Breezer Ventures Inc.
Form 10-Q
February 16, 2010
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UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM 10-Q

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

For the quarterly period ended December 31, 2009

o 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: 333-129229

Breezer Ventures Inc.

(Exact Name of Registrant as Specified in its Charter)

Nevada

(State or other jurisdiction of incorporation or organization)

N/A

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

Room 1707, 17th Floor, CTS Center, 219 Zhong Shan Wu Road, Guangzhou, China, 510030

(Address of principal executive offices)

949-419-6588

(Registrants telephone number, Including Area Code)

330 MADISON AVENUE, 6TH FLOOR NEW YORK NY 10017

(Former Name, Former Address and Former Fiscal Year,

if Changed Since Last Report)

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 x No o

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of large accelerated filer, accelerated filer and smaller reporting company in Rule 12b-2 of the Exchange Act. (Check one):

Large Accelerated Filer	o	Accelerated Filer	o
Non-Accelerated Filer	o	Smaller Reporting Company	x

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

As of February 14 2010, the Issuer had 30,600,000 shares, par value $.001, of its Common Stock outstanding.

SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Report on Form 10-Q (this Report) includes forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. Forward-looking statements include statements concerning our plans, objectives, goals, strategies, future events, future revenues or performance, capital expenditures, financing needs and other information that is not historical information and, in particular, appear in the section entitled Managements Discussion and Analysis or Plan of Operations and elsewhere in this Report. When used in this Report, the words estimates, expects, anticipates, forecasts, plans, intends, believes, seeks, may, will, should and variations of these words or similar expressions (or the negative versions of any these words) are intended to identify forward-looking statements. All forward-looking statements, including, without limitation, managements examination of historical operating trends, are based upon our current expectations and various assumptions. Our expectations, beliefs and projections are expressed in good faith and we believe there is a reasonable basis for them. However, we can give no assurance that managements expectations, beliefs and projections will be achieved.

There are a number of risks and uncertainties that could cause our actual results to differ materially from the results referred to in the forward-looking statements contained in this Report. Important factors outside the scope of our control could cause our actual results to differ materially from the results referred to in the forward-looking statements we make in this Report. Without limiting the foregoing, if we are unable to acquire approvals or consents from third parties or governmental authorities with respect to our new business model, our plans to commence our new business may become irrevocably impaired.

All forward-looking statements included herein are expressly qualified in their entirety by the cautionary statements contained or referred to in this Report. Except to the extent required by applicable laws and regulations, the Company undertakes no obligation to update these forward-looking statements to reflect events or circumstances after the date of this Report or to reflect the occurrence of unanticipated events.

Unless otherwise provided in this Report, references to the Company, the Registrant, the Issuer, we, us, and our refer to Breezer Ventures Inc.

PART I FINANCIAL INFORMATION

Breezer Ventures Inc.

(A Development Stage Company)

Balance Sheets

(Unaudited)

		December 31, 2009		September 30, 2009
ASSETS				
Current Assets				
Cash and cash equivalents	$	103	$	103
Receivable due from shareholder		-		
Total Current Assets		103		103
Property, Plant and Equipment				
Furniture and equipment		17,500		17,500
Accumulated depreciation		(13,428)		(12,552)
Total Property, Plant and Equipment		4,072		4,948
TOTAL ASSETS	$	4,175	$	5,051
LIABILITIES & STOCKHOLDERS' DEFICIT				
Current Liabilities				
Accounts payable and accrued liabilities	$	33,051	$	33,051
Advances from related party		38,750		38,750
Total Current Liabilities		71,801		71,801
STOCKHOLDER'S DEFICIT				

Preferred Stock, $0.001 par value, 50,000,000 shares authorized, None issued and outstanding				
Common Stock, $0.001 par value, 100,000,000 shares authorized 7,650,000 issued and outstanding		30,600		30,600
Additional paid in capital		55,0042		524,258
(Deficit) accumulated during the development stage		(153,628)		(151,608)
Total Stockholder's Deficit		(67,626)		(66,750)
TOTAL LIABILITIES & STOCKHOLDERS' DEFICIT	$	4,175	$	5,051

The accompanying notes are an integral part of these financial statements

Breezer Ventures Inc.

