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NEW ENVIRONMENTAL TECHNOLOGIES CORP
Form 10QSB
November 14, 2001

U. S. Securities and Exchange Commission
Washington, D. C. 20549

FORM 10-QSB

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

For the quarterly period ended September 30, 2001

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

For the transition period from _____ to _____

Commission File No. 2-76219-NY

New Environmental Technologies Corporation

(Name of Small Business Issuer in its Charter)

NEVADA

(State or Other Jurisdiction of
incorporation or organization)

11-2609717

(I.R.S. Employer I.D. No.)

9005 Cobble Canyon Lane
Sandy, Utah 84093

(Address of Principal Executive Offices)

Issuer's Telephone Number: (801) 942-0555

Indicate by check mark whether the Registrant (1) has filed all reports
required to be filed by Sections 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.

(1) Yes No (2) Yes No
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APPLICABLE ONLY TO ISSUERS INVOLVED IN BANKRUPTCY
PROCEEDINGS DURING THE PRECEDING FIVE YEARS

Not applicable.

APPLICABLE ONLY TO CORPORATE ISSUERS

Indicate the number of shares outstanding of each of the Registrant's classes
of common stock, as of the latest practicable date:

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September 30, 2001

2,620,326

PART I - FINANCIAL INFORMATION

Item 1. Financial Statements.

The Financial Statements of the Registrant required to be filed with this 10-QSB Quarterly Report were prepared by management, and commence on the following page, together with Related Notes. In the opinion of management, the Financial Statements fairly present the financial condition of the Registrant.

NEW ENVIRONMENTAL TECHNOLOGIES CORPORATION
(A Development Stage Company)

FINANCIAL STATEMENTS

September 30, 2001 and December 31, 2000

NEW ENVIRONMENTAL TECHNOLOGIES CORPORATION
(A Development Stage Company)
Balance Sheets

ASSETS

| | September 30, 2001 (Unaudited) | December 31, 2000 |
|--|--------------------------------------|----------------------|
| CURRENT ASSETS | | |
| Cash | \$ - | \$ 10 |
| | ----- | ----- |
| TOTAL ASSETS | \$ - | \$ 10 |
| | ===== | ===== |
| LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIT) | | |
| CURRENT LIABILITIES | | |
| Accounts payable | \$ 27,506 | \$ 22,987 |
| Accounts payable - related party | 18,681 | 13,453 |
| | ----- | ----- |
| Total Liabilities | 46,187 | 36,440 |
| | ----- | ----- |
| STOCKHOLDERS' EQUITY (DEFICIT) | | |
| Common stock authorized 100,000,000 shares at \$0.001 par value; 2,620,326 and 2,620,326 shares issued and outstanding, respectively | 2,620 | 2,620 |
| Additional paid-in capital | 150,692 | 150,692 |
| Deficit accumulated during the development stage | (199,499) | (189,742) |
| | ----- | ----- |
| Total Stockholders' Equity (Deficit) | (46,187) | (36,430) |
| | ----- | ----- |
| TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIT) | \$ - | \$ 10 |

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

2

NEW ENVIRONMENTAL TECHNOLOGIES CORPORATION
 (A Development Stage Company)
 Statements of Operations
 (Unaudited)

| | For the | | For the | | >From |
|---|-------------------|------------|--------------------|-----------|---------------|
| | Nine Months Ended | | Three Months Ended | | Inception on |
| | September 30, | | September 30, | | January 7, |
| | 2001 | 2000 | 2001 | 2000 | 1982 Through |
| | | | | | September 30, |
| | | | | | 2001 |
| REVENUES | \$ - | \$ - | \$ - | \$ - | \$ - |
| EXPENSES | 9,757 | 1,794 | 865 | 13 | 199,499 |
| NET LOSS | \$ (9,757) | \$ (1,794) | \$ (865) | \$ (13) | \$ (199,499) |
| BASIC LOSS PER SHARE | \$ (0.00) | \$ (0.00) | \$ (0.00) | \$ (0.00) | |
| BASIC WEIGHTED AVERAGE NUMBER OF SHARES OUTSTANDING | 2,620,326 | 2,620,326 | 2,620,326 | 2,620,326 | |

