

Edgar Filing: JOINTLAND DEVELOPMENT, INC. - Form 10QSB

JOINTLAND DEVELOPMENT, INC.
Form 10QSB
August 20, 2007

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

FORM 10QSB

(Mark One)

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

For the quarterly period ended June 30, 2007

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

For the transition period from _____ to _____

Commission file number: 000-30145

JOINTLAND DEVELOPMENT, INC.

(Exact name of registrant as specified in its charter)

Florida

59-3723328

(State of Incorporation)

(IRS Employer ID Number)

7th Floor, New Henry House, No. 10 Ice House Street, Central, Hong Kong, China

(Address of principal executive offices)

011-852-2824-0008

(Registrant's Telephone number)

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

Yes No

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

Indicate the number of share outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

As of August 10, 2007, there were 1,979,965 shares of the registrant's sole class of common shares outstanding.

Transitional Small Business Disclosure Format (Check one): Yes No

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PART I - FINANCIAL INFORMATION

Item 1. Financial Statements (Unaudited)	Page ----
Report of Independent Registered Public Accounting Firm	F-1
Balance Sheet - June 30, 2007 and December 31, 2006	F-2
Statement of Operations - Six months ended June 30, 2007 and 2006 and From May 25, 1988 (Inception) to June 30, 2007	F-3
Statement of Changes in Stockholders' Deficit - From May 25, 1988 (Inception) to June 30, 2007	F-4
Statement of Cash Flows - Six months ended June 30, 2007 and 2006 and From May 25, 1988 (Inception) to June 30, 2007	F-6
Notes to Financial Statements	F-7
Item 2. Management's Discussion and Analysis	1
Item 3. Controls and Procedures	2
Item 3A(T). Controls and Procedures	3
PART II - OTHER INFORMATION	
Item 1. Legal Proceedings -Not Applicable	3
Item 2. Unregistered Sales of Equity Securities and Use of Proceeds - Not Applicable	3
Item 3. Defaults Upon Senior Securities - Not Applicable	3
Item 4. Submission of Matters to a Vote of Security Holders - Not Applicable	3
Item 5. Other Information - Not Applicable	3
Item 6. Exhibits	3
SIGNATURES	4

PART I

ITEM 1. FINANCIAL STATEMENTS

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JASPERS + HALL, PC
CERTIFIED PUBLIC ACCOUNTANTS
9175 Kenyon Avenue, Suite 100
Denver, CO 80237
303-796-0099

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors
Jointland Development, Inc.

We have reviewed the accompanying Consolidated Balance Sheet of Jointland Development, Inc., a development stage company, as of June 30, 2007 and the related Consolidated Statement of Operations for the three- and six-month periods ended June 30, 2007 and 2006, the related Consolidated Statement of Cash Flows for the six-month ended June 30, 2007 and 2006 and the Consolidated Statement of Changes of Stockholders' Equity (Deficit). These financial statements are the responsibility of the Company's management.

We conducted our reviews in accordance with the standards of the Public Company Accounting Oversight Board (United States). A review of interim financial information consists principally of applying analytical procedures to financial data and making inquiries of persons responsible for financial and accounting matters. It is substantially less in scope than an audit conducted in accordance with the standards of the Public Company Accounting Oversight Board (United States), the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion. Based on our reviews, we are not aware of any material modifications that should be made to the accompanying financial statements for them to be 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 Note 2, conditions exist which raise substantial doubt about the Company's ability to continue as a going concern. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

Jaspers + Hall, PC
August 20, 2007

F-1

JOINTLAND DEVELOPMENT, INC. AND SUBSIDIARY
(A Development Stage Company)
Consolidated Balance Sheet

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	(Unaudited) June 30, 2007

ASSETS:	
Current Assets:	
Cash	\$ 7

Total Current Assets	7

TOTAL ASSETS	\$ 7
	=====
LIABILITIES & STOCKHOLDERS' EQUITY (DEFICIT)	
Current Liabilities	
Accounts Payable and Accrued Liabilities	\$ 80,135
Due to Director - Chen Yurong	6,985
Notes Payable - Shareholder	245,830

Total Current Liabilities	332,950

Stockholders' Equity (Deficit)	
Common Stock, \$0.001par value; 100,000,000 shares authorized	1,981
1,979,965 shares issued and outstanding June 30,	
2007 and December 31, 2006, respectively	
Additional Paid-In Capital	3,480,670
Deficit accumulated during the development stage	(3,815,594)

Total Stockholders' equity (Deficit)	(332,943)

TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIT)	\$ 7
	=====

See accountants' review report and accompanying notes to these financial statements.