(A Development Stage Company)

Statements of Operations

Three Months Ended June 30, 2009 and 2008 and for the Period From May 18, 2005 (Inception) through December 31, 2009

(Unaudited)

	Three Months Ended December 31, 2009				**Three Months Ended December 31, 2008**			**May 18, 2005 (Inception) to December 31, 2009**	
General and Administration Expenses									
Consulting and professional fees	$		$		$	3,580	$	$	52,865
Training costs		-		-					5,000
Management fees		-		-					6,000

Rent	-	3,000	44,000
Depreciation	876	876	12,552
Other	-	294	3,833
Interest	784	719	5,155
	1,660	8,443	130,318
Net (Loss) for the period	$ (1,660)	$ (8,443)	$ (130,318)
Net (Loss) per common share Basic and diluted	$ (0.00)	$ (0.00)	
Weighted Average Number of Common Shares Outstanding Basic and diluted	30,600,000	7,650,000	

The accompanying notes are an integral part of these financial statements

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Breezer Ventures Inc.

(A Development Stage Company)

Statements of Cash Flows

Three Months Ended December 31, 2009 and

the Period From May 18, 2005 (Inception) through December 31, 2009

(Unaudited)

Cash Flows from Operating Activities
Net (loss) for the period
Adjustments to reconcile net loss to cash used in operating activities
Depreciation
Imputed interest on related party transactions
Changes in:

Due From Shareholder
Accounts Payable and Accrued Liabilities
Net Cash Flow Used in Operating Activities

Cash Flows from Investing Activities
Accounts payable and accrued liabilities
Net Cash Flow Used in Investing Activities

Cash Flows from Financing Activities
Additional Paid in
capital

Advances from Shareholders
Issuance of Common Stock
Net Cash Provided by Financing Activities

Net Change in Cash

Cash at Beginning of Period
Cash at End of Period

Supplemental Disclosures of Cash Flow Information
Cash paid for Interest
Cash paid for Income Taxes

The accompanying notes are an integral part of these financial statements9

Breezer Ventures Inc.

(A Development Stage Company)

NOTES TO FINANCIAL STATEMENTS

Note 1 Incorporation and Operating Activities

Breezer Ventures Inc. was incorporated on May 18, 2005, under the laws of the State of Nevada, U.S.A. Operations, as a development stage company started on that date.

We intend to commence operations as a casual, fine-dining restaurant serving modern, fusion-style Indian cuisine in Beijing, China. On September 30, 2005, we signed an asset purchase agreement with Big-On-Burgers Restaurants to purchase the supplies and capital equipment of their restaurant. As of the end of the period covered by this Report, we expected the grand opening of our new restaurant/lounge to occur at the end of December 2009.

Note 2 Summary of Significant Accounting Policies

Basis of Presentation

The Company follows accounting principles generally accepted in the United States of America. In the opinion of management, all adjustments, consisting of normal recurring adjustments, necessary for a fair presentation of financial position and the results of operations for the periods presented have been reflected herein.

Revenue Recognition

Revenue is recognized when it is realized or realizable and earned. Breezer considers revenue realized or realizable and earned when persuasive evidence of an arrangement exists, services have been provided, and collectability is reasonably assured. Revenue that is billed in advance such as recurring weekly or monthly services are initially deferred and recognized as revenue over the period the services are provided.

Use of Estimates

The preparation of financial statements in accordance with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could materially differ from these estimates.

Development Stage Company

The Company complies with Statement of Financial Accounting Standard ("SFAS") No. 7 and the Securities and Exchange Commission Exchange Act 7 for its characterization of the Company as development stage.

Impairment of Long Lived Assets

Long-lived assets are reviewed for impairment in accordance with SFAS No. 144, "Accounting for the Impairment or Disposal of Long-lived Assets". Under SFAS No. 144, long-lived assets are tested for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. An impairment charge is recognized or the amount, if any, which the carrying value of the asset exceeds the fair value.

