

Edgar Filing: KORE HOLDINGS, INC - Form 10KSB/A

KORE HOLDINGS, INC  
Form 10KSB/A  
February 15, 2005

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

FORM 10-KSB/A  
(Amendment No. 1)  
ANNUAL REPORT  
PURSUANT TO SECTION 13 OR 15(d)  
OF THE SECURITIES EXCHANGE ACT OF 1934

FOR THE YEAR ENDED SEPTEMBER 30, 2002

0-28555  
(Commission file number)

KORE HOLDINGS, INC.  
(Name of small business issuer in its charter)

Nevada  
(State or other jurisdiction of incorporation  
or organization)

86-0960464  
(I.R.S. Employer  
Identification Number)

41667 Yosemite Pines Drive, Oakhurst, CA 93644  
(Address of principal executive offices)

93644  
(Zip Code)

Issuer's telephone number is: (559) 692-2474

VOLT INC.  
(Former name or former address, if changed since last report)

Securities registered under Section 12(b) of the Exchange Act: None

Securities registered under Section 12(g) of the Exchange Act:

\$.001 Par Value Common Stock  
(Title of Class)

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 [X] No [ ]

Check if there is no disclosure of delinquent filers in response to Item 405 of Regulation S-B is not contained in this from, and no disclosure will be contained to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10KSB or any amendment to this Form 10KSB. [X]

Indicate by check mark whether the issuer is an accelerated filer (as defined in Exchange Act Rule 12b-2). Yes [ ] No [X]

The issuer's revenues for the most recent fiscal year were \$753,700.

The aggregate value of the voting stock held by non-affiliates as of January 10, 2003, was \$5,842,651.

The number of shares outstanding of the issuer's common equity as of January 10, 2003 was 3,919,422, \$.001 Par Value.

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Portions of the following documents are incorporated by reference into Part II, Item 5 and Part III, Items 10 respectively of this Form 10KSB: Applicable portions of the Company's Form 10KSB for the year ended September 30, 2000 filed with the Securities and Exchange Commission on January 12, 2001 and applicable portions of the Company's Form 10KSB for the year ended September 30, 2001 filed with the Securities and Exchange Commission on January 16, 2002. Portions of the following documents are incorporated by reference into Part III, Item 13: Applicable portions of the Company's Form 10SB/A (Amendment No. 4) filed with the Securities and Exchange Commission on September 15, 2000, applicable portions of the Company's Form 8K/A (Amendment No. 1) filed with the Securities and Exchange Commission on September 26, 2001 and applicable portions of the Company's Form 10KSB for the year ended September 30, 2002 filed with the Securities and Exchange Commission on January 15, 2003.

Transitional Small Business Disclosure Format (Check one): Yes [ ] No [X]

### PART I

#### ITEM 1. DESCRIPTION OF BUSINESS

##### History

The Company was incorporated in the state of Colorado on March 31, 1997, under the name Biovid Corporation for the purpose of entering into the printing and publishing business. The Company did not commence active business operations in the publishing industry until August 1998, when began acquiring existing printing and publishing businesses as subsidiaries. From August, 1998, until December 31, 1999, the Company derived its revenue primarily from providing printing and publishing services to artists and publishers. The Company discontinued its printing and publishing operations effective December 31, 1999, to concentrate its efforts on Internet-based publishing initiatives. In December 1999, the company effected a merger whereby it became a Nevada corporation and changed its name to Deerbrook Publishing Group, Inc. and continued as a holding company looking for other business to acquire.

On April 1, 2001, the Company disposed of its printing and publishing subsidiaries and ceased active business operations. On April 6, 2001, control of the Company changed and the Company determined to explore new business opportunities including but not limited to the acquisition of alternative energy sources in the State of California and other states for resale to the public. Also on April 6, 2001, the Company changed its name to Volt Inc.

On May 15, 2001, the Company acquired all of the stock of Arcadian Renewable Power, Inc., a Delaware corporation ("Arcadian") and thereby acquired control of all of the assets of Arcadian. Arcadian is in the business of alternative energy production.

In May, 2001, the Company established Sun Volt, Inc., a Nevada corporation ("Sun Volt") to engage in the business of construction and sale of energy products and energy projects.

In May, 2001, the Company established Sun Electronics, Inc., a Nevada corporation ("Sun Electronics") to engage in the research and development of alternative energy products.

On May 17, 2002, the Company acquired all of the stock of First Washington

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Financial Corporation, a Nevada corporation ("First Washington"). First Washington is a mortgage loan originator in the home mortgage loan industry concentrated primarily in Washington, D.C., Maryland and Virginia. The acquisition of First Washington is deemed an acquisition of a significant subsidiary because it met a condition under Section 210.3-05 of Regulation SX.

On May 17, 2002, the Company acquired Opportunity Knocks, LLC, a Maryland limited liability company ("Opportunity Knocks"). Opportunity Knocks is in the business of acquiring, refurbishing and selling real estate. Opportunity Knocks specializes in HUD properties. The acquisition of Opportunity Knocks is not deemed an acquisition of a significant subsidiary because it did not meet a condition under Section 210.3-05 of Regulation SX.

Subsequent to September 30, 2002, the Company acquired other businesses. In October 2002, and April 3, 2003, the Company acquired Mortgage-Matic Brokers, LLC and Heritage Mortgage Bankers, LLC respectively. Both Mortgage-Matic and Heritage are mortgage loan originators in the home mortgage loan industry in Washington, D.C., Maryland and Virginia. In July, 2003, the Company disposed of both Mortgage-Matic and Heritage. The acquisitions of these companies is not deemed an acquisition of a significant subsidiary because the acquisitions did not meet a condition under Section 210.3-05 of Regulation SX.

Subsequent to September 30, 2002, in August, 2003, First Washington acquired a branch office in the Central Valley of California doing business as Yosemite Mortgage. This branch office was subsequently closed effective December 31, 2004.

Subsequent to September 30, 2002, and on October 16, 2004, the Company amended its Articles of Incorporation to change its name to Kore Holdings, Inc. and to increase its authorized common stock to 400,000,000 common shares, \$.001 par value and to increase its authorized preferred stock to 100,000,000 preferred shares, \$.001 par value.

### The Company

The Company is a holding company formed in the State of Nevada whose subsidiaries include Arcadian, Sun Volt, Sun Electronics, First Washington, and Opportunity Knocks.

The Company is listed on the OTC Bulletin Board and its common stock traded under the stock symbol "VOLT" until October, 2004 when its symbol changed to "KORH".

### The Alternative Energy Business

Arcadian's major asset is the Altamont Wind Generation Facility, which is an existing electricity generation facility located on approximately 4000 acres in the Altamonte Pass, east of San Francisco, CA (the "Wind Farm"). The Wind Farm has approximately 1300 wind turbines at present which were installed in the 1980's, approximately 600 of which are still operable. The Wind Farm will have to be re-powered in order to make its operation economically feasible. The Company plans to re-power the Wind Farm with new 950 KW state-of-the-art turbines. The Wind Farm is zoned and permitted for up to 114 megawatts, and the infrastructure includes the wind turbines, 300 miles of transmission lines, a 150 MW substation and an interconnection to the PG&E grid. The ground leases extend to 2036 with options to renew. The cost to produce electricity is approximately 4.5 cents per KWH, and is eligible for up to 3.5 cents of tax credits. Sale price of the electricity should be in the range of 6.9 cents per KWH with annual revenue in the \$5 Million range without calculating green tickets or tax credits and other incentives.

The Company is in the planning stages to re-power and activate its Wind Farm.

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However, due to the uncertainty surrounding the Chapter 11 Reorganization Proceeding of Pacific Gas and Electric Company which was pending in the United States Bankruptcy Court in the Northern District of California until 2004, the Company is unsure of when it will be able to activate the Wind farm. Because of the bankruptcy, new power production contracts have to be negotiated.

Sun Electronics is conducting Photovoltaics research and development of a patented paint on cellprocess licensed to the company and other solar and energy related technologies.

Sun Volt is currently engaged in the sale and construction of alternative energy products and power from generators and other sources of co-generation.

