

Subprime Advantage, Inc.  
Form 10-Q  
November 15, 2010

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

Form 10-Q

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

For the quarterly period ended September 30, 2010

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF  
1934

Commission file number 333-164850

SUBPRIME ADVANTAGE, INC.  
(Exact name of registrant as specified in its charter)

Nevada  
(State or other jurisdiction of incorporation or  
organization)

27-1550482  
(I.R.S. Employer Identification No.)

501 West Broadway, Suite A-323, San Diego,  
California  
(Address of principal executive offices)

92101  
(Zip Code)

(530) 871-1484  
(Registrant's telephone number, including area code)

Copies of Communications to:  
Stoecklein Law Group  
Emerald Plaza  
402 West Broadway  
Suite 690  
San Diego, CA 92101  
(619) 704-1310  
Fax (619) 704-0556

Indicate by check mark 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 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

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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

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 definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer

Accelerated filer

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

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes  No

The number of shares of Common Stock, \$0.001 par value, outstanding on November 1, 2010 was 1,158,000 shares.

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SUBPRIME ADVANTAGE, INC.  
(A DEVELOPMENT STAGE COMPANY)  
BALANCE SHEETS

	September 30, 2010 (unaudited)	December 31, 2009 (audited)
<b>ASSETS</b>		
Current assets:		
Cash	\$ 44,169	\$ 6,000
Total current assets	44,169	6,000
Software, net	1,099	-
Deposit	1,000	-
Total assets	\$ 46,268	\$ 6,000
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
Current liabilities:		
Accounts payable	\$ 14,407	\$ 1,363
Accrued interest payable - related party	125	-
Total current liabilities	14,532	1,363
Long term liabilities:		
Notes payable - related party	9,000	-
Total long term liabilities	9,000	-
Total liabilities	23,532	1,363
Stockholders' equity:		
Preferred stock, \$0.001 par value, 10,000,000 shares authorized, no shares issued and outstanding	-	-
Common stock, \$0.001 par value, 100,000,000 shares authorized, 1,158,000 and 658,000 shares issued and outstanding as of September 30, 2010 and December 31, 2009, respectively	1,158	658
Additional paid-in capital	71,642	20,342
Deficit accumulated during development stage	(50,064)	(16,363)
Total stockholders' equity	22,736	4,637
Total liabilities and stockholders' equity	\$ 46,268	\$ 6,000

See Accompanying Notes to Financial Statements.



SUBPRIME ADVANTAGE, INC.  
(A DEVELOPMENT STAGE COMPANY)  
STATEMENTS OF OPERATIONS  
(unaudited)

	For the three months ended September 30, 2010	For the nine months ended September 30, 2010	Inception (December 17, 2009) to September 30, 2010
Revenue	\$ -	\$ -	\$ -
Operating expenses:			
General and administrative	1,360	2,253	2,416
Executive compensation	1,200	3,800	3,800
Professional fees	16,581	27,523	43,723
Total operating expenses	19,141	33,576	49,939
Other expenses:			
Interest expense - related party	(113)	(125)	(125)
Total other expenses	(113)	(125)	(125)
Net loss	\$ (19,254)	\$ (33,701)	\$ (50,064)
Weighted average number of common shares outstanding - basic			
	734,087	683,641	
Net loss per share - basic	\$ (0.03)	\$ (0.05)	

See Accompanying Notes to Financial Statements.

SUBPRIME ADVANTAGE, INC.  
(A DEVELOPMENT STAGE COMPANY)  
STATEMENTS OF CASH FLOWS

(unaudited)

	For the nine months ended September 30, 2010	Inception (December 17, 2009) to September 30, 2010
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net loss	\$ (33,701)	\$ (50,064)
Adjustments to reconcile net loss to net cash used in operating activities:		
Shares issued for services	-	15,000
Donated executive compensation	1,800	1,800
Changes in operating assets and liabilities:		
Increase in accounts payable	13,044	14,407
Increase in accrued interest payable - related party	125	125
Net cash used in operating activities	(18,732)	(18,732)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase software	(1,099)	(1,099)
Deposit	(1,000)	(1,000)
Net cash used in investing activities	(2,099)	(2,099)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from sale of common stock, net of offering costs	50,000	56,000
Proceeds from notes payable - related party	9,000	9,000
Net cash provided by financing activities	59,000	65,000
NET CHANGE IN CASH	38,169	44,169
CASH AT BEGINNING OF YEAR	6,000	-
CASH AT END OF YEAR	\$ 44,169	\$ 44,169

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SUPPLEMENTAL INFORMATION:

Interest paid	\$	-	\$	-
Income taxes paid	\$	-	\$	-