

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

JOINTLAND DEVELOPMENT, INC.  
Form 10QSB  
November 19, 2007

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, DC 20549

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FORM 10QSB  
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(Mark One)

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

For the quarterly period ended September 30, 2007

TRANSITION REPORT UNDER SECTION 13 OR 15(d) OF THE EXCHANGE ACT

For the transition period from \_\_\_\_\_ to \_\_\_\_\_

Commission file number: 000-30145

JOINTLAND DEVELOPMENT, INC.

-----  
(Exact name of registrant as specified in its charter)

Florida

59-3723328

-----  
(State of Incorporation)

-----  
(IRS Employer ID Number)

7th Floor, New Henry House, No. 10 Ice House Street, Central, Hong Kong, China

-----  
(Address of principal executive offices)

011-852-2824-0008

-----  
(Registrant's Telephone number)

Check whether the issuer (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities 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 the filing requirements for the past 90 days. Yes  No

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes  No

Indicate the number of share outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

As of November 14, 2007, there were 1,979,965 shares of the registrant's sole class of common shares outstanding.

Transitional Small Business Disclosure Format (Check one): Yes  No

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## PART I

### ITEM 1. FINANCIAL STATEMENTS

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JOINTLAND DEVELOPMENT, INC.  
(A Development Stage Company)  
Consolidated Balance Sheets

(Unaudited)  
September 30,  
2007

ASSETS:		
Current Assets:		
Cash		\$ 7
		-----
	Total Current Assets	7
		-----
TOTAL ASSETS		\$ 7
		=====
LIABILITIES & STOCKHOLDERS' EQUITY (DEFICIT)		
Current Liabilities		
Accounts Payable and Accrued Liabilities		\$ 93,646
Due to Director - Chen Yurong		6,985
Notes Payable - Shareholder		231,915
		-----
	Total Current Liabilities	332,546
		-----
Stockholders' Equity (Deficit)		
Common Stock, \$0.001par value; 100,000,000 shares authorized		1,981
1,979,965 shares issued and outstanding September 30,		
2007 and December 31, 2006, respectively		
Additional Paid-In Capital		3,480,670
Deficit accumulated during the development stage		(3,815,190)
		-----
	Total Stockholders' Equity (Deficit)	(332,539)
		-----
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIT)		\$ 7
		=====

See accompanying notes to these financial statements.

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JOINTLAND DEVELOPMENT, INC.  
(A Development Stage Company)

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Consolidated Statements of Operations  
(Unaudited)

	May 25, 1988 Three-Month Period Ended September 30,		Nine-Month Period September 30,
	2007	2006	2007
Revenue			
Revenue	\$ -	\$ -	\$ -
(Less) Cost of Sales			
Gross Profit			
Doubtful Accounts	-	-	-
Consulting Fees	-	-	-
Legal and Accounting	1,005	6,200	2,314
Advertising		-	-
Directors and Officer Fees		-	-
Telephone		-	-
Transfer Fees		-	-
Travel		-	-
Rent		-	-
Other General Expenses	-	4	-
Total Expenses	1,005	6,204	2,314
Net Loss from Operations	(1,005)	(6,204)	(2,314)
Other Revenue/Expense			
Interest Expense	(3,507)	-	(6,893)
Interest Income	-	-	-
Net Loss	\$ (4,512)	\$ (6,204)	\$ (9,207)
Net Income/Loss per share of common stock	\$ (0.00)	\$ (0.00)	\$ (0.00)
Weighted average number of common shares outstanding	1,979,965	1,979,965	1,979,965

See accompanying notes to these financial statements.