### The Mortgage Business

First Washington earns fees on the origination of real estate mortgage loans in the Washington D. C. area and, until December 31, 2004, in California's Central Valley. First Washington specializes in residential mortgage loans. First Washington has seven full time employees. First Washington obtains customers through direct contact by telephone, the internet and referrals from existing customers.

### The Real Estate Business

Opportunity Knocks is in the business of acquiring, refurbishing and selling real estate. Initially, Opportunity Knocks will utilize the expertise and some of the employees of First Washington to operate its business. Opportunity Knocks specializes in acquiring, refurbishing and selling of HUD properties. Opportunity Knocks will utilize the HUD gifting program to attract first time home buyers who might not otherwise be able to qualify for a home mortgage. Opportunity Knocks shares office space with First Washington.

## ITEM 2. DESCRIPTION OF PROPERTY

### Corporate Offices

The Company leases its corporate and executive offices at 41667 Yosemite Pines Drive, Oakhurst, CA 93644. The Company considers its offices to be adequate. First Washington leases its corporate offices at 8905 Fairview Road, Silver Springs, MD 20910. The Company considers First Washington's offices to be adequate.

### Energy Properties

The Company's Wind Farms are all located on leased property in the Altamonte Pass east of San Francisco, California.

## ITEM 3. LEGAL PROCEEDINGS

In September of 1999, the Deerbrook Publishing Group, Inc. ("Deerbrook") leased a computer driven aspect image center (printer for film) used to make separation for printing (the "aspect image center") and certain other computer equipment from Copelco Capital, Inc. ("Copelco"). All of the equipment was delivered to the Deerbrook's then printing operation in Phoenix, Arizona, and installed. Shortly thereafter, Deerbrook ceased printing for itself and its customers. The equipment was returned to Copelco. In August of 2000, Copelco brought suit in the United States District Court for the District of Arizona, cause no. CIV `00-1620 PHX ROS, to recover its alleged damages \$155,398.02 for Deerbrook's return of the leased equipment plus continuing interest at the rate of one and one-third percent per month and attorneys fees and costs. The Company does not believe that Copelco has mitigated its damages and further believes that Copelco has either sold the equipment or otherwise disposed of the same in a manner

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which was not commercially reasonable. The Copelco claims will be vigorously defended against. Any possible loss from this litigation will be less than one percent (1%) of the Company's net assets and will be immaterial.

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

No matters were submitted to a vote of security holders during the fiscal year ended September 30, 2002.

Subsequent to September 30, 2002, on October 16, 2004, the Company amended its Articles of Incorporation to change its name to Kore Holdings, Inc. and to increase its authorized common stock to 400,000,000 common shares, \$.001 par value and to increase its authorized preferred stock to 100,000,000 preferred shares, \$.001 par value.

## PART II

### ITEM 5. MARKET FOR COMMON EQUITY AND RELATED STOCKHOLDER MATTERS

#### Market Information

The company's Common Stock traded on the OTC Bulletin Board under the stock symbol "VOLT" until October, 2004, when its symbol changed to KORH. The following table sets forth the quarterly high and low closing bid prices for the Company's common stock for the periods indicated:

For the year ended September 30, 2001:

		High	Low
DEERBROOK:			
Quarter ended	December 31, 2000	\$ 0.07	\$ 0.005
Quarter ended	March 31, 2001	0.08	0.01
VOLT now KORH :			
Quarter ended	June 30, 2001	10.25	0.015
Quarter ended	September 30, 2001	9.00	2.50

For the year ended September 30, 2002:

VOLT, now KORH:

		High	Low
Quarter ended	December 31, 2001	\$ 4.30	2.25
Quarter ended	March 31, 2002	4.20	1.50
Quarter ended	June 30, 2002	2.00	1.55
Quarter ended	September 30, 2002	2.05	1.43

The quotations reflect inter-dealer prices, without mark-up, mark-down or commission and may not represent actual transactions.

#### Capital Stock and Holders of Capital Stock

As of September 30, 2002, the Company had two classes of capital stock outstanding; Common Stock, \$.001 par value, and Series A Voting Convertible Preferred Stock. As of September 30, 2002, there were approximately 553 holders of record of the Company's Common Stock and one holder of record of the Company's Series A Voting Convertible Preferred Stock. The Company's Series A Voting Convertible Preferred Stock is convertible into the Company's common stock at the ratio of five shares of the Company's Common Stock for each share of the Company's Series A Voting Convertible Preferred Stock.

#### Dividends

The Company has not declared or paid any cash dividends on its common stock and

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does not intend to declare or pay any cash dividends in the foreseeable future. The payment of dividends, if any is within the discretion of the Board of Directors and will depend on the Company's earnings, if any, its capital requirements and financial condition and other such factors as the Board of Directors may consider.

Securities Authorized for Issuance Under Equity Compensation Plans.

None.

### Recent Sales of Unregistered Securities

Sales of securities by the Company and its subsidiaries within the past three years without registration under the Securities Act were as follows:

With respect to such sales within the fiscal years ended September 30, 2002, and 2001, see Note 6 to the Company's Consolidated Financial Statements contained herein. Each share of the Company's Series A Voting Convertible Preferred Stock referred to in Note 6 is convertible into five shares of the Company's common stock at the option of the holder(s) thereof.

With respect to such sales within the fiscal year ended September 30, 2000, refer to the applicable portions of the Company's Form 10KSB filed with the Securities and Exchange Commission January 12, 2001, which by this reference are incorporated herein by reference for this specific purpose.

The Company claims exemption from registration for these securities under Section 4(2) of the Securities Act in as much as all of the purchasers were "accredited investors" as that term is defined in Regulation D as promulgated by the Securities and Exchange Commission and all of the purchasers either alone or with their purchaser representative(s) had such knowledge and experience in financial and business matters that they were capable of evaluating the merits and risks of the purchase of the Company's securities.

### ITEM 6. MANAGEMENT'S DISCUSSION AND ANALYSIS OR PLAN OF OPERATION

THE FOLLOWING DISCUSSION OF THE FINANCIAL CONDITION AND RESULTS OF OPERATIONS OF THE COMPANY SHOULD BE READ IN CONJUNCTION WITH THE FINANCIAL STATEMENTS AND NOTES THERETO INCLUDED ELSEWHERE IN THIS REPORT.

THIS DISCUSSION CONTAINS FORWARD-LOOKING STATEMENTS THAT INVOLVE RISKS AND UNCERTAINTIES, AND THE COMPANY'S ACTUAL RESULTS MAY DIFFER MATERIALLY FROM THOSE ANTICIPATED IN THESE FORWARD-LOOKING STATEMENTS AS A RESULT OF CERTAIN FACTORS, INCLUDING, BUT NOT LIMITED TO COMPETITION AND OVERALL MARKET AND ECONOMIC CONDITIONS.

#### Restatement

As discussed in Note 10 to the consolidated financial statements contained elsewhere in this report, the Company has restated its audited consolidated financial statements for the years ended September 30, 2002 and 2001. For the year ended September 30, 2001, the Company reclassified \$711,628 previously recorded as a reversal of payables (expenses) in the consolidated statements of operations to additional paid in capital. Additionally,

for the year ended September 30, 2001, the Company reclassified \$71,000 previously recorded as notes receivable to an expense. These transactions had the net effect of reducing the net income for the year ended September 30, 2001 from \$521,898 to a net loss of \$260,730 and increasing the accumulated deficit

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from \$3,943,047 to \$4,725,675.

The Company has restated its consolidated financial statements for September 30, 2002 to reclassify a portion of its goodwill acquired in the First Washington Financial Corporation transaction as cash in the amount of \$172,428 and has reclassified \$133,000 previously classified as notes receivable to an expense. These transactions resulted in a decrease in net income of \$305,428 to a net loss of \$44,408 and increased accumulated deficit to \$4,770,083 for the year ended September 30, 2002.

The Company has restated its consolidated financial statements for September 30, 2002 to reclassify \$172,428 of cash and cash equivalents, a current asset, as restricted cash, which is not a current asset. This reclassification had no effect on total assets or total liabilities and stockholders' equity.

