

Edgar Filing: NetVentory Solutions, Inc. - Form 10-Q

NetVentory Solutions, Inc.
Form 10-Q
June 21, 2010

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

FORM 10-Q

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

For the quarterly period ended April 30, 2010

OR

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

For the transition period from _____ to _____

NETVENTORY SOLUTIONS, INC.
(Exact name of registrant as specified in charter)

Nevada	333-153308	98-0573252
(State or other jurisdiction of incorporation)	(Commission File Number)	(IRS Employer Identification No.)

8TH Floor-200 South Virginia Street
Reno, NV 89501
(Address of principal executive offices)

(775) 562-0504
(Registrant's Telephone Number, including Area Code)

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 requirement 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 ☒

As of June 21, 2010, 2,140,000 shares of the issuer's common stock, \$0.001 par value, were outstanding.

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

INDEX

Page

PART I - FINANCIAL INFORMATION

Item 1. Financial Statements

Balance Sheets as of April 30, 2010 (unaudited) and July 31, 2009 (audited)	3
---	---

Statements of Operations for the three and nine months ended April 30, 2010 and 2009 and the period from inception to April 30, 2010 (unaudited)	4
--	---

Edgar Filing: NetVentory Solutions, Inc. - Form 10-Q

Statement of Stockholders' Equity (Deficit) for the period from inception to April 30, 2010 (unaudited)	5
Statements of Cash Flows for the nine months ended April 30, 2010 and 2009 and the period from inception to April 30, 2010 (unaudited)	6
Notes to Financial Statements	7
Item 2. Management's Discussion and Analysis or Plan of Operation	11
Item 4. Controls and Procedures	14
PART II - OTHER INFORMATION	
Item 1. Legal Proceedings	15
Item 2. Unregistered Sales of Equity Securities and Use of Proceeds	15
Item 3. Defaults Upon Senior Securities	15
Item 4. Submission of Matters to a Vote of Security Holders	15
Item 5. Other Information	15
Item 6. Exhibits	15

2

PART I - FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

Netventory Solutions Inc.
(A Development Stage Company)
Balance Sheets
As of April 30, 2010 and July 31, 2009

	April 30, 2010 ----- (unaudited)	July 31, 2009 ----- (audited)
ASSETS		
CURRENT ASSETS		
Cash	\$ 2,387	\$ 9,756
Prepaid expenses	--	5,610
	-----	-----
Total current assets	2,387	15,366
	-----	-----
OTHER ASSET		
Website	9,000	9,000
	-----	-----
Total other asset	9,000	9,000
	-----	-----
Total Assets	\$ 11,387 =====	\$ 24,366 =====

Edgar Filing: NetVentory Solutions, Inc. - Form 10-Q

LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIT)

LIABILITIES

CURRENT LIABILITIES

Accounts payable and accrued liabilities	\$ 5,900	\$ 3,500
Due to stockholder	12,034	12,034
	-----	-----
Total Liabilities	17,934	15,534
	-----	-----

STOCKHOLDERS' EQUITY (DEFICIT) (NOTE 4)

Common stock authorized- 100,000,000 common shares with a par value of \$0.001		
Common stock issued and outstanding - 2,140,000 common shares	2,140	2,140
Additional paid in capital	44,860	44,860
Deficit accumulated during the development stage	(53,547)	(38,168)
	-----	-----
Total Stockholders' Equity (Deficit)	(6,547)	8,832
	-----	-----
 Total Liabilities and Stockholders' Equity (Deficit)	 \$ 11,387	 \$ 24,366
	=====	=====

The accompanying notes are an integral part of these financial statements

3

Netventory Solutions Inc.

(A Development Stage Company)

Statements of Operations (unaudited)

For the Three and Nine Months ended April 30, 2010 and 2009 and the period from
Inception (February 8, 2008) to April 30, 2010

	Three Months ended April 30, 2010	Three Months ended April 30, 2009	Nine Months ended April 30, 2010	Nine Months ended April 30, 2009
	-----	-----	-----	-----
Revenue	\$ --	\$ --	\$ --	\$ --
	-----	-----	-----	-----
Expenses:				
Professional	1,000	550	4,750	14,721
Consulting	750	--	2,500	--
Filing fees	1,350	3,758	7,980	9,681
General and administrative	--	242	149	502
	-----	-----	-----	-----
Net (loss) before income taxes	(3,100)	(4,550)	(15,379)	(24,904)
Provision for income taxes	--	--	--	--
	-----	-----	-----	-----
Net (loss)	\$ (3,100)	\$ (4,550)	\$ (15,379)	\$ (24,904)
	=====	=====	=====	=====

