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20/20 NETWORKS INC
Form 10QSB
May 24, 2004

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-QSB

(Mark One)

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

For the quarterly period ended March 31, 2004

OR

TRANSITION REPORT UNDER SECTION 13 OF 15(d) OF THE EXCHANGE ACT OF 1934

From the transition period from _____ to _____.

Commission File Number 0-29935

MICRO BIO-MEDICAL WASTE SYSTEMS, INC.
(Exact name of small business issuer as specified in its charter)

Nevada
(State or other jurisdiction of
incorporation or organization)

33-0677140
(IRS Employer Identification No.)

20700 Ventura Blvd., #227, Woodland Hills, California 91364
(Address of principal executive offices)

(818) 227-9494
(Issuer's telephone number)

N/A
(Former name, former address and former fiscal year,
if changed since last report)

Indicate by check mark whether the registrant (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:

As of May 22, 2004 there were 131,824,000 shares of Common Stock of the issuer
outstanding.

Micro Bio-Medical Waste Systems, Inc.
BALANCE SHEET
March 31, 2004
(unaudited)

ASSETS

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Assets	
Cash	\$ 2,695
Advances receivable - related party	20,000

	\$ 22,695
LIABILITIES AND STOCKHOLDERS' DEFICIT	
Current liabilities:	
Accounts payable and accrued expenses	\$ 145,777
Accounts payable - related party	27,606
Advances - related party	45,520

Total current liabilities	218,903

STOCKHOLDERS' DEFICIT:	
Common stock, \$.001 par value, 500,000,000 shares authorized, 131,824,000 shares issued and outstanding	131,824
Additional paid in capital	1,021,270
Accumulated deficit	(1,349,302)

Total Stockholders' Deficit	(196,208)

TOTAL LIABILITIES AND STOCKHOLDERS' DEFICIT	\$ 22,695
	=====

Micro Bio-Medical Waste Systems, Inc.
STATEMENTS OF OPERATIONS
Three Months Ended March 31, 2004 and 2003
(unaudited)

	2004	2003
	-----	-----
Costs and Expenses:		
General and administrative	\$ 23,181	\$ 10,580
	-----	-----
Net loss	\$ (23,181)	\$ (10,580)
	=====	=====
Net loss per share:		
Net loss basic and diluted	\$ (0.00)	\$ (0.02)
	=====	=====
Weighted average shares outstanding:		
Basic and diluted	13,824,000	8,619,820
	=====	=====

Micro Bio-Medical Waste Systems, Inc.
STATEMENTS OF CASH FLOWS
Three Months Ended March 31, 2004 and 2003
(unaudited)

	2004	2003
	-----	-----
CASH FLOWS FROM OPERATING ACTIVITIES		

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Net loss	\$ (23,181)	\$ (10,580)
Adjustments to reconcile net deficit to cash used by operating activities:		
Net change in:		
Accounts payable and accrued expenses	356	10,580
	-----	-----
CASH FLOWS USED IN OPERATING ACTIVITIES	(22,825)	-
	-----	-----
CASH FLOWS FROM INVESTING ACTIVITIES		
Advance receivable to related party	(20,000)	-
	-----	-----
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from advances-related party	45,520	-
	-----	-----
NET DECREASE IN CASH	2,695	-
Cash, beginning of period	-	-
	-----	-----
Cash, end of period	\$ 2,695	\$ -
	=====	=====
SUPPLEMENTAL CASH FLOW INFORMATION		
Interest paid	-	-
Income taxes paid	-	-

Micro Bio-Medical Waste Systems, Inc.
NOTES TO FINANCIAL STATEMENTS
(unaudited)

NOTE 1 - BASIS OF PRESENTATION

THE ACCOMPANYING UNAUDITED INTERIM FINANCIAL STATEMENTS OF MICRO BIO-MEDICAL WASTE SYSTEMS, INC. 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 REGISTRATION STATEMENT FILED WITH THE SEC ON FORM 10-KSB. 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 DISCLOSURE CONTAINED IN THE AUDITED FINANCIAL STATEMENTS FOR THE MOST RECENT FISCAL YEAR END DECEMBER 31, 2003 AS REPORTED IN FORM 10-KSB, HAVE BEEN OMITTED.