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JOINTLAND DEVELOPMENT, INC.  
(A Development Stage Company)  
Consolidated Statements of Cash Flows

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(Unaudited)

	Nine-Month Period Ended September 30,	
	2007	2006
	-----	-----
Cash Flows from Operating Activities		
Net Profit (Loss)	\$ (9,207)	\$ (15,32)
Stock issued for services		
Adjustments to reconcile net loss to net cash used in operating activities		
Increase (Decrease) in Accounts Payable	9,207	6,54
	-----	-----
Net Cash Flows Used by Operating Activities	-	(8,77)
	-----	-----
Cash Flows from Financing Activities		
Proceeds from Notes - Shareholders	-	1,71
Proceeds from Director - Advances	-	6,98
Issuance of Common Stock for Asset Acquisition		
Issuance of Common Stock	-	
	-----	-----
Net Cash Flows Provided by Financing Activities	-	8,70
	-----	-----
Net Increase (Decrease) in Cash	\$ -	\$ (7
	-----	-----
Cash at Beginning of Period	7	14
	-----	-----
Cash at End of Period	\$ 7	\$ 7
	=====	=====
Supplemental Disclosure of Cash Flow Information		
Cash paid for interest	\$ -	\$
	=====	=====
Cash paid for income taxes	\$ -	\$
	=====	=====
Supplemental Disclosure of Non-Cash Transactions		
Common stock issued in exchange for services	\$ -	\$
	=====	=====

See accompanying notes to these financial statements.

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JOINTLAND DEVELOPMENT, INC.

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(A Development Stage Company)  
 Consolidated Stockholders' Equity (Deficit)  
 (Unaudited)  
 September 30, 2007

	Comon Stock # of Shares	Amount	Additional Paid-In Capital	Def Accum. the Dev St
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 Loss for year	68,000	68	3,332	
Balance - December 31, 2001	155,955	156	212,207	
Issuance of stock for cash 3/28 Issuance of stock for services 3/28 Issuance of stock for asset acquisition 8/12 Loss for year	2,000 290,900 35,000	2 291 35	21,998 1,454,246 656,215	(2)
Balance - December 31, 2002	483,855	484	2,344,666	(2)
Issuance of stock for services Loss for year	146,100	146	699,854	
Balance - December 31, 2003	629,955	630	3,044,520	(3)
Issuance of stock for cash Issuance of stock for services Loss for year	1,200,000 150,010	1,200 151	398,800 37,350	
Balance - December 31, 2004	1,979,965	1,981	3,480,670	(3)
Loss for year				
Balance - December 31, 2005	1,979,965	1,981	3,480,670	(3)
Loss for year				
Balance - December 31, 2006	1,979,965	1,981	3,480,670	(3)
Loss for period				

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Balance - September 30, 2007	1,979,965	\$ 1,981	\$3,480,670	\$ (3
	=====	=====	=====	=====

See accompanying notes to these financial statements.

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JOINTLAND DEVELOPMENT, INC.  
(A Development Stage Company)  
Notes to the Consolidated Financial Statements  
For the nine months ended September 30, 2007

### Note 1. Organization, Basis of Presentation and Significant Accounting Policies:

#### Organization:

The accompanying consolidated financial statements include the accounts of Jointland Development, Inc., a Florida corporation, (the "Company") and its wholly-owned subsidiary, Corporate Empire Limited ("Corporate Empire"). All significant intercompany accounts and transactions have been eliminated in consolidation.

#### Basis of Presentation - Development Stage Company:

The Company has not earned significant revenues from limited principal operations. Accordingly, the Company's activities have been accounted for as those of a "Development Stage Enterprise" as set forth in Financial Accounting Standards Board Statement No. 7 ("FASB 7"). Among the disclosures required by FASB 7 are that the Company's financial statements be identified as those of a development stage company, and that the statements of operations, stockholders' equity (deficit) and cash flows disclose activity since the date of the Company's inception.

The unaudited financial statements and related notes for the nine months ended September 30, 2007 presented herein have been prepared by the management of the Company pursuant to the rules and regulations of the Securities and Exchange Commission. Accordingly, certain information and footnote disclosures normally included in financial statements prepared in accordance with generally accepted accounting principles have been omitted pursuant to such rules and regulations. Operating results for the nine months ended September 30, 2007 are not necessarily indicative of the results that may be expected for the full year. It is suggested that these unaudited condensed consolidated financial statements be read in conjunction with the December 31, 2006 audited consolidated financial statements.