Edgar Filing: NetVentory Solutions, Inc. - Form 10-Q

Basic and diluted (loss) per common share	\$ (0.00)	\$ (0.00)	\$ (0.00)	\$ (0.00)
	=====	=====	=====	=====
Weighted average number of common shares outstanding	2,140,000	2,140,000	2,140,000	2,140,000
	=====	=====	=====	=====

The accompanying notes are an integral part of these financial statements

4

Netventory Solutions Inc.

(A Development Stage Company)

Statement of Stockholders' Equity (Deficit) (unaudited) For the period from Inception (February 8, 2008) to April 30, 2010

	Common Shares Issued Shares -----	Amount -----	Additional Paid In Capital -----	Deficit Accumulated during the Development Stage -----
Balance, February 8, 2008	--	\$ --	\$ --	\$ --
Shares issued to founder on Feb 8, 2008 @ \$0.01 per share	1,500,000	1,500	13,500	--
Private placement at \$0.05 per share on June 30, 2008	640,000	640	31,360	--
Net (loss)	--	--	--	(7,187)
	-----	-----	-----	-----
Balance, July 31, 2008	2,140,000	2,140	44,860	(7,187)
Net (loss)	--	--	--	(30,981)
	-----	-----	-----	-----
Balance, July 31, 2009	2,140,000	2,140	44,860	(38,168)
Net (loss)	--	--	--	(15,379)
	-----	-----	-----	-----
Balance, April 30, 2010	2,140,000	\$ 2,140	\$ 44,860	\$ (53,537)
	=====	=====	=====	=====

The accompanying notes are an integral part of these financial statements

5

Netventory Solutions Inc.

(A Development Stage Company)

Statements of Cash Flows (unaudited) For the Nine Months ended April 30, 2010 and 2009 and for the period from Inception (February 8, 2008) to April 30, 2010

	Nine Months ended April 30, 2010	Nine Months ended April 30, 2009	Period fr Inceptio (February 8, to April 30 2010
--	---	---	---

Edgar Filing: NetVentory Solutions, Inc. - Form 10-Q

	-----	-----	-----
OPERATING ACTIVITIES			
Net (loss)	\$ (15,379)	\$ (24,904)	\$ (53,547)
(Increase) decrease in prepaid expenses	5,610	(8,109)	--
Increase in accounts payable	2,400	1,000	5,900
	-----	-----	-----
Cash used in operating activities	(7,369)	(32,013)	(47,647)
	-----	-----	-----
INVESTING ACTIVITY			
Website development	--	(9,000)	(9,000)
	-----	-----	-----
Cash used in investing activity	--	(9,000)	(9,000)
	-----	-----	-----
FINANCING ACTIVITIES			
Sale of stock	--	--	47,000
Increase in due to stockholder	--	250	12,034
	-----	-----	-----
Cash from financing activities	--	250	59,034
	-----	-----	-----
Increase (Decrease) in cash	(7,369)	(40,763)	2,387
Cash, opening	9,756	40,763	--
	-----	-----	-----
Cash, closing	\$ 2,387	\$ --	\$ 2,387
	=====	=====	=====

The accompanying notes are an integral part of these financial statements

6

Netventory Solutions Inc.
(A Development Stage Company)
Notes to Financial Statements
April 30, 2010

NOTE 1 - NATURE OF OPERATIONS

Netventory Solutions Inc. ("the Company"), incorporated in the state of Nevada on February 8, 2008, has business activities in inventory management solutions.

The company has limited operations and is considered to be in the development stage.

NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES

ACCOUNTING BASIS

These financial statements are prepared on the accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America.

BASIS OF PRESENTATION

Certain information and footnote disclosures normally included in annual financial statements prepared in accordance with generally accepted accounting principles have been condensed or omitted. We believe that the disclosures are adequate to make the financial information presented not misleading. These condensed financial statements should be read in conjunction with the audited consolidated financial statements and the notes thereto for the year ended July

Edgar Filing: NetVentory Solutions, Inc. - Form 10-Q

31, 2009. All adjustments were of a normal recurring nature unless otherwise disclosed. In the opinion of management, all adjustments necessary for a fair statement of the results of operations for the interim period have been included. The results of operations for such interim periods are not necessarily indicative of the results for the full year.

