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NUTRA PHARMA CORP
Form 10QSB
August 14, 2003

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

FORM 10QSB/A

- (X) Quarterly report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 for the quarterly period ended June 30, 2003
- () Transition report pursuant of Section 13 or 15(d) of the Securities Exchange Act of 1939 for the transition period ____ to_____

COMMISSION FILE NUMBER: 333-44398

NUTRA PHARMA CORP.

(Exact name of registrant as specified in its charter)

California

91-2021600

(State or other jurisdiction of incorporation or organization)

(IRS Employer I.D. Number)

485 Martin Lane, Beverly Hills, California
(Address of principal executive offices)

90210
(Zip Code)

Registrant's telephone number: (310) 276-8767

Former name, former address and former fiscal year, if changed

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

The number of shares of the registrant's common stock as of June 30, 2003: 45,634,500.

Transitional Small Business Disclosure Format (check one): Yes No X

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PART I. FINANCIAL INFORMATION

Item 1. Financial Statements

- (a) Balance Sheet
- (b) Statement of Operations
- (c) Statement of Changes in Financial Position
- (d) Statement of Shareholders' Equity
- (e) Notes to Financial Statements

Item 2. Management's Discussion and Analysis
of Financial Condition and Results of Operations

Item 3. Risks

PART II. OTHER INFORMATION

Item 1. Legal Proceedings

Item 2. Changes in Securities and Use of Proceeds

Item 3. Defaults On Senior Securities

Item 4. Submission of Items to a Vote

Item 5. Other Information

Item 6

- (a) Exhibits
- (b) Reports on Form 8K

SIGNATURES

FINANCIAL DATA SCHEDULE

NUTRA PHARMA CORP.
(A Development Stage Company)
Balance Sheets

	Dec. 31, 2002	June 30, 2003	
	-----	-----	
ASSETS			
Current Assets:			
Cash	\$ -	\$ -	
Loan receivable	819,327	819,327	
	-----	-----	
Total Current Assets	819,327	819,327	
	-----	-----	
 TOTAL ASSETS	 \$ 819,327	 \$ 819,327	
	=====	=====	
LIABILITIES & STOCKHOLDERS-DEFICITS			
Current Liabilities:			
Accrued expenses	\$ 2,400	\$ 2,400	
Loan payable B related party	862,010	103,822	
	-----	-----	

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Total Current Liabilities	864,410	106,222
	-----	-----
Stockholders= Deficits:		
Common Stocks, \$.001 par value		
Authorized shares; 100,000000		
Issued and outstanding shares;		
43,813,905 and 46,135,828		
respectively	43,814	46,136
Paid In Capital	186,658	1,046,346
Deficit Accumulated during		
the development stage	(275,555)	(379,377)
	-----	-----
TOTAL STOCKHOLDERS-EQUITY (DEFICIT)	(45,083)	713,105
	-----	-----
TOTAL LIABILITIES AND		
STOCKHOLDERS-DEFICIT	\$ 819,327	\$ 819,327
	=====	=====

Nutra Pharma Corp.
(A Development Stage Company)
Statements of Operations
For the periods ended June 30, 2002 and 2003

	June 30, 2002	June 30, 2003
	-----	-----
Income	\$ 0	\$ 0
	-----	-----
Total Income	0	0
	-----	-----
Operating Expenses		
General and administrative	35,000	103,822
	-----	-----
Total Expenses	35,000	103,822
	-----	-----
Net income (loss)	\$ (35,000)	\$ (103,822)
	=====	=====

3

NUTRA PHARMA CORP.
(A Development Stage Company)
Statement of Stockholders' Equity
For the period February 1, 2000 (inception)
through June 30, 2003

Number Of Shares Outstanding	Common Stock at Par Value	Paid in Capital	Deficit Accumulated During the Development Stage
-----	-----	-----	-----

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Stocks issued at inception for services	1,950,000	\$1,950	\$ -	\$ -
Net loss, December 31, 2000				(1,950)
Balance, December 31, 2000	1,950,000	\$ 1,950	-	(1,950)
Stocks issued for cash	50,000	50	7,450	
Stocks issued	42,500,000	42,500		
Net loss, December 31, 2001				(184,344)
Balance, December 31, 2001	44,500,000	44,500	7,450	(186,294)
Stocks issued	16,320,405	16,321	179,208	
Stock cancellation	(17,006,500)	(17,007)		
Net loss, December 31, 2002				(89,261)
Balance December 31, 2002	43,813,905	\$43,814	\$186,658	\$ (275,555)
Stock cancellation	(13,791,905)	(13,792)		
Stocks issued	16,113,828	16,114	859,688	
Net loss, June 30, 2003				(103,822)
Balance June 30, 2003	46,135,828	\$ 46,136	\$1,046,346	\$ (379,377)

4

Nutra Pharma Corp.
(A Development Stage Company)
Notes to Financial Statements
June 30, 2003

NOTE 1 - NATURE OF BUSINESS

Nutra Pharma Corp. (the Company) was incorporated under the laws of the state of Nevada on February 1, 2000. It has developed a business plan to engage in the distribution of botanical biopharmaceutical products. The Company is considered a development stage enterprise because it has not yet generated significant revenues from the sale of its products.