#### Foreign Currency Translation:

The financial statements of the Company's foreign subsidiary are measured using the local currency (the Hong Kong Dollar) as the functional currency. Assets and liabilities of the subsidiaries are translated at exchange rates as of the balance sheet date. Revenues and expenses are translated at average rates of exchange in effect during the period except for those transactions related to services rendered by U S companies that are stated in U S Dollars.

#### Foreign Currency Transactions:

Gains and losses from foreign currency transaction are included in net income

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(loss). Foreign currency transaction gains and losses were not significant during the years ended December 31, 2007 and 2006.

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JOINTLAND DEVELOPMENT, INC.  
(A Development Stage Company)  
Notes to the Consolidated Financial Statements  
For the nine months ended September 30, 2007

### Loss Per Share:

Loss per share is based on the weighted average number of common shares outstanding during the period.

### Other Comprehensive Income:

The Company has no material components of other comprehensive income (loss), and accordingly, net loss is equal to comprehensive loss in all periods.

### Recently Issued Accounting Pronouncements:

In June 2006, the FASB issued Interpretation No. 48, Accounting for Uncertainty in Income Taxes - An Interpretation of FASB Statement No. 109, (FIN 48). FIN 48 clarifies the accounting for uncertainty in income taxes recognized in an enterprise's financial statements in accordance with FASB Statement No. 109, Accounting for Income Taxes. FIN 48 also prescribes a recognition threshold and measurement attribute for the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return that results in a tax benefit. Additionally, FIN 48 provides guidance on de-recognition, income statement classification of interest and penalties, accounting in interim periods, disclosure, and transition. This interpretation is effective for the Company for its fiscal year ending December 31, 2007. The Company has not yet evaluated the effect that the application of FIN 48 may have, if any, on its future results of operations and financial condition.

In September 2006, the FASB issued SFAS No. 157, "Fair Value Measurements." This statement defines fair value, establishes a framework for measuring fair value in generally accepted accounting principles, and expands disclosures about fair value measurements. This statement applies under other accounting pronouncements that require or permit fair value measurements. SFAS No. 157 is effective for the Company for its fiscal year beginning on July 1, 2008. The Company is currently assessing the impact the adoption of SFAS No. 157 will have on its financial statements.

On February 15, 2007, the FASB issued SFAS No. 159, "The Fair Value Option for Financial Assets and Financial Liabilities - Including an Amendment of FASB Statement No. 115." This standard permits an entity to measure many financial instruments and certain other items at estimated fair value. Most of the provisions of SFAS No. 115 ("Accounting for Certain Investments in Debt and Equity Securities) applies to all entities that own trading and available-for-sale securities. The fair value option created by SFAS No. 159 permits an entity to measure eligible items at fair value as of specified election dates. Among others, eligible items exclude (1) financial instruments classified (partially or in total) as permanent or temporary stockholders' equity (such as a convertible debt security with a non-contingent beneficial conversion feature) and (2) investments in subsidiaries and interests in variable interests that must be consolidated. A for-profit business entity will



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be required to report unrealized gains and losses on items for which the fair value option has been elected in its statements of operations at each subsequent

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JOINTLAND DEVELOPMENT, INC.  
(A Development Stage Company)  
Notes to the Consolidated Financial Statements  
For the nine months ended September 30, 2007

reposting date. The fair value option (a) may generally be applied instrument by instruments, (b) is irrevocable unless a new elections date occurs, and (c) must be applied to the entire instrument and not to only a portion of the instrument. SFAS No. 159 is effective as of the beginning of the first fiscal year that begins after November 15, 2007. The Company has not yet evaluated the effect that the application of SFAS No. 159, may have, if any, on its future results of operations and financial condition.