Foreign Currency Translation

Our functional and reporting currency is the United States dollar. Monetary assets and liabilities denominated in foreign currencies are translated in accordance with SFAS No. 52 "Foreign Currency Translation" using the exchange rate prevailing at the balance sheet date. Gains and losses arising on settlement of foreign currency denominated transactions or balances are included in the determination of income. We have not, to the date of these financial statements, entered into derivative instruments to offset the impact of foreign currency fluctuations.

Fair Value of Financial Instruments

The respective carrying value of certain on-balance sheet financial instruments approximate their fair values. These financial statements include cash, receivables, advances receivable, cheques issued in excess of cash, accounts payable and property obligations payable. Unless otherwise noted, it is management's opinion that the Company is not exposed to significant interest, currency or credit risks arising from these financial instruments. Unless otherwise noted, fair values were assumed to approximate carrying values for these financial instruments since they are short term in nature and their carrying amounts approximate fair values or they are receivable or payable on demand.

Income Taxes

The company recognizes income taxes using an asset and liability approach. Future income tax assets and liabilities are computed annually for differences between the financial statements and bases using enacted tax laws and rates applicable to the periods in which the differences are expressed to affect taxable income.

Basic and Diluted Net Loss Per Common Share

Basic and diluted net loss per share calculations are calculated on the basis of the weighted average number of common shares outstanding during the year. The per share amounts include the dilutive effect of common stock equivalents in years with net income. Basic and diluted loss per share is the same due to the anti dilutive nature of potential common stock equivalents.

Stock Based Compensation

The Company accounts for stock-based employee compensation arrangements using the fair value method in accordance with the provisions of Statement of Financial Accounting Standards no.123(R) or SFAS No. 123(R), Share-Based Payments, and Staff Accounting Bulletin No. 107, or SAB 107, Share-Based Payments. The company accounts for the stock options issued to non-employees in accordance with the provisions of Statement of Financial Accounting Standards No. 123, or SFAS No. 123, Accounting for Stock-Based Compensation, and Emerging Issues Task Force No. 96-18, Accounting for Equity Instruments with Variable Terms That Are Issued for Consideration other Than Employee Services under FASB Statement no. 123.

On September 2, 2009, the Board of Directors of Breezer Ventures Inc. declared the payment of a stock dividend consisting of three (3) additional shares of the Companys common stock for each one (1) share of the Companys common stock held as of the record date. The record date will be September 14, 2009. Such stock dividend will be paid on September 15, 2009. Holders of fractions of shares of the Companys common stock will receive a proportional number of shares rounded to the nearest whole share. In connection with this stock dividend, the ownership of stockholders possessing 7,650,000 shares of the Companys Common Stock will be thereby be increased to 30,600,000 shares of common stock.

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Company considers all highly liquid investments purchased with an original maturity of three months or less to be cash equivalents. As of December 31, 2009 and 2008, there were no cash equivalents.

Property, Plant and Equipment

Property, plant and equipment consist of furniture and equipment recorded at cost, with amortization provided over the estimated useful life of the asset, 5 years, straight-line.

Recent Accounting Pronouncements

Breezer does not expect the adoption of recently issued accounting pronouncements to have a significant impact on its results of operations, financial position or cash flow.

Note 3 Going Concern

The company's financial statements have been prepared on a going concern basis, which contemplates the realization of assets and settlement of liabilities and commitments in the normal course of business for the foreseeable future. Since inception, the Company has accumulated losses aggregating to $130,318 and has insufficient working capital to meet operating needs for the next twelve months as of December 31, 2009, all of which raise substantial doubt about the company's ability to continue as a going concern.

The Company does not have the necessary funds to cover the anticipated operating expenses over the next twelve months. It will be necessary for the company to raise additional funds through the issuance of equity securities, through loans or debt financings. There can be no assurance that the Company will be successful in raising the required capital or that actual cash requirements will not exceed our estimates. We do not have any agreements in place for equity financing and or loan and debt financing. In the event that the Company is unsuccessful in its financing efforts, the Company may seek to obtain short term loans.

