------------|
| | March 31, | 2004 | (Inception) |
| | 2005 | | March 31, |
| | | | 2005 |
| Revenue | | | |
| Revenue | \$ - | \$ - | \$ 846, |
| (Less) Cost of Sales | - | - | (336, |
| Total Income | - | - | 510, |
| Operating Expenses | | | |
| Doubtful Accounts | - | - | 34, |
| Consultant Fees | - | - | 2,189, |
| Legal & Accounting | 74,879 | - | 235, |
| Advertising | - | - | 14, |
| Directors and Officers Fees | - | - | 1,409, |
| Telephone | - | - | 30, |
| Travel | 2,527 | - | 21, |
| Rent | - | - | 52, |
| Other General Expenses | 35 | - | 249, |
| Total Expenses | 77,441 | - | 4,237, |
| Net Loss From Operations | (77,441) | - | (3,727, |
| Other Income | | | |
| Interest Expense | - | - | (8, |
| Interest Income | - | - | 4, |
| Net Loss | \$ (77,441) | \$ - | \$ (3,731, |
| Per Share Information: | | | |
| Weighted average number of common shares outstanding | 1,979,965 | 1,979,965 | |
| Net Loss per Common Share | \$ (0.04) | * | |

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* Less than \$.01

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JOINTLAND DEVELOPMENT, INC.
 (Formerly Global Assets and Services, Inc.)
 (A Development Stage Company)
 Statements of Operations
 (Unaudited)

| | Three-Months Ended March 31, | |
|--|---------------------------------|-------|
| | 2005 | 2004 |
| | ----- | ----- |
| Cash Flows from Operating Activities: | | |
| Net Loss | \$ (77,441) | |
| Issuance of stock for services | - | |
| Adjustments to reconcile net loss to cash used in operating activities: | | |
| (Increase) in prepaid expenses | (6,431) | |
| Increase in accounts payable | 39,963 | |
| | ----- | ----- |
| Net Cash Flows Used by Operating Activities | (43,909) | |
| | ----- | ----- |
| Cash Flows from Financing Activities: | | |
| Proceeds from Notes Payable | 551 | |
| Issuance of Common Stock for Asset Acquisition | - | |
| Issuance of Common Stock | - | |
| | ----- | ----- |
| Net Cash Flows Provided by Financing Activities | 551 | |
| | ----- | ----- |
| Net Increase (Decrease) in Cash | (43,358) | |
| | ----- | ----- |
| Cash and cash equivalents - Beginning of period | 58,879 | |
| | ----- | ----- |
| Cash and cash equivalents - End of period | \$ 15,521 | \$ |
| | ===== | ===== |
| Supplemental Disclosure of Cash Flow Information | | |
| Cash paid for Interest | \$ - | |
| | ===== | ===== |
| Cash paid for Income Taxes | \$ - | |
| | ===== | ===== |
| Non-Cash Transactions | | |
| Common stock issued in exchange for services | \$ - | |
| | ===== | ===== |

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JOINTLAND DEVELOPMENT, INC.
 (Formerly Global Assets and Services, Inc.)
 (A Development Stage Company)
 Statements of Operations
 (Unaudited)