### Note 2 Going Concern and Results of Operations:

The financial statements of the Company have been presented on the basis that they are a going concern, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business. The Company reported a net loss of \$9,207 for the nine months ended September 30, 2007, and an accumulated deficit during the development stage of \$3,815,190. The Company's current liabilities exceed current assets by \$332,539 at September 30, 2007.

The future success of the Company is likely dependent on its ability to attain additional capital, or to find an acquisition to add value to its present shareholders and ultimately, upon its ability to attain future profitable operations. There can be no assurance that the Company will be successful in obtaining such financing, or that it will attain positive cash flow from operations. Management believes that actions presently being taken to revise the Company's operating and financial requirements provide the opportunity for the Company to continue as a going concern.

### Note 3 Notes payable and Advances payable, related parties:

#### Advance payable, related party:

During the year ended December 31, 2006, Mr. Chen Yorung, a director of the Company, advance an amount of \$6,927 to the Company to pay for operational expenses. The amount is unsecured, interest free and has no fixed terms of repayment.

#### Note payable, related party:

During the year ended December 31, 2005, Praise Direct Holding, a stockholder of the Company, advanced funds of \$231,915 to the Company in the form of a 6% interest bearing promissory note. At September 30, 2007, the note accrued interest of \$20,747. The note is due upon demand. At September 30, 2007, the promissory note was still outstanding.

### Note 4 Stockholders' Deficit:

The authorized capital stock of the Company is 100,000,000 shares of common stock at \$0.001 par value. During the nine months ended September 30, 2007, the Company did not issue any shares of common stock.

JOINTLAND DEVELOPMENT, INC.  
(A Development Stage Company)  
Notes to the Consolidated Financial Statements  
For the nine months ended September 30, 2007

Note 5 Segment Information:

The Company operates primarily in a single operating segment, the asset management and capital raising business.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion should be read in conjunction with our unaudited financial statements and notes thereto included herein. In connection with, and because we desire to take advantage of, the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995, we caution readers regarding certain forward looking statements in the following discussion and elsewhere in this report and in any other statement made by, or on our behalf, whether or not in future filings with the Securities and Exchange Commission. Forward-looking statements are statements not based on historical information and which relate to future operations, strategies, financial results or other developments. Forward looking statements are necessarily based upon estimates and assumptions that are inherently subject to significant business, economic and competitive uncertainties and contingencies, many of which are beyond our control and many of which, with respect to future business decisions, are subject to change. These uncertainties and contingencies can affect actual results and could cause actual results to differ materially from those expressed in any forward looking statements made by, or on our behalf. We disclaim any obligation to update forward-looking statements.

The independent registered public accounting firm's report on the Company's

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financial statements as of December 31, 2006, and for each of the years in the two-year period then ended, includes a "going concern" explanatory paragraph, that describes substantial doubt about the Company's ability to continue as a going concern. Management's plans in regard to the factors prompting the explanatory paragraph are discussed below and also in Note 2 to the unaudited quarterly financial statements.

### RESULTS OF OPERATION

Results of Operations for the Nine Months Ended September 30, 2007 Compared to the Nine Months Ended September 30, 2006

The Company did not recognize any revenues during the nine months ended September 30, 2007 and September 30, 2006. We anticipate that the Company will not generate any significant revenues until we achieve our business objective of operating revenues, of which there can be no assurance.

During the nine months ended September 30, 2007, operating expenses were \$2,314 compared to \$21,524 in the nine months ended September 30, 2006. The \$19,210 decrease was due to a decrease in our professional fees.

Interest expense for the nine months ended September 30, 2007 and 2006 were \$6,893 and \$0, respectively. We did not recognize any interest income during the nine months ended September 30, 2007 and September 30, 2006, respectively.