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

3

NEW ENVIRONMENTAL TECHNOLOGIES CORPORATION
 (A Development Stage Company)
 Statements of Stockholders' Equity (Deficit)

| | Common Stock | Additional | Deficit |
|--|--------------|------------|-------------|
| | Shares | Paid-in | Accumulated |
| | | Capital | During the |
| | | | Development |
| | | | Stage |
| Balance, January 7, 1982 | - | \$ - | \$ - |
| Common stock issued for cash at \$7.50 per share | 6,000 | 45,000 | - |
| Common stock issued for cash at \$0.39 per share | 168,503 | 65,819 | - |
| Net loss from inception on January 7, 1982 through December 31, 1982 | - | - | (39,597) |
| Balance, December 31, 1982 | 174,503 | 110,819 | (39,597) |
| Net loss for the year ended December 31, 1983 | - | - | (71,397) |

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| | | | | |
|--|-------------|---------|---------|-----------|
| Balance, December 31, 1983 | 174,503 | 175 | 110,819 | (110,994) |
| Common stock issued for cash at \$25.00 per share | 57 | - | 1,425 | - |
| Common stock issued for cash at \$25.00 per share | 3 | - | 75 | - |
| Common stock issued for cash at \$0.25 per share | 1,580,000 | 1,580 | 38,373 | - |
| Net loss for the year ended December 31, 1984 | - | - | - | - |
| Balance, December 31, 1984 | 1,754,563 | 1,755 | 150,692 | (110,994) |
| Retired common stock, | (1,296,132) | (1,297) | - | - |
| Net loss for the year ended December 31, 1985 | - | - | - | - |
| Balance, December 31, 1985 | 458,431 | 458 | 150,692 | (110,994) |
| Net loss for the year ended December 31, 1986 | - | - | - | - |
| Balance, December 31, 1986 | 458,431 | 458 | 150,692 | (110,994) |

4

NEW ENVIRONMENTAL TECHNOLOGIES CORPORATION
(A Development Stage Company)
Statements of Stockholders' Equity (Deficit)

| | Common Shares | Stock Amount | Additional Paid-in Capital | Deficit Accumulated During the Development Stage |
|--|------------------|-----------------|----------------------------------|--|
| Balance, December 31, 1986 | 458,431 | 458 | 150,692 | (110,994) |
| Net loss for the year ended December 31, 1987 | - | - | - | - |
| Balance, December 31, 1987 | 458,431 | 458 | 150,692 | (110,994) |
| Net loss for the year ended December 31, 1988 | - | - | - | - |
| Balance, December 31, 1988 | 458,431 | 458 | 150,692 | (110,994) |
| Net loss for the year ended December 31, 1989 | - | - | - | - |
| Balance, December 31, 1989 | 458,431 | 458 | 150,692 | (110,994) |
| Net loss for the year ended December 31, 1990 | - | - | - | - |
| Balance, December 31, 1990 | 458,431 | 458 | 150,692 | (110,994) |

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| | | | | |
|--|-----------|-------|---------|-----------|
| Net loss for the year ended December 31, 1991 | - | - | - | - |
| Balance, December 31, 1991 | 458,431 | 458 | 150,692 | (110,994) |
| Net loss for the year ended December 31, 1992 | - | - | - | - |
| Balance, December 31, 1992 | 458,431 | 458 | 150,692 | (110,994) |
| Net loss for the year ended December 31, 1993 | - | - | - | - |
| Balance, December 31, 1993 | 458,431 | 458 | 150,692 | (110,994) |
| Canceled common stock | (316,000) | (316) | - | - |
| Net loss for the year ended December 31, 1994 | - | - | - | (6,656) |
| Balance, December 31, 1994 | 142,431 | 142 | 150,692 | (117,650) |