### Management Discussion Snapshot

The following table sets forth certain of the Company's summary selected operating and financial data. The following table should be read in conjunction with all other financial information and analysis presented herein including the Audited Financial Statements for the Years Ended September 30, 2002 and September 30, 2001

#### Summary Selected Statements Operating and Other Financial Data

	(Restated) 2002	(Restated) 2001
	-----	-----
Revenue	\$ 753,700	\$ -
Cost of Revenue	\$ 302,878	\$ -
Gross Profit	\$ 450,822	\$ -
Operating Expenses	\$ 495,230	\$ 260,730
Loss From Continuing Operations Before Income Taxes	\$ (44,408)	\$ (260,730)
Provision For Income Taxes	\$ -	-
Net Loss Available to Stockholders	\$ (44,408)	\$ (260,730)
Net Loss Per Common Share	\$ (0.02)	\$ (0.29)
Weighted Average Shares Outstanding	\$ 2,644,442	\$ 897,704
Current Assets	\$ 93	\$ 88,592
Property And Equipment	\$ 5,756,939	\$ 5,724,399
Other Assets	\$ 3,005,000	\$ -
Total Assets	\$ 8,762,032	\$ 5,812,991
Total Liabilities	\$ 36,949	\$ 43,500
Total Stockholders' Equity	\$ 8,725,083	\$ 5,769,491
Total Liabilities and Stockholders' Equity	\$ 8,762,032	\$ 5,812,991
	=====	=====

### Results of Operations

#### Revenue and Expenses

For the year ended September 30, 2002, the Company had revenue of \$753,700, a net loss of \$(44,408) and a net loss per common share of \$(0.02) based on a weighted average of 2,644,442 common shares outstanding. All of the Company's revenue was generated from its mortgage business. The Company's revenue is not dependent on any key customers.

For the year ended September 30, 2001, the Company had no revenue, a net loss of \$(260,730) and a net loss per common share of \$(0.29) based on a weighted average of 897,704 common shares outstanding.

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Revenue in the year ended September 30, 2002 was \$753,700 compared to no revenue in the year ended September 30, 2001. This is an increase of \$753,700 from period to period. This increase in revenue is attributable to the change in control and change in management during the year ended September 30, 2001. Prior to the change in control and change in management, prior management discontinued the Company's previous business. During the year ended September 30, 2002, the Company acquired First Washington which immediately began to generate revenue.

Cost of revenue in the year ended September 30, 2002 was \$302,878 compared to no cost of revenue in the year ended September 30, 2001. This is an increase of \$302,878 from period to period. This increase in cost of revenue is attributable to the change in control and change in management during the year ended September 30, 2001. Prior to the change in control and change in management, prior management discontinued the Company's previous business. During the year ended September 30, 2002, the Company acquired First Washington which immediately began to generate revenue and cost of revenue.

Gross profit in the year ended September 30, 2002 was \$450,822 compared to no gross profit in the year ended September 30, 2001. This is an increase of \$450,822 from period to period. This increase in gross profit is attributable to the change in control and change in management during the year ended September 30, 2001. Prior to the change in control and change in management, prior management discontinued the Company's previous business. During the year ended September 30, 2002, the Company acquired First Washington which immediately began to generate revenue and gross profit.

Operating expenses in the year ended September 30, 2002 were \$495,230 compared to operating expenses of \$260,730 in the year ended September 30, 2001. This is an increase of \$234,500 from period to period. This increase in operating expenses is attributable to the change in control and change in management during the year ended September 30, 2001. Prior to the change in control and change in management, prior management discontinued the Company's previous business. Operating expenses in the year ended September 30, 2002 consisted primarily of expenses associated with the operation of the Company's newly acquired mortgage business. Operating expenses in the year ended September 30, 2001 consisted primarily of expenses from the Company's discontinued prior business before change in control and management.

Loss from continuing operations before income taxes in the year ended September 30, 2002, was \$(44,408) compared to a loss from continuing operations before income taxes of \$(260,730) in the year ended September 30, 2001. This is a decrease of \$216,322 from period to period. This decrease in loss from continuing operations is attributable to the change in control and change in management during the year ended September 30, 2001. Prior to the change in control and change in management, prior management discontinued the Company's previous business. During the year ended September 30, 2002, the Company acquired First Washington which immediately began to generate revenue and income from continuing operations.

Net loss per common share for the year ended September 30, 2002 was \$(0.02) compared to net loss per common share of \$(0.29) for the year ended September 30, 2001. This is a decrease of \$.27 from period to period. This decrease in loss net loss per common share is attributable to the change in control and change in management during the year ended September 30, 2001. Prior to the change in control and change in management, prior management discontinued the Company's previous business. During the year ended September 30, 2002, the Company acquired First Washington which immediately began to generate revenue and income from continuing operations.

### Assets and Stockholders' Equity

Current Assets in the year ended September 30, 2002 were \$93 compared to \$85,792



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in the year ended September 30, 2001. This is an decrease of \$85,699 from period to period. This decrease is attributable primarily to the reclassification of \$172,428 of cash and cash equivalents, a current asset, to restricted cash, which is not a current asset. This reclassification had no effect on total assets or total liabilities and stockholders' equity.

Other assets in the year ended September 30, 2002 were \$3,005,000 compared to no other assets in the year ended September 30, 2001. This is an increase of \$3,005,000 from period to period. This increase is attributable to \$2,827,572 of goodwill associated with the acquisition of First Washington and to the reclassification of \$172,428 of cash and cash equivalents, a current asset, to restricted cash, which is not a current asset.

Total assets in the year ended September 30, 2002 were \$8,762,032 compared to \$5,812,991 in the year ended September 30, 2001. This is an increase of \$2,949,041 from period to period. This increase is attributable primarily to the increases in current assets and other assets discussed above.

Stockholders' equity in the year ended September 30, 2002 was \$8,725,083 compared to \$5,769,491 in the year ended September 30, 2001. This is an increase of \$2,955,592 from period to period. This increase is primarily attributable to the increases in current assets and other assets discussed above.

### Working Capital

The following table sets forth a summary of the Company's working capital.

AT SEPTEMBER 30:	2002	2001
Current assets	\$ 93	\$ 88,592
Current liabilities	36,949	43,500
Working capital	\$ (36,856)	\$ 45,092
Current ratio	.0025	2.0

Working capital in the year ended September 30, 2002 was \$(36,856) compared to \$43,500 in the year ended September 30, 2001. This is a decrease of \$81,948 from period to period. This decrease is primarily attributable to the reclassification of \$172,428 of cash and cash equivalents, a current asset, to restricted cash, which is not a current asset. This reclassification had no effect on total assets or total liabilities and stockholders' equity.

### Cash Flow.

The Company's cash flow from operating, investing and financing activities, as reflected in the Consolidated Statement of Cash Flows are summarized in the table below.

FOR THE YEARS ENDED SEPTEMBER 30:	2002	2001
Net cash provided by/(used in):		
Operating activities	\$ (32,758)	\$ (424,612)
Investing activities	(42,941)	(27,476)
Financing activities	(10,000)	537,284
Net change in cash and cash equivalents	\$ (85,699)	\$ 85,196

Net cash (used in) operating activities in the year ended September 30, 2002 was

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\$(32,758) compared to \$(424,612) in the year ended September 30, 2002. This is an decrease of \$391,854 from period to period. This decrease is primarily due to assets acquired on the acquisition of Washington and revenue generated by First Washington after its acquisition in the year ended September 30, 2002 and to the reclassification of \$172,428 of cash and cash equivalents, a current asset, to restricted cash, which is not a current asset. This reclassification had no effect on total assets or total liabilities and stockholders' equity.

Net cash used in investing activities in the year ended September 30, 2002 was \$(42,941) compared to \$(27,476) in the year ended September 30, 2001. This is an increase of net cash used in investing activities of \$15,465 from period to period. This increase is due primarily to the acquisition of additional property and equipment utilized by First Washington in its mortgage business.

Net cash provided by (used in) financing activities in the year ended September 30, 2002, was \$(10,000) compared to \$537,284 in the year ended September 30, 2001. This is a decrease of \$547,284 from period to period. The decrease is primarily due to the Company receiving proceeds from the issuance of common stock and warrants in the year ended September 20, 2002, authorized by prior management in the year ended September 30, 2001.

### Off Balance Sheet Arrangements

The Company has not entered into any off-balance sheet arrangements as defined by SEC Final Rule 67 (FR-67) "Disclosure in Management's Discussion and Analysis about Off-Balance Sheet Arrangements and Aggregate Contractual Obligations."