| | Common Stock | | Additional |
|--|--------------|--------|--------------------|
| | # of Shares | Amount | Paid-In Capital |
| | ----- | ----- | ----- |
| Balance - December 31, 1997 | 87,955 | 88 | 208,875 |
| Balance - December 31, 1998 | 87,955 | 88 | 208,875 |
| Balance - December 31, 1999 | 87,955 | 88 | 208,875 |
| Balance - December 31, 2000 | 87,955 | 88 | 208,875 |
| Issuance of stock for services 12/11 | 68,000 | 68 | 3,332 |
| Loss for year | - | - | - |
| Balance - December 31, 2001 | 155,955 | 156 | 212,207 |
| Issuance of stock for cash 3/28 | 400 | 1 | 1,999 |
| Issuance of stock for services 3/28 | 136,000 | 136 | 679,864 |
| Issuance of stock for services 4/2 | 20,000 | 20 | 99,980 |
| Issuance of stock for services 6/18 | 10,000 | 10 | 49,990 |
| Issuance of stock for services 7/12 | 14,200 | 14 | 71,023 |
| Issuance of stock for Asset Acquisition 8/12 | 35,000 | 35 | 656,215 |
| Issuance of stock for services 8/12 | 11,800 | 12 | 58,988 |
| Issuance of stock for cash 9/18 | 1,600 | 1 | 19,999 |
| Issuance of stock for services 10/15 | 98,900 | 99 | 494,401 |
| Loss for year | - | - | - |
| Balance - December 31, 2002 | 483,855 | 484 | 2,344,666 |
| Issuance of stock for services 1/15 | 55,500 | 55 | 254,945 |
| Issuance of stock for services 3/11 | 52,600 | 53 | 254,947 |
| Issuance of stock for services 4/20 | 2,000 | 2 | 9,998 |
| Issuance of stock for services 5/28 | 36,000 | 36 | 179,964 |
| Loss for Year | - | - | - |
| Balance - December 31, 2003 | 629,955 | 630 | 3,044,520 |
| Issuance of stock for cash | 1,000,000 | 1,000 | 249,000 |
| Issuance of stock for services | 150,000 | 150 | 37,350 |
| Issuance of stock for services | 10 | 1 | - |
| Issuance of stock for cash | 200,000 | 200 | 149,800 |

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| | | | |
|-----------------------------|-----------|----------|-------------|
| Loss for Year | - | - | - |
| | ----- | ----- | ----- |
| Balance - December 31, 2004 | 1,979,965 | 1,981 | 3,480,670 |
| | ----- | ----- | ----- |
| Loss for Period | - | - | - |
| | ----- | ----- | ----- |
| Balance - March 31, 2005 | 1,979,965 | \$ 1,981 | \$3,480,670 |
| | ===== | ===== | ===== |

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JOINTLAND DEVELOPMENT, INC.
(Formerly Global Assets & Services, Inc.)
(A Development Stage Company)
Notes to Financial Statements
March 31, 2005
(Unaudited)

Note 1 - Presentation of Interim Information:

In the opinion of the management of Jointland Development, Inc., the accompanying unaudited financial statements include all normal adjustments considered necessary to present fairly the financial position as of March 31, 2005 and the results of operations and cash flows for the three-months ended March 31, 2005 and 2004, and May 25, 1988 (inception) to March 31, 2005. 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 December 31, 2004.

Note 2 - Going Concern:

The Company's financial statements have been presented on the basis that it is a going concern, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business.

The Company is in the development stage and has not earned any revenue from operations. The Company's ability to continue as a going concern is dependent upon its ability to develop additional sources of capital or locate a merger candidate and ultimately, achieve profitable operations. The accompanying financial statements do not include any adjustments that might result from the outcome of these uncertainties. Management is seeking new capital to revitalize the Company.

ITEM 2. MANAGEMENT'S DISCUSSION AND PLAN OF OPERATIONS

RESULTS OF OPERATIONS FOR THREE MONTH PERIOD ENDED MARCH 31, 2005 COMPARED TO
SAME PERIOD IN 2004

Subsequent to the change in control of the Company in or about September 2004, the new management of the Company had been engaging itself to seek for opportunities for the purposes of investing in real estate development projects in the People's Republic of China ("PRC").

In or about [October 2004], the Company began negotiation with a real estate project company by the name of Anhui Zhongan Real Estate Exploiting Co. Ltd. ("Anhui Zhongan") pursuant to which the Company would acquire the entire interest of an entity which is the holder of a majority interest in Anhui Zhongan, itself being the developer of a substantial real estate residential development project in the city of Hebei City in the Anhui Province in the PRC. Such project as has been carried out by Anhui Zhongan comprises of parcels of land and residential buildings constructed thereon. As at the date of this quarterly report, the Company is still in the course of negotiating the terms and conditions as set out in the relevant documentation in respect such acquisition.