During the nine months ended September 30, 2007, the Company recognized a net loss of \$9,207 compared to a net loss of \$21,524, during the nine months ended September 30, 2006. The decrease of \$12,317 was due mostly to the \$19,210 decrease in operation expense offset by the \$9,207 increase in interest expense.

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Net loss per share was nominal during the nine months ended September 30, 2007 and net loss per share was nominal during the nine months ended September 30, 2006.

Results of Operations for the Three Months Ended September 30, 2007 Compared to the Three Months Ended September 30, 2006

During the three months ended September 30, 2007, operating expenses were \$1,005 compared to \$6,204 in the three months ended September 30, 2006. The \$5,199 decrease was due to a decrease in our professional fees.

Interest expense for the three months ended September 30, 2007 and 2006 were \$3,507 and \$0, respectively. We did not recognize any interest income during the three months ended September 30, 2007 and September 30, 2006, respectively.

During the three months ended September 30, 2007, the Company recognized a net loss of \$4,512 compared to a net loss of \$6,204, during the three months ended September 30, 2006. The decrease of \$1,692 was due mostly to the \$5,199 decrease in operation expense offset by the \$3,507 increase in interest expense. Net loss per share was nominal during the three months ended September 30, 2007 and net loss per share was nominal during the three months ended September 30, 2006.

### LIQUIDITY AND CAPITAL RESOURCES

During the three months ended September 30, 2007, the Company did not use any cash in its operating activities. The Company had cash of \$7 at September 30, 2007. The Company did not receive any funds through either financing or investing activities. At September 30, 2007, the Company currently has a working

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capital deficit of \$332,539 and current liabilities exceed current assets by \$332,539.

At September 30, 2007, we had \$7 in cash. The Company will need to raise capital through loans or private placements in order to carry out any operational plans. The Company does not have a source of such capital at this time.

### 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.

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### ADDITIONAL FINANCING

#### NEED FOR ADDITIONAL FINANCING

The Company believes it has insufficient 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. If the losses continue it may have to seek loans or equity placements to cover longer term cash needs to continue operations and expansion.

There have been no commitments to provide additional funds 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 neither specific management ability, nor financial resources or plans to enter any other business as of this date.

### ITEM 3. CONTROLS AND PROCEDURES

#### a. Evaluation of Disclosure Controls and Procedures:

The management of the company has evaluated the effectiveness of the issuer's disclosure controls and procedures as of the end of the period of the report September 30, 2007 and have concluded that the disclosure controls, internal controls and procedures are adequate and effective based upon their evaluation as of the evaluation date.

#### b. Changes in Internal Control over Financial Reporting:

There were no changes in the small business issuers internal control over financial reporting identified in connection with the Company evaluation required by paragraph (d) of Rule 13a-15 or Rule 15d-15 under the Exchange act that occurred during the small business issuers last fiscal quarter that has

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materially affected or is reasonable likely to materially affect, the small business issuers internal control over financial reporting.

### ITEM 3A(T). CONTROLS AND PROCEDURES

There have been no changes in the small business issuers internal control over financial reporting identified in connection with the evaluation required by paragraph (d) of Rule 240.15d-15 that occurred during the small business issuer's last fiscal quarter that has materially affected, or is reasonable likely to materially affect, the small business issuer's internal control over financial reporting.

## PART II. OTHER INFORMATION

### ITEM 1. LEGAL PROCEEDINGS

NONE

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### ITEM 2. CHANGES IN SECURITIES

NONE.

### 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

Exhibits. The following is a complete list of exhibits filed as part of this Form 10-QSB. Exhibit numbers correspond to the numbers in the Exhibit Table of Item 601 of Regulation S-B.

Exhibit 31.1 Certification of Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act

Exhibit 32.1 Certification of Principal Executive Officer pursuant to Section 906 of the Sarbanes-Oxley Act

SIGNATURES

Pursuant to the requirements of Section 12 of the Securities and 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.  
(Registrant)

Dated: November 14, 2007

By: /s/ Kexi Xu

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Kexi Xu, President