NOTE 2 - ADVANCES RECEIVABLE - RELATED PARTY

Micro Bio-Medical has advanced \$20,000 to a related party. The advance is due on demand.

NOTE 3 - ADVANCES - RELATED PARTY

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Micro Bio-Medical has received advances from one shareholders totaling \$45,520. The advances are unsecured and are due upon demand.

NOTE 4 - COMMON STOCK

The board of directors approved a 20 for 1 stock split in January 2004. All stock information is shown post split on these financial statements.

Item 2. MANAGEMENT'S DISCUSSION AND ANALYSIS

THIS REPORT CONTAINS FORWARD LOOKING STATEMENTS WITHIN THE MEANING OF SECTION 27A OF THE SECURITIES ACT OF 1933, AS AMENDED AND SECTION 21E OF THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED. THE COMPANY'S ACTUAL RESULTS COULD DIFFER MATERIALLY FROM THOSE SET FORTH ON THE FORWARD LOOKING STATEMENTS AS A RESULT OF THE RISKS SET FORTH IN THE COMPANY'S FILINGS WITH THE SECURITIES AND EXCHANGE COMMISSION, GENERAL ECONOMIC CONDITIONS, AND CHANGES IN THE ASSUMPTIONS USED IN MAKING SUCH FORWARD LOOKING STATEMENTS.

GENERAL

Micro Bio-Medical Waste Systems, Inc. formerly known as 20/20 Networks, Inc. (the "Company") was incorporated on August 31, 1995 as "Visioneering Corporation" under the laws of the State of Nevada, to engage in any lawful corporate undertaking, including, but not limited to, selected mergers and acquisitions. The Company subsequently changed its name to "Asiamerica Energy Group, Inc." on January 12, 1996 when it entered into an agreement to acquire an oil and gas company. No stock was issued and no assets were acquired as this acquisition was not consummated.

The Company then changed its name to "Care Financial Group, Inc." on April 29, 1996. At that time, the Company had agreed to form a wholly owned subsidiary, Care Concepts, Inc., a Nevada corporation ("Care Concepts"). The Company issued 3,700,000 shares of its common stock to Care Concepts which shares were valued at \$25,000. Care Concepts was in the business of designing and building specialized motor vehicles for physically handicapped drivers and passengers. Ultimately, this acquisition did not succeed and the Company paid Care Concepts \$80,000 to terminate the agreement between Care Concepts and the Company while the shareholders of Care Concepts retained their shares of the Company's common stock. The Company subsequently approved a 250-to-1 reverse stock split after this transaction was terminated.

On May 15, 1997, the Company changed its name to "Trump Oil Corporation" ("Trump"). Trump proposed to merge with Fenway Resources Ltd., a Canadian company involved in natural resource development which wanted to develop and construct a cement manufacturing facility in the Philippines. This proposed merger was never consummated and no shares were issued pursuant to this agreement.

None of the proposed business activities for which the Company's name was changed produced any revenues or created any appreciable business activities for the Company. On March 10, 1999, the Company entered into a letter of intent with 20/20 Web Design, Inc. ("20/20 Web"), a Colorado corporation, a wholly owned subsidiary of Multi-Source Capital, Ltd. ("MSC"), also a Colorado corporation. The Company entered into an Agreement and Plan of Reorganization and completed its acquisition of 20/20 Web, with the Company changing its name as a result. As a result of the merger, MSC became the owner of 80% of the issued and outstanding shares of the Company. The Company recorded the 8,620,000 shares of stock issued to MSC at par value for a total of \$8,620. MSC was later acquired

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by TeleMall Communications, Inc. ("TeleMall"), a publicly traded company which subsequently changed its name to Crown Partners, Inc. ("Crown").

