

Edgar Filing: GLOBAL ASSETS & SERVICES INC - Form 10KSB/A

GLOBAL ASSETS & SERVICES INC
Form 10KSB/A
August 10, 2004

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-KSB/A

Annual Report Pursuant to Section 13 or 15(d) of
The Securities Exchange Act of 1934

For the fiscal year ended: December 31, 2003

Commission File number: 000-30145

GLOBAL ASSETS & SERVICES, INC.

(Exact name of registrant as specified in its charter)

Florida -----	59-3723328 -----
State or Other Jurisdiction of incorporation or organization)	(I.R.S. Employer Identification Number)

13575 58th Street North, Suite 122, Clearwater, FL 33760

(Address of principal Executive Offices Zip Code)

Registrant's telephone number, including area code: (727) 538-1434

Securities registered pursuant to Section 12(b) of the Act: None

Securities registered pursuant to Section 12(g) of the Act: None

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 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) No ()

Check if disclosure of delinquent filers pursuant to Item 405 of Regulation S-B is not contained in this form, 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 10-KSB or any amendment to this Form 10-KSB. [X]

State issuer's revenues for its most recent fiscal year. \$0

Small Business Disclosure Format:

Edgar Filing: GLOBAL ASSETS & SERVICES INC - Form 10KSB/A

Yes No

As of December 31, 2003, 31,497,767 shares of common stock and no shares of preferred stock were outstanding. The aggregate market value of the 11,025,701 shares of Stock held by non-affiliates of Registrant was \$551,285 based upon a bid price of \$.05 on December 31, 2003.

Documents incorporated by reference: (1) The Company's Registration Statement on Form S-18 (33-41063-A).

TABLE OF CONTENTS

PART I	PAGE
Item 1. Description of Business	1
Item 2. Description of Property	11
Item 3. Legal Proceedings	11
Item 4. Submission of Matters to a Vote of Security Holders	11
PART II	
Item 5. Market for Common Equity and Related Stockholder Matters	11
Item 6. Management's Discussion and Analysis or Plan of Operation	12
Item 7. Financial Statements	15
Item 8. Changes in and Disagreements With Accountants on Accounting and Financial Disclosure	15
Item 8A. Controls and Procedures	15
PART III	
Item 9. Directors, Executive Officers, Promoters and Control Persons; Compliance with Section 16(a) of the Exchange Act	16
Item 10. Executive Compensation	17
Item 11. Security Ownership of Certain Beneficial Owners and Management	19
Item 12. Certain Relationships and Related Transactions	21
Item 13. Exhibits and Reports on Form 8-K	22
Item 14. Principal Accountant Fees & Services	24
SIGNATURES	25

Part I

Item 1. Description of Business

General Description of Company

History

Art Music & Entertainment, Inc., ("the Company" or "AM&E") a Florida corporation was organized in May 25, 1988 as Cornerstone Capital, Inc. and the name was changed on September 22, 1990 to Chatham International, Inc. It completed an initial public offering which commenced on November 14, 1991, comprised of 16,268 shares of Common Stock and One Zero Coupon U.S. Treasury-Backed Obligation ("USTBO") with a maturity value of \$1,000 at a price of \$1,000. The Registrant offered a maximum of 3,000 units and a minimum of 75 units on a best

Edgar Filing: GLOBAL ASSETS & SERVICES INC - Form 10KSB/A

efforts basis. The underwriter for the offering was Boe and Company formerly known as SBV Securities, Inc. A total of 98 units was sold and net proceeds were \$67,770. The Company closed its offering May 14, 1992.

The Company intended upon completion of the public offering, to commence operations as an export management company and provide a range of business services and assistance to manufacturers desiring to do business in foreign markets. The Company was unsuccessful in its efforts. The Company is presently in the developmental stage.

In April 1996, Art Music and Entertainment merged with Chatham International, Inc. The Company changed its name to Art Music and Entertainment, Inc. on April 5, 1996.

The Company utilized most of 1996 to further develop its business plan and acquire the following companies, and develop business plans of each. All subsidiaries were acquired under a stock exchange agreement which utilized a \$10.00 per share value for its stock.

- a. International Jazz Hall of Fame Production Company, Inc. - 3/1/96
- b. Marin Movies, Inc. - 3/5/96
- c. Classical Music Collection, Inc. - 3/5/96
- d. Octopus Entertainment, Inc. - 3/5/96
- e. Spellbinder Productions, Inc. - 3/5/96

On March 5, 1996, the Old AME entered into an Agreement and Plan of Reorganization with the International Art Group, Inc., ("Art Group") under the terms of which the Old AME acquired all of the outstanding capital stock of Art Group in exchange for 486,754 shares of Class H Convertible Preferred Stock of the Old AME. Art Group is not conducting operations and is reportedly the owner of an exclusive license from the government of the United States to publish and distribute the only official artwork to commemorate the Quincentennial (500th anniversary) of the discovery of America. In December 1996, the Company and the former shareholder of International Art Group, Inc., rescinded and canceled the merger, and 486,754 shares of the Company's Class H Preferred Stock issued to effect the merger were returned to the Company. Revenues of \$140,400 from sales of certain of the artwork during 1996 remain with the Company.

1

Old AME executed an Agreement and Plan of Reorganization on March 1, 1996 with the International Jazz Hall of Fame Production Co. Inc. ("Jazz"). The terms of the agreement provided for the Old AME to acquire all of the outstanding common shares of Jazz in exchange for 44,666.68 common shares and 22,807 Class I Voting Convertible Preferred Shares of the Old AME. Jazz was conducting operations and is the owner of lithographs of certain jazz artists. During 1996, the Company realized \$184,748 from sales of the jazz lithographs, and \$29,247 from its production of a Jazz Hall of Fame induction ceremony. In January 1997, the Company and the Class I Convertible Preferred Shareholders agreed to exchange such convertible preferred stock for 230,000 shares of the restricted common shares of the Company, which shares were issued in October 1997.

On March 5, 1996, the Old AME signed an Agreement and Plan of Reorganization with Marin Movies, Inc. ("Marin"). The provisions of the agreement provide for Old AME to acquire all of the outstanding common stock of Marin in exchange for 2,800 shares of Class G Convertible Preferred Stock of the Old AME. Marin is not conducting operations and is the owner of master videos of 300 public domain

Edgar Filing: GLOBAL ASSETS & SERVICES INC - Form 10KSB/A

movies. In January 1997, the Company and the Class G Convertible Preferred Shareholders agreed to exchange such convertible preferred stock for 28,000 shares of the restricted common shares of the Company, which shares were issued in October 1997.

An Agreement and Plan of Reorganization with Classical Music Collection, Inc. ("Classical") was executed by the Old AME on March 5, 1996. Under the terms of the agreement the Old AME acquired all of the outstanding common stock of Classical in exchange for 11,333.34 of the Old AME's common shares and 1,760 of the Old AME's Class F Voting convertible Preferred shares. Classical is not conducting operations and is the owner of certain master music recordings. In January 1997, the Company and the Class F Convertible Preferred Shareholders agreed to exchange such convertible preferred stock for 7,967 shares of the restricted common shares of the Company, which shares were issued in October 1997.

All of the outstanding common stock of Octopus Entertainment, Inc., ("Octopus") was acquired by the Old AME on March 5, 1996 under an Agreement and Plan of Reorganization of same date. The outstanding common stock of Octopus was acquired for 1,000 Class E Voting Convertible Preferred Stock of the Old AME. Octopus is not conducting operations and its sole assets are the ownership of two trade names and certain "big-band" sheet music. In January 1997, the Company and the Class E Convertible Preferred Shareholders agreed to exchange such convertible preferred stock for 10,000 shares of the restricted common shares of the Company, which shares were issued in October 1997. The transaction was cancelled and rescinded in 1998.

