BNH INC
Form 10-Q
November 12, 2009

U. S. SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-Q

(Mark One)

x QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the Fiscal quarter ended September 30, 2009

o TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(D) OF THE SECURITIES EXCHANGE ACT OF 1934
For the transition period from ___________ to _____________

Commission File Number: 333-150266

BNH INC.
(Exact Name of Registrant as specified in its charter)

Nevada (State or other jurisdiction of incorporation or organization)	92-0189305 (I.R.S. Employer Identification No.)

BNH INC.
c/o Nehemya Hesin
29 Rashbi St. Apt # 19
Modiin Illit, Israel, 71919

(Address of principal executive offices, including zip code)

Indicate by check mark whether the Registrant (1) filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the Registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.
Yes x Noo

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files).
Yes o No o

Indicate by check mark whether the Registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).
YES ¨ NO x

Indicate by check mark whether the Registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.
(Check one): Large accelerated filer o Accelerated filer ¨ Non-accelerated filer ¨ Smaller reporting company x

The issuer had 7,583,334 shares of its common stock issued and outstanding as of November 11, 2009.

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Cautionary Statement Concerning
Forward-Looking Statements

USE OF NAMES

In this quarterly report, the terms “BNH,” “Company,” “we,” or “our,” unless the context otherwise requires, mean BNH Inc.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

This Quarterly Report on Form 10-Q and other reports that we file with the SEC contain statements that are considered forward-looking statements. Forward-looking statements give the Company’s current expectations, plans, objectives, assumptions, or forecasts of future events. All statements other than statements of current or historical fact contained in this quarterly report, including statements regarding the Company’s future financial position, business strategy, budgets, projected costs and plans and objectives of management for future operations, are forward-looking statements. In some cases, you can identify forward-looking statements by terminology such as “anticipate,” “estimate,” “plans,” “potential,” “projects,” “ongoing,” “expects,” “management believes,” “we believe,” “we intend,” and similar express These statements are based on the Company’s current plans and are subject to risks and uncertainties, and as such the Company’s actual future activities and results of operations may be materially different from those set forth in the forward looking statements. Any or all of the forward-looking statements in this quarterly report may turn out to be inaccurate and as such, you should not place undue reliance on these forward-looking statements. The Company has based these forward-looking statements largely on its current expectations and projections about future events and financial trends that it believes may affect its financial condition, results of operations, business strategy and financial needs. The forward-looking statements can be affected by inaccurate assumptions or by known or unknown risks, uncertainties, and assumptions due to a number of factors, including:

- dependence on key personnel;
- competitive factors;
- degree of success of research and development programs
- the operation of our business; and
- general economic conditions in the United States and Israel.

These forward-looking statements speak only as of the date on which they are made, and except to the extent required by federal securities laws, we undertake no obligation to update any forward-looking statements to reflect events or circumstances after the date on which the statement is made or to reflect the occurrence of unanticipated events. In addition, we cannot assess the impact of each factor on our business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements. All subsequent written and oral forward-looking statements attributable to the Company or persons acting on its behalf are expressly qualified in their entirety by the cautionary statements contained in this Quarterly Report.

PART I

Item 1. Financial Statements.

BNH INC.
(A DEVELOPMENT STAGE COMPANY)