### Liquidity and Capital Resources

Subsequent to the discontinuation of the Company's previous printing business and the change in management and control, the Company's net cash provided from operating activities has been sufficient to satisfy the Company's firm contractual commitments and budgeted expenses. The Company believes that its net cash provided from operating activities will in the foreseeable future continue to be sufficient to satisfy the Company's firm contractual commitments and budgeted expenses.

### Looking Forward

The Company is actively seeking to expand its energy business by continuing plans to re-power its existing wind farm and by acquiring additional energy businesses.

The Company is also seeking to acquire additional mortgage entities.

### ITEM 7. FINANCIAL STATEMENTS

The Company's consolidated financial statements for the years ended September 30, 2002 and 2001 are attached hereto.

### ITEM 8. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS

There have been no changes in or disagreements with the Company's accountants on any matter.

## PART III

### ITEM 9. DIRECTORS AND EXECUTIVE OFFICERS

The following table sets forth certain information regarding the Company's

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directors, executive officers, and certain key employees:

Name	Age	Position With the Company
Denis C. Tseklenis	55	Chairman, President, Chief Executive Officer and Secretary
Robert F. Rood(1)	37	Director, Treasurer
James A. Sharon	53	Director

Denis C. Tseklenis Mr. Tseklenis has served as a the chairman of the board of directors, president, chief executive office and secretary of the Company since April 6, 2001. Mr. Tseklenis has a Masters of Science Degree from Boston University and an extensive background in marketing, finance and public corporate development. Mr. Tseklenis has previously served as president and chairman of other public companies in which revenues exceeded One Hundred Million Dollars (\$100,000,000) per year and which had rapid growth in multiple locations. In the 1980's Mr. Tseklenis' companies sold and leased over 60,000 solar systems to home owners at a cost of approximately \$4,000 per unit. Mr. Tseklenis has extensive experience in real estate management and construction having managed over 2, 500 apartment and condominium units.

Robert F. Rood(1) Mr. Rood has been a director and the treasurer of the Company since March 17, 2002. Mr. Rood has been in the finance industry since 1991. Mr. Rood has managed and consulted and has served as a financial consultant for unions and REITS. In conjunction with Donaldson, Lufkin and Jeanerette, Mr. Rood participated in the designing of secondary market products. In 1997, Mr. Rood entered the mortgage lending industry at Wall Street Mortgage Corporation as head of the sales force and was responsible for promoting custom-made mortgage products and FHA lending. In 2000, Mr. Rood went to F&M Bank in Bethesda Maryland to start and supervise the newly formed wholesale mortgage division. When F&M Bank was acquired, Mr. Rood left to become manager of the Bethesda office of Fidelity & Trust Mortgage, Inc. In 2000, Mr. Rood helped found First Washington, now a wholly owned subsidiary of the Company.

James A. Sharon Mr. Sharon has been a director of the Company since September 15, 2002. Mr. Sharon was an exchange student a City University in London in 1972 and holds a Bachelor of Science Degree in Civil Engineering with Honors from Worcester Polytechnic Institute. Mr. Sharon is licensed by the State of Florida as a Certified Building Contractor and a Certified Solar Energy Contractor. Mr. Sharon has public company experience as a former president of a public company and has experience in lease negotiations with major tenants such as Mobil Oil, Cellular-One and Marriott Corp. Mr. Sharon has extensive experience in the installation of large commercial renewable energy projects.

(1) On March 27, 2004 Mr. Rood resigned as an officer and a director.

There are no family relationships among directors, or executive officers.

### ITEM 10. EXECUTIVE COMPENSATION

With respect to executive compensation for within the fiscal years ended September 30, 2001 and 2000, refer to the applicable portions of the Company's Form 10KSB for the year ended September 30, 2001 filed with the Securities and Exchange Commission January 16, 2002 and to the applicable portions of the Company's Form 10KSB for the year ended September 30, 2000 filed with the Securities and Exchange Commission on January 12, 2001 which by this reference are incorporated herein by reference for this specific purpose.

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The Company paid no executive compensation for the fiscal year ended September 30, 2002. The Company has no employment contracts. The company does not have a bonus or stock option plan at this time.

### ITEM 11. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

The following is a listing of security ownership of management and certain beneficial owners of the Issuer's securities as of January 14, 2003. On that date there were 3,919,422 shares of the Company's common stock issued and outstanding and 1,000,000 shares of the Company's Series One Voting Convertible Preferred Stock outstanding.

Title of Class	Name and Position of Beneficial Owner	Beneficial Ownership	Amount and Nature of Percent of Class
Common	Denis C. Tseklenis President, CEO and Secretary	1,627,995	42%
Common	Robert F. Rood Director and Treasurer(2)	500,000	13%
Total Officers and Directors as a Group		2,127,995	55%
Series A Preferred	Denis C. Tseklenis President, CEO and Secretary	1,000,000	100%
Total Officers and Directors as a Group		1,000,000	100%

(1) Subject to community property laws when applicable, the persons named in the above table have sole voting and investing power with respect to all shares of stock beneficially owned by them.

(2) On March 27, 2004 Robert F. Rood resigned as an officer and a director.

### ITEM 12. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

In November 1999, the Company executed a letter of intent with Mark Eaker, then an officer and director of the Company to acquire 80% of the outstanding stock of Gregory Editions, Inc., a publisher and distributor of fine art reproductions. The letter of intent provided for a total purchase price of \$3,300,000, consisting of \$2,700,000 cash and 400,000 shares of the Company's common stock. The Company paid Mr. Eaker a non-refundable deposit of \$225,000 in cash and 266,000 shares of common stock in connection with the letter of intent. Because the Company was unable to fulfill its obligations in order to consummate the transaction, the letter of intent expired and Mr. Eaker retained the non-refundable deposit. In addition, as of September 30, 2000, Mr. Eaker had paid expenses totaling approximately \$50,000 on behalf of the Company and deferred payment of his salary and other benefits. Beginning January 1, 2000, Mr. Eaker provided office space, staff, and other operating expenses for the Company's corporate headquarters at the headquarters of Gregory Editions, Inc., which is owned and operated by Mr. Eaker. Mr. Eaker's employment contract with the Company was terminated on April 6, 2001. The Company no longer utilizes office space provided by Mr. Eaker. Mr. Eaker is no longer an officer or director of the Company.

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Through December 31, 1999, the Company leased printing equipment from Michael Raburn, a former officer and director of the Company, pursuant to an oral agreement under which it paid \$10,000 per month. The Company incurred expenses of \$50,000 in fiscal 1999 and \$0 in fiscal 2000 under this agreement. Through December 31, 1999, the Company also conducted its operations in a building leased by Michael Raburn. The Company paid a total of approximately \$27,200 of lease obligations for this building, although it was not a party to the lease and occupied the building at the pleasure of Mr. Raburn. Effective December 31, 1999, the Company discontinued its printing and publishing operations and moved its remaining Internet-based operations out of the building leased by Mr. Raburn. Michael Raburn is no longer an officer or director of the Company.

In November 1999, Keith Chesser, Mike Santellanes, and Michael Raburn returned an aggregate of 2,345,000 shares of common stock to the Company. The Company did not pay Messrs. Chesser, Santellanes, and Raburn any consideration for these shares. Keith Chesser, Mike Santellanes, and Michael Raburn are no longer officers or directors of the Company.

In January 2000, the Company issued 1,000,000 shares of common stock to Mark Eaker pursuant to his employment agreement. The Company also issued 250,000 shares of common stock to Joseph Patterson in January 2000 for his services as a director of the Company. Mark Eaker is no longer an officer or director of the Company. Joseph Patterson is no longer an office or director of the Company.

On May 15, 2001, the Company acquired all of the issued and outstanding shares of stock of Arcadian Renewable Power Corporation, a Delaware corporation from Denis C. Tseklenis, an officer and director, for 1,000,000 shares of the Company's restricted common stock and 1,000,000 shares of the Company's restricted Series One Voting Preferred Convertible Stock.

On May 17, 2002, the Company acquired 500,000 shares of the stock of First Washington Financial Corporation, a Nevada corporation from Denis C. Tseklenis, an officer and director, for 500,000 shares of the Company's restricted common stock.