Also on March 5, 1996, the Old AME executed an Agreement and Plan of Reorganization with Spellbinder Productions, Inc. ("Spellbinder"), under which the Old AME acquired all of the outstanding common stock of Spellbinder in exchange for 9,533.34 common shares and 100,600 Class C Voting Convertible Preferred shares of the Old AME. Spellbinder is not conducting operations, and

2

its sole asset is the music and related hardware for a music and illusionary show copyrighted in 1990. In January 1997, the Company and the Class C Convertible Preferred Shareholders agreed to exchange such preferred stock for 100,000 shares of the restricted common shares of the Company, which shares were issued in October 1997. This subsidiary acquisition was rescinded in 1998 after no activity or capital was produced.

The Company renegotiated in January 1997 with the former owners of the various assets acquired by the respective classes of convertible preferred stock, culminating in October 1997 with the exchange of all of the classes of issued preferred stock for restricted common shares of the Company. The number of the restricted common shares issued for each class of preferred shares is as follows:

- Retired Class G Preferred for 28,000 shares of common
- Retired Class I Preferred for 230,000 shares of common
- Retired Class F Preferred for 7,967 shares of common
- Retired Class E Preferred for 10,000 shares of common
- Retired Class C Preferred for 100,000 shares of common
- Retired Class A Preferred for 380,000 shares of common

The Parent Company, AM&E had an affiliation with American Independent Network, Inc. for television program broadcast time through the utilization of 30 second commercial spots on the American Independent Network ("AIN"). Due to numerous

Edgar Filing: GLOBAL ASSETS & SERVICES INC - Form 10KSB/A

difficulties no advertising air time was ever used and the contract was cancelled. The Company had planned on utilizing a portion of this air time to sell its own products from its subsidiaries.

By the summer of 1997 AIN planned to be broadcasting its programming on approximately 200 stations to close to 40 million households. AM&E intended to create revenue by selling its commercial spots and its time slots for programming. It did not achieve this goal, and ceased its operations in this area in 1998.

The Company is a successor registrant pursuant to Section 12(g) 3 of the Securities Exchange Act of 1934, by virtue of a statutory merger of the Parent, Global Assets & Services, Inc. a Florida corporation, and its wholly owned subsidiary, S.D.E. Holdings 3 Inc., a Nevada corporation, with Global Assets & Services, Inc. being the survivor. There was no change to the issued and outstanding shares of Global Assets & Services, Inc. and all shares of S.D.E. Holdings 3 Inc. were retired by virtue of the merger.

On December 20, 2001, Global Assets & Services, Inc. completed a Share Purchase Agreement with shareholders of S.D.E. Holdings 3 Inc. in which Global Assets & Services, Inc., a Florida corporation, acquired all 500,000 shares outstanding of the Registrant for the purposes of accomplishing a Merger of S.D.E. Holdings 3 Inc. and Global Assets & Services, Inc. The Merger was subsequently completed on December 20, 2001.

3

Current Business

Global Assets & Services, Inc. (the "Company"), in December 21, 2001 executed a letter of intent to enter into a Software License Agreement with M-Cube Corporation. Focus systems, Inc., publicly listed in the Tokyo OTC Market, is the parent company of M-Cube Corporation, owning 50% of M-Cube Corporation. This License was to market a new chaos theory encryption software package suitable for internet communications and data security. A definitive Agreement for this Software License was executed.

On May 16, 2002 Global Assets & Services executed a Software License Agreement with M-Cube Corporation of Japan, a subsidiary of Focus Systems Corporation. Focus Systems is a publicly listed company on the Tokyo JASDAQ Market with symbol code 4662. The licensing agreement applies to a new chaos theory encryption software package suitable for data security and wireless/internet communications.

The Focus Systems encryption package, "C4S. C4K" was developed by a majority owned subsidiary of Focus, C4 Technology, Inc. based on chaos theory. Focus has been heavily involved in the development of software for telecommunications. This led to involvement in information security issues and development of encryption systems over the past few years. Separately its subsidiary was active in the provision of internet video, Digital TV Net, and began developing a suitable encryption package for its own purposes.

While Focus was studying various approaches to information security, it appeared that the subsidiary had developed a very stable, fast and multi-platform compatible package that is now known as C4S.C4K. Li Jingye, originally working at the China Academy of Sciences computer Laboratory and then working as a visiting research worker at Riken in Tokyo, moved to C4 Technology, Inc. and

Focus Systems Corporation has been heavily involved in the development of

Edgar Filing: GLOBAL ASSETS & SERVICES INC - Form 10KSB/A

software for the telecommunications field. This involvement has led to research into information security issues along with the development of encryption systems. While Focus was examining several approaches to information security it developed a very secure, fast and multi-platform compatible package that is now known as C4S and C4K. C4S and C4K utilize technology based on a chaotic signal, a key of variable length, and two-stage encryption while maintaining a super fast encryption speed of up to 344.44 Mbps. C4S C4K utilize JAVA compatibility, which enables it to allow multiple-platforms. The domestic patent in Japan was granted in February 2001. The open system approach and high speed translate to wide application in broadband networks.

4

developed the chaos theory encryption package with a shared C4S key and a public C4K key. The domestic patent in Japan was granted in February 2001. Despite the security of using a chaotic signal, a key of variable length and two stage encryption it is possible to encrypt at a speed of up to 228Mbps which is very fast the industry.

JAVA compatibility means that there is multi-platform capability and this open system approach and high speed mean wide application in broad band networks.

C4S.C4K is suitable for the very low weight designs typical of mobile phones. While chaos encryption is inherently fast and secure, it does require floating point arithmetic and this barred it from mobile applications until Focus devised a miniature chaotic signal emulator. It is the only chaos theory encryption package applicable to mobile phones."

Focus relies on a combination of patent, trade secret, copyright and trademark laws, software licenses, nondisclosure agreement and technical measures to protect proprietary technology.

Global Assets and Services, Inc. intends to seek North American Industry Partners to market the software. No licenses for software had been negotiated through March 31, 2004.

Epond Technologies

On August 25, 2003, Global Assets & Services entered into a License Agreement with Koki Nagashima and Epond Inc., whereby Global Assets & Services will issue 750,000 shares of restricted stock to Koki Nagashima and Koki Nagashima will received 57.1% of the license fees of the licensed patent in exchange for exclusive rights for the licened patent and its pertained rights to produce and sell product using the invention in all known nations and territories of the world. The Technology licensed is described as follows:

THE TECHNOLOGY

The technology is a next-generation information distribution system, which uses a PCMCIA card as its core component. This invention, by making use of a PCMCIA card equipped with authentication codes within the agent's client PC and the distribution server, primarily addresses the need to prevent the distribution of illegal copies and violations of copyright laws. In addition to serving to help resolve some of the gravest issues that must be overcome in industries in which there is a steady increase of distribution techniques, this system may contribute to future development for both hardware and software makers. Furthermore, as a next-generation distribution system, this system establishes a new technique for the distribution method for clear moving images and sound data via broadband. It incorporates a unique system in which in the event that the distribution data does not reach its target due to interruption, only the striping can be retransmitted. This system also allows for averaging of the server-processing load.

BACKGROUND

Using a LAN distribution server, based on the fundamental concept of an information system where it is possible to use low, mid, and high-speed communication such as the Internet, there are already a number of streaming distribution servers and client PC viewers (viewing software) compatible with this streaming technology on the market. Such distribution software is based on a high-speed LAN or broadband internet communication, however; it is still the case that a communication speed of only several Kbps is generated, leading for example, to the unresolved issue of servers that cannot transmit moving images via ISDN and are only capable of transmitting sound.

For the configuration of distribution servers and client PC's on the market, this new system provides exclusive PCMCIA cards for each contracting user to the part where the client's PC agents are introduced to the distribution server. This technology therefore enables only those PC's equipped with the requisite card to access and read system information.

SUMMARY OF TECHNOLOGY DESIGN

Client PC agents connect to the distribution servers via LANs and receive streaming data in an environment where no communication speed bottlenecks are created. In other words, the distribution server sends a transmission to client PCs via LAN and communication between the client PCs agent and the distribution server agent is not influenced by existing systems. This makes it possible to preload data without time constraints, and to reduce data volume by compressing distribution data or to reduce color precision. In this way, the data received in the distribution server agent of a client PC responds to the requests of the client PC viewer and in the place of a distribution server the distribution server agent of that PC conducts high-speed memory transfer.

