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BROOKMOUNT EXPLORATIONS INC
Form 10QSB
April 21, 2004

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

FORM 10-QSB

Quarterly Report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

For the quarterly period ended February 29, 2004

Transition Report pursuant to 13 or 15(d) of the Securities Exchange Act of 1934

For the transition period _____ to _____

Commission File Number 0-26709

BROOKMOUNT EXPLORATIONS INC.

(Exact name of small Business Issuer as specified in its charter)

Nevada

(State or other jurisdiction of incorporation or organization)

98-0201259

(IRS Employer Identification No.)

400 Burrard Street, Suite 1400
Vancouver, British Columbia

(Address of principal executive offices)

V6C 3G2

(Postal or Zip Code)

Issuer's telephone number, including area code: 604-643-1745

None

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

Check whether the issuer (1) 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 issuer was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days Yes No

State the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date: 9,837,014 shares of \$0.001 par value common stock outstanding as of April 21, 2004.

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BROOKMOUNT EXPLORATIONS INC.
(A Pre-exploration Stage Company)

INTERIM FINANCIAL STATEMENTS

February 29, 2004

(Stated in US Dollars)

(Unaudited)

BROOKMOUNT EXPLORATIONS INC.
(A Pre-exploration Stage Company)
INTERIM BALANCE SHEETS
February 29, 2004 and November 30, 2003
(Stated in US Dollars)
(Unaudited)

| | ASSETS ----- | February 29, 2004 ---- | |
|---|-----------------------------------|------------------------------|----|
| Current | | | |
| Cash | | \$ 33,703 | \$ |
| Prepaid expenses | | - | |
| Resource property cost advances | | 15,130 | |
| | | ----- | |
| | | \$ 48,833 | \$ |
| | | ===== | |
| | LIABILITIES ----- | | |
| Current | | | |
| Accounts payable | | \$ 15,575 | \$ |
| Due to related parties - Note 5 | | 53,928 | |
| | | ----- | |
| | | 69,503 | |
| | | ----- | |
| | STOCKHOLDERS' DEFICIENCY ----- | | |
| Common stock, \$0.001 par value - Notes 3 and 4 | | | |
| 200,000,000 shares authorized | | | |
| 9,837,014 (November 30, 2003: 9,708,900) shares outstanding | | 9,837 | |
| Additional paid in capital | | 274,604 | |
| Deficit accumulated during the pre-exploration stage | | (305,111) | |
| | | ----- | |
| | | (20,670) | |
| | | ----- | |
| | | \$ 48,833 | \$ |
| | | ===== | |

SEE ACCOMPANYING NOTES

BROOKMOUNT EXPLORATIONS INC.
 (A Pre-exploration Stage Company)
 INTERIM STATEMENT OF OPERATIONS
 for the three months ended February 29, 2004 and 2003,
 for the period December 9, 1999 (Date of Incorporation) to February 29, 2004
 (Stated in US Dollars)
 (Unaudited)

| | Three months ended February 29, | |
|---|------------------------------------|-----------|
| | 2004 | 2003 |
| | ---- | ---- |
| Expenses | | |
| General and administrative | \$ 74,351 | \$ 5,884 |
| | ----- | ----- |
| Net loss for the period | \$ 74,351 | \$ 4,191 |
| | ===== | ===== |
| Loss per share | \$ 0.01 | \$ 0.00 |
| | ===== | ===== |
| Weighted average number of shares outstanding | 9,719,430 | 9,282,400 |
| | ===== | ===== |

SEE ACCOMPANYING NOTES

BROOKMOUNT EXPLORATIONS INC.
 (A Pre-exploration Stage Company)
 INTERIM STATEMENTS OF CASH FLOWS
 for the three months ended February 29, 2004 and 2003
 for the period December 9, 1999 (Date of Incorporation) to February 29, 2004
 (Stated in US Dollars)
 (Unaudited)