F-2

JOINTLAND DEVELOPMENT, INC. AND SUBSIDIARY
(A Development Stage Company)
Consolidated Statement of Operations
(Unaudited)

Three-Month Period Ended
June 30,

Six-Month Period
June 30,

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	# of Shares	Amount	Capital	St
	-----	-----	-----	-----
Balance - December 31, 1997	87,955	\$ 88	\$ 208,875	\$
	-----	-----	-----	-----
Balance - December 31, 1998	87,955	88	208,875	
	-----	-----	-----	-----
Balance - December 31, 1999	87,955	88	208,875	
	-----	-----	-----	-----
Balance - December 31, 2000	87,955	88	208,875	
	-----	-----	-----	-----
Issuance of stock for services 12/11	68,000	68	3,332	
Loss for year				
	-----	-----	-----	-----
Balance - December 31, 2001	155,955	156	212,207	
	-----	-----	-----	-----
Issuance of stock for cash 3/28	2,000	2	21,998	
Issuance of stock for services 3/28	290,900	291	1,454,246	
Issuance of stock for asset				
acquisition 8/12	35,000	35	656,215	
Loss for year				(2)
	-----	-----	-----	-----
Balance - December 31, 2002	483,855	484	2,344,666	(2)
	-----	-----	-----	-----
Issuance of stock for services	146,100	146	699,854	
Loss for year				
	-----	-----	-----	-----
Balance - December 31, 2003	629,955	630	3,044,520	(3)
	-----	-----	-----	-----
Issuance of stock for cash	1,200,000	1,200	398,800	
Issuance of stock for services	150,010	151	37,350	
Loss for year				
	-----	-----	-----	-----
Balance - December 31, 2004	1,979,965	1,981	3,480,670	(3)
	-----	-----	-----	-----
Loss for year				
	-----	-----	-----	-----
Balance - December 31, 2005	1,979,965	1,981	3,480,670	(3)
	-----	-----	-----	-----
Loss for year				
	-----	-----	-----	-----
Balance - December 31, 2006	1,979,965	1,981	3,480,670	(3)
	-----	-----	-----	-----
Loss for period				
	-----	-----	-----	-----
Balance - June 30, 2007	1,979,965	\$ 1,981	\$3,480,670	\$ (3)
	=====	=====	=====	=====

See accountants' review report and accompanying notes to these financials statements.

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JOINTLAND DEVELOPMENT, INC. AND SUBSIDIARY
(A Development Stage Company)
Consolidated Statement of Cash Flows
(Unaudited)

	Six-Month Period Ended June 30,	
	2007	2006
	-----	-----
Cash Flows from Operating Activities		
Net Loss	\$ (9,611)	\$ (15,32
Stock issued for services	.	
Adjustments to reconcile net loss to net cash used in operating activities		
Increase in Accounts Payable	9,611	6,54
	-----	-----
Net Cash Flows Used by Operating Activities	-	(8,77
	-----	-----
Cash Flows from Financing Activities		
Proceeds from Notes - Shareholders	-	1,71
Proceeds from Director - Advances	-	6,98
Issuance of Common Stock for Asset Acquisition		
Issuance of Common Stock	-	
	-----	-----
Net Cash Flows Provided by Financing Activities	-	8,70
	-----	-----
Net Increase (Decrease) in Cash	\$ -	\$ (7
	-----	-----
Cash at Beginning of Period	7	14
	-----	-----
Cash at End of Period	\$ 7	\$ 7
	=====	=====
Supplemental Disclosure of Cash Flow Informantion		
Cash paid for interest	\$ -	\$
	=====	=====
Cash paid for income taxes	\$ -	\$
	=====	=====
Supplemental Disclosure of Non-Cash Transactions		
Common stock issued in exchange for services	\$ -	\$
	=====	=====

See accountants' review report and accompanying notes to these financial statements.