In 1999, the Company continued the business of the Colorado corporation it acquired and continued to design and maintain web sites for small, private companies. The Company's clients included a jewelry store, a gift basket company and certain other small companies. The revenues received from these operations were minimal.

In December, 1999, the Company formed a wholly owned subsidiary, Stein's Cake Box ("Cake Box"), a Nevada corporation. The Company entered into a letter of intent with a bakery operation in Lewisville, Texas controlled by the Company's president, Randy Sutton. The Company lent \$195,000 to Cake Box in connection with the letter of intent. Cake Box used the \$195,000 to pay some of the construction costs of a proposed bakery operation estimated to ultimately cost a total of \$750,000. The proposed construction project was to expand an existing bakery operation located at the same location, College Connection, Inc. dba Stein's Bakery (the "Bakery"), also run by Mr. Sutton. In late February, 2000, the Company and the Bakery mutually agreed to cancel their letter of intent concerning Cake Box, although the Bakery remained liable to repay the \$195,000 it acquired from Cake Box. Due to the subsequent filing of a petition under the U.S. Bankruptcy Code, the Company was unable to collect this debt.

In February 2001, the Company entered into a letter of intent with BentleyTel.com, Inc. ("BentleyTel"), a Nevada corporation, to acquire BentleyTel in a statutory merger. The terms of the proposed acquisition require, among other things, that the Company to increase its authorized capital from twenty five million shares of common stock to one hundred million shares, approve a forward-split of one-for-four and change its name to "BentleyTel, Inc." The transaction was not completed and the Company changed its name back to 20/20 Web Design, Inc.

During the quarter ended March 31, 2003, the Company approved a 100-to-1 reverse split and a change of name to "20/20 Networks, Inc.".

In December, 2003, the Company entered into an Agreement with its majority shareholder, Crown Partners, Inc. ("Crown") to acquire Crown's wholly owned subsidiary, Sanitec Services of Hawaii, Inc. The Company is obligated to pay Crown the sum of \$550,000 and issue five percent of its common stock to Crown. The \$550,000 was due within 60 days of the agreement but the Company has been unable to pay the sum owing, so that the transaction with Crown has not been closed. As part of the transaction with Crown, the Company changed its name to "Micro Bio-Medical Waste Systems, Inc." and approved a twenty-for-one forward stock split which was implemented in January, 2004.

Once the Company is able to pay Crown the money it owing to it, the Company will assume management and control of Crown's Hawaiian operations. The Company anticipates engaging in the medical waste disposal business and other related business ventures.

The Company presently shares office space provided to it at no cost by a shareholder of the Company.

As of March 31, 2004, the Company had no employees.

RESULTS OF OPERATIONS

For the three month periods ended March 31, 2004 and 2003, the Company had no revenues. The Company's expenses for the three months ended March 31, 2004 were approximately \$23,181, representing general and administrative expenses. The

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Company recorded a net loss of \$23,181 for the period ended March 31, 2004. The Company's expenses for the three months ended March 31, 2003 were \$10,580 representing general and administrative costs. The Company recorded a net loss of \$10,580 for the period. The net loss per share was \$0.00 for the period ended March 31, 2004 compared to a net loss of \$0.02 per share for the period ended March 31, 2003.

For the three months ended March 31, 2004, the Company had assets of approximately \$23,000 consisting of cash of approximately \$3,000 and an advance of \$20,000 to a related party. At December 31, 2003, the Company had no assets. The Company's current liabilities for the three months ended March 31, 2004 were approximately \$219,000 compared to liabilities of approximately \$173,000 for the year ended December 31, 2003. This difference is primarily attributable to the expenses incurred as part of its proposed transaction with Crown. Shareholders' deficit for the three months ended March 31, 2004 was approximately \$196,000 compared to total shareholders' deficit of \$173,000 for the year ended December 31, 2003.