Apart from the abovementioned proposed acquisition, the Company has, since November 2004, also been interested in investing in the development of another real estate development to be carried out in a location adjacent to the parkland along the Qiantang River and the proposed Central Park of Qianjiang New Century City within the new Xiaoshan City District in Hangzhou in the PRC. According to a detailed project development plans prepared by a firm of architects engaged by the Company, the project has been organized into five quadrants: an international office and consulate zone, a hotel and serviced apartment zone, a Chinese trade and office centre zone and the residential zone. The site where this project relates to covers an area of close to [300,000] m2 with an estimated gross floor areas of almost [1.8] million m2. Presently the Company is in the process of, amongst other matters, seeking the necessary project financing for the development of this project.

Professional and other fees have been incurred in performing due diligence review, planning, obtaining all necessary financial information, preparation of documentation as well as conducting negotiations with various parties in connection with the Company's potential investment in the aforementioned business ventures.

The Company incurred general expenses of \$77,441 for the three month period in 2004 compared to \$0 in 2004. There were no revenues for the period in 2005 or 2004. The Company recorded a net loss of (\$77,441) in the period in 2005 compared to no loss in 2004. The net loss per share was (\$0.04) in the period in 2005 compared to a nominal loss in 2004. The largest components of the operating expenses in 2005 in the quarter were \$74,879 in legal and accounting fees and \$2,527 in directors and officers fees.

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LIQUIDITY AND CAPITAL RESOURCES

The Company had minimal cash capital at the end of the period, which is insufficient for any significant operations. The Company will need 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. The Company is seeking capital sources for investment, but there is no assurance sources can be found.

Going Concern

The Company's financial statements have been presented on the basis that it is a going concern, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business.

The Company is in the development stage and has not earned any revenue from operations. The Company's ability to continue as a going concern is dependent upon its ability to develop additional sources of capital or locate a merger candidate and ultimately, achieve profitable operations. The accompanying financial statements do not include any adjustments that might result from the outcome of these uncertainties. Management is seeking new capital to revitalize the Company.

Need for Additional Financing

The Company believes it has sufficient capital to meet its short-term cash needs, including the costs of compliance with the continuing reporting requirements of the Securities Exchange Act of 1934. However, if losses continue it may have to seek loans or equity placements to cover longer term cash needs to continue operations and expansion.

No commitments to provide additional funds have been made by management or other stockholders. Accordingly, there can be no assurance that any additional funds will be available to the Company to allow it to cover operations expenses.

If future revenue declines, or operations are unprofitable, it will be forced to develop another line of business, or to finance its operations through the sale of assets it has, or enter into the sale of stock for additional capital, none of which may be feasible when needed. The Company has no specific management ability, nor financial resources or plans to enter any other business as of this date.

The effects of inflation have not had a material impact on its operation, nor is it expected to in the immediate future.

ITEM 3. CONTROLS AND PROCEDURES

The Company's Chief Executive Officer and Chairman have evaluated the effectiveness of the Company's disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended) as of the end of the period covered by this quarterly report and, based on this evaluation, have concluded that the disclosure controls and procedures are effective.

There have been no changes in the Company's internal control over

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financial reporting that occurred during the Company's first fiscal quarter that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting.

PART II - OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

The Company is not a party to any legal proceedings, nor does management believe that any such proceedings are contemplated.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

None

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

None

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ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

None

ITEM 5. OTHER INFORMATION

None

ITEM 6. EXHIBITS

None

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JOINTLAND DEVELOPMENT, INC.
formerly GLOBAL ASSETS & SERVICES, INC.
(A Development Stage Company)

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.

JOINTLAND DEVELOPMENT, INC.

Date: May 13, 2005

/s/ Kexi Xu

Kexi Xu, President