### ITEM 13. EXHIBITS AND REPORTS ON FORM 8-K

#### Index to Exhibits

Exhibit No.	Description of Document
2.1(1)	Articles of Merger merging Artup.com Network, Inc., a Colorado corporation, with and into the Registrant
3.1(1)	Articles of Incorporation of the Registrant
3.2(1)	Bylaws of the Registrant
4.1(1)	Specimen of Common Stock Certificate
4.2(1)	Specimen of Certificate for Common Stock Purchase Warrants
4.3(1)	Common Stock Purchase Warrant dated January 3, 2000, issued to Gene Bowlds
4.4(1)	Non-Statutory Stock Option Certificate dated February 16, 2000, issued to Michael Paloma
10.1(1)	Master Consulting Services Agreement dated as of July 28, 1999 between the Registrant and Integrated Information Systems, Inc.
10.2(1)	Equipment Lease dated September 15, 1999 between the Registrant

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and Copelco Capital, Inc.

- 10.3(1) Employment Agreement between the Registrant and Mark L. Eaker
- 10.4(1) Employment Agreement between the Registrant and Keith M. Chesser
- 10.5(1) 1999 Incentive Stock Plan
- 16.1(1) Letter on change in certifying accountant from Alvin H. Bender, C.P.A.
- 16.2(1) Letter on change in certifying accountant from Mark Shelley, CPA
- 16.3(2) Letter on change in certifying accountants from Semple and Cooper, LLP
- 21.2(3) Subsidiaries of registrant

(1) Previously filed with the Securities and Exchange Commission and incorporated herein by reference from the Company's Form 10-SB/A (Forth Amendment) filed September 15, 2000.

(2) Previously filed with the Securities and Exchange Commission and incorporated herein by reference from the Company's Form 8-K/A (First Amendment) filed October 26, 2001.

(3) Previously filed with the Securities and Exchange Commission and incorporated herein by reference from the Company's Form 10K-SB for the year ended September 30, 2002 filed January 15, 2003.

Reports on Form 8-K:

On May 30, 2002, the Company filed a Form 8-K to report the acquisition of First Washington Financial Corporation.

On January 18, 2005, the Company filled an Amended Form 8-K amending its Form 8-K filed on May 30, 2002, to report the acquisition of First Washington Financial Corporation.

### ITEM 14. EVALUATION OF DISCLOSURE CONTROLS AND PROCEDURES

Evaluation of disclosure controls and procedures. The Company's principal executive officer, after evaluating the effectiveness of the Company's "disclosure controls and procedures" (as defined in the Securities Exchange Act of 1934 Rules 13a-14(c) and 15-d-14(c)) as of a date (the "Evaluation Date") within 90 days before the filing date of this annual report, has concluded that as of the Evaluation Date, the Company's disclosure controls and procedures were adequate and designed to ensure that material information relating to the Company and the Company's consolidated subsidiaries would be made known to him by others within those entities.

Changes in internal controls. There were no significant changes in the Company's internal controls or to the Company's knowledge, in other factors that could significantly affect the Company's disclosure controls and procedures subsequent to the Evaluation Date.

### ITEM 15. PRINCIPAL ACCOUNTANT FEES AND SERVICES

Approximate aggregate fees rendered by our independent auditors, Bagall Josephs & Company, LLC, for the years ended September 30, 2002 and 2001 are as follows:

2002

2001

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	-----	-----
Audit Fees	\$ 20,751	\$ 18,500
Audit Related Fees	-0-	-0-
Tax Fees	5,197	1,700
All Other Fees	-0-	-0-
	-----	-----
TOTAL	\$ 25,948	\$ 19,500
	=====	=====

KORE HOLDINGS, INC. AND SUBSIDIARIES  
(FORMERLY VOLT INC. AND SUBSIDIARIES)

CONSOLIDATED  
FINANCIAL STATEMENTS

SEPTEMBER 30, 2002 AND 2001

KORE HOLDINGS, INC. AND SUBSIDIARIES  
(FORMERLY VOLT INC. AND SUBSIDIARIES)

INDEX TO CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEARS ENDED SEPTEMBER 30, 2002 AND 2001

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STATEMENTS OF INCOME FOR THE YEARS ENDED SEPTEMBER 30, 2002 AND 2001	F-4
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STATEMENTS OF CASH FLOWS FOR YEARS ENDED  
SEPTEMBER 30, 2002 AND 2001

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Stockholders of  
Kore Holdings, Inc. and Subsidiaries  
(Formerly Volt Inc. and Subsidiaries)  
Oakhurst, California

We have audited the accompanying consolidated balance sheets of Kore Holdings, Inc. and Subsidiaries (formerly Volt Inc. and Subsidiaries) (the "Company") as of September 30, 2002 and 2001 and the related consolidated statements of income, changes in stockholders' equity (deficit), and cash flows for the years then ended. Our responsibility is to express an opinion on these consolidated financial statements based on our audits.

We conducted our audits in accordance with auditing standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the consolidated financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall consolidated financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of Kore Holdings, Inc. and Subsidiaries (formerly Volt Inc. and Subsidiaries) as of September 30, 2002 and 2001, and the consolidated results of its statements of operations, changes in stockholders' equity (deficit), and cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

As noted in Note 10, the Company has restated its previously issued consolidated financial statements for the year ended September 30, 2001 on its report dated January 14, . The Company has amended these consolidated financial statements to reclassify \$711,628 previously recorded as reversal of payables in the consolidated statements of operations, to additional paid in capital. Additionally, the Company has reclassified \$71,000 previously recorded as notes receivables, as general and administrative expenses in 2001. These transactions had the net effect of reducing net income from \$521,898 to a net loss of (\$260,730), and increasing the accumulated deficit from (\$3,943,047) to (\$4,725,675). In addition, the Company has restated its consolidated financial statements for September 30, 2002, to reclassify a portion of its goodwill acquired in the First Washington Corporation transaction as restricted cash in the amount of \$172,428 and has reclassified \$133,000 previously classified as notes receivable to general and administrative expenses. These transactions resulted in a decrease in net income of \$305,428 to a net loss of \$44,408 and increased the accumulated deficit to (\$4,770,083).



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BAGELL, JOSEPHS & COMPANY, L.L.C.  
 BAGELL, JOSEPHS & COMPANY, L.L.C.  
 Gibbsboro, New Jersey

December 9, 2002, except Note 10, dated October 16, 2004

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KORE HOLDINGS, INC. AND SUBSIDIARIES  
 (FORMERLY VOLT, INC. AND SUBSIDIARIES)  
 CONSOLIDATED BALANCE SHEETS  
 SEPTEMBER 30, 2002 AND 2001

	(Restated) 2002 ----	(Restated) 2001 ----
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 93	\$ 85,792
Prepaid expenses and other assets	-	2,800
	-----	-----
Total Current Assets	93	88,592
PROPERTY AND EQUIPMENT - Net	5,756,939	5,724,399
OTHER ASSETS		
Restricted Cash	172,428	-
Goodwill	2,827,572	-
Deferred Fees, Net	5,000	-
	-----	-----
Total Other Assets	3,005,000	-
TOTAL ASSETS	\$8,762,032 =====	\$5,812,991 =====

The accompanying notes are an integral part of the consolidated financial statements.

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KORE HOLDINGS, INC. AND SUBSIDIARIES  
 (FORMERLY VOLT, INC. AND SUBSIDIARIES)  
 CONSOLIDATED BALANCE SHEETS (CONTINUED)  
 SEPTEMBER 30, 2002 AND 2001

	(Restated) 2002 ----	(Restated) 2001 ----
CURRENT LIABILITIES		

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Accounts payable	\$ 36,949	\$ 43,500
	-----	-----
Total Current Liabilities	36,949	43,500
COMMITMENTS AND CONTINGENCIES		
STOCKHOLDERS' EQUITY (DEFICIT)		
Series One voting Convertible Preferred Stock. \$.001 par value, 10,000,000 shares authorized, at September 30, 2002 and 2001 1,000,000 shares and 1,000,000 shares issued and outstanding at September 30, 2002 and September 30, 2001, respectively		
	1,000	1,000
Common stock, \$.001 par value 25,000,000 shares authorized at September 30, 2002 and 2001, respectively; and 3,919,422 and 1,694,422 issued and outstanding at September 30, 2002 and September 30, 2001, respectively		
	3,919	1,694
Additional paid-in capital	13,490,247	10,492,472
Accumulated deficit	(4,770,083)	(4,725,675)
	-----	-----
Total stockholders' equity (deficit)	8,725,083	5,769,491
	-----	-----
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIT)	\$8,762,032	\$5,812,991
	=====	=====

The accompanying notes are an integral part of the consolidated financial statements.

