

Jetblack Corp
Form 10-Q
July 21, 2014

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

(Mark One)

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

For the quarterly period ended May 31, 2014

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

For the transition period from _____ to _____

Commission file number 333-102945

JETBLACK CORP.
(Exact name of small business issuer as
specified in its charter)

Nevada
(State or other jurisdiction of incorporation
or organization)

98-0379431
(IRS Employer Identification No.)

20 Broadwick Street, West End, London, UK W1F 8HT
(Address of principal executive offices)

011-44-870-888-8880
(Issuer's telephone number)

N/A
(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 Exchange Act 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 such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes ☒ No ☐

Large accelerated filer ☐ Accelerated filer ☐

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Non-accelerated filer ☐ Smaller reporting company ☒
(Do not check if a smaller reporting
company)

State the number of shares outstanding of each of the issuer's classes of common equity, as of the latest practicable date: 67,352,000 common shares issued and outstanding as of July 21, 2014

Check whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

PART 1 – FINANCIAL INFORMATION

Item 1. Financial Statements.

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JETBLACK CORP.
(A DEVELOPMENT STAGE COMPANY)
CONSOLIDATED BALANCE SHEETS
(Unaudited)

	May 31, 2014 \$	August 31, 2013 \$
ASSETS		
CURRENT ASSETS		
Cash	12,374	802
Total Current Assets	12,374	802
Total Assets	12,374	802
LIABILITIES AND SHAREHOLDERS' DEFICIT		
LIABILITIES		
CURRENT LIABILITIES		
Accounts payable and accrued liabilities	3,585	8,372
Shareholder advance	3,072	3,072
Promissory note and accrued interest – related party	40,800	-
Total Current Liabilities	47,457	11,444
Total Liabilities	47,457	11,444
SHAREHOLDER'S DEFICIT		
Common stock, \$.001 par value, 1,350,000,000 shares authorized, 67,352,000 shares issued and outstanding	67,352	67,352
Additional paid in capital	128,495	128,495
Deficit accumulated during the development stage	(230,930)	(206,489)
Total Shareholders' Deficit	(35,083)	(10,642)
TOTAL LIABILITIES AND SHAREHOLDERS' DEFICIT	12,374	802

See accompanying notes to consolidated financial statements.

JETBLACK CORP.
(A DEVELOPMENT STAGE COMPANY)
CONSOLIDATED STATEMENTS OF OPERATIONS
(Unaudited)

	Three Months Ended May 31, 2014 \$	Three Months Ended May 31, 2013 \$	Nine Months Ended May 31, 2014 \$	Nine Months Ended May 31, 2013 \$	April 17, 2002 (Inception) to May 31, 2014 \$
REVENUE	—	—	—	—	7,569
COST OF GOODS SOLD	—	—	—	—	(1,333)
GROSS PROFIT	—	—	—	—	6,236
EXPENSES					
Inventory write-down	—	—	—	—	1,400
General and administrative	6,204	5,324	23,641	21,284	234,966
Total Expenses	6,204	5,324	23,641	21,284	236,366
Loss from Operations	(6,204)	(5,324)	(23,641)	(21,284)	(230,130)
OTHER EXPENSES					
Interest expense	(800)	—	(800)	—	(800)
NET LOSS	(7,004)	(5,324)	(24,441)	(21,284)	(230,930)
NET LOSS PER SHARE:					
BASIC AND DILUTED	(0.00)	(0.00)	(0.00)	(0.00)	
WEIGHTED AVERAGE SHARES OUTSTANDING:					
BASIC AND DILUTED	67,352,000	67,352,000	67,352,000	67,352,000	

See accompanying notes to consolidated financial statements.

JETBLACK CORP.
(A DEVELOPMENT STAGE COMPANY)
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)

	Nine Months Ended May 31, 2014	Nine Months Ended May 31, 2013	April 17, 2002 (Inception) to May 31, 2014
CASH FLOWS FROM OPERATING ACTIVITIES:			
Net loss	\$(24,441)	\$(21,284)	\$(230,930)
Adjustments to reconcile net loss to cash used by operating activities:			
Common stock issued for services	—	—	655
Impairment	—	—	1,800
Change in current assets and liabilities			
Inventory	—	—	(1,800)
Accrued interest – related party	800		800
Accounts payable and accrued expenses	(4,787)	471	4,982
CASH FLOWS USED BY OPERATING ACTIVITIES	(28,428)	(20,813)	(224,493)
CASH FLOWS FROM FINANCING ACTIVITIES:			
Advances from shareholders	—	—	3,072
Proceeds from promissory note – related party	40,000	—	40,000
Proceeds from issuance of common stock	—	—	193,795
CASH FLOWS PROVIDED BY FINANCING ACTIVITIES	40,000	—	236,867
NET CHANGE IN CASH	11,572	(20,813)	12,374
Cash, beginning of period	802	21,645	—
Cash, end of period	\$ 12,374	\$ 832	\$ 12,374
SUPPLEMENTAL CASH FLOW INFORMATION			
Interest paid	\$—	\$—	\$—
Income taxes paid	\$—	\$—	\$—
Non Cash Transactions			
Contributed capital – forgiveness of accrued interest	\$—	\$—	\$ 1,397
Issuance of Common Stock for Subscription Receivable	\$—	\$—	\$ 12,822

See accompanying notes to the consolidated financial statements.