5

NEW ENVIRONMENTAL TECHNOLOGIES CORPORATION
(A Development Stage Company)
Statements of Stockholders' Equity (Deficit)

| | Common Shares | Stock Amount | Additional Paid-in Capital | Deficit Accumulated During the Development Stage |
|---|------------------|-----------------|----------------------------------|--|
| Balance, December 31, 1994 | 142,431 | 142 | 150,692 | (117,650) |
| Common stock issued for services at \$0.001 per share | 160,000 | 160 | - | - |
| Common stock issued for services at \$0.001 per share | 2,197,895 | 2,198 | - | - |
| Net loss for the year ended December 31, 1995 | - | - | - | (49,097) |
| Balance, December 31, 1995 | 2,500,326 | 2,500 | 150,692 | (166,747) |
| Common stock issued for services at \$0.001 per share | 120,000 | 120 | - | - |
| Net loss for the year ended December 31, 1996 | - | - | - | (1,681) |
| Balance, December 31, 1996 | 2,620,326 | 2,620 | 150,692 | (168,428) |
| Net loss for the year ended December 31, 1997 | - | - | - | (3,517) |
| Balance, December 31, 1997 | 2,620,326 | 2,620 | 150,692 | (171,945) |
| Net loss for the year ended | | | | |

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| | | | | |
|---|-----------|----------|------------|-------------|
| December 31, 1998 | - | - | - | (2,479) |
| Balance, December 31, 1998 | 2,620,326 | \$ 2,620 | \$ 150,692 | \$(174,424) |
| Net loss for the year ended December 31, 1999 | - | - | - | (6,307) |
| Balance, December 31, 1999 | 2,620,326 | \$ 2,620 | \$ 150,692 | \$(180,731) |
| Net loss for the year ended December 31, 2000 | - | - | - | (9,011) |
| Balance, December 31, 2000 | 2,620,326 | \$ 2,620 | \$ 150,692 | \$(189,742) |
| Net loss for the nine months ended September 30, 2001 (unaudited) | - | - | - | (9,757) |
| Balance, September 30, 2001 (unaudited) | 2,620,326 | \$ 2,620 | \$ 150,692 | \$(199,499) |

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

6

NEW ENVIRONMENTAL TECHNOLOGIES CORPORATION
(A Development Stage Company)
Statements of Cash Flows
(Unaudited)

| | >From | |
|--|---|---|
| | For the Nine Months Ended September 30, 2001 | Inception on January 7, 1982 Through September 30, 2001 |
| CASH FLOWS FROM OPERATING ACTIVITIES: | | |
| Net loss | \$ (9,757) | \$ (1,794) \$ (199,499) |
| Adjustments to reconcile net loss to net cash used by operating activities: | | |
| Stock issued for services | - | - 2,538 |
| Increase (decrease) in accounts payable and accounts payable - related | 9,747 | 1,758 46,188 |
| | ----- | ----- |
| Net Cash Used by Operating Activities | (10) | (36) (150,773) |
| | ----- | ----- |
| CASH FLOWS FROM INVESTING ACTIVITIES: | - | - - |
| | ----- | ----- |
| CASH FLOWS FROM FINANCING ACTIVITIES: | | |
| Issuance of common stock for cash | - | - 150,773 |
| | ----- | ----- |

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| | | | |
|---|------|-------|---------|
| Net Cash Provided by Financing Activities | - | - | 150,773 |
| | | | |
| NET INCREASE (DECREASE) IN CASH | (10) | (36) | - |
| CASH AT BEGINNING OF PERIOD | 10 | 58 | - |
| | | | |
| CASH AT END OF PERIOD | \$ - | \$ 22 | \$ - |
| | | | |
| CASH PAID FOR: | | | |
| Interest | \$ - | \$ - | \$ - |
| Income taxes | \$ - | \$ - | \$ - |

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

7

NEW ENVIRONMENTAL TECHNOLOGIES CORPORATION
(A Development Stage Company)
Notes to the Financial Statements
September 30, 2001 and December 31, 2000

NOTE 1 - CONDENSED FINANCIAL STATEMENTS

The accompanying financial statements have been prepared by the Company without audit. In the opinion of management, all adjustments (which include only normal recurring adjustments) necessary to present fairly the financial position, results of operations and cash flows at September 30, 2001 and 2000 and for all periods presented have been made.