FINANCIAL INSTRUMENTS

The Company's financial instruments consist of cash, prepaid expenses, accounts payable and an amount due to stockholder.

The amount due to stockholder is non interest-bearing. It is management's opinion that the Company is not exposed to significant interest, currency or credit risks arising from its other financial instruments and that their fair values approximate their carrying values except where separately disclosed.

USE OF ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles of the United States requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the year. The more significant areas requiring the use of estimates include asset impairment, stock-based compensation, and future income tax amounts. Management bases its estimates on historical experience and on other assumptions considered to be reasonable under the circumstances. However, actual results may differ from the estimates.

7

Netventory Solutions Inc.
(A Development Stage Company)
Notes to Financial Statements
April 30, 2010

NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

LOSS PER SHARE

Net income (loss) per common share is computed based on the weighted average number of common shares outstanding and common stock equivalents, if not anti-dilutive. The Company has not issued any potentially dilutive common shares.

Basic loss per share is calculated using the weighted average number of common shares outstanding and the treasury stock method is used to calculate diluted earnings per share. For the years presented, this calculation proved to be anti-dilutive.

DIVIDENDS

The Company has not adopted any policy regarding payment of dividends. No dividends have been paid during the period shown.

INCOME TAXES

The Company provides for income taxes using an asset and liability approach.

Deferred tax assets are reduced by a valuation allowance if, based on the weight of available evidence, it is more likely than not that some or all of the

Edgar Filing: NetVentory Solutions, Inc. - Form 10-Q

deferred tax assets will not be realized. No provision for income taxes is included in the statement due to its immaterial amount, net of the allowance account, based on the likelihood of the Company to utilize the loss carry-forward.

NOTE 3 - DUE TO STOCKHOLDER

The amount owing to stockholder is unsecured, non-interest bearing and has no specific terms of repayment.

NOTE 4 - STOCKHOLDERS' EQUITY

Common Shares - Authorized

The company has 100,000,000 common shares authorized at a par value of \$0.001 per share.

Common Shares - Issued and Outstanding

During the period ended July 31, 2008, the company issued 2,140,000 common shares for total proceeds of \$47,000.

As at April 30, 2010, the company has no warrants or options outstanding.

8

Netventory Solutions Inc.
(A Development Stage Company)
Notes to Financial Statements
April 30, 2010

NOTE 5 - INCOME TAXES

The Company provides for income taxes using an asset and liability approach. Deferred tax assets and liabilities are recorded based on the differences between the financial statement and tax bases of assets and liabilities and the tax rates in effect currently.

Deferred tax assets are reduced by a valuation allowance if, based on the weight of available evidence, it is more likely than not that some or all of the deferred tax assets will not be realized. In the Company's opinion, it is uncertain whether they will generate sufficient taxable income in the future to fully utilize the net deferred tax asset. Accordingly, a valuation allowance equal to the deferred tax asset has been recorded. The total deferred tax asset is \$11,780, which is calculated by multiplying a 22% estimated tax rate by the cumulative NOL of \$53,547.

NOTE 6 - RELATED PARTY TRANSACTION

As at April 30, 2010, there is a balance owing to a stockholder of the Company in the amount of \$12,034.

The officers and directors of the Company are involved in other business activities and may, in the future, become involved in other business opportunities that become available. They may face a conflict in selecting between the Company and other business interests. The Company has not formulated a policy for the resolution of such conflicts.

NOTE 7 - GOING CONCERN

The accompanying financial statements have been prepared assuming that the

Edgar Filing: NetVentory Solutions, Inc. - Form 10-Q

company will continue as a going concern. As discussed in the notes to the financial statements, the Company has no established source of revenue. This raises substantial doubt about the Company's ability to continue as a going concern. Without realization of additional capital, it would be unlikely for the Company to continue as a going concern. The financial statements do not include any adjustments that might result from this uncertainty.

9

Netventory Solutions Inc.
(A Development Stage Company)
Notes to Financial Statements
April 30, 2010

NOTE 7 - GOING CONCERN (CONTINUED)

The Company's activities to date have been supported by equity financing. It has sustained losses in all previous reporting periods with an inception to date loss of \$53,547 as of April 30, 2010. Management continues to seek funding from its shareholders and other qualified investors to pursue its business plan. In the alternative, the Company may be amenable to a sale, merger or other acquisition in the event such transaction is deemed by management to be in the best interests of the shareholders.