JETBLACK CORP.
(A DEVELOPMENT STAGE COMPANY)
Notes to the Consolidated Financial Statements
(Unaudited)

NOTE 1 - BASIS OF PRESENTATION

The accompanying unaudited interim consolidated financial statements of Jetblack Corp. (the "Company") have been prepared in accordance with accounting principles generally accepted in the United States of America and the rules of the Securities and Exchange Commission ("SEC"), and should be read in conjunction with the audited financial statements and notes thereto contained in the Company's Form 10-K filed on December 13, 2013. 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 interim periods presented have been reflected herein. The results of operations for interim periods are not necessarily indicative of the results to be expected for the full year. Notes to the financial statements which would substantially duplicate the disclosures contained in the audited financial statements for the most recent fiscal year ended August 31, 2013 as reported in Form 10-K, have been omitted.

Going Concern

The financial statements have been prepared on a going concern basis which assumes the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. The Company has incurred a loss since inception resulting in an accumulated deficit of \$230,930 as of May 31, 2014 and further losses are anticipated in the development of its business. These factors raise substantial doubt about the Company's ability to continue as a going concern.

The ability to continue as a going concern is dependent upon the Company generating profitable operations in the future and/or to obtain the necessary financing to meet its obligations and repay its liabilities arising from normal business operations when they come due. Management intends to finance operating costs over the next twelve months with existing cash on hand and advances from officers and/or issuance of common stock for cash.

NOTE 2 – PROMISSORY NOTE – RELATED PARTY

On March 19, 2014 the Company issued a promissory note to the director of the Company for cash proceeds of \$40,000 at simple annual interest rate of 10%. The promissory note is unsecured and payable upon demand.

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

FORWARD-LOOKING STATEMENTS

This quarterly report contains forward-looking statements as that term is defined in the Private Securities Litigation Reform Act of 1995. These statements relate to future events or our future financial performance. In some cases, you can identify forward-looking statements by terminology such as "may", "should", "expects", "plans", "anticipates", "believes", "estimates", "predicts", "potential" or "continue" or the negative of these terms or other comparable terminology. These statements are only predictions and involve known and unknown risks, uncertainties and other factors, including the risks in the section entitled "Risk Factors", that may cause our or our industry's actual results, levels of activity, performance or achievements to be materially different from any future results, levels of activity, performance or achievements expressed or implied by these forward-looking statements.

Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee future results, levels of activity, performance or achievements. Except as required by applicable law, including the securities laws of the United States, we do not intend to update any of the forward-looking statements to conform these statements to actual results.

Our financial statements are stated in United States Dollars (US\$) and are prepared in conformity with generally accepted accounting principles in the United States of America for interim financial statements. The following discussion should be read in conjunction with our financial statements and the related notes that appear elsewhere in this quarterly report.

As used in this quarterly report, the terms "we", "us", "our company", and "Jetblack" mean Jetblack Corp., unless otherwise indicated. All dollar amounts refer to US dollars unless otherwise indicated.

General

Our Business

We were incorporated on April 17, 2002, under the laws of the State of Nevada under the name Tortuga Mexican Imports Inc. Effective March 15, 2010, the Company changed its name to Jetblack Corp., by way of a merger with the Company's wholly owned subsidiary Jetblack Corp., which was formed solely for the change of name.

We have commenced limited operations, and have generated revenue of \$7,569 to date. We are still a development stage corporation.

Since March, 2012 our business focus has been developing an online reservation system to access numerous private jet aircraft, airports worldwide and a network of pre-approved, safety-checked operators. We intend to develop a booking engine, which will provide real-time availability of small jets available for charter in certain areas and select the best option from the inventory of aircraft.

Results of Operations

Three months ended May 31, 2014 and 2013

During the three months ended May 31, 2014, we generated no revenue and incurred operating expenditures of \$6,204, interest expense of \$800 on the new promissory note issued to the director of the Company, and posted net loss of \$7,004. During the three months ended May 31, 2013, we generated no revenue and incurred expenditures of

\$5,324, recorded no interest expense and posted net loss of \$5,324. The increase in operating expenses was due to increase in accounting and audit fees in 2014.