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JOINTLAND DEVELOPMENT, INC. AND SUBSIDIARY
(A Development Stage Company)
Notes to the Consolidated Financial Statements
For the six months ended June 30, 2007

Note 1. Organization, Basis of Presentation and Significant Accounting Policies:

Organization:

The accompanying consolidated financial statements include the accounts of Jointland Development, Inc., a Florida corporation, (the "Company") and its wholly-owned subsidiary, Corporate Empire Limited ("Corporate Empire"). All significant intercompany accounts and transactions have been eliminated in consolidation.

Presentation of Interim Information:

In the opinion of the management of the Company, the accompanying unaudited financial statements include all normal adjustments considered necessary to present fairly the financial position as of June 30, 2007 and the results of operations for the three-months and six-months ended June 30, 2007 and 2006 and the period May 25, 1988 (inception) to June 30, 2007 and cash flows for the six-months ended June 30, 2007 and 2006 and for the period May 25, 1988 (inception) to June 30, 2007. Interim results are not necessarily indicative of results for the full year.

The financial statements and notes are presented as permitted by Form 10-QSB and do not contain certain information included in the Company's audited financial statements and notes for the fiscal year ended December 31, 2006.

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 ("FASB 7"). Among the disclosures required by FASB 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.

Foreign Currency Translation:

The financial statements of the Company's foreign subsidiary are measured using the local currency (the Hong Kong Dollar) as the functional currency. Assets and liabilities of the subsidiaries are translated at exchange rates as of the balance sheet date. Revenues and expenses are translated at average rates of exchange in effect during the period.

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JOINTLAND DEVELOPMENT, INC. AND SUBSIDIARY
(A Development Stage Company)
Notes to the Consolidated Financial Statements
For the six months ended June 30, 2007

Note 1. Organization, Basis of Presentation and Significant Accounting Policies
Continued:

Foreign Currency Transactions:

Gains and losses from foreign currency transactions are included in net income (loss). Foreign currency transactions gains and losses were not significant during the years ended December 31, 2006 and 2005.

Loss Per Share:

Loss per share is based on the weighted average number of common shares outstanding during the period.

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.

Recently Issued Accounting Pronouncements:

In June 2006, the FASB issued Interpretation No. 48, Accounting for Uncertainty in Income Taxes - An Interpretation of FASB Statement No. 109, (FIN 48). FIN 48 clarifies the accounting for uncertainty in income taxes recognized in an enterprise's financial statements in accordance with FASB Statement No. 109, Accounting for Income Taxes. FIN 48 also prescribes a recognition threshold and measurement attribute for the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return that results in a tax benefit. Additionally, FIN 48 provides guidance on de-recognition, income statement classification of interest and penalties, accounting in interim periods, disclosure, and transition. This interpretation is effective for the Company for its fiscal year ending December 31, 2007. The Company has not yet evaluated the effect that the application of FIN 48 may have, if any, on its future results of operations and financial condition.

In September 2006, the FASB issued SFAS No. 157, "Fair Value Measurements." This statement defines fair value, establishes a framework for measuring fair value in generally accepted accounting principles, and expands disclosures about fair value measurements. This statement applies under other accounting pronouncements that require or permit fair value measurements. SFAS No. 157 is effective for the Company for its fiscal year beginning on July 1, 2008. The Company is currently assessing the impact the adoption of SFAS No. 157 will have on its financial statements.

F-7

JOINTLAND DEVELOPMENT, INC. AND SUBSIDIARY
(A Development Stage Company)
Notes to the Consolidated Financial Statements
For the six months ended June 30, 2007

Note 1. Organization, Basis of Presentation and Significant Accounting Policies

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Continued:

On February 15, 2007, the FASB issued SFAS No. 159, "The Fair Value Option for Financial Assets and Financial Liabilities - Including an Amendment of FASB Statement No. 115." This standard permits an entity to measure many financial instruments and certain other items at estimated fair value. Most of the provisions of SFAS No. 115 ("Accounting for Certain Investments in Debt and Equity Securities) applies to all entities that own trading and available-for-sale securities. The fair value option created by SFAS No. 159 permits an entity to measure eligible items at fair value as of specified election dates. Among others, eligible items exclude (1) financial instruments classified (partially or in total) as permanent or temporary stockholders' equity (such as a convertible debt security with a non-contingent beneficial conversion feature) and (2) investments in subsidiaries and interests in variable interests that must be consolidated. A for-profit business entity will be required to report unrealized gains and losses on items for which the fair value option has been elected in its statements of operations at each subsequent reporting date. The fair value option (a) may generally be applied instrument by instrument, (b) is irrevocable unless a new elections date occurs, and (c) must be applied to the entire instrument and not to only a portion of the instrument. SFAS No. 159 is effective as of the beginning of the first fiscal year that begins after November 15, 2007. The Company has not yet evaluated the effect that the application of SFAS No. 159, may have, if any, on its future results of operations and financial condition.