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| | Three months ended February 29, | |
|--|------------------------------------|-------------|
| | 2004 | 2003 |
| | ---- | ---- |
| Cash Flows from Operating Activities | | |
| Net loss for the period | \$ (74,351) | \$ (5,884) |
| Items not involving cash | | |
| Resource property costs advances | - | - |
| Prepaid expenses | 689 | - |
| Changes in non-cash working capital balances related to operations | | |
| Accounts payable | 3,000 | 3,341 |
| Due to related parties | 2,862 | 290 |
| Capital contributions - expenses | - | 2,250 |
| | ----- | ----- |
| | (67,800) | (3) |
| | ----- | ----- |
| Cash Flows from Financing Activity | | |
| Capital stock issued | 64,074 | - |
| | ----- | ----- |
| Increase (decrease) in cash during the period | (3,726) | (3) |
| Cash, beginning of the period | 37,429 | 3 |
| | ----- | ----- |
| Cash, end of the period | \$ 33,703 | \$ - |
| | ===== | ===== |
| Supplemental disclosure of cash flow information | | |
| Cash paid for: | | |
| Interest | \$ - | \$ - |
| | ===== | ===== |
| Income taxes | \$ - | \$ - |
| | ===== | ===== |

SEE ACCOMPANYING NOTES

BROOKMOUNT EXPLORATIONS INC.
(A Pre-exploration Stage Company)
INTERIM STATEMENT OF STOCKHOLDERS'
EQUITY (DEFICIENCY) for the period December 9, 1999
(Date of Incorporation) to February 29, 2004
(Stated in US Dollars)
(Unaudited)

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| | Common Shares | | Additional | Du |
|--------------------------------------|---------------|-----------|------------|-------|
| | Number | Par Value | Paid-in | Pre-e |
| Capital stock issued for cash | | | Capital | |
| - at \$0.001 | 3,500,000 | \$ 3,500 | \$ - | \$ - |
| Balance, as at November 30, 1999 | 3,500,000 | 3,500 | - | |
| Capital stock issued for cash | | | | |
| - at \$0.002 | 5,750,000 | 5,750 | 5,750 | |
| - at \$0.20 | 32,400 | 32 | 6,448 | |
| Contributions to capital by officers | - | - | 9,000 | |
| Net loss for the period | - | - | - | (|
| Balance, as at November 30, 2000 | 9,282,400 | 9,282 | 21,198 | (|
| Contributions to capital by officers | - | - | 9,000 | |
| Net loss for the period | - | - | - | (|
| Balance, as at November 30, 2001 | 9,282,400 | 9,282 | 30,198 | (|
| Contributions to capital by officers | - | - | 9,000 | |
| Net loss for the period | - | - | - | (|
| Balance, as at November 30, 2002 | 9,282,400 | 9,282 | 39,198 | (|
| Capital stock issued for cash | | | | |
| - at \$0.25 | 176,500 | 177 | 43,948 | |
| - at \$0.50 | 250,000 | 240 | 125,262 | |
| Contributions to capital by officers | - | - | 2,250 | |
| Net loss for the period | - | - | - | (|
| Balance, as at November 30, 2003 | 9,708,900 | 9,709 | 210,658 | (|
| Capital stock issued for cash | | | | |
| - at \$0.50 | 128,114 | 128 | 63,946 | |
| Net loss for the period | - | - | - | (|
| Balance, as at February 29, 2004 | 9,837,014 | \$ 9,837 | \$ 274,604 | \$ (|

SEE ACCOMPANYING NOTES

BROOKMOUNT EXPLORATIONS INC.
(A Pre-exploration Stage Company)
NOTES TO THE INTERIM FINANCIAL STATEMENTS
February 29, 2004
(Stated in US Dollars)
(Unaudited)

Note 1 Interim Reporting

While the information presented in the accompanying interim three month financial statement is unaudited, it includes all adjustments which are, in the opinion of management, necessary to present fairly the financial position, results of operations and cash flows for the interim periods presented. All adjustments are of a normal recurring nature. It is suggested that these financial

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statements be read in conjunction with the company's November 30, 2003 annual financial statements.

Note 2 Continuanace of Operations

The financial statements have been prepared using generally accepted accounting principles in the United States of America applicable for a going concern which assumes that the Company will realize its assets and discharge its liabilities in the ordinary course of business. At February 29, 2004, the Company had a working capital deficiency of \$20,670, which is not sufficient to meet its planned business objectives or to fund mineral property expenditures and ongoing operations for the next twelve months. The Company has accumulated losses of \$305,111 since its commencement. Its ability to continue as a going concern is dependent upon the ability of the Company to obtain the necessary financing to meet its obligations and pay its liabilities arising from normal business operations when they come due.