INDEX TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2009

BNH INC.
(A DEVELOPMENT STAGE COMPANY)
BALANCE SHEETS
AS OF SEPTEMBER 30, 2009 AND DECEMBER 31, 2008

	As of September 30, 2009 (Unaudited)	As of December 31, 2008 (Audited)
ASSETS		
Current Assets:		
Cash in bank	$ 6,559	$ 6,354
Prepaid expenses	586	287
Total current assets	7,145	6,641
Total Assets	$ 7,145	$ 6,641
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current Liabilities:		
Accounts payable	$ 18,060	$ 200
Accrued liabilities	8,500	5,500
Due to shareholder	13,294	250
Total current liabilities	39,854	5,950
Total liabilities	39,854	5,950
Commitments and Contingencies	-	-
Stockholders' Equity (Deficit):		
Preferred stock, par value $0.001 per share, 5,000,000 shares authorized; no shares issued and outstanding	-	-
Common stock, par value $0.001 per share, 100,000,000 shares authorized; 7,291,667 and 7,000,000 shares issued and outstanding, respectively	7,292	7,000
Additional paid-in capital	56,458	48,000
Paid stock subscription	8,750	-
(Deficit) accumulated during development stage	(105,209)	(54,309)
Total stockholders' equity (deficit)	(32,709)	691
Total Liabilities and Stockholders' Equity (Deficit)	$ 7,145	$ 6,641

The accompanying notes to financial statements are
an integral part of these statements.

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BNH INC.
(A DEVELOPMENT STAGE COMPANY)
STATEMENTS OF OPERATIONS
FOR THE THREE MONTHS AND NINE MONTHS ENDED SEPTEMBER 30, 2009 AND 2008,
AND CUMULATIVE FROM INCEPTION (SEPTEMBER 4, 2007)
THROUGH SEPTEMBER 30, 2009
(Unaudited)

	Three Months Ended September 30, 2009 (Unaudited)	Three Months Ended September 30, 2008 (Unaudited)	Nine Months Ended September 30, 2009 (Unaudited)	Nine Months Ended September 30, 2008 (Unaudited)	Cumulative From Inception (Unaudited)
Revenues	$ -	$ -	$ -	$ -	$ -
Expenses:					
General and administrative-					
Professional fees	24,065	7,577	45,765	19,577	91,399
Filing fees	398	344	1,340	2,373	4,053
Officers' compensation paid by issued shares	-	-	-	-	4,750
Travel expense	3,419	-	3,419	-	3,419
Organization costs	-	-	-	-	488
Other	136	40	376	615	1,100
Total general and administrative expenses	28,018	7,961	50,900	22,565	105,209
					-
(Loss) from Operations	(28,018)	(7,961)	(50,900)	(22,565)	(105,209)
Other Income (Expense)	-	-	-	-	-
Provision for Income Taxes	-	-	-	-	-
Net (Loss)	$ (28,018)	$ (7,961)	$ (50,900)	$ (22,565)	$ (105,209)
(Loss) Per Common Share:					
(Loss) per common share - Basic and Diluted	$ (0.00)	$ (0.00)	$ (0.01)	$ (0.00)	
Weighted Average Number of Common Shares Outstanding - Basic and Diluted	7,209,239	7,000,000	7,070,513	6,919,708	

The accompanying notes to financial statements are
an integral part of these statements.

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BNH INC.
(A DEVELOPMENT STAGE COMPANY)
STATEMENT OF CHANGES IN STOCKHOLDERS' EQUITY
FOR THE PERIOD FROM INCEPTION (SEPTEMBER 4, 2007)
THROUGH SEPTEMBER 30, 2009
(Unaudited)

Description	Common stock Shares	Common stock Amount	Additional Paid-in Capital	Paid Stock Subscriptions	(Deficit) Accumulated During the Development Stage	Totals
Balance at inception	-	$ -	$ -	$ -	$ -	$ -
Common stock issued for officers' compensation	4,750,000	4,750	-	-	-	4,750
Payment for stock subscriptions	-	-	-	1,000	-	1,000
Common stock issued for cash	1,250,000	1,250	24,000	-	-	25,250
Net (loss) for the year	-	-	-	-	(25,798)	(25,798)
Balance - December 31, 2007	6,000,000	6,000	24,000	1,000	(25,798)	5,202
Common stock issued for cash	1,000,000	1,000	24,000	(1,000)	-	24,000
Net (loss) for the year	-	-	-	-	(28,511)	(28,511)
Balance - December 31, 2008	7,000,000	7,000	48,000	-	(54,309)	691
Common stock issued for cash	291,667	292	8,458	-	-	8,750
Payment for stock subscriptions	-	-	-	8,750	-	8,750
Net (loss) for the period	-	-	-	-	(50,900)	(50,900)
Balance - September 30, 2009	7,291,667	$ 7,292	$ 56,458	$ 8,750	$ (105,209)	$ (32,709)

The accompanying notes to financial statements are an integral part of these statements.