The Company anticipates that until a business combination is completed with an acquisition candidate or its completes its transaction with Crown, it will not generate revenues and may operate at a loss after completing a business combination, depending upon the performance of the acquired business.

The Company will attempt to carry out its business plan as discussed above. The Company cannot predict to what extent its lack of liquidity and capital resources will hinder its business plan prior to the consummation of a business combination.

LIQUIDITY AND CAPITAL RESOURCES

Since inception, the Company has experienced no significant change in liquidity or capital resources or stockholders equity other than the receipts of proceeds from offerings of its capital stock. The Company received \$250,000 from an offering conducted under Rule 504 of Regulation D in 1999. The Company also raised approximately \$158,000 from the issuance of 7,200,000 shares of the Company's common stock prior to 1997. In 1997, the Company raised an additional

\$345,000 from the sale of its common stock. The Company's balance sheet as of March 31, 2004 reflects limited assets and limited liabilities. Further, there exist no agreements or understandings with regard to loan agreements by or with the Officers, Directors, principals, affiliates or shareholders of the Company.

The Company is currently working to raise the funds necessary to pay Crown so that the proposed acquisition of the Hawaiian medical waste business can be completed, providing the Company with a source of revenue. The Company has thus far been unsuccessful in locating and raising the necessary capital and cannot predict how much more of an extension Crown will give it to pay the funds owing before seeking to terminate the proposed transaction with the Company.

The Company will attempt to carry out its plan of business and hopes to raise the capital to complete the Crown transaction as soon as possible. The Company cannot predict to what extent its lack of liquidity and capital resources will hinder its business plan.

NEED FOR ADDITIONAL FINANCING

The Company's existing capital is not sufficient to meet the Company's cash needs, including the costs of compliance with the continuing reporting requirements of the Securities Exchange Act of 1934, as amended. Once a business combination is completed, the Company's need for additional financing will

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increase substantially.

No commitments to provide additional funds have been made by management or other stockholders. Accordingly, there can be no assurance that any funds will be available to the Company to allow it to cover its expenses.

The Company might seek to compensate providers of services by issuing common stock in lieu of cash.

DESCRIPTION OF PROPERTIES

The Company presently shares office space provided by a shareholder at no cost to the Company.

EMPLOYEES

As of March 31, 2004, the Company had no employees.

New Accounting Pronouncements

In April 2002, the FASB approved for issuance Statements of Financial Accounting Standards No. 145, "Rescission of FASB Statements No. 4, 44 and 64, Amendment of SFAS 13, and Technical Corrections" ("SFAS 145"). SFAS 145 rescinds previous accounting guidance, which required all gains and losses from extinguishment of debt be classified as an extraordinary item. Under SFAS 145 classification of debt extinguishment depends on the facts and circumstances of the transaction. SFAS 145 is effective for fiscal years beginning after May 15, 2002 and is not expected to have a material effect on the Company's financial position or results of its operations.

In July 2002, the FASB issued Statements of Financial Accounting Standards No. 146, "Accounting for Costs Associated with Exit or Disposal Activities" (SFAS 146). SFAS 146 requires companies to recognize costs associated with exit or disposal activities when they are incurred rather than at the date of a commitment to an exit or disposal plan. Examples of costs covered by SFAS 146 include lease termination costs and certain employee severance costs that are associated with a restructuring, discontinued operation, plant closing, or other exit or disposal activity. SFAS 146 is to be applied prospectively to exit or disposal activities initiated after December 31, 2002. The adoption of SFAS 146 is not expected to have a material effect on the Company's financial position or results of its operations.

In December 2002, the FASB issued Statements of Financial Accounting Standards No. 148 "Accounting for Stock-Based Compensation--Transition and Disclosure--an amendment of FASB Statement No. 123, This Statement amends FASB Statement No. 123, Accounting for Stock-Based Compensation, to provide alternative methods of transition for a voluntary change to the fair value based method of accounting for stock-based employee compensation. In addition, this Statement amends the disclosure requirements of Statement 123 to require prominent disclosures in

both annual and interim financial statements about the method of accounting for stock-based employee compensation and the effect of the method used on reported results. The adoption of SFAS 148 is not expected to have a material effect on the Company's financial position or results of its operations.