Note 3 Commitments

Abitibi West County, Quebec, Canada

The Company acquired five mineral claims located in the Chazel Township, in the Province of Quebec. The Company must file assessment work with a minimum value of CDN\$6,000 not later than November 14, 2004.

Mercedes Property, Junin, Peru

Pursuant to a property acquisition agreement dated for reference July 3, 2003, the Company may acquire a 100% interest in 2,611 hectares located in Central Peru for consideration of \$20,000 cash and 5,000,000 common shares. As at February 29, 2004, the Company has not paid the cash or issued the shares and the agreement has not closed.

Note 4 Capital Stock

Pursuant to an offering memorandum dated July 23, 2003, the Company undertook to sell a minimum of 1,000,000 common shares at \$0.50 per share. At February 29, 2004, the Company had sold 378,114 common shares for proceeds of \$189,526. This amount has been included in share capital at February 29, 2004.

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

FORWARD LOOKING STATEMENTS

This quarterly report contains forward-looking statements that involve risks and uncertainties. We use words such as anticipate, believe, plan, expect, future, intend and similar expressions to identify such forward-looking statements. You

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should not place too much reliance on these forward-looking statements. Our actual results are likely to differ materially from those anticipated in these forward-looking statements for many reasons, including the risks faced by us described in this Risk Factors section and elsewhere in this annual report.

Item 3. Controls and Procedures

As required by Rule 13a-15 under the Exchange Act, within the 90 days prior to the filing date of this report, the Company carried out an evaluation of the effectiveness of the design and operation of the Company's disclosure controls and procedures. This evaluation was conducted by the sole director of the Company, who also acts as the Company's President, the Chief Executive Officer, and the Chief Financial Officer.

Based upon that evaluation, the Company concluded that the disclosure controls and procedures are effective. There have been no significant changes in the Company's internal controls or in other factors, which could significantly affect internal controls subsequent to the date the Company carried out its evaluation.

Plan of Operation

Our plan of operations for the twelve months following the date of this annual report is to complete initial exploration programs on the Brookmount and Mercedes properties. We anticipate that these programs will cost \$10,000 and \$220,000 respectively.

In addition, we anticipate spending \$17,200 on professional fees, \$99,000 on salaries and wages, \$10,000 on travel costs, \$15,000 on promotional expenses and \$50,000 on other administrative expenses.

Total expenditures over the next 12 months are therefore expected to be \$421,200. We will not be able to proceed with either exploration program, or meet our administrative expense requirements, without additional financing.

We will not be able to complete the initial exploration programs on our mineral properties without additional financing. We currently do not have a specific plan of how we will obtain such funding; however, we anticipate that additional funding will be in the form of equity financing from the sale of our common stock. We may also seek to obtain short-term loans from our directors, although no such arrangement has been made. At this time, we cannot provide investors with any assurance that we will be able to raise sufficient funding from the sale of our common stock or through a loan from our directors to meet our obligations over the next twelve months. We do not have any arrangements in place for any future equity financing.

Results Of Operations for Three-Month Period Ended February 29, 2004

We incurred operating expenses in the amount of \$74,351 for the three-month period ended February 29, 2004, as compared to \$5,884 for the comparative period in 2003. At quarter end, we had cash on hand of \$33,703. Our liabilities at the same date totalled \$69,503 and consisted of accounts payable of \$15,575 and \$53,928 due to related parties.

PART II- OTHER INFORMATION

Item 1. Legal Proceedings

The Company is not a party to any pending legal proceeding. Management is not

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aware of any threatened litigation, claims or assessments.

Item 2. Changes in Securities

During the three-month period ended February 29, 2004, the Company accepted subscriptions for a total of 128,114 shares of common stock for \$0.50 each pursuant to a private placement offering

Item 3. Defaults Upon Senior Securities

None.

Item 4. Submission of Matters to a Vote of Security Holders

None.

Item 5. Other Information

None.

Item 6. Exhibits and Report on Form 8-K

- 31.1 Certification pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
- 31.2 Certification pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
- 32.1 Certification pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
- 32.2 Certification pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

During the three-month period ended February 29, 2004, the Company filed a current report dated December 3, 2004 on Form 8-K disclosing a change in the Company's certifying accountant.