BNH INC.
(A DEVELOPMENT STAGE COMPANY)
STATEMENTS OF CASH FLOWS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2009 AND 2008, AND
CUMULATIVE FROM INCEPTION (SEPTEMBER 4, 2007)
THROUGH SEPTEMBER 30, 2009
(Unaudited)

	Nine Months Ended September 30, 2009 (Unaudited)	Nine Months Ended September 30, 2008 (Unaudited)	Cumulative From Inception (Unaudited)
Operating Activities:			
Net (loss)	$ (50,900)	$ (22,565)	$ (105,209)
Adjustments to reconcile net (loss) to net cash provided by operating activities:			
Common stock issued for officers' compensation	-	-	4,750
Changes in net assets and liabilities-			
Prepaid expenses	(299)	(626)	(586)
Accounts payable	17,860	6,825	18,060
Accrued liabilities	3,000	(16,750)	8,500
Net Cash Used in Operating Activities	(30,339)	(33,116)	(74,485)
Investing Activities:			
Cash provided by investing activities	-	-	-
Net Cash Provided by Investing Activities	-	-	-
Financing Activities:			
Loan from shareholder	13,044	-	13,294
Paid stock subscriptions	8,750	-	8,750
Issuance of common stock for cash	8,750	24,000	59,000
Net Cash Provided by Financing Activities	30,544	24,000	81,044
Net (Decrease) Increase in Cash	205	(9,116)	6,559
Cash - Beginning of Period	6,354	26,440	-
Cash - End of Period	$ 6,559	$ 17,324	$ 6,559
Supplemental disclosure of cash flow information:			
Cash paid during the period for:			
Interest	$ -	$ -	$ -
Income taxes	$ -	$ -	$ -
Supplemental schedule of noncash investing and financing activities:			
Common stock issued as compensation to officers	$ -	$ -	$ 4,750

The accompanying notes to financial statements are an integral part of these statements.

BNH INC.
(A DEVELOPMENT STAGE COMPANY)
NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies

Basis of Presentation and Organization

BNH Inc. (the “Company”) is a Nevada corporation in the development stage, and has limited operations. The Company was incorporated under the laws of the State of Nevada on September 4, 2007. The proposed business plan of the Company is to provide matching services for corporations who need to reduce emission outputs in light of more stringent environmental regulations with emission credit specialists who can assist such corporations in reducing their emissions and in earning and/or trading carbon credits..

The accompanying financial statements of the Company were prepared from the accounts of the Company under the accrual basis of accounting.

Unaudited Interim Financial Statements

The interim financial statements of the Company as of September 30, 2009, and for the periods ended, and cumulative from inception, are unaudited. However, in the opinion of management, the interim financial statements include all adjustments, consisting of only normal recurring adjustments, necessary to present fairly the Company’s financial position as of September 30, 2009, and the results of its operations and its cash flows for the periods ended September 30, 2009, and cumulative from inception. These results are not necessarily indicative of the results expected for the calendar year ending December 31, 2009. The accompanying financial statements and notes thereto do not reflect all disclosures required under accounting principles generally accepted in the United States. Refer to the Company’s audited financial statements as of December 31, 2008, filed with the SEC, for additional information, including significant accounting policies.

Cash and Cash Equivalents

For purposes of reporting within the statement of cash flows, the Company considers all cash on hand, cash accounts not subject to withdrawal restrictions or penalties, and all highly liquid debt instruments purchased with a maturity of three months or less to be cash and cash equivalents.