With this basic configuration, the basis for this invention is a PCMCIA card equipped with authentication codes in the part of the distribution server and the agent's client PCs. By equipping a client PC agent with an individually encrypted authentication code in each PCMCIA card, it is possible for contracting users to safely and securely be authenticated when they connect to the distribution server. Furthermore, at the time of receiving data, client PC agents are able to store temporary memory files and stored files with the unique authentication code of this encrypted PCMCIA card. As such, data stored by making use of the PCMCIA card can only be accessed by using that same PCMCIA card. This makes it possible to prevent data retrieved by any contracting user to be redistributed to a non-contracting user, or any other form of unauthorized copies to be made of such data. Although similar methods exist that make use of lower-priced storage media than the PCMCIA card, they are easily mass-produced and pose a significant problem in respect to piracy. This invention makes use of a system employing a PCMCIA card and eliminates any concern over such matters because PCMCIA cards are not easily reproduced.

In addition, with this system, it is possible to use notebook PCs and other portable devices, making it an extremely effective system both for users and makers of hardware and software.

This card will allow an improvement over existing distribution models with the key features being:

Edgar Filing: GLOBAL ASSETS & SERVICES INC - Form 10KSB/A

Content data stored in client PC agents are processed for distribution as follows:

- 1) Data is compressed in order to reduce the volume of distributed data.
- 2) Even when compressed, moving images require an extremely high amount of total data. Prior to being transmitted, such a large volume of data is stripped. As a result, in the event of a communication interruption, all that needs to be retransmitted is the interrupted striping that did not arrive at its distribution.
- 3) Data is processed to make it possible to be distributed, even if the precision level of moving images and sound is reduced. As a result, data size can be reduced to between 1/3 and 2/3.

Communication protocols usually can only be inefficiently communicated through http protocols communicated between ordinary web servers and browsers, resulting in a significant server load. As such, protocols unique between client PC agents and distribution server agents are used.

- 1) As long as there are no interruptions to transmission, a datagram distribution is used in order to allow for unilateral transmission.
- 2) In order to reduce server load when a large number of clients are being simultaneously serviced, a state-full protocol is used.
- 3) FTP is also used in cases where for security reasons special protocols are prohibited on the client side.

Content data size is compressed and after being distributed to the client's distribution server agent making use of the high-speed protocols of this system, the compressed data of 1) mentioned above is extracted and stored in temporary files. The operating principles of this system are that prior to beginning to display moving images on a client PC, the distribution server agent receives streaming data from the client PC agent of the server side.

Other unique characteristics of the system are that by placing a distribution server agent within the client PC, it becomes possible to make a response both as a broadcasting system and a distribution system.

Broadcasting model:

In instances when the time in which contents are to begin and end to be displayed on the client PC is predetermined, and in instances when there is no need for the content to remain on the client PC after being displayed. (This system is sensitive to the need to protect copyrighted contents)

Distribution model:

After initiating display of contents on the client PC, it is possible for the beginning and conclusion of the displaying to be temporarily interrupted or to rewind such contents. By placing a server equipped with a client PC agent in each of the target regions, it is possible to share the load. By establishing load sharing servers in a single starting point, it is possible to average the processing load of multiple servers equipped with client PC agents.

The company intends to promote and distribute this technology in the United States.

The market for licensed technology from abroad is intensely competitive, both from U.S. technology and other foreign technology many of which all well-established in their respective markets and we expect competition to increase in the future. The company believes that the principal competitive

Edgar Filing: GLOBAL ASSETS & SERVICES INC - Form 10KSB/A

factors affecting the market for information security include security effectiveness, manageability, technical features, performance, ease of use, price, scope of product offerings, professional services capabilities, distribution relationships and customer service and support. The company cannot guarantee that it will compete successfully to market against current and potential competitors, especially those with greater financial resources or brand name recognition.

Teaming Agreement

On July 23, 2001 Global Assets & Services signed a teaming agreement with Geosystems Inc. to evaluate and market encryption software based on the C4S and C4K technology to the government and commercial market.

On October 25, 2002, Global Assets & Services entered into a Contract Agreement with GeoSystems, Inc., whereby GEO would provide to Global application development, sale and distribution services, on a 5 year exclusive basis, for C4 encryption products under Global's license, for Federal Government and commercial sectors. Global will provide either \$500,000 or 400,000 shares of its restricted common stock to capitalize the effort.

On February 3, 2003, the Contract Agreement with Geosystems was assigned to the Cybrix Group, Inc. The Cybrix Group, Inc. and shareholders are the same as Geosystems, Inc.

Cybrix is a privately held company that has a senior management team with extensive experience in Government technology fields and sales to the government. This expertise provides the ability to introduce the software for testing to the appropriate Governmental agencies. Contacts with several Fortune 100 companies within the telecommunications industry have already been established through other ongoing commercial projects. These relationships may be instrumental in the rapid introduction of this software into the personal communications systems market.

The C4S/C4K software suite may provide the commercial cellular and Internet industries the ability to outfit end-users with a more secure connectivity across the Internet and the airwaves. Management believes that the C4 software suite is a far more advanced technology than existing known solutions, and has already been successfully tested on e-mail applications, wireless text messaging, hand held devices, and on streaming video transmissions that exceed market expected speeds for encryption. The U.S is mainly utilizing 128-bit encryption schemes. The C4 suite offers users a selectable 8-bit to infinity encryption scheme. The scalability of encryption level may allow the C4 software suite to be a possible solution set targeted at the information transmission and storage arena.

8

Global issued shares as follows:

1. Issue 200,000 S-8 shares of common stock to Koki Nagashima for consulting services for the encryption software and other related consulting services.
2. Issue 1,750,000 shares of restricted common stock to Koki Nagashima for consulting and acquisition services pertaining to TOMIGEL and JUNON System.
3. Issue 300,000 shares of restricted common stock to Mitsunobu Amazaki for providing consulting and acquisition services for encryption software.

Edgar Filing: GLOBAL ASSETS & SERVICES INC - Form 10KSB/A

4. Issue 90,000 S-8 shares to Dr. Shigetomi Komatsu for consulting services pertaining to TOMIGEL and JUNON System.

The Company has signed a License for the North American Marketing rights for the following patented products from Japan.

PRODUCT DESCRIPTION

Tomigel is an inorganic soil-hardening agent that has been developed in order to harden any kind of soil from volcanic ash and sea sand to industrial waste. Tomigel, with its excellent chemical distinction that does not restrict any aggregate composition, can be utilized to solidify various on the spot soil types without the use of gravel or sand required in the mixing of concrete. In addition, the substances hardened by the addition of Tomigel display increased integrity and strength over typical concrete mixtures.

Tomigel can also be used to safely and effectively neutralize and solidify industrial waste and other environmentally detrimental substances. Sludge, incinerated ash, and other forms of industrial and environmental waste can be contained and deactivated with Tomigel.

Tomigel with its variety of uses both commercially and environmentally and its attributes that add strength and durability to a variety of soil types, is a revolutionary material that will prove to benefit industry with decreased cost and an increased quality of product. Tomigel will also benefit the environment by containing harmful substances.

9

There are two types of Tomigel: Tomigel-3 and Tomigel-5.

- A. Tomigel - 3 (For sludge and industrial wastes) Tomigel - 3 has been developed for solidifying and closing in sludge of high water content, incinerated ashes, and harmful materials such as P C B, Cyanide, Cadmium, Lead, Arsenic, and also such heavy metals as Iron, Nickel, Copper, etc.
- B. Tomigel - 5 (For General Construction) Tomigel - 5 has been developed for stabilizing roadbed, sub-base, and paving road surface, using the soil on the site spot as aggregate compositions. Tomigel - - 5 can also be used in construction and as an additive in materials to increase their strength, non-permeability, and durability.