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KORE HOLDINGS, INC. AND SUBSIDIARIES  
(FORMERLY VOLT, INC. AND SUBSIDIARIES)  
CONSOLIDATED STATEMENTS OF INCOME  
FOR THE YEARS ENDED SEPTEMBER 30, 2002 AND 2001

	(Restated) 2002	(Restated) 2001
	----	----
REVENUE	\$ 753,700	\$ -
COST OF REVENUE	302,878	-
	-----	-----
GROSS PROFIT	450,822	-
OPERATING EXPENSES		
General and administrative	495,230	260,730
	-----	-----
OTHER INCOME - Reversal of debt and payables	-	-
	-----	-----
LOSS FROM CONTINUING OPERATIONS		

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BEFORE INCOME TAXES	( 44,408)	(260,730)
Income taxes	-	-
	-----	-----
NET LOSS AVAILABLE TO COMMON STOCKHOLDERS	\$ (44,408)	\$ (260,730)
	=====	=====
BASIC AND DILUTED EARNINGS PER SHARE:		
NET LOSS AVAILABLE TO COMMON STOCKHOLDERS	\$ (0.02)	\$ (0.29)
	=====	=====
WEIGHTED NUMBER OF COMMON SHARES OUTSTANDING	2,644,422	897,704
	=====	=====

The accompanying notes are an integral part of the consolidated financial statements.

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KORE HOLDINGS, INC. AND SUBSIDIARIES  
(FORMERLY VOLT, INC. AND SUBSIDIARIES)  
CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY (DEFICIT)  
FOR THE YEARS ENDED SEPTEMBER 30, 2002 AND 2001 (Restated)

	Preferred Stock Shares	Preferred Stock Amount	Common Stock Shares	Common Stock Amount	Additional Paid-In Capital
	-----	-----	-----	-----	-----
Balance, September 30, 2000 (Unaudited)	-	-	9,490,548	9,490	2,878,337
Issuance of common stock for accrued payroll	-	-	1,350,000	1,350	243,650
Issuance of common stock for accounts payable and services	-	-	500,000	500	32,500
Reverse stock split	-	-	(11,227,121)	(11,227)	11,227
Cancellation of warrants and subscriptions	*	-	-	-	-
Issuance of preferred stock for Wind Farm	1,000,000	1,000	-	-	5,699,000
Issuance of common stock for acquisition	-	-	127,995	128	254,872
Issuance of common stock	-	-	1,678,000	1,678	661,258
Cancelled shares	-	-	(225,000)	(225)	-
Dividends paid`	-	-	-	-	-

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Contributed capital for reversal of payables	-	-	-	-	771,628
Net Income - as previously reported	-	-	-	-	-
Prior period adjustment - see Note 10	-	-	-	-	-
	-----	-----	-----	-----	-----
Balance, September 30, 2001	1,000,000	1,000	1,694,422	1,694	10,492,472
Common shares issued from cancelled shares in 2001 put in wrong names originally	-	-	225,000	225	(225)
Acquisition of First Washington Financial	-	-	2,000,000	2,000	2,998,000
Net Income - as previously reported	-	-	-	-	-
Prior period adjustment - see Note 10	-	-	-	-	-
	-----	-----	-----	-----	-----
Balance, September 30, 2002	1,000,000	1,000	3,919,422	3,919	13,490,247
	=====	=====	=====	=====	=====

The accompanying notes are an integral part of the consolidated financial statements.

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KORE HOLDINGS, INC. AND SUBSIDIARIES  
(FORMERLY VOLT, INC. AND SUBSIDIARIES)  
CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY (DEFICIT) - Continued  
FOR THE YEARS ENDED SEPTEMBER 30, 2002 AND 2001 (Restated)

	Warrants	Common Stock Subscribed	Accumulated Deficit	Total
	-----	-----	-----	-----
Balance, September 30, 2000	451,000	100,000	(4,297,510)	( 858,683)
Issuance of common stock for accrued payroll	-	-	-	245,000
Issuance of common stock for accounts payable and services	-	-	-	33,000
Reverse stock split	-	-	-	-
Cancellation of warrants and subscriptions	(451,000)	(100,000)	-	(551,000)
Issuance of preferred stock for Wind Farm	-	-	-	5,700,000

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Issuance of common stock for acquisition	-	-	-	255,000
Issuance of common stock	-	-	-	662,936
Cancelled shares	-	-	-	(225)
Dividends paid`	-	-	(167,435)	(167,435)
Net Income - as previously reported	-	-	521,898	521,898
Prior period adjustment - see Note 10	-	-	(782,628)	(782,628)
	-----	-----	-----	-----
Balance, September 30, 2001	-	-	(4,725,675)	5,769,491
	=====	=====	=====	=====
Common shares issued from cancelled shares in 2001 put in wrong names originally	-	-	-	-
Acquisition of First Washington Financial	-	-	-	3,000,000
Net Income as previously reported	-	-	261,020	261,020
Prior period adjustment - see Note 10	-	-	(305,428)	(305,428)
	-----	-----	-----	-----
Balance, September 30, 2002	\$ -	\$ -	\$ (4,770,083)	8,725,083
	=====	=====	=====	=====

The accompanying notes are an integral part of the consolidated financial statements.

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KORE HOLDINGS, INC. AND SUBSIDIARIES  
(FORMERLY VOLT, INC. AND SUBSIDIARIES)  
CONSOLIDATED STATEMENTS OF CASH FLOWS  
YEARS ENDED SEPTEMBER 30, 2002 AND 2001

	(Restated) 2002 ----	(Restated) 2001 ----
CASH FLOWS FROM OPERATING ACTIVITIES		
Net Income (loss)	\$ (44,408)	\$ (260,730)
Adjustments to reconcile net income (loss) to net cash used in operating activities:		
Depreciation	15,401	3,077
Loss on disposal of assets	-	22,121
Impairment of long-term assets	-	-
Common stock issued for inventory,		

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acquisition costs, services, payables and accrued payroll	-	278,000
Discontinued operations	-	44,880
Changes in assets and liabilities:		
Prepaid expenses and other	2,800	46,600
Accounts payable	( 6,551)	(206,123)
Accrued payroll	-	(245,000)
Other liabilities	-	(107,437)
	-----	-----
Total adjustments	11,650	(163,882)
	-----	-----
Net cash used in operating activities	( 32,758)	(424,612)
	-----	-----
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of property and equipment	(42,941)	(27,476)
Deposit	-	-
	-----	-----
Net cash used in investing activities	(42,941)	( 27,476)

The accompanying notes are an integral part of the consolidated financial statements.

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KORE HOLDINGS, INC. AND SUBSIDIARIES  
(FORMERLY VOLT, INC. AND SUBSIDIARIES)  
CONSOLIDATED STATEMENTS OF CASH FLOWS (CONTINUED)  
YEARS ENDED SEPTEMBER 30, 2002 AND 2001

	(Restated) 2002 ----	(Restated) 2001 ----
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from notes payable	\$ -	\$ 225,762
Deferred financing fees	( 10,000)	-
Proceeds from issuance of common stock and warrants	-	366,711
Dividends paid	-	( 55,189)
	-----	-----
Net cash provided from financing activities	( 10,000)	537,284
	-----	-----
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	( 85,699)	85,196
CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR	85,792	596
	-----	-----
CASH AND CASH EQUIVALENTS - END OF YEAR	\$ 93	\$85,792
	=====	=====
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:		
Cash paid during the year for interest	\$ -	\$ -
	=====	=====
SUPPLEMENTAL DISCLOSURE OF NONCASH INFORMATION		

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Common stock issued for acquisition costs and services	\$3,000,000 =====	\$278,000 =====
Inventory distributed as a dividend	\$ - =====	\$112,246 =====
Capital contribution of Wind Farm	\$ - =====	\$5,700,000 =====
Write off of common stock and warrants	\$ - =====	\$ 551,000 =====
Conversion of payables to additional paid in capital	\$ - =====	\$ 711,628 =====
Net cash acquired in First Washington Corporation acquisition	\$ 172,428 =====	\$ - =====

The accompanying notes are an integral part of the consolidated financial statements.