Revenue Recognition

The Company is in the development stage and has yet to realize revenues from operations. Once the Company has commenced operations, it will recognize revenues when delivery of goods or completion of services has occurred provided there is persuasive evidence of an agreement, acceptance has been approved by its customers, the fee is fixed or determinable based on the completion of stated terms and conditions, and collection of any related receivable is probable.

Loss per Common Share

Basic loss per share is computed by dividing the net loss attributable to the common stockholders by the weighted average number of shares of common stock outstanding during the period. Fully diluted loss per share is computed similar to basic loss per share except that the denominator is increased to include the number of additional common shares that would have been outstanding if the potential common shares had been issued and if the additional common shares were dilutive. There were no dilutive financial instruments issued or outstanding for the period ended September 30, 2009.

Income Taxes

The Company accounts for income taxes pursuant to SFAS No. 109, “Accounting for Income Taxes” (“SFAS 109”). Under SFAS 109, deferred tax assets and liabilities are determined based on temporary differences between the bases of certain assets and liabilities for income tax and financial reporting purposes. The deferred tax assets and liabilities are classified according to the financial statement classification of the assets and liabilities generating the differences.

The Company maintains a valuation allowance with respect to deferred tax assets. The Company establishes a valuation allowance based upon the potential likelihood of realizing the deferred tax asset and taking into consideration the Company’s financial position and results of operations for the current period. Future realization of the deferred tax benefit depends on the existence of sufficient taxable income within the carryforward period under the federal tax laws.

Changes in circumstances, such as the Company generating taxable income, could cause a change in judgment about the realizability of the related deferred tax asset. Any change in the valuation allowance will be included in income in the year of the change in estimate.

Fair Value of Financial Instruments

The Company estimates the fair value of financial instruments using the available market information and valuation methods. Considerable judgment is required in estimating fair value. Accordingly, the estimates of fair value may not be indicative of the amounts the Company could realize in a current market exchange. As of December 31, the carrying value of accounts payable-trade and accrued liabilities approximated fair value due to the short-term nature and maturity of these instruments.

Deferred Offering Costs

The Company defers as other assets the direct incremental costs of raising capital until such time as the offering is completed. At the time of the completion of the offering, the costs are charged against the capital raised. Should the offering be terminated, deferred offering costs are charged to operations during the period in which the offering is terminated.

Concentration of Risk

As of September 30, 2009, the Company maintained its cash account at one commercial bank. The balance in the account was subject to FDIC coverage.

Common Stock Registration Expenses

The Company considers incremental costs and expenses related to the registration of equity securities with the SEC, whether by contractual arrangement as of a certain date or by demand, to be unrelated to original issuance transactions. As such, subsequent registration costs and expenses are reflected in the accompanying financial statements as general and administrative expenses, and are expensed as incurred.

Lease Obligations

All noncancellable leases with an initial term greater than one year are categorized as either capital leases or operating leases. Assets recorded under capital leases are amortized according to the methods employed for property and equipment or over the term of the related lease, if shorter.

Estimates

The financial statements are prepared on the basis of accounting principles generally accepted in the United States. The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities as of September 30, 2009, and expenses for the period ended September 30, 2009, and cumulative from inception. Actual results could differ from those estimates made by management.

Recent Accounting Pronouncements

In June 2009, the FASB issued SFAS No. 166 "Accounting for Transfers of Financial Assets—an amendment of FASB Statement No. 140" ("SFAS 166"). SFAS 166 improves the relevance, representational faithfulness, and comparability of the information that a reporting entity provides in its financial statements about a transfer of financial assets; the effects of a transfer on its financial position, financial performance, and cash flows; and a transferor's continuing involvement, if any, in transferred financial assets. SFAS 166 is effective as of the beginning of each reporting entity's first annual reporting period that begins after November 15, 2009, for interim periods within that first annual reporting period and for interim and annual reporting periods thereafter. The Company does not expect that the adoption of this standard will have a material impact on the Company's financial statements.