PRODUCT DESCRIPTION

Junon System-

Junon System is a polystyrene(styrofoam) dissolving agent that quickly, safely, and non-toxically dissolves polystyrene materials and turns them into a gel, while maintaining the basic chemical composition of the polystyrene so it can be recycled. The consolidation of the polystyrene material into a gel that is a fraction of the size of the original material allows for a more efficient removal and recycling of the material.

The Company license for Tomigel and Junon Systems provides that the Company shares the license with ZYX International, Inc. (beneficially Saburo Oto, a director and Secretary) and the licensees have to pay two thirds of all revenues from license or sublicense to Japan ZYX Co. The license term is until November 27, 2014.

Edgar Filing: GLOBAL ASSETS & SERVICES INC - Form 10KSB/A

License Rights for Epond

In August 2003, the Company entered into a License Agreement with Koki Nagashima and Epond, Inc. for the PCMCIA card based distribution system software. The license consideration was 750,000 shares of restricted stock of the Company, and the Agreement provides that the Company shall pay 57.1% of the license fees to licensor. The term is until November 27, 2018 and is for worldwide.

Subsidiaries

All subsidiaries were inactive and were abandoned in 1998.

Services

None.

Competition

The Company will be in competition with many companies of much greater experience, financial resources and long established businesses. There is no assurance that the Company will have any success in competition with other businesses.

Employees and Consultants

The Company presently has no salaried employees, and its Chairman of the Board/President, Bertran Cutler and Secretary, Saburo Oto serve on an as needed basis. These officers intend to devote only such time as necessary to the business affairs of the Company.

10

Presently, none of the officers receive salaries; however, they are paid consulting fees in stock, and they are reimbursed for their expenses incurred in their services as officers. There is no provision for any additional bonuses or benefits. The Company anticipates that in the near future it may enter into employment agreements with its officers. Although Directors do not receive compensation for their services they may be reimbursed for expenses incurred in attending Board meetings.

Item 2. Description of Property

In 2003, the Company maintains its corporate records at 13575 58th Street North, Suite 122, Clearwater, Florida 33760.

Item 3. Legal Proceedings

The Company is not a party to any pending legal proceedings, as of date of this report.

Edgar Filing: GLOBAL ASSETS & SERVICES INC - Form 10KSB/A

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

No matters were submitted to a vote of security holders within period covered by this report, through solicitation of proxies or otherwise.

Part II

Item 5. Market for Common Equity and Related Stockholder Matters

The outstanding shares of Global Assets and Services, Inc. are presently traded on the OTC Bulletin Board under the symbol GAST.BB.

2003	Common Stock Bid High	Common Stock Bid Low
1st Quarter	.48	.10
2nd Quarter	.16	.05
3rd Quarter	.09	.04
4th Quarter	.06	.04

2002	Common Stock Bid High	Common Stock Bid Low
1st Quarter	n/a	n/a
2nd Quarter	n/a	n/a
3rd Quarter	1.00	.05
4th Quarter	.37	.06

2001	Common Stock Bid High	Common Stock Bid Low
1st Quarter	n/a	n/a
2nd Quarter	n/a	n/a
3rd Quarter	n/a	n/a
4th Quarter	n/a	n/a

11

The Company's shares trade over the counter on the OTC Bulletin Board Quotations represent only prices between dealers and do not include retail markups, markdowns or commissions and accordingly, may not represent actual transactions. The Company estimates that as of December 31, 2003, there are approximately 273 stockholders of record of the Company's shares.

No dividends have been declared or paid by the Company and the Company presently intends to retain all future earnings, if any, to finance the expansion and development of its business.

Item 6. Management's Discussion and Analysis or Plan of Operation

Financial Condition

During fiscal year 2003, the Company continued to be a development stage entity with no sales and revenues. The company had no capital for operations and had

Edgar Filing: GLOBAL ASSETS & SERVICES INC - Form 10KSB/A

minimal business operations.

Financial Condition and Changes in Financial Condition

Liquidity and Capital Assets.

The Company's primary source of liquidity since inception has been from funds raised during its initial capitalization. The company has no sources of capital except to use its stock for private placements. The company will be reliant upon loans from officers for any cash needs. No loan commitments have been made by anyone.

The Company remains in the development stage and, since inception, has experienced significant liquidity problems and has no significant capital resources now and has stockholder's deficit of (\$3,097,788) at December 31, 2003. The Company has no current assets and other assets consisting only of intangible licenses at December 31, 2003.

The Company is unable to carry out any plan of business without funding. The Company cannot predict to what extent its current lack of liquidity and capital resources will impair the business or whether it will incur further operating losses through business entity which the Company may eventually acquire. There is no assurance that the Company can continue as a going concern without substantial funding, for which there is no source.

The Company estimates it will require \$25,000 to \$30,000 to cover legal, accounting, transfer and miscellaneous costs of being a reporting company in the next fiscal year. The Company will have a cash shortfall for current annual costs of at least \$25,000 to \$30,000, for which it has no source except shareholder loans or contributions, none of which have been committed.

12

Results of Operations 2003 Compared to 2002

Business operations were minimal and no revenues were generated in 2003 or 2002. The Company at year end had minimal cash. The Company needed cash or loans from any sources, for any significant business operations.

During the fiscal year ended December 31, 2003, the Company incurred general and administrative expenses of \$746,134 compared to \$2,103,229 in expenses in 2002. The net loss was (\$746,134) in 2003 compared to (\$2,103,229) in 2002. Loss per share was (\$.02) in 2003 and (\$.12) in 2002.

The largest factors in expenses for the Company were consultant fees: \$265,500 in 2003 versus \$1,089,333 in 2002 and officer/director fees of \$435,000 in 2003 versus \$974,500 in 2002

Evaluation of Internal and Disclosure Controls

The management of the company has evaluated the effectiveness of the issuer's disclosure controls and procedures as of a date within 90 days prior to the filing date of the report (evaluation date) and have concluded that the disclosure controls and procedures are adequate and effective based upon their evaluation as of the evaluation date.

Edgar Filing: GLOBAL ASSETS & SERVICES INC - Form 10KSB/A

There were no significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of the most recent evaluation of such, including any corrective actions with regard to significant deficiencies and material weaknesses.

NEED FOR ADDITIONAL FINANCING

The Company does not have capital sufficient to meet the Company's cash needs, including the costs of compliance with the continuing reporting requirements of the Securities Exchange Act of 1934. The Company will have to seek loans or equity placements to cover such cash needs. Lack of its existing capital may be a sufficient impediment to prevent it from accomplishing the goal of carrying out the business plan as it attempts its business plan, the Company's needs for additional financing are likely to increase substantially. The Company will need to raise additional funds to conduct any business activities in the next twelve months.

No 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 to the Company to allow it to cover its expenses as they may be incurred.

13

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

The Company has no plans for any research and development in the next twelve months. The Company has no plans at this time for purchases or sales of fixed assets which would occur in the next twelve months.

The Company has no expectation or anticipation of significant changes in number of employees in the next twelve months, however, if it achieves a business acquisition, it may acquire or add employees of an unknown number in the next twelve months.

The Company's auditor has issued a "going concern" qualification as part of his opinion in the Audit Report.

There is substantial doubt about the ability of the Company to continue as a "going concern." The Company has no developed business, no capital, debt in excess of \$52,970, all of which is current, minimal cash, no assets, and no capital commitments. The company has negotiated a license for marketing certain technologies from Japan, but has not yet achieved any revenues therefrom. The effects of such conditions could easily be to cause the Company's bankruptcy.

The Company has incurred significant losses from operations for the year ended December 31, 2002 totalling \$746,134, and such losses are expected to continue. In addition, the company has a \$52,650 (approximately) working capital deficit for the year ended December 31, 2003. The foregoing raises substantial doubt about the Company's ability to continue as a going concern. Management's plans include seeking additional capital and/or debt financing or the possible sale of the Company. There is no guarantee that additional capital and/or debt financing will be available when and to the extent required, or that if available, it will be on terms acceptable to the Company. The consolidated financial statements do not include any adjustments that might result from the outcome of this uncertainty.