NOTE 8 - RECENT ACCOUNTING PRONOUNCEMENTS

The adoption of new accounting pronouncements is not expected to have a material effect on the Company's current financial position, results or operations, or cash flows.

NOTE 9 - SUBSEQUENT EVENTS

The Company has analyzed its operations subsequent to April 30, 2010 through June 21, 2010 and has determined that it does not have any material subsequent events to disclose in these in financial statements.

10

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OR PLAN OF OPERATION

CAUTIONARY STATEMENT CONCERNING FORWARD-LOOKING STATEMENTS

This report on Form 10-Q contains forward-looking statements that involve risks and uncertainties. You should not place undue reliance on these forward-looking statements. Our actual results could differ materially from those anticipated in the forward-looking statements for many reasons, including the risks described in this report, our registration statement on Form 10-K and other filings we make from time to time with the Securities and Exchange Commission. Although we believe the expectations reflected in the forward-looking statements are reasonable, they relate only to events as of the date on which the statements are made. We do not intend to update any of the forward-looking statements after the date of this report to conform these statements to actual results or to changes in our expectations, except as required by law.

This discussion and analysis should be read in conjunction with the unaudited interim financial statements and notes thereto included in this report and the audited financials in our registration statement on Form 10-K for the period ended July 31, 2009.

OVERVIEW

Edgar Filing: NetVentory Solutions, Inc. - Form 10-Q

We are a development stage company with limited operations and no revenues from our business operations. Our auditors have issued a going concern opinion. This means that our auditors believe there is substantial doubt that we can continue as an on-going business for the next twelve months. We do not anticipate that we will generate significant revenues until we have completed our development of our software and marketing plan to generate customers. Accordingly, we must raise cash from sources other than our operations in order to implement our marketing plan.

PLAN OF OPERATION

GENERAL

We were incorporated in the state of Nevada in February 8, 2008, under the name NetVentory Solutions, Inc. and are engaged in the provision of online inventory services to small and medium sized companies. Our goal is to offer comprehensive inventory management and product fulfillment services to our customers. Our target clientele will include small to medium sized business owners who demand convenient and cost effective ways to monitor and control their company's inventory.

In order to satisfy global demand for online inventory services, we plan to develop a network of international and domestic resellers, and also retain a foreign sales force that manages various call centers, which develop client networks and contact potential customers.

As the popularity of the Internet continues to surge, we plan to capitalize on the continually maturing marketplace for online inventory management services. Automated inventory services are becoming an increasingly necessary tool to reduce costs and increase productivity. From scanning the bar codes on products stored in warehouses and storage bins, to tracking the cost of goods sold to customers, inventory management is becoming an essential part of everyday life for many businesses.

We believe that our company has a strategic advantage over our competition because our customers will have access to a protected local copy of their inventory at their premises to which they can refer to in the event of a failure in Internet connectivity. By granting our customers a local copy of their inventory that will be readily available, our customers will have the ability to continue with a project such as an inventory count (despite the lack of internet

11

service), without disruptions. In addition, once Internet connection is restored, the local copy will automatically synch with the client's online inventory system, updating any changes that may have occurred during the interruption. We believe our unique technology will find a comfortable niche in the online inventory system business, and will continue to refine our product and related services in order to meet the needs of small and medium size businesses.

PRODUCTION

Registered subscribers will be able to log into our web site using the access codes they set up during the registration process. After entering their user name and password the person will be redirected to a designated secure folder that contains their customized inventory management system. The infrastructure of the web site will allow a subscriber to have multiple users online simultaneously with no limitations on the number of hours of use. The subscriber's staff will be able to access the same or different elements of their online inventory management system at the same time if they like. An access code hierarchy will be available to allow an administrator from the

Edgar Filing: NetVentory Solutions, Inc. - Form 10-Q

subscriber firm, to limit or restrict the rights of users within their own group. In this way sensitive information will be restricted to predetermined members of the subscriber group.

A prominent feature of our online inventory management system will be to the ease of access to a client's information. We plan to design an online system that will be able to harness the growing ubiquity of Internet access. The portability of the user name and password will allow subscribers to access our company's web site from anywhere that they have Internet access. Our subscribers are able to access the inventory via any web-compliant browser on a PC, Laptop or a PDA.