In June 2009, the FASB issued SFAS No. 167 "Amendments to FASB Interpretation No. 46(R)" ("SFAS 167"). SFAS 167 improves financial reporting by enterprises involved with variable interest entities and addresses (1) the effects on certain provisions of FASB Interpretation No. 46 (revised December 2003), "Consolidation of Variable Interest Entities", as a result of the elimination of the qualifying special-purpose entity concept in SFAS 166 and (2) constituent concerns about the application of certain key provisions of Interpretation 46(R), including those in which the accounting and disclosures under the Interpretation do not always provide timely and useful information about an enterprise's involvement in a variable interest entity. SFAS 167 is effective as of the beginning of each reporting entity's first annual reporting period that begins after November 15, 2009, for interim periods within that first annual reporting period, and for interim and annual reporting periods thereafter. The Company does not expect that the adoption of this standard will have a material impact on the Company's financial statements.

In June 2009, the FASB issued SFAS No. 168 "The FASB Accounting Standards Codification and the Hierarchy of Generally Accepted Accounting Principles—a replacement of FASB Statement No. 162". The FASB Accounting Standards Codification ("Codification") will be the single source of authoritative nongovernmental U.S. generally accepted accounting principles. Rules and interpretive releases of the SEC under authority of federal securities laws are also sources of authoritative GAAP for SEC registrants. SFAS 168 is effective for interim and annual periods ending after September 15, 2009. All existing accounting standards are superseded as described in SFAS 168. All other accounting literature not included in the Codification is non-authoritative. The Company does not expect that the adoption of this standard will have a material impact on the Company's financial statements.

On May 28, 2009, the Financial Accounting Standards Board issued Subsequent Events ("SFAS No. 165"). SFAS No. 165 provides guidance on management's assessment of subsequent events and requires additional disclosure about the timing of management's assessment of subsequent events. SFAS No. 165 does not significantly change the accounting requirements for the reporting of subsequent events. SFAS No. 165 is effective for interim or annual financial periods ending after June 15, 2009.

In April 2009, the FASB issued FSP No. FAS 157-4, "Determining Fair Value When the Volume and Level of Activity for the Asset or Liability Have Significantly Decreased and Identifying Transactions That Are Not Orderly" ("FSP FAS 157-4"). FSP FAS 157-4 provides guidance on estimating fair value when market activity has decreased and on identifying transactions that are not orderly. Additionally, entities are required to disclose in interim and annual periods the inputs and valuation techniques used to measure fair value. This FSP is effective for interim and annual periods ending after June 15, 2009.

Subsequent events

The Company evaluated events occurring between the balance sheet date and November 11, 2009, the date the financial statements were issued.

2. Development Stage Activities and Going Concern

The Company is currently in the development stage, and has not commenced operations. The business plan of the Company is to provide matching services for corporations who need to reduce emission outputs in light of more stringent environmental regulations with emission credit specialists who can assist such corporations in reducing their emissions and in earning and/or trading carbon credits..

On November 30, 2007, the Company began a capital formation activity through a PPO, exempt from registration under the Securities Act of 1933, to raise up to $50,000 through the issuance of 2,000,000 shares of its common stock, par value $0.001 per share, at an offering price of $0.025 per share. As of January 23, 2008, the Company had fully subscribed the PPO and raised $50,000 in proceeds with the issuance of 2,000,000 shares of its common stock.

The Company also commenced an activity to submit a Registration Statement on Form S-1 to the Securities and Exchange Commission ("SEC") to register 2,000,000 of its outstanding shares of common stock on behalf of selling stockholders. The Company will not receive any of the proceeds of this registration activity once the shares of common stock are sold. The Registration Statement on Form S-1 was filed with the SEC on April 16, 2008, and declared effective on April 30, 2008.

The accompanying financial statements have been prepared in conformity with accounting principles generally accepted in the United States, which contemplate continuation of the Company as a going concern. The Company has not established any source of revenues to cover its operating costs, and as such, has incurred an operating loss since inception. Further, as of September 30, 2009, the cash resources of the Company were insufficient to meet its current business plan. These and other factors raise substantial doubt about the Company's ability to continue as a going concern. The accompanying financial statements do not include any adjustments to reflect the possible future effects on the recoverability and classification of assets or the amounts and classification of liabilities that may result from the possible inability of the Company to continue as a going concern.