The Company has received an opinion from its independent auditors containing an explanatory paragraph that describes such auditors' uncertainty as to the Company's ability to continue as a going concern due to the Company's negative cash flow. As of the date the independent auditors rendered this opinion, the Company did not have access to sufficient committed capital to meet the Company's projected operating needs for at least the next twelve months. If the Company does not achieve positive operating results within the next few months, then it will require additional financing. If positive operating results are not achieved in the short term, then the Company intends to take measures to reduce expenditures so as to minimize its requirements for additional financing, which financing may not be available on terms acceptable to the Company, if at all. Such measures may include reduction of the Company's cost of operations and restructuring employee compensation packages. There can be no assurance that the Company will be able to generate internally or raise sufficient funds to continue the Company's operations, or that the Company's independent auditors will not issue another opinion with a going concern qualification. The Company's consolidated 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 Company's possible inability to continue its operations.

Item 7. Financial Statements

Attached hereto and filed as part of this Form 10-KSB are the financial statements required by Regulation SB. Please refer to pages F-1 through F-8.

Item 8. Changes in and Disagreements on Accounting and Financial Disclosure

In connection with audit of the two most recent fiscal years and through the date of dismissal of the accountants, no disagreements exist with any former accountant on any matter of accounting principles or practices, financial statement disclosure, or auditing scope of procedure, which disagreements if not resolved to the satisfaction of the former accountant would have caused them to make reference in connection with his report to the subject of the disagreement(s).

Item 8A. Control and Procedures

The management of the company has evaluated the effectiveness of the issuer's disclosure controls and procedures as of a date within 90 days prior to the filing date of the report (evaluation date) and have concluded that the disclosure controls and procedures are adequate and effective based upon their evaluation as of the evaluation date.

There were no significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of the most recent evaluation of such, including any corrective actions with regard to significant deficiencies and material weaknesses.

Part III

Item 9. Directors, Executive Officers, Promoters and Control Persons; Compliance

Edgar Filing: GLOBAL ASSETS & SERVICES INC - Form 10KSB/A

with Section 16(a).

The directors and executive officers of the Company as of December 31, 2002, are as follows:

Name ----	Age ---	Position Held -----	Tenure -----
Bertram Cutler	77	President & Director	Annual
Frances McCrimmon	56	Director	Annual
Saburo Oto	54	Director & Secretary	Annual

BERTRAM E. CUTLER, 77, President. Mr. Cutler devotes as much time as necessary to the business of the Company and assists Mr. Oto in the day to day operations of the Company, ongoing negotiations with regard to proposed mergers and other management matters. Mr. Cutler is a licensed insurance agent and from 1985 to 1996, served as President of C.D.R.I., Inc., a firm specializing in marketing programs of the securities and insurance industries. Previously, Mr. Cutler was co-founder and a consultant to Career Development Corporation, an executive search firm with offices in Atlanta and Washington, D.C. (1972-1985). From 1991 to 2000, he was Secretary and a Director of Strategic Ventures, Inc.

Frances McCrimmon, 56, was appointed as a Director of Global Assets and Services, Inc. on September 13, 2002. Mrs. McCrimmon, a recently retired elementary school principal with 30 years experience with the Pasco County School System, resides in Wesley Chapel, FL. Mrs. McCrimmon attended the University of South Florida in Tampa, FL and earned a Bachelor's Degree in 1972 for Elementary Education and Exceptional Student Education; a Master's Degree in 1986 in Elementary Education; and a Master's Degree in Educational Leadership in 1992. Mrs. McCrimmon is currently employed as the lead teacher at the Academy at the Farm, a newly established charter school located in Dade City, FL. During Mrs. McCrimmon's tenure in Pasco County, she recruited and hired more than 400 employees, conducted staff development activities in Facilitative Leadership, Myers-Briggs Personality Profiles, Clinical Education, and worked with the Florida State Department of Education to develop curriculum for Exceptional Education students.

Saburo (Steve) Oto is a former audit partner at Deloitte & Touche, an international accounting and consulting firm. Before he joined in 1994, as the president and CEO, in a privately-owned investment holding firm in Florida (a subsidiary of a Tokyo-Japan based company), he was the partner in charge of an international practice group of Deloitte & Touche, primarily serving the major Japanese-owned businesses in Southern California with over 140 bilingual professionals. In 1998, he started his own consulting business. He holds a Finance degree from Brigham Young University and did post-graduate work at University of California, Los Angeles. In 2001, he joined the Company as one of the Company's directors and major shareholders.

None of the above individuals have a criminal history or have had any adverse securities actions taken against them.

The directors named above will serve until the next annual meeting of the Company's stockholders. Thereafter, directors will be elected for one-year terms at the annual stockholders' meeting. Officers will hold their positions at the pleasure of the board of directors, absent any employment agreement, of which none currently exists or is contemplated. There is no arrangement or understanding between the directors and officers of the Company and any other person pursuant to which any director or officer was or is to be selected as a

Edgar Filing: GLOBAL ASSETS & SERVICES INC - Form 10KSB/A

director or officer.

The directors and officers of the Company will devote such time to the Company's affairs on an "as needed" basis, but less than 20 hours per month. As a result, the actual amount of time which they will devote to the Company's affairs is unknown and is likely to vary substantially from month to month.

Item 10. Executive Compensation.

The Company does not have any employee incentive stock option plans.

SUMMARY COMPENSATION TABLE OF EXECUTIVES						
Name and Principal Position	Year	Annual Compensation			Awards	
		Consulting Fees (\$) or Salary	Bonus (\$)	Other Annual Compensation (\$)	Restricted Stock Award(s) (\$)	Securities Underlying Options/S
Thomas McCrimmon, President, Director (Resigned)	2001 2002 2003	0 0 0	0 0 0	0 0 0	0 (1) 3,000,000 0	0 0 0
===== Bertram Cutler, President, Director	===== 2003 2002 2001	===== 0 0 0	===== 0 0 0	===== 0 0 0	===== 1,500,000 (3) 1,800,000 (2) 400,000	===== 0 0 0
===== Steve Oto, Secretary, Director	===== 2003 2002 2001	===== 0 0 0	===== 0 0 0	===== 0 0 0	===== 1,000,000 (2) (3) 500,000 0	===== 0 0 0
===== Officers as a Group	===== 2003 2002 2001	===== 0 0 0	===== 0 0 0	===== 0 0 0	===== 2,500,000 (2) (3) 5,300,000 0	===== 0 0 0

(1) As of August 3, 2002 Thomas L. McCrimmon resigned as Director and President of the Company. As of August 12, 2002, Mr. Bertram Cutler was appointed President and Mr. Saburo Oto was appointed Director of the Company.

(2) Issued in lieu of salary.

(3) Includes 300,000 shares to Vonnie Oto.