Certain information and footnote disclosures normally included in financial statements prepared in accordance with generally accepted accounting principles have been condensed or omitted. It is suggested that these condensed financial statements be read in conjunction with the financial statements and notes thereto included in the Company's December 31, 2000 audited financial statements. The results of operations for periods ended September 30, 2001 and 2000 are not necessarily indicative of the operating results for the full years.

NOTE 2 - GOING CONCERN

The Company's financial statements are prepared using generally accepted accounting principles applicable to a going concern which contemplates the realization of assets and liquidation of liabilities in the normal course of business. The Company has not yet established an ongoing source of revenues sufficient to cover its operating costs and allow it to continue as a going concern. The ability of the Company to continue as a going concern is dependent on the Company obtaining adequate capital to fund operating losses until it becomes profitable. If the Company is unable to obtain adequate capital, it could be forced to cease operations.

In order to continue as a going concern, develop a reliable source of revenues, and achieve a profitable level of operations, the Company will need, among other things, additional capital resources. Management's plans to continue as a going concern include raising additional capital through sales of common stock and to seek a merger with an existing operating Company. However, management cannot

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provide any assurances that the company will be successful in accomplishing any of its plans.

The ability of the Company to continue as a going concern is dependent upon its ability to successfully accomplish the plans described in the preceding paragraph and eventually secure other sources of financing and attain profitable operations. The accompanying financial statements do not include any adjustments that might be necessary if the Company is unable to continue as a going concern.

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

Plan of Operation.

The Company has not engaged in any material operations since the calendar year ended December 31, 1985, or during the quarterly period ended September 30, 2001.

The Company's plan of operation for the next 12 months is to:(i) consider guidelines of industries in which the Company may have an interest; (ii) adopt a business plan regarding engaging in business in any selected industry; and (iii) to commence such operations through funding and/or the acquisition of a "going concern" engaged in any industry selected.

During the next 12 months, the Company's only foreseeable cash requirements will relate to maintaining the Company in good standing or the payment of expenses associated with reviewing or investigating any potential industries as a business venture, which the Company expects to pay from its cash resources or loans from makers of management.

Results of Operations.

During the quarterly period ended September 30, 2001, the Company had no business operations. During this period, the Company received total revenues of \$0 and had a net loss of \$(865), as compared to the quarterly period ended September 30, 2000, when the Company received total revenues of \$0 and had a net loss of \$(13).

During the nine months ended September 30, 2001, the Company had no business operations. During the nine months ended September 30, 2001, the Company received total revenues of \$0 and had a net loss of \$(9,757), as compared to the nine months ended September 30, 2000, when the Company received total revenues of \$0 and had a net loss of \$(1,794).

Liquidity.

At September 30, 2001, the Company had \$0 in current assets, with total current liabilities of \$46,187. Total stockholders' equity was (\$46,187).

PART II - OTHER INFORMATION

Item 1. Legal Proceedings.

None; not applicable.

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Item 2. Changes in Securities.

None; not applicable.

Item 3. Defaults Upon Senior Securities.

None; not applicable.

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

None; not applicable.

Item 5. Other Information.

None; not applicable.

Item 6. Exhibits and Reports on Form 8-K.

(a) Exhibits.

None.

(b) Reports on Form 8-K.

None.

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 there unto duly authorized.

New Environmental Technologies Corporation

Date: 11/14/01

By/s/David S. Merrell

David C. Merrell
Director and President

Date: 11/14/01

By/S/Corie Merrell

Corie Merrell
Secretary and Treasurer