3. Loan from Stockholder

As of September 30, 2009, a loan from an individual who is a stockholder of the Company amounted to $13,294. The loan was provided for working capital purposes, and is unsecured, non-interest bearing, and has no terms for repayment.

4. Common Stock

On September 4, 2007, pursuant to the terms of a subscription agreement, the Company sold 250,000 shares of common stock to Mrs. Goldy Klein, Secretary, for cash payment of $250 (par value). The Company believes this issuance was deemed to be exempt under Regulation S of the Securities Act.

On October 18, 2007, the Company issued 1,500,000 shares of common stock, valued at $1,500, to an officer of the Company for services rendered.

On October 25, 2007, the Company issued 250,000 shares of common stock, valued at $250, to an officer of the Company for services rendered.

On November 12, 2007, the Company issued 3,000,000 shares of common stock, valued at $3,000, to an officer of the Company for services rendered.

In addition, on November 30, 2007, the Company began a capital formation activity through a PPO, exempt from registration under the Securities Act of 1933, to raise up to $50,000 through the issuance of 2,000,000 shares of its common stock, par value $0.001 per share, at an offering price of $0.025 per share. As of December 27, 2007, the Company had received $26,000 in proceeds from the PPO. As of January 23, 2008, the Company had fully subscribed the PPO and raised $50,000 in proceeds with the issuance of 2,000,000 shares of its common stock.

The Company also submitted a Registration Statement on Form S-1 to the Securities and Exchange Commission ("SEC") to register 2,000,000 of its outstanding shares of common stock on behalf of selling stockholders. The Company will not receive any of the proceeds of this registration activity once the shares of common stock are sold. The Registration Statement on Form S-1 was filed with the SEC on April 16, 2008, and declared effective on April 30, 2008.

On July 27, 2009, the Company completed a subscription agreement pursuant to which it issued and sold 291,667 shares of common stock at an offering price of $0.03 per share, for the aggregate purchase price of $8,750.

5. Income Taxes

The provision (benefit) for income taxes for the period ended September 30, 2009 and 2008 was as follows (assuming a 23% effective tax rate):

	2009	2008
Current Tax Provision:		
Federal-		
Taxable income	$ -	$ -
Total current tax provision	$ -	$ -
Deferred Tax Provision:		
Federal-		
Loss carryforwards	$ 11,707	$ 5,190
Change in valuation allowance	(11,707)	(5,190)
Total deferred tax provision	$ -	$ -

The Company had deferred income tax assets as of September 30, 2009 and December 31, 2008 as follows:

	2009	2008
Loss carryforwards	$ 24,198	$ 12,491
Less - valuation allowance	(24,198)	(12,491)
Total net deferred tax assets	$ -	$ -

The Company provided a valuation allowance equal to the deferred income tax assets for the period ended September 30, 2009 because it is not presently known whether future taxable income will be sufficient to utilize the loss carryforwards.

As of September 30, 2009, the Company had approximately $105,209 in tax loss carryforwards that can be utilized in future periods to reduce taxable income, and expire by the year 2029.

6. Related Party Transactions

On September 4, 2007, pursuant to the terms of a subscription agreement, the Company sold 250,000 shares of common stock to Mrs. Goldy Klein, Secretary, for cash payment of $250 (par value). The Company believes this issuance was deemed to be exempt under Regulation S of the Securities Act.

On October 18, 2007, the Company issued 1,500,000 shares of common stock, valued at $1,500 to an officer of the Company for services rendered.

On October 25, 2007, the Company issued 250,000 shares of common stock, valued at $250 to an officer of the Company for services rendered.

On November 12, 2007, the Company issued 3,000,000 shares of common stock, valued at $3,000 to an officer of the Company for services rendered.