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KORE HOLDINGS, INC. AND SUBSIDIARIES  
(FORMERLY VOLT INC. AND SUBSIDIARIES)  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
SEPTEMBER 30, 2002 AND 2001

NOTE 1- ORGANIZATION AND BASIS OF PRESENTATION

Volt Inc. and Subsidiaries is a power provider and marketer of alternative energy and financial services. The Company is in the initial stages of implementing its business plan. On October 16, 2004, the Company amended the articles of incorporation to change its name to Kore Holdings, Inc. and Subsidiaries.

Deerbrook Publishing Group, Inc. was a distributor of fine arts. Effective March 31, 2001, Deerbrook Publishing Group, Inc. entered into an agreement to spin off its subsidiaries; Inter Arts, Inc. and Cimmaron Studios, Inc. In December, 1999, Deerbrook Publishing Group, Inc. closed its printing and publishing operation. On April 23, 2001, the Company effected a 1 for 100 reverse stock split for its \$.001 par value common stock. Upon this spin off, the name was officially changed to Volt Inc. when on April 25, 2001, Denis C. Tseklenis acquired 127,995 shares of the company's common stock, \$.001 par value per share, which constituted approximately 53% of the company's issued and outstanding common stock for \$255,000.

On May 17, 2002, the Company acquired First Washington Financial Corporation, a company which provides financial services in Bethesda, Maryland ("First Washington"). First Washington, is a mortgage company whose emphasis lies in residential mortgages in the greater Washington D.C. service

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area. First Washington was acquired for 2,000,000 shares of the Company's common stock.

The Company has completed the formation of Opportunity Knocks, Inc. during the third fiscal quarter of 2002 to rehabilitate HUD homes and other properties in Washington, D.C., Maryland and Virginia under the HUD Gift Program. This formation was done simultaneously with the acquisition of First Washington.

The Company has two other power related wholly-owned subsidiaries, Sun Volt, Inc. and Sun Electronics, Inc. besides Arcadian Renewable Power, Inc. Arcadian Renewable Power, Inc. is the corporation that holds the Altamont Wind Farm in the Altamont Pass in Livermore, California.

As noted in Note 10, the Company has amended its previously issued consolidated financial statements for the year ended September 30, 2001 on its report dated January 14, 2002. The Company has amended these consolidated financial statements to reclassify \$711,628 previously recorded as reversal of payables in the consolidated statements of operations, to additional paid in capital. Additionally, the Company has reclassified \$71,000 previously recorded as notes receivables, as general and administrative expenses in 2001. These transactions had the net effect of reducing net income from \$521,898 to a net loss of (\$260,730), and increased the accumulated deficit from (\$3,943,047) to (\$4,725,675). In addition, the Company has restated its consolidated financial statements for September 30, 2002, to reclassify a portion of its goodwill acquired in the First Washington Corporation transaction as cash in the amount of \$172,428 and has reclassified \$133,000 previously classified as notes receivable to general and administrative expenses. These transactions resulted in a decrease in net income of \$305,428 to a net loss of \$44,408 and increase in the accumulated deficit to (\$4,770,083).

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KORE HOLDINGS, INC. AND SUBSIDIARIES  
(FORMERLY VOLT INC. AND SUBSIDIARIES)  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
SEPTEMBER 30, 2002 AND 2001

### NOTE 2- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### Principles of Consolidation

The consolidated balance sheets for September 30, 2002 and 2001 and consolidated statements of operations, changes in stockholders' equity and cash flows for the years then ended includes Volt Inc. and its wholly-owned subsidiaries, Sun Volt, Inc., Sun Electronics, Inc., Arcadian Renewable Power, Inc. and First Washington.

Intercompany transactions and balances have been eliminated in consolidation.

#### Use of Estimates



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The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America, requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent 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.

### Cash and Cash Equivalents

The Company considers all highly liquid debt instruments and other short-term investments with an initial maturity of three months or less to be cash or cash equivalents.

The Company maintains cash and cash equivalent balances at several financial institutions which are insured by the Federal Deposit Insurance Corporation up to \$100,000.

### Property and Equipment

Property and equipment are stated at cost. Depreciation is computed primarily using the straight-line method over the estimated useful life of the assets.

Furniture and fixtures	7 years
Office and computer equipment	3-5 years
Wind Farm	40 years

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KORE HOLDINGS, INC. AND SUBSIDIARIES  
(FORMERLY VOLT INC. AND SUBSIDIARIES)  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
SEPTEMBER 30, 2002 AND 2001

NOTE 2- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### Revenue Recognition

The Company sold merchandise and revenue was recorded under the accrual method of accounting.

First Washington records commission income upon the closing of their respective transactions.

#### Advertising

Advertising costs are typically expensed as incurred. Advertising expense was approximately \$-0- and \$830 for the years ending September 30, 2002 and 2001, respectively.

#### Income Taxes

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The income tax benefit is computed on the pretax loss based on the current tax law. Deferred income taxes are recognized for the tax consequences in future years of differences between the tax basis of assets and liabilities and their financial reporting amounts at each year-end based on enacted tax laws and statutory tax rates.

Fair Value of Financial Instruments

The carrying amount reported in the consolidated balance sheets for cash and cash equivalents, notes receivable, accounts payable and accrued expenses approximate fair value because of the immediate or short-term maturity of these financial instruments.

Earnings (Loss) Per Share of Common Stock

Historical net income per common share is computed using the weighted average number of common shares outstanding. Diluted earnings per share (EPS) includes additional dilution from common stock equivalents, such as stock issuable pursuant to the exercise of stock options and warrants.

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KORE HOLDINGS, INC. AND SUBSIDIARIES  
(FORMERLY VOLT INC. AND SUBSIDIARIES)  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
SEPTEMBER 30, 2002 AND 2001

NOTE 2- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Earnings (Loss) Per Share of Common Stock (Continued)

The following is a reconciliation of the computation for basic and diluted EPS:

	Restated 2002 ----	Restated 2001 ----
Net (loss)	(\$44,408)	(\$260,730)
	-----	-----
Weighted- average common shares Outstanding (Basic)	2,644,422	897,704
Weighted-average common stock Equivalents:		
Stock options	-	-
Warrants	-	-
	-----	-----

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Weighted-average common shares		
Outstanding (Diluted)	2,644,422	897,704

Options and warrants outstanding to purchase stock were not included in the computation of diluted EPS for September 30, 2002 and 2001 because inclusion would have been antidilutive.

### Deferred Financing Fees

The Company paid a \$10,000 financing fee in connection with a line of credit in April 2002. This fee will be written off over a one-year period of time. The unamortized balance at September 30, 2002 is \$5,000.

### Goodwill

In June 2001, the FASB issued Statement No. 142 "Goodwill and Other Intangible Assets". This Statement addresses financial accounting and reporting for acquired goodwill and other intangible assets and supersedes APB Opinion No. 17, Intangible Assets. It addresses how intangible assets that are acquired individually or with a group of other assets (but not those acquired in a business combination) should be accounted for in financial statements upon their acquisition. This Statement also addresses how goodwill and other intangible assets should be accounted for after they have been initially recognized in the financial statements. This statement has been considered when determining impairment of goodwill in certain transactions. As of September 30, 2002, there are no adjustments of goodwill due to impairment.

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KORE HOLDINGS, INC. AND SUBSIDIARIES  
(FORMERLY VOLT INC. AND SUBSIDIARIES)  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
SEPTEMBER 30, 2002 AND 2001

NOTE 2- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### Reclassifications

Certain amounts for the year ended September 30, 2001 have been reclassified to conform with the presentation of the September 30, 2002 amounts. The reclassifications have no effect on net income for the year ended September 30, 2001.