Our product will enable our clients to manage their inventory and related logistics. For example, when a shipment of materials arrives at the loading dock of a client company, the client's staff person can log into the site and enter the incoming items by product description, quantity and include notes such as damaged goods for return. The entry will immediately update the existing inventory for the goods already on hand, change the re-order status and advise the production department that the goods have been received and are now available. In another example, a client's sales representative that is visiting a customer at the customer's office and needs to check the status of a customer order, can check from a remote location to see if an item the customer wants is in stock or to modify an existing order that has not yet shipped. The sales rep will be able to use a wireless device to access the Internet, log in and complete any one of these or other tasks thereby help to increase the level of service the sales rep can give to the customer.

Our online inventory management services will feature a relational database that will be developed using the open source MYSQL and the PHP programming language. By using these software development tools we will be able to keep our costs down and still produce a high quality product.

The customer may opt for a local copy of their inventory hosted on a server at their premises. If the Internet fails, the local copy is still available for the customer to use. When the problem is remedied, the local copy will synch with the online inventory system. This option will be available at an additional fee.

SALES AND MARKETING STRATEGY

The marketing expense will be directed at developing an international and domestic reseller network. To accomplish this we plan to outsource the task to an offshore call center. We anticipate spending 75% of the marketing budget in this manner. The remaining 25% will go towards an online advertising campaign using the Google Adwords cost-per-click advertising program. Our online ads will try to drive traffic to our web site.

COMPETITION

The competition to provide customers with online inventory management systems exists in companies that appear to be at various stages of development and growth. In the section below we highlight some of the firms that have a presence on the internet already and are currently marketing their versions of this type of service.

We believe that there are several categories of software companies offering online inventory management systems. We have divided our industry segment and competition into two distinct categories: one where the software company includes inventory management as part of the larger software product offering; and the second where the software company specializes in offering this type of service. Our firm will be in the second category as an inventory management

Edgar Filing: NetVentory Solutions, Inc. - Form 10-Q

system specialist.

There are a number of firms that already offer various types of inventory management services through their web sites. No one company appears to have been able to establish a dominant position and become the market leader. When we consider the growth of the internet and the suitability of inventory management systems to relational database structures we feel that we will be coming to a market that remains fractured and offers potential for long-term success.

None of these solutions appear to offer the customer the ability to have a local copy of their inventory on an on-site server. If the customer loses access to the internet, it is likely that the company will not be able to fulfill orders - resulting in a loss of business. In addition, there is a significant loss of productivity. Our system offers this functionality as an add-on service and we believe that this is a key differentiator between our service and those of our competition.

RESULTS OF OPERATIONS

During the period from February 8, 2008 (date of inception) through April 30, 2010, we incurred a net loss of \$53,547. This loss consisted primarily of incorporation costs, professional fees and filing fees. Since inception, we have sold 2,140,000 shares of common stock.

PURCHASE OR SALE OF EQUIPMENT

We do not expect to purchase or sell any plant or significant equipment. We have leased web hosting space needed for hosting our website at a cost of \$240 annually.

REVENUES

We had no revenues for the period from February 8, 2008 (date of inception) through April 30, 2010.

LIQUIDITY AND CAPITAL RESOURCES

Our balance sheet as of April 30, 2010, reflects assets of \$11,387. Cash and cash equivalents from inception to date have been insufficient to provide the working capital necessary to operate to date.

Notwithstanding the success of this offering, we anticipate generating losses and, therefore, may be unable to continue operations in the future. If we require additional capital, we would have to issue debt or equity or enter into a strategic arrangement with a third party. There can be no assurance that additional capital will be available to us. We currently have no agreements, arrangements or understandings with any person to obtain funds through bank loans, lines of credit or any other sources.

GOING CONCERN CONSIDERATION

Our independent auditors included an explanatory paragraph in their report on the accompanying financial statements regarding concerns about our ability to continue as a going concern. Our financial statements contain additional note disclosures describing the circumstances that lead to this disclosure by our independent auditors.

Due to this doubt about our ability to continue as a going concern, management is open to new business opportunities which may prove more profitable to the shareholders of the Company. Historically, we have been able to raise a limited amount of capital through private placements of our equity stock, but we are uncertain about our continued ability to raise funds privately. Further, we

Edgar Filing: NetVentory Solutions, Inc. - Form 10-Q

believe that our company may have difficulties raising capital until we locate a prospective business opportunity through which we can pursue our plan of operation. If we are unable to secure adequate capital to continue our acquisition efforts, our business may fail and our stockholders may lose some or all of their investment.