NOTE 2 SIGNIFICANT ACCOUNTING POLICIES

a. Basis - The Company uses the accrual method of accounting.

b. Cash and cash equivalents - The Company considers all short term, highly liquid investments that are readily convertible within three months to known amounts as cash equivalents. Currently, it has no cash equivalents.

c. Loss per share - Net loss per share is provided in accordance with Statement of Financial Accounting Standards No. 128 "Earnings Per Share". Basic loss per share reflects the amount of losses for the period available to each share of common stock outstanding during the reporting period, while giving effect to all dilutive potential common shares that were outstanding during the period, such as stock options and convertible securities. Fully Diluted Earnings Per Shares shall be shown on stock options and other convertible issues that may be exercised within ten years of the financial statement dates. As of December 31, 2002 the Company had no issuable shares qualified as dilutive to be included in the earnings per share calculations.

The following is an illustration of the reconciliation of the numerators and denominators of the basic loss per share calculations:

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	For the years ended December 31,	
	2002	2001
	-----	-----
Net income (loss)	\$ 89,261	\$ (184,344)
Weighted average shares outstanding (denominator)	18,204,208	44,500,500
Basic loss per share	\$ 0.01	\$ (0.00)
	=====	=====

d. Use of Estimates - The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts 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 differ from those estimates.

NOTE3 - INCOME TAXES

The Company has adopted the provision of SFAS No. 109 "Accounting for Income Taxes". It requires recognition of deferred tax liabilities and assets for the expected future tax consequences. Under this method, deferred tax liabilities and assets are determined based on the differences between the financial statement and tax basis of assets and liabilities using enacted tax rates in effect for the year in which the differences are expected to reverse.

Nutra Pharma Corp. has incurred losses that can be carried forward to offset future earnings if conditions of the Internal Revenue codes are met.

The Company's total deferred tax assets as of December 31, 2002 is as follows:

Net operating loss carry-forward	(\$ 97,033)
Valuation allowance	(97,033)

	\$ -
	=====

5

The difference between the income tax benefit in the accompanying statements of operations and the amount that would result if the Federal statutory rate of 34% were applied to pre-tax loss is as follows for the year ended December 31, 2001:

Income tax benefit at statutory rate	\$ 29,110
Valuation allowance	(29,110)

	\$ -
	=====

The net operating loss carry forward of \$97,033 for federal tax purposes will expire in year 2022.

NOTE 4 RELATED PARTY TRANSACTIONS

The Company issued shares of restricted common stock to its officers, legal counsel, and consultant in exchange for services rendered. The stocks issued are recorded at fair value par value of the services received.

During the year 2001 and 2002, the Company received loans from officers who

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are also stockholders. These loans are non-interest bearing and have no specific terms of repayment. The balance of the loan payable to related party as of December 31, 2002 was \$862,010. During May, 2003, this balance was extinguished in exchange for 10,300,000 shares of common stock. As of June 30, 2003, the new balance of the loan payable to the related party is \$103,822.

NOTE 5 LICENSE AGREEMENT

On May 7, 2001, the Company entered into a license agreement. The purchase price for the license was \$1,750,000. The cost of the licensing agreement acquired was recorded as an intangible asset and is being amortized over the term of the license of five years. At December 31, 2001, accumulated amortization was \$116,667. On December 23, 2002, the above agreement was mutually cancelled by both parties. Related adjustments are reflected in December 31, 2002 financial Statements.

NOTE 6 ACQUISITION OF SUBSIDIARY

In May, 2002, the company entered into an agreement to acquire Bio Therapeutics, Inc. a Florida corporation. In April, 2003, Bio Therapeutics terminated the agreement, and the company has filed suit in Florida State Court to collect over \$600,000 in monies loaned during the pendency of the agreement.

NOTE 7 GOING CONCERN

The Company has no assets with which to create operating capital. It has an accumulated deficit of \$275,555 at December 31, 2002. These factors raise substantial doubt about the company's ability to continue as a going concern. The company seeks to raise operating capital through private placements of its common stock. However, there can be no assurance that such offering or negotiations will be successful.

6

ITEM 2: MANAGEMENT'S DISCUSSION AND ANALYSIS OR PLAN OF OPERATIONS

Results of Operations

Since inception, we have experienced losses. We have financed our operations primarily through the sale of our common stock or by loans from shareholders. The net loss for the six months ended June 30, 2003 was \$103,822, compared to a net loss of \$35,000 for the same period of 2002. Management has determined that, due to the company's lack of operating revenue since inception, a comparison of the two periods would not be meaningful.

Liquidity and Capital Resources

As of June 30, 2003, we had a working capital surplus of \$713,105, compared to a working capital deficit of \$45,083 for December 31, 2002. Management attributes this surplus to the conversion of the loan payable to a stockholder into common stock. We have no material commitments for the next twelve months. We believe that our current cash needs for at least the next twelve months can be met by loans from our directors, officers and shareholders.