Option/SAR Grants Table (None)

Aggregated Option/SAR Exercises in Last Fiscal Year an FY-End Option/SAR value (None)

Edgar Filing: GLOBAL ASSETS & SERVICES INC - Form 10KSB/A

Long Term Incentive Plans - Awards in Last Fiscal Year (None)

DIRECTOR COMPENSATION FOR LAST FISCAL YEAR

(Except for compensation of Officers who are also Directors which Compensation is listed in Summary Compensation Table of Executives)

Name	Cash Compensation			Security Grants
	Annual Retainer Fees (\$)	Meeting Fees (\$)	Consulting Fees/Other Fees (\$)	
A. Saburo Oto	2003	0	0	0
	2002	0	0	0
	2001	0	0	0
B. Thomas McCrimmon (resigned 2000)	2003	0	0	0
	2002	0	0	0
	2001	0	0	0
C. Bertram Cutler	2003	0	0	0
	2002	0	0	0
	2001	0	0	0
D. Frances McCrimmon	2003	0	0	0
	2002	0	0	0
	2001	0	0	0
E. Directors as a Group	2003	0	0	0
	2002	0	0	0
	2001	0	0	0

Option/SAR Grants Table (None)

Aggregated Option/SAR Exercises in Last Fiscal Year an FY-End Option/SAR value (None)

Long Term Incentive Plans - Awards in Last Fiscal Year (None)

Option/SAR Grants Table

Name	Number of Securities Underlying Options/SARs Granted (#) in Fiscal Year	% of Total Options/SARs Granted to Employees	Exercise or Price (\$/Sh)
None			

Edgar Filing: GLOBAL ASSETS & SERVICES INC - Form 10KSB/A

Aggregated Option/SAR Exercises in Last Fiscal Year
and FY-End Option/SAR value

Name	Shares Acquired on Exercise (#)	Value Realized (\$)	Number of Securities Underlying Unexercised Options/SARs at FY- End (#) Exercisable/ Unexercisable	Value In th Optio End (Unexe

None				

Item 11. Security Ownership of Certain Beneficial Owners and Management and
Related Stockholder Matters

The following table sets forth information, as of March 31, 2004, with respect to the beneficial ownership of the Company's common stock (or Preferred Convertible Stock which would represent 5% or more of the Company's common stock) by each person known by the Company to be the beneficial owner of more than five percent of the outstanding common stock, and by current officers and directors of the Company. There were 31,497,767 shares issued and outstanding at March 31, 2004.

19

a.) Officers and Directors

Stock Title of Class -----	Name and Address of Beneficial Owner -----	Amount of Beneficial Ownership -----
Common	Bertram E. Cutler (2) (3) President/Director 3816 W. Linebaugh, Suite 200 Tampa, FL 33624	2,586,465
Common	Asia Glove, Inc. 3816 W. Linebaugh Ave., Tampa, FL 33624 (Beneficial owners: Chiharu Nagashima Sayaka Nagaishima Koki Nagashima Shingo Nagashima Kengo Nagashima)	5,430,000

Edgar Filing: GLOBAL ASSETS & SERVICES INC - Form 10KSB/A

	Frances McCrimmon (2) 3816 W. Linebaugh Ave., Tampa, FL 33624	4,888,936 (includes 1,345,200 shares owned by husband, Thomas McCrimmon)	15
Common	Keystone Assets & Services, Inc. 3816 W. Linebaugh Ave., Tampa, FL 33624 (Beneficial Owner-Dane Chapman)	5,000,000	15
Common	Saburo Oto (2) (3) (1) 3816 W. Linebaugh Ave., Tampa, FL 33624	2,566,665	8
	All Officers and Directors as a Group (3 Persons)	10,042,066	31

20

(1) Includes 466,665 shares owned by Christine Oto and 700,000 owned by Vonnie K. Oto of which Steve Oto disclaims beneficial ownership.

(2) Director

(3) Officer

(4) Includes 2,930,000 shares owned by Asia Glove, Inc. of which Koki Nagashima is a controlling person and 2,700,000 owned personally by Koki Nagashima.

Item 12. Certain Relationships and Related Transactions

In February 2003, the Company issued shares to the following person who are officers, directors, or 10% or greater shareholders for the consideration listed.

500,000 shares of common stock issued to Saburo Oto (officer and director) for management services rendered, valued at \$2,500.

500,000 shares of common stock issued to Bertram Cutler (officer and director) for management services rendered valued at \$2,500.

500,000 shares of common stock issued to Keystone Assets & Services, Inc. (10%+ shareholder) for management services rendered valued at \$2,500.

500,000 shares of common stock issued to Matthew McCrimmon (son of Frances McCrimmon) for management services rendered valued at \$2,500.

500,000 shares of common stock issued to Thomas McCrimmon, IV (son of Frances McCrimmon) for management services rendered valued at \$2,500.

In March 2003, the Company issued shares to related parties (certain of whom became affiliates by virtue of the issuance) as follows:

2,000,000 shares of common stock to Koki Nagashima (10%+ shareholder) for the Epond/Anti-Fire Product license.

350,000 shares of common stock to Dr. Shigetomi Komatsu for the Epond product license.

Edgar Filing: GLOBAL ASSETS & SERVICES INC - Form 10KSB/A

100,000 shares of common stock to Yashuhiro Hagiwara for the Epond product license.

In May 2003, the Company issued shares as follows:

1,000,000 shares of common restricted stock issued to Bertram Cutler (officer and director) for management services.

300,000 shares of common restricted stock issued to Vonnie K. Oto (related to Saburo Oto, officer & director) for management services.

200,000 shares of common restricted stock issued to Saburo Oto (officer and director) for management services.

150,000 shares of common restricted stock issued to Thomas McCrimmon, IV (son of Frances McCrimmon) for management services.

21

150,000 shares of common restricted stock issued to Matthew McCrimmon Son of Frances McCrimmon) for management services.

The Company license for Tomigel and Junon Systems provides that the Company shares the license with ZYX International, Inc. (beneficially Saburo Oto, a director and Secretary) and the licensees have to pay two thirds of all revenues from license or sublicense to Japan ZYX Co. The license term is until November 27, 2014.

In August 2003, the Company entered into a License Agreement with Koki Nagashima and Epond, Inc. for the PCMCIA card based distribution system software. The license consideration was 750,000 shares of restricted stock of the Company, and the Agreement provides that the Company shall pay 57.1% of the license fees to licensor. The term is until November 27, 2018 and is for worldwide.

Part IV

Item 13. Exhibits, Financial Statement Schedules and Reports on Form 8-K.

(a) The following exhibits and financial statement schedules are filed as exhibits to this Report:

22

1. Financial Statements of the Registrant are included under Item 8 hereof as Pages F-1 through F-8.

2. Financial Statement Schedules - None

Edgar Filing: GLOBAL ASSETS & SERVICES INC - Form 10KSB/A

3. Exhibits and Reports on Form 8-K

Exhibit #	Description	Location/Page Number
3.1	Articles of Incorporation	Exhibit to Registration Statement filed November 14, 1991 by Registrant on
3.2	Bylaws of Registrant	Exhibit to Registration Statement filed November 14, 1991 by Registrant on
10.1	Articles of Amendment to Articles of Incorporation of Art Music & Entertainment, Inc. and Cert. of Designation, Preferences, Rights and Limitation of Classes C, E, F, G, H, I Convertible Preferred Stock	Exhibit listed under hardships as provided in Rule 202 of S-T. Hardship Exemption granted 5/27/97
10.2	Articles of Incorporation of Art Music & Entertainment with attachments	Exhibit listed under hardships as provided in Rule 202 of S-T. Hardship Exemption granted 5/27/97
10.3	Articles of Amendment to Articles of Incorporation of Chatham International, Inc.	Exhibit listed under hardships as provided in Rule 202 of S-T. Hardship Exemption granted 5/27/97
10.4	Articles of Incorporation of Cornerstone Capital, Inc.	Exhibit listed under hardships as provided in Rule 202 of S-T. Hardship Exemption granted 5/27/97
10.5	Articles of Incorporation of International Jazz Hall of Fame Production Co., Inc.	Exhibit listed under hardships as provided in Rule 202 of S-T. Hardship Exemption granted 5/27/97
10.6	Articles of Incorporation of Octopus Entertainment, Inc.	Exhibit listed under hardships exemption as provided in Rule 202 of Regulation S-T. Hardship Exemption grant date: 5/27/97
10.7	Articles of Amendment to Articles of Incorporation of Octopus Entertainment, Inc.	Exhibit listed under hardships as provided in Rule 202 of S-T. Hardship Exemption granted 5/27/97
10.8	Articles of Incorporation of Marin Movies, Inc.	Exhibit listed under hardships as provided in Rule 202 of S-T. Hardship Exemption granted 5/27/97
10.9	Articles of Amendment to Articles of Incorporation of Marin Movies, Inc.	Exhibit listed under hardships as provided in Rule 202 of S-T. Hardship Exemption granted 5/27/97