13

Should our original business plan fail, we anticipate that the selection of a business opportunity in which to participate will be complex and without certainty of success. Management believes that there are numerous firms in various industries seeking the perceived benefits of being a publicly registered corporation. Business opportunities may be available in many different industries and at various stages of development, all of which will make the task of comparative investigation and analysis of such business opportunities extremely difficult and complex. We can provide no assurance that we will be able to locate compatible business opportunities.

OFF-BALANCE SHEET ARRANGEMENTS

We have no off-balance sheet arrangements.

CRITICAL ACCOUNTING POLICIES AND ESTIMATES

We have identified the policies described in the footnotes to our financial statements as critical to our business operations and the understanding of our results of operations. The impact and any associated risks related to these policies on our business operations are discussed throughout this section where such policies affect our reported and expected financial results. Our preparation of our financial statements requires us to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of our financial statements, and the reported amounts of revenue and expenses during the reporting period. There can be no assurance that actual results will not differ from those estimates. We consider the accounting policies described in our financial statement footnotes to be critical because the nature of the estimates or assumptions is material due to the levels of subjectivity and judgment necessary to account for highly uncertain matters or the susceptibility of such matters to change or because the impact of the estimates and assumptions on financial condition or operating performance is material.

EFFECT OF NEW ACCOUNTING PRONOUNCEMENTS

The adoption of the new accounting pronouncements is not expected to have a material effect on the Company's current financial position, results or operations, or cash flows.

ITEM 4. CONTROLS AND PROCEDURES

EVALUATION OF DISCLOSURE CONTROLS AND PROCEDURES

Our management evaluated, with the participation of our Chief Executive Officer and Chief Financial Officer, 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 Exchange Act of 1934) as of the end of the period covered by this Quarterly Report on Form 10-Q. Based on this evaluation, our Chief Executive Officer and our Chief Financial Officer concluded that our disclosure controls and procedures are effective to ensure that information we are required to disclose in reports that we file or submit under the Securities Exchange Act of 1934 (i) is recorded, processed, summarized and reported within the time periods specified in the Securities and Exchange Commission's rules and forms, and (ii) is accumulated and communicated to our management, including our

Edgar Filing: NetVentory Solutions, Inc. - Form 10-Q

Chief Executive Officer and our Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosure. Our disclosure controls and procedures are designed to provide reasonable assurance that such information is accumulated and communicated to our management. Our disclosure controls and procedures include components of our internal control over financial reporting. Management's assessment of the effectiveness of our internal control over financial reporting is expressed at the level of reasonable assurance that the control system, no matter how well designed and operated, can provide only reasonable, but not absolute, assurance that the control system's objectives will be met.

CHANGES IN INTERNAL CONTROLS OVER FINANCIAL REPORTING

There have been no changes in our internal controls over financial reporting that occurred during the period covered by this quarterly report, that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

14

PART II. OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

We may be involved from time to time in ordinary litigation, negotiation and settlement matters that will not have a material effect on our operations or finances. We are not aware of any pending or threatened litigation against us or our officers and directors in their capacity as such that could have a material impact on our operations or finances.

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

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

Not applicable.

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

Not applicable.

ITEM 5. OTHER INFORMATION

Not applicable.

ITEM 6. EXHIBITS

Exhibit -----	Description -----
3.1	Certificate of Incorporation of NetVentory Solutions, Inc. (Attached as an exhibit to our Registration Statement on Form S-1 originally filed with the SEC on September 3, 2008 and incorporated herein by reference.)
3.2	Bylaws. (Attached as an exhibit to our Registration Statement on Form S-1 originally filed with the SEC on September 3, 2008 and incorporated herein by reference.)
31.1	Certification of the Chief Executive and Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1	Certification of Officers pursuant to 18 U.S.C. Section 1350, as

Edgar Filing: NetVentory Solutions, Inc. - Form 10-Q

adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

15

SIGNATURE

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

NETVENTORY SOLUTIONS, INC.

Date: June 21, 2010

By: /s/ Ronald C. Dela Cruz

Name: Ronald C. Dela Cruz

Title: President and Director

In accordance with the requirements of the Securities Act of 1933, this registration statement was signed by the following persons in the capacities and on the dates stated:

Date: June 21, 2010

By: /s/ David Marby

Name: David Marby

Title: Director

16