NOTE 3- PROPERTY AND EQUIPMENT

Property and equipment consist of the following at September 30, 2002 and 2001:

	2002	2001
	----	----
Wind Farm	\$5,700,000	\$ 5,700,000
Furniture and fixtures	3,000	3,000
Computer and office equipment	67,417	24,476
	-----	-----

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	5,770,417	5,727,476
Less: accumulated depreciation	13,478	3,077
	-----	-----
Net book value	\$5,756,939	\$ 5,724,399
	=====	=====

The \$22,121 of property and equipment at September 30, 2000 was disposed of in 2001. Depreciation expense for the years ended September 30, 2002 and 2001 was \$10,401 and \$3,077, respectively.

The Company upon acquisition of the Wind Farm, has classified this asset under property and equipment. The Wind Farm consists of hundreds of nonoperational turbines located in California. The Company has received independent valuations on the Wind Farm that have valued it in excess of \$14,000,000. The Company would need to spend in excess of \$5,000,000 to bring these assets into operational use, at which time the Company would depreciate them over their estimated useful life of 40 years. Consequently, there is no depreciation recognized on the Wind Farm in 2002 and 2001. The Company did receive miscellaneous scrap parts that have not been valued (salvage) for the consolidated balance sheets, that it sells from time to time, and the Company records the income in their consolidated statements of operations when these sales occur.

NOTE 4- COMMITMENTS AND CONTINGENCIES

The Company entered into a lease agreement in April 2001 in Pleasanton, California. The Company paid \$2,800 per month for rent. This lease was terminated by the Company in October 2001, and all operations now run through the Cathey's Valley, California location. The security deposit was expensed as part of a rent payment in 2002.

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KORE HOLDINGS, INC. AND SUBSIDIARIES  
(FORMERLY VOLT INC. AND SUBSIDIARIES)  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
SEPTEMBER 30, 2002 AND 2001

NOTE 5- REVERSAL OF DEBT AND PAYABLES

The Company has recognized \$711,628 of reversals of debt and payables. This amount is reflected as additional paid in capital in the consolidated statements of changes in stockholders' equity and in the consolidated balance sheet for September 30, 2001.

NOTE 6- STOCKHOLDERS' EQUITY

Common and Preferred Stock

Effective April 23, 2001, the Registrant effected a 1 for 100 reverse stock split for its common stock, \$.001 par value per share.

The Company issued 1,000,000 shares of preferred stock to Denis C. Tseklenis in consideration for the Wind Farm.

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On April 25, 2001, Denis C. Tseklenis acquired 127,995 original issue shares of the Company's common stock, \$.001 par value per share, which constituted approximately 53% of the Company's issued and outstanding common stock. Mr. Tseklenis paid the Company \$255,000 for the common stock.

During the year ended September 30, 2001, in addition to the initial acquisition by Denis C. Tseklenis, the Company had issued 1,678,000 shares and cancelled 225,000 of common stock for \$366,711.

Prior to the initial acquisition by Denis C. Tseklenis, the Company had issued 1,850,000 shares of common stock for accrued payroll, accounts payable and services.

During the quarter ended December 31, 2001, 225,000 shares were reissued that were cancelled from the prior year ended September 30, 2001.

On May 17, 2002, the Company issued 2,000,000 shares of common stock to acquire First Washington and thus it became a wholly-owned subsidiary. The shares were valued at a fair value at the time of the transaction (\$1.50 per share) or \$3,000,000. Of this amount, the Company acquired \$172,428, in cash and the remaining \$2,827,572, was recorded as goodwill, and the Company has determined that there is no impairment of this goodwill based on their tests in accordance with the provisions of FASB 142.

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KORE HOLDINGS, INC. AND SUBSIDIARIES  
(FORMERLY VOLT INC. AND SUBSIDIARIES)  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
SEPTEMBER 30, 2002 AND 2001

### NOTE 7- LITIGATION

In September of 1999, the Deerbrook Publishing Group, Inc. ("Deerbrook") leased a computer driven aspect image center (printer for film) used to make separation for printing (the "aspect image center") and certain other computer equipment from Copelco Capital, Inc. ("Copelco"). All of the equipment was delivered to the Deerbrook's then printing operation in Phoenix, Arizona, and installed. Shortly thereafter, Deerbrook ceased printing for itself and its customers. The equipment was returned to Copelco. In August of 2000, Copelco brought suit in the United States District Court for the District of Arizona, cause no. CIV '00-1620 PHX ROS, to recover its alleged damages \$155,398 for Deerbrook's return of the leased equipment plus continuing interest at the rate of one and one-third percent per month and attorneys fees and costs. The Company does not believe that Copelco has mitigated its damages and further believes that Copelco has either sold the equipment or otherwise disposed of same in a manner which was

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not commercially reasonable. The Copelco claims will be vigorously defended against. Any possible loss from this litigation will be less than one percent (1%) of the Company's net assets and will be immaterial. Since the change in control of the Company on April 6, 2001, there have been no legal proceedings brought against Volt.

NOTE 8- PROVISION FOR INCOME TAXES

Deferred income taxes will be determined using the liability method for the temporary differences between the financial reporting basis and income tax basis of the Company's assets and liabilities. Deferred income taxes will be measured based on the tax rates expected to be in effect when the temporary differences are included in the Company's consolidated tax return. Deferred tax assets and liabilities are recognized based on anticipated future tax consequences attributable to differences between financial statement carrying amounts of assets and liabilities and their respective tax bases.

At September 30, 2002 and 2001, deferred tax assets consist of the following:

	2002 ----	2001 -----
Net operating loss carryforwards	\$400,000	\$ 420,000
Less: valuation allowance	(400,000)	(420,000)
	-----	-----
	\$ -0-	\$ -0-
	=====	=====

At September 30, 2002 and 2001, the Company had federal net operating loss carryforwards in the approximate amounts of \$1,600,833 and \$1,500,000, respectively, available to offset future taxable income. The Company established valuation allowances equal to the full amount of the deferred tax assets due to the uncertainty of the utilization of the operating losses in future periods.

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KORE HOLDINGS, INC. AND SUBSIDIARIES  
(FORMERLY VOLT INC. AND SUBSIDIARIES)  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
SEPTEMBER 30, 2002 AND 2001

NOTE 9- SUBSEQUENT EVENT

In October 2002, the Company reached an agreement with Mortgage-Matic of Greenbelt, MD to merge the operations of Mortgage-Matic with First Washington. Mortgage-Matic concentrates their business on FHA insured loans in the \$200,000 range. This accounts for approximately 70% of its business. The merger should facilitate a streamlining of the processing and underwriting procedures of the companies.

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In November 2002, the Corporation closed on a line of credit with a bank in the amount of \$750,000. The loan proceeds will be used to commence the operations of Opportunity Knocks.

NOTE 10-

### RESTATEMENT OF PREVIOUSLY ISSUED FINANCIAL STATEMENTS

The Company has amended its previously issued consolidated financial statements for the year ended September 30, 2001 on its report dated January 14, 2002. The Company has amended these consolidated financial statements to reclassify \$711,628 previously recorded as reversal of payables in the consolidated statements of operations, to additional paid in capital. Additionally, the Company has reclassified \$71,000 previously recorded as notes receivables, as general and administrative expenses in 2001. These transactions had the net effect of reducing net income from \$521,898 to a net loss of (\$260,730), and increasing the accumulated deficit from (\$3,943,047) to (\$4,725,675).

In addition, the Company has restated its consolidated financial statements for September 30, 2002, to reclassify a portion of its goodwill acquired in the First Washington Corporation transaction as cash in the amount of \$172,428 and has reclassified \$133,000 previously classified as notes receivable to general and administrative expenses. These transactions resulted in a decrease in net income of \$305,428 to a net loss of \$44,408 and an increase in the accumulated deficit to (\$4,770,083).

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### SIGNATURES

In accordance with Section 13 or 15(d) of the Exchange Act, the registrant caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

VOLT INC.  
(Registrant)

/s/ Denis C. Tseklenis  
Chief Executive Officer  
Director  
February 14, 2005

In accordance with the Exchange Act, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated

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/s/ Denis C. Tseklenis  
Director  
February 14, 2005

/s/ James A. Sharon  
Director  
February 14, 2005

/s/ Bruce Persson  
Director  
February 14, 2005