Edgar Filing: GLOBAL ASSETS & SERVICES INC - Form 10KSB/A

		S-T. Hardship Exemption g 5/27/97
10.10	Articles of Incorporation of Classical Music Collection, Inc.	Exhibit listed under hards as provided in Rule 202 of S-T. Hardship Exemption g 5/27/97
10.11	Articles of Amendment to Articles of Incorporation of Classical Music Collection, Inc.	Exhibit listed under hards as provided in Rule 202 of S-T. Hardship Exemption g 5/27/97
10.12	Articles of Incorporation of Spellbinder Productions, Inc. and Articles of Amendment to Articles of Incorporation	Exhibit listed under hards as provided in Rule 202 of S-T. Hardship Exemption g 5/27/97
10.13	Bylaws of Art Music & Entertainment, Inc.	Exhibit listed under hards as provided in Rule 202 of S-T. Hardship Exemption g 5/27/97
10.14	Certificate of Name Change	Exhibit listed under hards as provided in Rule 202 of S-T. Hardship Exemption g 5/27/97
10.15	Articles of Amendment to Articles of Incorporation of Chatham International, Inc.	Exhibit listed under hards as provided in Rule 202 of S-T. Hardship Exemption g 5/27/97
23		
10.16	Agreement and Plan of Reorganization of AM&E, Inc. and IJHFPC	Exhibit listed under hards as provided in Rule 202 of S-T. Hardship Exemption g 5/27/97
10.17	License Agreement for PCMCIA Based Distribution System	
10.18	License Agreement for Tomigel & Junon Systems	
31	Sarbanes-Oxley Certification	
32	Sarbanes-Oxley Certification	

(b) Reports on Form 8-K. Reports on Form 8-K for the twelve month period ended December 31, 2003.

8-K filed 10/23/03

(c) Proxy Statements. There were no proxy statements or annual reports sent to stockholders during the period covered herein.

Edgar Filing: GLOBAL ASSETS & SERVICES INC - Form 10KSB/A

Item 14. Principal Accountant Fees and Services

General. Michael Johnson & Co., LLC, CPAs ("MJC") is the Company's principal auditing accountant firm. The Company's Board of Directors has considered whether the provisions of audit services is compatible with maintaining MJC's independence.

Audit Fees. MJC billed the Company \$2,000 for the following professional services: audit of the annual financial statement of the Company for the fiscal year ended December 31, 2002. MJC billed the Company \$3,000 for the 2003 audit.

There were no audit related fees in 2002 or 2003. There were no tax fees or other fees in 2002 or 2003.

The Company's Board acts as the audit committee and had no "pre-approval policies and procedures" in effect for the auditors' engagement for the audit year 2002 and 2003.

All audit work was performed by the auditors' full time employees.

24

Signatures

Pursuant to the requirements of Section 13 or 15(d) of the Securities and Exchange Act of 1934, the Registrant had duly caused this Report to be signed on its behalf by the undersigned thereunto duly authorized, in the city of Tampa, State of Florida on this 6th day of May, 2004.

GLOBAL ASSETS & SERVICES, INC.

By: /s/ Bertram Cutler

Bertram Cutler, President

Pursuant to the requirements of the Securities Exchange Act of 1934, this Report has been signed by the following persons in the capacities and on the dates indicated.

Signature Title Date

/s/ Bertram Cutler President/Director August 6, 2004
- -----
Bertram Cutler & Chief Financial Officer

Directors:

/s/ Saburo Oto

Saburo Oto

/s/Bertram Cutler

Bertram Cutler

/s/Frances McCrimmon

Edgar Filing: GLOBAL ASSETS & SERVICES INC - Form 10KSB/A

Frances McCrimmon

25

GLOBAL ASSETS AND SERVICES, INC.
(RESTATED)

(Formerly Art, Music and Entertainment, Inc.)
(A Development Stage Company)

Financial Statements
December 31, 2003

Michael Johnson & Co., LLC.
9175 Kenyon Ave., #100
Denver, CO 80237
Phone: 303-796-0099
Fax: 303-796-0137

INDEPENDENT AUDITOR'S REPORT

Board of Directors
Global Assets and Services, Inc.
Clearwater, FL

We have audited the accompanying balance sheets of Global Assets and Services, Inc., (Formerly Art, Music and Entertainment, Inc.) (a development stage company), as of December 31, 2003 and 2002, and the related statements of operations, stockholders' equity, and cash flows for the years ended December 31, 2003 and 2002 and for the period from May 25, 1988 (inception) to December 31, 2003. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Global Assets and Services, Inc., (a development stage company) as of December 31, 2003 and 2002 and the results of their operations and their cash flows for the years ended December 31, 2003 and 2002, and the period May 25, 1988 (inception) to December 31, 2003,

Edgar Filing: GLOBAL ASSETS & SERVICES INC - Form 10KSB/A

in conformity with accounting principles generally accepted in the United States.

The accompanying financial statements have been prepared assuming that the Company will continue as a going concern. As discussed in the Note 6 to the financial statements the Company is in the development stage, and will require funds from profitable operations, from borrowings, or from sale of equity securities to execute its business plan. Management's plans in regard to these matters are also described in Note 6. These factors raise substantial doubt about its ability to continue as a going concern. The financial statements do not include any adjustments that might result from this uncertainty.

Michael Johnson & Co., LLC
Denver, Colorado
April 12, 2004
August 3, 2004

F-1

GLOBAL ASSETS AND SERVICES, INC.
(Formerly Art, Music and Entertainment, Inc.)
(A Development Stage Company)
Balance Sheets
December 31,

(Restated)

ASSETS;

Current Assets:
Cash

Total Current Assets

TOTAL ASSETS

LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIT)

Current Liabilities:
Accounts Payable and Accrued Liabilities
Notes Payable

2

\$

\$
=====

\$ 21
31

Edgar Filing: GLOBAL ASSETS & SERVICES INC - Form 10KSB/A

Total Current Liabilities	52

Stockholders Equity:	
Common stock, \$.001 par value, 100,000,000 shares authorized, 31,497,767 shares issued and outstanding in 2003, 24,192,767 shares outstanding in 2002	31
Additional Paid-In Capital	3,013
Deficit accumulated during the development stage	(3,097)

Total Stockholders Equity (Deficit)	(52)

TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIT)	\$
	=====

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

F-2

GLOBAL ASSETS AND SERVICES, INC.
(Formerly Art, Music and Entertainment, Inc.)
(A Development Stage Company)
Statements of Operations

	Year Ended December 31, 2003	2002
	-----	-----
Revenue:		
Revenue	\$ -	\$ -
(Less) Cost of Sales	-	-
	-----	-----
Total Income	-	-
	-----	-----
Operating Expenses		
Doubtful Accounts	-	-
Consultants Fees	265,600	1,089,333
Legal and Accounting Fees	20,125	18,391
Advertising	-	-
Directors and Officers Fees	435,000	974,500
Interest Expense	-	-
Telephone	2,596	1,574
Travel	11,909	7,500
Rent	5,498	4,426
Other General Expenses	5,406	7,505

Edgar Filing: GLOBAL ASSETS & SERVICES INC - Form 10KSB/A

Total Expenses	746,134	2,103,229
Net Loss From Operations	(746,134)	(2,103,229)
Other Income		
Interest Income	-	-
Net Loss	\$ (746,134)	\$ (2,103,229)
Per Share Information:		
Weighted average number of common shares outstanding	31,497,767	17,374,017
Net Gain (Loss) per common share	\$ (0.02)	\$ (0.12)

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

F-3

GLOBAL ASSETS AND SERVICES, INC.
(Formerly Art, Music and Entertainment, Inc.)
(A Development Stage Company)
Stockholders' Equity (Deficit)
December 31, 2003

(Restated Statement)

	COMMON STOCKS		Additional Paid-In Capital
	# of Shares	Amount	
	-----	-----	-----
Balance - December 31, 1997	4,397,767	4,397	204,566
Balance - December 31, 1998	4,397,767	4,397	204,566