Inflation

The Company's results of operations have not been affected by inflation and management does not expect inflation to have a significant effect on its operations in the future.

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ITEM 3. CONTROLS AND PROCEDURES

Based on the evaluation of the Company's disclosure controls and procedures by Mr. Scott Ervin, chief executive officer and Mr. Charles Smith, chief accounting officer of the company, as of a date within 90 days of the filing date of this quarterly report, such officer has concluded that the Company's disclosure controls and procedures are effective in ensuring that information required to be disclosed by the Company in the reports that it files or submits under the Securities and Exchange Act of 1934, as amended, is recorded, processed, summarized and reported, within the time period specified by the Securities and Exchange Commission's rules and forms.

There were no significant changes in the Company's internal controls or in other factors that could significantly affect these controls subsequent to the date of their evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

PART II

Items No. 1, 2, 3, 4 and 5 - Not Applicable.

Item No. 6 - Exhibits and Reports on Form 8-K

(a) No reports on Form 8-K were filed during the quarter ended March 31, 2004.

(b) Exhibits

None

SIGNATURES

In accordance with 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.

MICRO BIO-MEDICAL WASTE SYSTEMS, INC.

By /s/ Scott Ervin

Scott Ervin, President

By /s/ Charles Smith

Charles Smith, CFO

Date: May 22, 2003

FORM OF CERTIFICATION
PURSUANT TO RULE 13a-14 AND 15d-14
UNDER THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED

CERTIFICATION

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I, Scott Ervin, certify that:

1. I have reviewed this quarterly report on Form 10-QSB of 20/20 NETWORKS, INC.;

2. Based on my knowledge, this quarterly report does not contain any untrue statement of 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 quarterly report;

3. Based on my knowledge, the financial statements, and other financial information included in this quarterly report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this quarterly report;

4. The registrant's other certifying officer 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 its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this quarterly report is being prepared;

(b) evaluated the effectiveness of the registrant's disclosure controls and procedures as of a date within 90 days of the filing date of this quarterly report (the "Evaluation Date"); and

(c) presented in this quarterly 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 officer and I have disclosed, based on our most recent evaluation, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(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.

6. The registrant's other certifying officer and I have indicated in this quarterly 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: May 22, 2003

/s/ Scott Ervin

Name: Scott Ervin

Title: President

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FORM OF CERTIFICATION
PURSUANT TO RULE 13a-14 AND 15d-14
UNDER THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED

CERTIFICATION

I, Charles Smith, certify that:

1. I have reviewed this quarterly report on Form 10-QSB of 20/20 NETWORKS, INC.;

2. Based on my knowledge, this quarterly report does not contain any untrue statement of 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 quarterly report;

3. Based on my knowledge, the financial statements, and other financial information included in this quarterly report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this quarterly report;

4. The registrant's other certifying officer 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 its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this quarterly report is being prepared;

(b) evaluated the effectiveness of the registrant's disclosure controls and procedures as of a date within 90 days of the filing date of this quarterly report (the "Evaluation Date"); and

(c) presented in this quarterly 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 officer and I have disclosed, based on our most recent evaluation, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(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.

6. The registrant's other certifying officer and I have indicated in this quarterly 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: May 22, 2003

/s/ Charles Smith

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Name: Charles Smith
Title: CFO

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 20/20 NETWORKS, 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 "Report"), each of the undersigned, in the capacities and on the dates indicated below, hereby certifies 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 his knowledge:

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 operation of the Company.

/s/ Scott Ervin

Scott Ervin, President

/s/ Charles Smith

Charles Smith, CFO

Dated: May 22, 2003