As described in Note 3, as of September 30, 2009, the Company owed $13,294 to an individual who is a stockholder of the Company.

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

Overview

We have not generated any revenue since our inception. We are a development stage company with limited operations. Our auditors have issued a going concern opinion. This means that our auditors believe there is substantial doubt that we can continue as an ongoing business for the next twelve months.

Plan of Operation

We have not had any revenues since our inception on September 4, 2007. As originally stated, the business plan of the Company was to establish the Company as a distributor of environmentally-friendly, bio-plastic utensils. Currently, the Company has shifted its focus from bioplastic products to the emerging greenhouse gas (GHG) carbon credit market. The Company plans to provide matching services for corporations who need to reduce emission outputs in light of more stringent environmental regulations with emission credit specialists who can assist such corporations in reducing their emissions and in earning and/or trading carbon credits. Our activities and plans in the carbon credit market are described in more detail below.

The GHG Carbon Credit Market Current legislation and regulatory measures to reduce atmospheric concentrations of greenhouse gases have their roots in climate change challenges presented by the United Nations Framework Convention on Climate Change and the Kyoto Protocol.

On June 27, 2009, the U.S. House of Representatives passed ground breaking legislation to impose first-ever limits in the US related to greenhouse-gas emissions linked to global warming. It is expected that such legislation will incur a tough legislative battle in the Senate. President Obama called the vote in the House of Representatives "a bold and necessary step that holds the promise of creating new industry and millions of new jobs." The bill, he said, would usher in "a critical transition to a clean-energy economy without untenable burdens on the American people."

The bill, if approved by the Senate, would create a market for trading pollution permits to curb emissions.

Reduction Target

The American Clean Energy and Security Act calls for the U.S. to reduce its greenhouse-gas emissions by 17 percent from 2005 levels by 2020. It would establish a limited number of pollution permits, more than 70 percent of which would initially be given away free to utilities, manufacturers, state governments and others, according to the Congressional Budget Office. The permits could then be traded or sold. In addition, most states would be required to generate 20 percent of their electricity from renewable sources by 2020.

Jobs and Oil Usage Reduction

House Democratic leaders say the bill would create 1.7 million new jobs and save 240 million barrels of oil by 2020.

Cost Per Household

According to the Congressional Budget Office the new bill would cost the average American household $175 a year in extra expenses.

We believe that the carbon market is in an expansion phase, and that in the coming years it will grow as U.S. federal regulation of GHG emissions becomes a reality. Any cap-and-trade system will most likely include provisions relating to allowances issued to regulated entities by the government, emission reduction certificates generated by clean development projects outside the regulated entities, and market-based incentives for Reduced Emissions from Deforestation and Degradation (REDD), such as forestry offsets.

As corporations that produce GHG emissions become subject to increased regulation, they will be interested in effective and relatively inexpensive ways to reduce their GHG emissions to comply with, as well as benefit from, any applicable cap-and-trade system.

Matching Services – Carbon Credits

We foresee the development of a new service market in which brokers would match GHG emissions specialists with corporations with high GHG emissions which are interested in receiving advice on how to earn and trade carbon credits.

Our management has decided to enter this field. We plan to introduce GHG emissions consultants to GHG emissions producing corporations, and to assist these GHG emissions consultants with entering into business agreements with these GHG emissions producers. In exchange for our services, we plan to receive a percentage of the revenues earned by such consultants on each client that we match.

As a preliminary step, we intend to increase the size of our Board of Directors and our advisory board to include experts in the field of climate technologies. We intend to retain the necessary professionals to assist us in matching GHG emissions producers with GHG emissions consultants.

Management continues to seek funding from its shareholders and other qualified investors to pursue our business plan. In the alternative, we may be amenable to a sale, merger or other acquisition in the event such transaction is deemed by management to be in the best interests of our shareholders.

Results of Operations

Revenues

We had no revenues for the period from September 4, 2007 (date of inception) through September 30, 2009.