SIGNATURES

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

Brookmount Explorations Inc.

/s/ Peter Flueck

Peter Flueck
President, Chief Executive
Officer and Director
(Principal Executive Officer)
Dated: April 21, 2004

Brookmount Explorations Inc.

/s/ Zaf Sungur

Zaf Sungur
C.O.O., Secretary, treasurer
and principal accounting
officer

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Dated: April 21, 2004

Exhibit 31.1

CERTIFICATION

I, Peter Flueck, President and Chief Executive Officer of Brookmount Explorations Inc., certify that:

1. I have reviewed this quarterly report on Form 10-QSB of Brookmount Explorations Inc.;
2. Based on my knowledge, this quarterly report does not contain any untrue statement of 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 quarterly report;
3. Based on my knowledge, the financial statements, and other financial information included in this quarterly 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 quarterly report;
4. I am responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) 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 small business issuer and I have:
 - a) designed such disclosure controls and procedures to ensure that material information relating to the small business issuer, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this quarterly report is being prepared;
 - b) designed such internal control over financial reporting, or caused such disclosure control and procedures 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 small business issuer'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 quarterly report based on such evaluation; and
 - d) disclosed in this quarterly report any change in the small business issuer's internal control over financial reporting that occurred during the small business issuer's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the small business issuer's internal control over financial reporting; and
5. I have disclosed, based on my most recent evaluation of internal controls over financial reporting, to the small business issuer's auditors and the audit committee of the small business issuer's board of directors (or persons performing the equivalent functions):

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- (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 small business issuer's ability to record, process, summarize and reporting financial information; and
- (b) any fraud, whether or not material, that involves management or other employees who have a significant role in the small business issuer's internal control over financial reporting.

Date: April 21, 2004

/s/ Peter Flueck

Peter Flueck
President, C.E.O. and Director
(Principal Executive Officer)

Exhibit 31.2

CERTIFICATION

I, Zaf Sungur, Secretary, Treasurer and Chief Financial Officer of Brookmount Explorations Inc., certify that:

1. I have reviewed this quarterly report on Form 10-QSB of Brookmount Explorations Inc.;
2. Based on my knowledge, this quarterly report does not contain any untrue statement of 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 quarterly report;
3. Based on my knowledge, the financial statements, and other financial information included in this quarterly 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 quarterly report;
4. I am responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) 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 small business issuer and I have:
 - a) designed such disclosure controls and procedures to ensure that material information relating to the small business issuer, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this quarterly report is being prepared;
 - b) designed such internal control over financial reporting, or caused such disclosure control and procedures 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 small business issuer's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as

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of the end of the period covered by this quarterly report based on such evaluation; and

- d) disclosed in this quarterly report any change in the small business issuer's internal control over financial reporting that occurred during the small business issuer's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the small business issuer's internal control over financial reporting; and
5. I have disclosed, based on my most recent evaluation of internal controls over financial reporting, to the small business issuer's auditors and the audit committee of the small business issuer'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 small business issuer's ability to record, process, summarize and reporting financial information; and
 - (b) any fraud, whether or not material, that involves management or other employees who have a significant role in the small business issuer's internal control over financial reporting.

Date: April 21, 2004

/s/ Zaf Sungur

Zaf Sungur
C.O.O., Secretary, treasurer
and principal accounting
officer

Exhibit 32.1

CERTIFICATION 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 Quarterly Report of Brookmount Explorations Inc. (the "Company") on Form 10-QSB for the period ended February 29, 2004 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), the undersigned, in the capacities and on the dates indicated below, hereby certifies pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to his 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 operations of

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the Company.

Date: April 21, 2004

/s/ Peter Flueck

Peter Flueck
President, C.E.O. and Director
(Principal Executive Officer)

Exhibit 32.2

CERTIFICATION 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 Quarterly Report of Brookmount Explorations Inc. (the "Company") on Form 10-QSB for the period ended February 29, 2004 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), the undersigned, in the capacities and on the dates indicated below, hereby certifies pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to his 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 operations of the Company.

Date: April 21, 2004

/s/ Zaf Sungur

Zaf Sungur
C.O.O., Secretary, treasurer
and principal accounting
officer