

PARAGON POLARIS STRATAGIES COM INC
Form 10QSB/A
June 28, 2002

United States
Securities and Exchange Commission
Washington, DC 20549

FORM 10Q SB/A

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

For the quarterly period ended September 30, 2001

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

Commission file Number 333 - 32634
PARAGON POLARIS STRATEGIES.COM INC.

Exact name of small business issuer as specified in its charter

Nevada
(State or other jurisdiction of
incorporation or organization)

76-0609444
I.R.S. Employer
Identification No.

3215 Mathers Avenue, West Vancouver, BC V7V 2K6 Canada
(Address of principal executive office)

(604) 913-8355
Issuer's telephone number

NA
(Former name, former address and former fiscal year, if
changed since last report)

APPLICABLE ONLY TO ISSUERS INVOLVED IN BANKRUPTCY
PROCEEDINGS DURING THE PAST FIVE YEARS

Check whether the registrant filed all documents and reports required
To be filed by Section 12, 13 or 15 (d) of the Exchange Act
after the distribution of
Securities under a plan confirmed by a court. Yes ___ No ___

APPLICABLE ONLY TO CORPORATE ISSUERS
State the number of shares outstanding of each of the Issuer's
common equity as of the last practicable date: 1,350,000 shares

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

PART I

FINANCIAL INFORMATION

Item 1. Financial Statements.

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FINANCIAL STATEMENTS FOR THE NINE MONTH
PERIODS ENDING SEPTEMBER 30, 2001 AND 2000
(PREPARED BY MANAGEMENT)
PARAGON POLARIS STRATEGIES.COM INC.

BALANCE SHEETS
AS AT SEPTEMBER 30, 2001 AND 2000
(PREPARED BY MANAGEMENT)

ASSETS

CURRENT ASSETS	\$	0
OTHER ASSETS		
LICENSE RIGHTS		0
TOTAL ASSETS		0

LIABILITIES AND STOCKHOLDERS' EQUITY

CURRENT LIABILITIES		7,500
TOTAL CURRENT LIABILITIES		7,500
STOCKHOLDERS' EQUITY		
COMMON STOCK \$0.001 PAR VALUE		
100,000,000 SHARES AUTHORIZED		
2,600,000 SHARES ISSUED		
AND OUTSTANDING		2,600
ADDITIONAL PAID-IN		
CAPITAL		12,055
DEEMED DIVIDEND RE:		
LICENSE RIGHTS		(2,000)
DEFICIT ACCUMULATED DURING		
THE DEVELOPMENT STAGE		(20,155)
TOTAL STOCKHOLDERS'		
EQUITY (DEFICIT)	(0)
TOTAL LIABILITIES AND		
STOCKHOLDERS' EQUITY	\$	0

SEE ATTACHED NOTES TO THESE STATEMENTS

PARAGON POLARIS STRATEGIES.COM INC.

STATEMENT OF OPERATIONS
FOR THE NINE MONTH PERIODS
ENDING SEPTEMBER 30, 2001 AND 2000
(PREPARED BY MANAGEMENT)

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	NINE MONTHS ENDED SEPTEMBER 30	
	2001	2000
REVENUES	\$ 0	\$ 0
OPERATING EXPENSES		
CONSULTING FEES	0	1,750
OFFICE EXPENSES AND FILING FEES	1,200	93
LEGAL AND ACCOUNTING	6,300	8,750
TOTAL OPERATING EXPENSES	7,500	10,593
NET (LOSS) FOR THE PERIOD	(7,500)	(10,593)
NET (LOSS) PER SHARE	\$ 0.00	\$ 0.00
WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING	2,600,000	2,537,500

SEE ATTACHED NOTES TO THESE STATEMENTS
PARAGON POLARIS STRATEGIES.COM INC.

STATEMENT OF CASH FLOWS
FOR THE PERIODS ENDING SEPTEMBER 30, 2001 AND 2000
(PREPARED BY MANAGEMENT)

	NINE MONTH PERIODS ENDED SEPTEMBER 30	
	2001	2000
CASH FLOWS FROM (TO) OPERATING ACTIVITIES		
NET INCOME (LOSS)	\$ (7,500)	\$ (10,593)
NET INCREASE IN ACCOUNTS PAYABLE	7,500	1,200
CASH FLOWS FROM (TO) INVESTING ACTIVITIES	0	0
CASH FLOWS FROM (TO) FINANCING ACTIVITIES		
ISSUANCE OF COMMON STOCK	0	12,000

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NET INCREASE (DECREASE IN CASH	0	207
CASH BEGINNING OF PERIOD	0	0
CASH END OF PERIOD	\$ 0	\$ 207

SEE ATTACHED NOTES TO THESE STATEMENTS

NOTES TO UNAUDITED FINANCIAL STATEMENTS (PREPARED BY MANAGEMENT)

NOTE 1 - BASIS OF PRESENTATION

The accompanying financial statements have been prepared in accordance with US Securities and Exchange Commission ("SEC") requirements for interim financial statements. Therefore, they do not include all of the information and footnotes required by generally accepted accounting principles for complete financial statements. The financial statements should be read in conjunction with the year ended December 31, 2000 financial statements of Paragon Polaris Strategies.com Inc. ("Registrant") included in the Form SB 2 filed with the SEC by the Registrant.

The results of operations for the interim period shown in this report are not necessarily indicative of the results to be expected for the full year. In the opinion of management, the information contained herein reflects all adjustments necessary to make the results of operations for the interim periods a fair statement of such operation. All such adjustments are of a normal recurring nature.