Note 4 Due from Shareholder

The receivable shown as due from the shareholder was not an extension of credit from the Company. The Company elected to transfer funds from a US bank account to a foreign bank account and as a result, closed its US bank account. In order to facilitate this process, a shareholder, Angeni Singh, held these funds as a custodian for the Company until such time as the necessary requirements could be met and such funds could be transferred to the foreign account. Subsequently, however, the Company elected to transfer these funds to another US bank account. The cash balance of $4,392 is shown as a receivable from a shareholder as of September 31, 2008. Subsequent to that date, the shareholder deposited these funds into the Companys bank account. This amount was not, however, a loan to or from the Company. The Company did not make a personal loan to any officer, director or shareholder.

Note 5 Property, Plant and Equipment

Property, Plant and Equipment consists of furniture and equipment, which is being depreciated over 5 years.

	December 31, 2009	September 30, 2008
	$	$
Cost	17,500	17,500
Accumulated Depreciation	(13,428)	(10,800)
Net, Property, Plant and Equipment	4,072	6,700

Note 6 Income Taxes

The Company has tax losses, which may be applied against future taxable income. The potential tax benefits arising from these loss carry forwards expire between 2025 and 2028 and are offset by a valuation allowance due to the uncertainty of profitable operations in the future. The net operating loss carry forward was $128,658 and $114,994 at December 31, 2009 and 2008, respectively.

The deferred tax asset at December 31, 2009 and 2008 is as follows:

	2009	2008
Deferred Tax Asset arising from Net Operating Loss Carry-forwards	$ 45,032	$ 40,248
Valuation allowance	(45,032)	(40,248)
Net deferred tax asset	$ -	$ -

Note 7 Related Party Transaction

A director loaned $9,800 to the Company during the period ended December 31, 2009, which is unsecured, non interest bearing, with no specific terms of repayment. The amount due the director is $38,750 and $39,666 at December 31, 2009 and December 31, 2008, respectively.

Imputed interest at 8% in the amount of $784 and $719 has been included as an increase to additional paid in capital for the three months ended December 31, 2009 and 2008, respectively.

Note 8 Subsequent Events

The Company has abandoned its previous business model, and has no plans to open a restaurant. As of the date of the filing of this Report, the Company is exploring and considering various potential business opportunities.

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

Plan of Operations

Breezer Ventures Inc. was incorporated in the state of Nevada on May 18, 2005. To date, the Company has not commenced operations or earned revenue. The Companys previous business models related to the restaurant business. However, we were not successful in implementing this business plan. Management then investigated several other business opportunities, and focused on opening a restaurant in Beijing, China. The Company has abandoned this business plan as well, and now has no plans to open a restaurant. As of the date of the filing of this Report, the Company is exploring and considering various potential business opportunities.

As of the end of the period covered by this Report, our principal executive offices were located at 330 Madison Avenue, 6th Floor, New York, NY 10017. On January 13, 2010, we changed our address to Room 1707, 17th Floor, CTS Center, 219 Zhong Shan Wu Road, Guangzhou, China, 510030.

We are in the process of developing a new business plan for the Company. At the present time, the Company does not have the necessary funds to cover its anticipated operating expenses over the next twelve months or to commence operations. It will be necessary for the Company to raise additional funds through the issuance of equity securities, through loans or debt financings. There can be no assurance that the Company will be successful in raising the required capital or that actual cash requirements will not exceed our estimates. We do not have any agreements in place for equity financing and or loan and debt financing. In the event that the Company is unsuccessful in its financing efforts, the Company may seek to obtain short term loans. There can be no assurance that we will be successful in finding financing, or even if financing is found, that we will be successful in achieving profitable operations.

Because we have not yet determined what the Companys business operations will be, we can not estimate what competitive conditions we will face, what products we will sell and how we will distribute them, the raw materials we may require, the number or nature of our customers or the impact of future government regulation on our business.

Mr. Sim resigned on December 22, 2009 as the President, Chief Executive Officer, Treasurer, Secretary and sole director of the Company. Prior to Mr. Sims resignation, Mr. Tang Xu was appointed to the Companys Board of Directors. Mr. Tang Xu was appointed to serve as the Companys President, Chief Executive Officer, Treasurer and Secretary upon Mr. Sims resignation.

Revenues and Expenses

The Company has not generated any revenues since its inception.