Expenses

Our expenses for the three month period ended September 30, 2009 were $28,018 compared with $7,961 for the same period three month period in 2008. Our expenses for the nine month period ended September 30, 2009 were $50,900 compared with $22,565 for the same period nine month period in 2008. Our expenses since our inception were $105,209. These expenses were comprised primarily of professional fees and general and administrative expenses.

Net Income (Loss)

Our net loss for the three month period ended September 30, 2009 was $28,018 compared with $7,961 for the same three month period in 2008. During the period from September 4, 2007 (date of inception) through September 30, 2009, we incurred a net loss of $105,209. This loss consisted primarily of professional fees and administrative expenses. Since inception, we have sold 7,583,334 shares of common stock.

Liquidity and Capital Resources

Our balance sheet as of September 30, 2009, reflects assets of $7,145. Cash and cash equivalents from inception to date have been insufficient to provide the working capital necessary to operate to date.

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

Going Concern Consideration

The financial statements contained herein for the fiscal quarter ended September 30, 2009, have been prepared on a “going concern” basis, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business. For the reasons discussed herein and in the footnotes to our financial statements included herein, there is a significant risk that we will be unable to continue as a going concern. Our audited financial statements included in our Annual Report on Form 10-K for the period ended December 31, 2008, contain additional note disclosures describing the circumstances that lead to this disclosure by our registered independent auditors.

Off-Balance Sheet Arrangements

We have no off-balance sheet arrangements.

Item 3. Quantitative and Qualitative Disclosures about Market Risk.

There have been no material changes from the information provided in the Company’s Annual Report on Form 10-K for the year ended December 31, 2008.

Item 4. Controls and Procedures.

As of the end of the period covered by this report, based on an evaluation of our disclosure controls and procedures (as defined in Rules 13a -15(e) and 15(d)-15(e) under the Exchange Act), our Chief Executive Officer and the Chief Financial Officer has concluded that our disclosure controls and procedures are effective to ensure that information required to be disclosed by us in our Exchange Act reports is recorded, processed, summarized, and reported within the applicable time periods specified by the SEC’s rules and forms.

There were no changes in our internal controls over financial reporting that occurred during our most recent fiscal quarter that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II

Item 1. Legal Proceedings.

None.

Item 1A. Risk Factors.

There have been no material changes from the risk factors disclosed in our annual report on Form 10-K for the year ended December 31, 2008.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds.

On July 27, 2009 we issued to Joseph Lewin 291,667 shares of the Company's fully paid, non-assessable restricted common shares. The shares were issued under Section 4(2) of the Securities Act of 1933, as amended, and/or Regulation D promulgated by the Securities and Exchange Commission. The decision to issue these shares was approved and ratified by the Board of Directors on October 29, 2009.

On November 9, 2009 we issued to Samuel Gratt 291,667 shares of the Company's fully paid, non-assessable restricted common stock. The shares were issued under Section 4(2) of the Securities Act of 1933, as amended, and/or Regulation D promulgated by the Securities and Exchange Commission.

Item 3. Defaults Upon Senior Securities.

None.

Item 4. Submission of Matters to a Vote of Security Holders.

None.

Item 5. Other Information.

None.

Item 6. Exhibits.

Exhibit Number	Exhibit Description
3.1	- Certificate of Incorporation.*
3.2	- Bylaws.*
31	- Rule 13a-14(a)/15d-14(a) Certification of Principal Executive and Financial Officer
32	- Section 1350 Certification of Principal Executive and Financial Officer

* incorporated by reference from Registrant's Registration Statement on Form S-1 filed on April 16, 2008 Registration No. 333-150266.

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SIGNATURES

Pursuant to 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.

BNH INC.

By: /s/ Nehemya Hesin

Nehemya Hesin
Title: President, Treasurer and Director
(Principal Executive Officer, Principal Financing Officer and Principal Accounting Officer)

Dated: November 12, 2009