NOTE 2 - RELATED PARTY TRANSACTIONS

The Company has entered into an agreement made effective July 1, 1999 with David R. Mortenson & Associates (Grantor) to receive the rights to distribute the water treatment products developed by NW Technologies, Inc. for the States of Arizona and Nevada. Minimum purchase requirements were \$125,000 the first year and \$175,000 the second year.

On July 6, 1999 the Company filed a Form D pursuant to Section 3(b) of the Securities Act and Rule 504 promulgated thereunder, with the Securities and Exchange Commission registering the issuance of 200,000 shares of common stock to each of the ten general partners of David R. Mortenson and Associates, a Texas general Partnership. The shares were issued at a price of \$0.001 per share being the par value per share for a total of \$2,000 in exchange for the water remediation license. The water remediation license is recorded a cost of \$NIL, being the original cost of the license to David R. Mortenson and Associates. The difference between the issue price of the shares and the cost of the license

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is recorded as a deemed dividend.

The agreement with David R. Mortenson & Associates was entered into by previous management.

In December, 1999 N.W. Technologies, Inc. unilaterally cancelled its contract with David Mortenson & Associates. Early in the year 2000 David Mortenson & Associates laid suit against N.W. Technologies, Inc. in Harris County Court, Texas.

In the opinion of management, the Company has no direct or indirect interest in the Texas lawsuit

In a letter dated January 5, 2000 David Mortenson & Associates suspended all present and future payments under the License Agreement until their dispute with N.W. Technologies is resolved.

Due to the dispute regarding the water remediation license, David R. Mortenson and Associates gave an additional license to the Company on January 20, 2000. The license is to distribute vitamins, minerals, herbs and other health products and supplements via the Internet. The license calls for a 10% add-on for all products purchased and an annual \$500 website maintenance fee. The effective date of the License Agreement was January 3, 2000. The license is for an initial three years from the effective date and is automatically renewable unless either party to the license agreement gives ninety days written notice of non-renewal prior to expiration date. No amounts have been recorded in these financial statements regarding the granting of the license.

Dorothy Mortenson is the wife of David R. Mortenson. She is an original incorporator of the Company and served as Corporate Secretary until January 17, 2000 when her shares were purchased by present management. David R. Mortenson is a principal in both David Mortenson & Associates and VitaMineralHerb.com. Neither Mr. nor Mrs. Mortenson own or have owned any of the Company's securities since November 24, 1999. Outside of his association with VitaMineralHerb.com, Mr. Mortenson has no connection with Paragon Polaris. As a result, management considers that he is at arms length with the Company.

Item 2. Management's Discussion and Analysis or Plan of Operation.

Paragon Polaris has a three-year license to market and sell vitamins, minerals, nutritional supplements, and other health and fitness products to medical professionals, alternative health professionals, martial arts studios and instructors, sports and fitness trainers, other health and fitness professionals, school and other fund raising programs and other similar types of customers. All of these individuals and organizations will order their products via the Internet for sale to their clients. The license will be automatically renewed unless the Company or VitaMineralHerb.com Inc. gives the other notice of its intent not to renew.

As a licensee of VitaMineralHerb.com Inc., Paragon Polaris eliminates the need to develop products, store inventory, build and maintain a website, establish banking liaisons, and develop a fulfillment system, thereby enabling us to focus strictly on marketing and sales. Paragon Polaris plans to target health and fitness professionals in Idaho and Oregon who wish to offer health and fitness products to their customers.

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Paragon Polaris (and its customers) will have access to all products offered on the vitamineralherb.com website, as well as the ability to order custom-formulated and custom-labeled products. vitamineralherb.com sets the price for products based on the manufacturer's price, plus a markup which provides a 10% commission to vitamineralherb.com and a profit for Paragon Polaris

(b) Management's discussion and analysis of Financial Condition and Results of Operations.

Liquidity and Capital Resources

Paragon Polaris Strategies Inc. remains in the development stage and, since inception, has experienced some small expenses for the preparation of financial statements and periodic reports as required by the Securities Exchange Act of 1934. Consequently, our balance sheet for the period ending March 31, 2000 reflects current assets of \$ 0.00 in the form of cash, and total assets of \$ 0.00.

We will carry out our plan of business as discussed above. We cannot predict to what extent liquidity and capital resources will be diminished prior to the consummation of a business combination.

We believe that our existing capital will not be sufficient to meet our cash needs, including the costs of compliance with the continuing reporting requirements of the Securities Exchange Act. As a result, the Company will be dependent upon a self underwriting contained in the Form SB 2 recently declared effective by the SEC, to supply capital for the continued application of its business plan.

No other commitments to provide additional funds have been made by management or other stockholders. Accordingly, there can be no assurance that any additional funds will be available.

Irrespective of whether the cash assets prove to be inadequate to meet operational needs, the Company might seek to compensate providers of services by issuances of stock in lieu of cash.

PART II

OTHER INFORMATION

Item 1. Legal Proceedings

None

Item 2. Changes in Securities

None

Item 3. Defaults Upon Senior Securities

Not Applicable

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

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None

Item 6. Exhibits and Reports on Form 8K

None

SIGNATURES

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

Paragon Polaris Strategies.Com Inc.

Dated June 22, 2001

/S/ Robert Foo
Robert Foo, President and Director

/S/ Samuel Lau,
Samuel Lau
Secretary/Treasurer and Director