The Company incurred general and administration expenses of $1,660 for the three months ended December 31, 2009. For the three months ended December 31, 2008, the Company experienced general and administration expenses of $8,443. Since the Company's inception, the Company has incurred total general and administration expenses of $130,318. The majority of the expenses incurred by the Company have been related to the Company's offices and expenses related to maintaining the Company's status as a publicly reporting company, including legal, accounting and filing fees.

For the three months ended December 31, 2009, the Company experienced a net loss of $1,660.

Should the Company commence operations in the near future, its expenses are anticipated to increase considerably

Liquidity and capital resources

The Company has earned no revenues since its inception. From inception until the date of this filing, we have had no material operating activities. Our current cash balance as of the date of this Report is $103. We anticipate that our current cash balance will not satisfy our cash needs for the following twelve-month period. There can be no assurance that we will be successful in finding financing, or even if financing is found, that we will be successful in commencing operations.

During the three months period ended December 31 2009, the Company satisfied its working capital needs from loans from its Director. As of December 31, 2009, the Company has cash on hand in the amount of $103. Management does not expect that the current level of cash on hand will be sufficient to fund our operation for the next twelve month period. We may also be able to obtain more future loans from our shareholders, but there are no agreements or understandings in place currently.

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We believe that we will require additional funding to expand our business and ensure its future profitability. We anticipate that any additional funding will be in the form of equity financing from the sale of our common stock. However, we do not have any agreements in place for any future equity financing. In the event we are not successful in selling our common stock, we may also seek to obtain short-term loans from certain of our shareholders.

Off Balance Sheet Arrangements

As of December 31, 2009, we did not have any off balance sheet arrangements that have or are reasonably likely to have a current or future effect on our financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Pursuant to permissive authority under Regulation S-K, Rule 305, we have omitted Selected Financial Data.

ITEM 4. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

We carried out an evaluation, under the supervision and with the participation of our management, including our principal executive officer and principal financial officer, of the effectiveness of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) of the Exchange Act (defined below)). Based upon that evaluation, our principal executive officer and principal financial officer concluded that, as of the end of the period covered in this report, our disclosure controls and procedures were effective to ensure that information required to be disclosed in reports filed under the Securities Exchange Act of 1934, as amended (the "Exchange Act") is recorded, processed, summarized and reported within the required time periods and is accumulated and communicated to our management, including our principal executive officer and principal financial officer, as appropriate to allow timely decisions regarding required disclosure.

Our management, including our principal executive officer and principal financial officer, does not expect that our disclosure controls and procedures or our internal controls will prevent all error or fraud. A control system, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Further, the design of a control system must reflect the fact that there are resource constraints and the benefits of controls must be considered relative to their costs. Due to the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, have been detected. Accordingly, management believes that the financial statements included in this report fairly present in all material respects our financial condition, results of operations and cash flows for the periods presented.

Changes in Internal Control over Financial Reporting

In addition, our management with the participation of our Principal Executive Officer and Principal Financial Officer have determined that no change in our internal control over financial reporting occurred during or subsequent to the quarter ended December 31, 2009 that has materially affected, or is (as that term is defined in Rules 13(a)-15(f) and 15(d)-15(f) of the Securities Exchange Act of 1934) reasonably likely to materially affect, our internal control over financial reporting.

PART II. OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

The Company is not, and has not been during the period covered by this Quarterly Report, a party to any legal proceedings.

ITEM 1A. RISK FACTORS

Not Applicable.

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

None.

ITEM 3: DEFAULTS UPON SENIOR SECURITIES

Not Applicable.

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

No matters were submitted to the vote of the Companys security holders during the period covered by this Quarterly Report.

ITEM 5: OTHER INFORMATION

Not Applicable.

ITEM 6. EXHIBITS

Exhibit	Description
31.1	C Certification of Principal Executive Officer and Principal Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1	Certification of the Principal Executive Officer and Principal Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

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.

BREEZER VENTURES INC.

By:	/s/ Tang Xu	
	Name:	Tang Xu
	Title:	Chief Executive Officer and Chief Financial Officer

Date: February 14, 2010