Recent Developments

On August 22, 2002, Nutra Pharma Corp ("Nutra Pharma") consummated the first portion of its share exchange agreement with of Bio Therapeutics, Inc., a Florida corporation ("Bio Therapeutics"), provided for in the Definitive Agreement dated May 30, 2002 and the Closing Agreement for the Exchange of Common Stock dated August 12, 2002, as amended. Pursuant to the Agreement, Bio Therapeutics was being acquired by Nutra Pharma as a wholly owned subsidiary. Throughout the course of the consummation of the agreement, Nutra Pharma

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loaned to Bio Therapeutics over \$600,000 for operating expenses. On April 23, 2003, Bio Therapeutics withdrew from and terminated the agreement, and returned 9,156,961 common shares of the company for cancellation. The Company is currently suing Bio Therapeutics for the money loaned. Motions to strike affirmative defenses and counterclaims are set for August 5, 2003, and Motions for Emergency Appointment of Receiver, alleging mismanagement and for Summary Judgment have been set for September 8, 2003.

- Item 2. Changes in securities and use of proceeds NONE
- Item 3. Defaults on senior securities NONE
- Item 4. Submission of items to a vote NONE
- Item 5. Other information NONE
- Item 6.
 - a) Exhibits NONE
 - b) Reports on 8K
 - May 2, 2003
 - July 24, 2003

7

SIGNATURES

In accordance with the requirements of the Securities and Exchange Act of 1934, the registrant caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

NUTRA PHARMA CORP.

Dated: August 13, 2003 By: Rik Deitsch

Rik Deitsch, President

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

Zirk Engelbrecht

Zirk Engelbrecht, Treasurer

Date: August 13, 2003

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 Nutra Pharma, Inc. on Form 10-QSB for the period ended March 31, 2003, as filed with the Securities and Exchange Commission on the date hereof, the undersigned certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to the best of my knowledge:

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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 the Company.

Dated: August 13, 2003

By: Rik Deitsch

Rik Deitsch,
Chief Executive Officer

Dated: August 13, 2003

By: Zirk Englebrecht

Zirk Englebrecht
Treasurer

8

CERTIFICATION
PURSUANT TO SECTION 302
OF THE SARBANES-OXLEY ACT OF 2002

I, Rik Deitsch, certify that:

1. I have reviewed this report on Form 10-QSB of Nutra Pharma Corp.
2. Based on my knowledge, this report does not contain any untrue statement of a 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 report;
3. Based on my knowledge, the financial statements, consolidated financial statements and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the year ending 2002, as presented in this report;
4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-14 and 15d-14) for the registrant and we have:
 - a) designed such disclosure controls and procedures to ensure that material information relating to the registrant, including any subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) evaluated the effectiveness of the registrant's disclosure controls and procedures as of a date within 90 days prior to the filing date of this report (the "Evaluation Date"); and
 - c) presented in this report our conclusions about the effectiveness of the disclosure controls and procedures based on our evaluation as of the Evaluation Date;
5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent function):

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- a) all significant deficiencies in the design or operation of internal controls which could adversely affect the registrant's ability to record, process, summarize and report financial data and have identified for the registrant's auditors any material weaknesses in internal controls; and
- b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls; and

6. The registrant's other certifying officers and I have indicated in this report whether or not there were significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of our most recent evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

Date: August 13, 2003

Rik Deitsch

Rik Deitsch
Chief Executive Officer

9

CERTIFICATION
PURSUANT TO SECTION 302
OF THE SARBANES-OXLEY ACT OF 2002

I, Zirk Englebrecht, certify that:

1. I have reviewed this report on Form 10-QSB of Nutra Pharma Corp.
2. Based on my knowledge, this report does not contain any untrue statement of a 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 report;
3. Based on my knowledge, the financial statements, consolidated financial statements and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the year ending 2002, as presented in this report;
4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-14 and 15d-14) for the registrant and we have:
 - a) designed such disclosure controls and procedures to ensure that material information relating to the registrant, including any subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) evaluated the effectiveness of the registrant's disclosure controls and procedures as of a date within 90 days prior to the filing date of this report (the "Evaluation Date"); and
 - c) presented in this report our conclusions about the effectiveness of the disclosure controls and procedures based on our evaluation as of the Evaluation Date;
5. The registrant's other certifying officers and I have disclosed, based on

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our most recent evaluation, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent function):

a) all significant deficiencies in the design or operation of internal controls which could adversely affect the registrant's ability to record, process, summarize and report financial data and have identified for the registrant's auditors any material weaknesses in internal controls; and

10

b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls; and

6. The registrant's other certifying officers and I have indicated in this report whether or not there were significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of our most recent evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

Date: August 13, 2003

Zirk Englebrecht

Zirk Englebrecht

Chief Financial Officer

11