Edgar Filing: GLOBAL ASSETS & SERVICES INC - Form 10KSB/A

Balance - December 31, 1999	4,397,767	4,397	204,566
	-----	-----	-----
Balance - December 31, 2000	4,397,767	4,397	204,566
	-----	-----	-----
Issuance of stock for services 12/11	3,400,000	3,400	-
Loss for year	-	-	-
	-----	-----	-----
Balance - December 31, 2001	7,797,767	7,797	204,566
	-----	-----	-----
Issuance of stock for cash 3/28	20,000	20	1,980
Issuance of stock for services 3/28	6,800,000	6,800	673,200
Issuance of stock for services 4/2	1,000,000	1,000	99,000
Issuance of stock for services 6/18	500,000	500	49,500
Issuance of stock for services 7/12	710,000	710	70,327
Issuance of stock for Asset Acquisition 8/12	1,750,000	1,750	654,500
Issuance of stock for services 8/12	590,000	590	58,410
Issuance of stock for cash 9/18	80,000	80	19,920
Issuance of stock for services 10/15	4,945,000	4,945	489,555
Loss for year	-	-	-
	-----	-----	-----
Balance - December 31, 2002	24,192,767	24,192	2,320,958
	-----	-----	-----
Issuance of stock for services 1/15	2,775,000	2,775	252,225
Issuance of stock for services 3/11	2,630,000	2,630	252,370
Issuance of stock for services 4/20	100,000	100	9,900
Issuance of stock for services 5/28	1,800,000	1,800	178,200
Loss for year	-	-	-
	-----	-----	-----
Balance - December 31, 2003	31,497,767	\$ 31,497	\$3,013,653
	=====	=====	=====

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

F-4

GLOBAL ASSETS AND SERVICES, INC.
(Formerly Art, Music and Entertainment, Inc.)
(A Development Stage Company)
Statements of Cash Flow

Indirect Method

	Year Ended December 31, 2003

Cash Flows from Operating Activities:	
Net Loss	\$ (746,134)

Edgar Filing: GLOBAL ASSETS & SERVICES INC - Form 10KSB/A

Issuance of common stock for services	700,000
Adjustments to reconcile net loss to cash used in operating activities:	
Increase (decrease) in accounts payable	13,926

Net Cash Used by Operating Activities	(32,208)

Cash Flows from Financing Activities:	
Proceeds from Notes Payable	31,175
Issuance of common stock for Asset Acquisition	-
Issuance of common stock	-

Net Cash Provided by Financing Activities	31,175

Net Increase (Decrease) in Cash & Cash Equivalents	(1,033)
Beginning Cash & Cash Equivalents	1,365

Ending Cash & Cash Equivalents	\$ 332
	=====
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION	
Cash paid for Interest	\$ -
	=====
Cash paid for Income Taxes	\$ -
	=====
NON-CASH TRANSACTIONS	
Common stock issued in exchange for services	\$ 700,000
	=====

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

F-5

GLOBAL ASSETS AND SERVICES, INC.
 (RESTATED)
 (Formerly Art, Music and Entertainment, Inc.)
 (A Development Stage Company)
 Notes to Financial Statements
 December 31, 2003

Note 1 - Organization and Summary of Significant Accounting Policies:

Organization:

Art, Music and Entertainment, Inc. ("Company") (formerly Chatham International, Inc.) was organized originally as Cornerstone Capital, Inc., under the laws of the State of Florida as a corporation on May 25, 1988. On September 22, 1990 the Company changed its name to Chatham International, Inc. On April 5, 1996 the Board of Directors of the Company authorized the name of Company to be changed from Chatham International, Inc. to Art, Music and Entertainment, Inc., in connection with a merger, discussed elsewhere herein, with an entity of the same

Edgar Filing: GLOBAL ASSETS & SERVICES INC - Form 10KSB/A

name. Such change was filed with the Secretary of State of Florida on July 18, 1996. On July 24, 2001 the Board of Directors met in a special meeting to authorize the name change to Global Assets and Services, Inc.

In December 2001 Global Assets & Services merged with SDE 3 Holdings, Inc. Global Assets & Services is the surviving Corporation and all shares of stock outstanding in SDE 3 Holdings, Inc. are retired concurrent with the merger.

Basis of Presentation - Development Stage Company:

The Company has not earned significant revenues from limited principal operations. Accordingly, the Company's activities have been accounted for as those of a "Development Stage Enterprise" as set forth in Financial Accounting Standards Board Statement No. 7 ("SFAS 7"). Among the disclosures required by SFAS 7 are that the Company's financial statements be identified as those of a development stage company, and that the statements of operations, stockholders' equity (deficit) and cash flows disclose activity since the date of the Company's inception.

Cash and Cash Equivalents:

The Company considers all highly liquid debt instruments, purchased with an original maturity of three months or less, to be cash equivalents.

Use of Estimates:

The preparation of financial statements, in conformity with accounting principles generally accepted in the United States, requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

F-6

GLOBAL ASSETS AND SERVICES, INC.
(RESTATED)
(Formerly Art, Music and Entertainment, Inc.)
(A Development Stage Company)
Notes to Financial Statements
December 31, 2003

Note 1 - Organization and Summary of Significant Accounting Policies (Cont):

Net Loss Per Share:

Net loss per share is based on the weighted average number of common shares and common shares equivalents outstanding during the period.

Edgar Filing: GLOBAL ASSETS & SERVICES INC - Form 10KSB/A

Other Comprehensive Income:

The Company has no material components of other comprehensive income (loss), and accordingly, net loss is equal to comprehensive loss in all periods.

Note 2 - Federal Income Taxes:

The Company has made no provision for income taxes because there has been no income generated since 1997 for financial statements or tax purposes.

The Financial Accounting Standards Board (FASB) has issued Statement of Financial Accounting Standards Number 109 ("SFAS 109"). "Accounting for Income Taxes", which requires a change from the deferred method to the asset and liability method of accounting for income taxes. Under the asset and liability method, deferred income taxes are recognized for the tax consequences of "temporary differences" by applying enacted statutory tax rates applicable to future years to differences between the financial statement carrying amounts and the tax basis of existing assets and liabilities.

Deferred tax assets	
Net operating loss carryforwards	\$ 3,097,788
Valuation allowance	(3,097,788)

Net deferred tax assets	\$ 0
	=====

At December 31, 2003, the Company had net operating loss carryforwards of approximately \$3,097,788 for federal income tax purposes. These carryforwards if not utilized to offset taxable income will begin to expire in 2010.

F-7

GLOBAL ASSETS AND SERVICES, INC.
(RESTATED)
(Formerly Art, Music and Entertainment, Inc.)
(A Development Stage Company)
Notes to Financial Statements
December 31, 2003

Note 3 - Capital Stock Transactions:

The authorized capital stock of the Company is 100,000,000 shares of common stock at \$.001 par value. During the period ended December 31, 2003, the Company issued 7,000,000 shares of common stock for compensation for consulting fees and for director's fees.

Note 4 - Segment Information:

Global Assets and Services, Inc. operates primarily in a single operating segment, the asset management and capital raising business.

Note 5 - Subsequent Event:

Edgar Filing: GLOBAL ASSETS & SERVICES INC - Form 10KSB/A

On March 2, 2004, a promissory note was issued for \$13,000 to Wealth Preservation Strategies, Inc. with no interest for consulting fees to be performed in 2004.

Note 6 - Going Concern:

The financial statements of the Company have been presented on the basis that they are a going concern, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business. The Company's current liabilities exceed current assets by \$36,013 and the Company has an accumulated deficit at December 31, 2003 of \$3,018,163.

The future success of the Company is likely dependent on its ability to attain additional capital, or to find an acquisition to add value to its present shareholders and ultimately, upon its ability to attain future profitable operations. There can be no assurance that the Company will be successful in obtaining such financing, or that it will attain positive cash flow from operations. Management believes that actions presently being taken to revise the Company's operating and financial requirements provide the opportunity for the Company to continue as a going concern.

Note 7 - Restatement of Financials:

These financial statements have been restated to show additional shares of common stock issued by the Board, however, the amended minutes were not received by the audit firm.