Nine months ended May 31, 2014 and 2013

During the nine months ended May 31, 2014, we generated no revenue and incurred expenditures of \$23,641, accrued interest expense of \$800 on the new promissory note issued to the director of the Company, and posted net loss of \$24,441. During the nine months ended May 31, 2013, we generated no revenue and incurred expenditures of \$21,284 and posted net losses of \$21,284. The increase in operating expenses was due to increase in filing, accounting and audit fees in 2014.

Financial Condition, Liquidity and Capital Resources

Our principal capital resources have been through issuance of common stock and shareholder loans.

At May 31, 2014, we had a working deficit of \$35,083.

At May 31, 2014, our current and total asset was cash of \$12,374 and our current and total liabilities were \$47,457.

On March 19, 2014 the Company issued a promissory note to the director of the Company for cash proceeds of \$40,000 at simple annual interest rate of 10%. The promissory note is unsecured and payable upon demand.

Plan of Operation and Funding

Over the next twelve months we believe we will need \$50,000 to carry out our ongoing operations and to expand our operations which will come from funds currently available and additional financing.

We intend to raise the capital required through equity and/or debt financing. We have no agreements in place to do this at this time.

There are no assurances that we will be able to obtain additional funds required for our continued operations. In such event that we do not raise sufficient additional funds, we will consider alternative financing options, if any, or be forced to scale down or perhaps even cease our operations.

Recent Accounting Pronouncements

Management does not anticipate that the recently issued but not yet effective accounting pronouncements will materially impact the Company's financial statements.

Off-balance Sheets Arrangements

As of the date of this Quarterly Report, we do 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 that are material to investors.

Going Concern

We have funded our initial operations through the issuance of 67,352,000 shares of capital stock for net proceeds of \$193,795, promissory note from the director of \$40,000 and advance from director of \$3,072. Due to the uncertainty of our ability to generate sufficient revenues from our operating activities and/or to obtain the necessary financing to meet our obligations and repay our liabilities arising from normal business operations when they come due. In their report on our financial statements for the fiscal year ended August 31, 2013, our registered independent auditors included a substantial doubt about our ability to continue as a going concern. Our financial statements contain note disclosures describing the circumstances that led to this disclosure by our registered independent auditors. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

Management plans to continue to seek financing on favorable terms; however, there is no assurance that such financing can be obtained on favorable terms. If we are unable to generate sufficient revenue or obtain additional funds for our working capital needs, we may need to cease or curtail operations.

Item 3. Quantitative and Qualitative Disclosures about Market Risks.

We are a smaller reporting company as defined by Rule 12b-2 of the Securities Exchange Act of 1934 and are not required to provide the information under this item.

Item 4. Controls and Procedures.

Evaluation of Disclosure Controls and Procedures

Under the supervision and with the participation of our management, including our principal executive officer who is also our principal financial officer, we have conducted an evaluation of the effectiveness of the design and operation of our disclosure controls and procedures, as defined in Rules 13a-15(e) and 15d-15(e) under the Securities and Exchange Act of 1934, as of the end of the period covered by this report. Based on this evaluation, our principal executive officer who is also our principal financial officer concluded as of the evaluation date that our disclosure controls and procedures were effective such that the material information required to be included in our Securities and Exchange Commission reports is recorded, processed, summarized and reported within the time periods specified in SEC rules and forms relating to our company, particularly during the period when this report was being prepared.

Changes in internal control over financial reporting.

There were no changes in our internal control over financial reporting during our most recent fiscal quarter that materially affected, or were reasonably likely to materially affect our internal control over financial reporting.

PART II – OTHER INFORMATION

Item 1. Legal Proceedings.

None.

Item 1A. Risk Factors.

We are a smaller reporting company as defined by Rule 12b-2 of the Securities Exchange Act of 1934 and are not required to provide the information under this item.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds.

None.

Item 3. Defaults Upon Senior Securities.

None.

Item 4. Mine Safety Disclosures.

None.

Item 5. Other Information.

None.

Item 6. Exhibits.

d) Exhibits

Exhibit No.	Document Description
31.1*	Section 302 Certification of Chief Executive Officer and Chief Financial Officer
32.1*	Section 906 Certification of Chief Executive Officer and Chief Financial Officer
101.INS*	XBRL Instance Document
101.SCH*	XBRL Taxonomy Extension Schema Document
101.CAL*	XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF*	XBRL Taxonomy Extension Definition Linkbase Document
101.LAB*	XBRL Taxonomy Extension Label Linkbase Document
101.PRE*	XBRL Taxonomy Extension Presentation Linkbase Document

*Filed herewith

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.

JETBLACK CORP.

Date: July 21, 2014

By:	/s/ Nigel Farnsworth
Name:	Nigel Farnsworth
Title:	President, Chief Executive Officer, Chief Financial Officer and Director (Principal Executive Officer and Principal Financial and Accounting Officer)