

VITACUBE SYSTEMS HOLDINGS INC  
Form 10QSB  
November 15, 2004

# **UNITED STATES SECURITIES AND EXCHANGE COMMISSION**

Washington, DC 20549

## **FORM 10-QSB**

**ý Quarterly Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934**

**For the quarterly period ended September 30, 2004**

or

**o Transition Report Pursuant to Section 13 or 15 (d) of the Securities Exchange Act of 1934**

Commission file No. 000-50875

## VITACUBE SYSTEMS HOLDINGS, INC.

(Exact name of small business issuer as specified in its charter)

**Nevada**  
(State of incorporation)

**84-1575085**  
(I.R.S. Employer Identification Number)

**480 South Holly Street**  
**Denver, CO 80246**  
(Address of principal executive offices)

**(303)-316-8577**  
(Issuer's telephone number)

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

YES  NO

As of November 12, 2004 the Company had 6,534,046 shares of its \$.001 par value common stock issued and outstanding.

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**Part I** **FINANCIAL INFORMATION**

**Item 1** **CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

**VITACUBE SYSTEMS HOLDINGS, INC.**

**CONSOLIDATED BALANCE SHEETS**

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	September 30, 2004 (Unaudited)	December 31, 2003
<b>ASSETS</b>		
Current assets:		
Cash	\$ 602,714	\$ 7,963
Accounts receivable, net of allowance for doubtful accounts of \$1,650 and \$1,796, respectively	5,941	5,012
Inventory, net of allowance for obsolescence of \$17,299 and \$31,782, respectively	550,323	286,037
Prepaid expenses and other current assets	73,813	55,477
Total current assets	1,232,791	354,489
Intangible assets, net (Note 4)	40,850	43,352
Property and equipment, net (Note 3)	119,507	167,271
Deferred offering costs	67,079	
Total assets	\$ 1,460,227	\$ 565,112
<b>LIABILITIES AND SHAREHOLDERS EQUITY (DEFICIT)</b>		
Current liabilities:		
Accounts payable and accrued expenses	\$ 402,095	\$ 953,152
Due to shareholder (Note 5)		110,040
Related party bridge loan (Note 7)		200,000
Bridge loan (Note 7)		147,500
Total current liabilities	402,095	1,410,692
Long term subordinated loans (Note 5)		1,635,861
<b>COMMITMENTS (Note 6)</b>		
<b>SHAREHOLDERS EQUITY (DEFICIT) (Note 2):</b>		
Preferred stock, authorized 5,000,000 shares, \$.001 par value, none issued or outstanding		
Common stock, authorized 50,000,000 shares, \$.001 par value, 6,534,046 and 3,241,006 issued and outstanding respectively	6,534	3,241
Additional paid in capital	7,637,192	2,383,723
Accumulated (deficit)	(6,585,594)	(4,868,405)
Total shareholders equity (deficit)	1,058,132	(2,481,441)
Total liabilities and shareholders equity (deficit)	\$ 1,460,227	\$ 565,112

The accompanying notes are an integral part of these consolidated financial statements



**VITACUBE SYSTEMS HOLDINGS, INC.**

**CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS (Unaudited)**

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Three and Nine Months Ended September 30, 2004 and 2003

	<b>For the Three Months Ended September 30, 2004</b>	<b>For the Three Months Ended September 30, 2003</b>	<b>For the Nine Months Ended September 30, 2004</b>	<b>For the Nine Months Ended September 30, 2003</b>
Net sales	\$ 230,599	\$ 279,275	\$ 561,454	\$ 1,018,329
Cost of goods sold	71,598	90,360	177,664	362,691
Gross profit	159,001	188,915	383,790	655,638
<b>Operating expenses:</b>				
Selling and marketing expenses	414,278	303,020	823,923	987,200
General and administrative expenses	300,686	501,738	920,372	1,027,588
Research and development expenses	964			