Note 2 Going Concern and Results of Operations:

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 reported a net loss of \$9,611 for the six months ended June 30, 2007, and an accumulated deficit during the development stage of \$3,815,594. The Company's current liabilities exceed current assets by \$332,943 at June 30, 2007.

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 3 Notes payable and Advances payable, related parties:

Advance payable, related party:

During the year ended December 31, 2006, Mr. Chen Yorung, a director of the Company, advance an amount of \$6,985 to the Company to pay for operational expenses. The amount is unsecured, interest free and has no fixed terms of repayment.

F-8

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Note 3 Notes payable and Advances payable, related parties Continued:

Note payable, related party:

During the year ended December 31, 2005, Praise Direct Holding, a stockholder of the Company, advanced funds of \$245,830 to the Company in the form of a 6% interest bearing promissory note. At June 30, 2007, the note accrued interest of \$22,157. The note is due upon demand. At June 30, 2007, the promissory note was still outstanding.

Note 4 Stockholders' Deficit:

The authorized capital stock of the Company is 100,000,000 shares of common stock at \$0.001 par value. During the six months ended June 30, 2007, the Company did not issue any shares of common stock.

Note 5 Segment Information:

The Company operates primarily in a single operating segment, the asset management and capital raising business.

F-9

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion should be read in conjunction with our unaudited financial statements and notes thereto included herein. In connection with, and because we desire to take advantage of, the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995, we caution readers regarding certain forward looking statements in the following discussion and elsewhere in this report and in any other statement made by, or on our behalf, whether or not in future filings with the Securities and Exchange Commission. Forward-looking statements are statements not based on historical information and which relate to future operations, strategies, financial results or other developments. Forward looking statements are necessarily based upon estimates and assumptions that are inherently subject to significant business, economic and competitive uncertainties and contingencies, many of which are beyond our control and many of which, with respect to future business decisions, are subject to change. These uncertainties and contingencies can affect actual results and could cause actual results to differ materially from those expressed in any forward looking statements made by, or on our behalf. We disclaim any obligation to update forward-looking statements.

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The independent registered public accounting firm's report on the Company's financial statements as of December 31, 2006 and for each of the years in the two-year period then ended, includes a "going concern" explanatory paragraph, that describes substantial doubt about the Company's ability to continue as a going concern. Management's plans in regard to the factors prompting the explanatory paragraph are discussed below and also in Note 2 to the unaudited quarterly financial statements.

RESULTS OF OPERATION

Results of Operations for the Six Months Ended June 30, 2007 Compared to the Six Months Ended June 30, 2006

The Company did not recognize any revenues during the three months ended June 30, 2007 and June 30, 2006. We anticipate that the Company will not generate any significant revenues until we achieve our business objective of operating revenues, of which there can be no assurance.

During the six months ended June 30, 2007, operating expenses were \$1,309 compared to \$15,320 in the six months ended June 30, 2006. The \$14,011 decrease was due to a decrease in our professional fees.

Interest expense for the six months ended June 30, 2007 and 2006 were \$8,302 and \$0, respectively. We did not recognize any interest income during the six months ended June 30, 2007 and June 30, 2006, respectively.

During the six months ended June 30, 2007, the Company recognized a net loss of \$9,611 compared to a net loss of \$15,320, during the six months ended June 30, 2006. The decrease of \$5,709 was due mostly to the \$14,011 decrease in operation expense offset by the \$8,302 increase in interest expense. Net loss per share was nominal during the three months ended March 31, 2007 and net loss per share was nominal during the six months ended June 30, 2006.

1

LIQUIDITY AND CAPITAL RESOURCES

During the six months ended June 30, 2007, the Company did not use any cash in its operating activities. The Company had cash of \$7 at June 30, 2007. The Company did not receive any funds through either financing or investing activities. At June 30, 2007, the Company currently has a working capital deficit of \$332,943 and current liabilities exceed current assets by \$328,027.

At June 30, 2007, we had \$7 in cash. The Company will need to raise capital through loans or private placements in order to carry out any operational plans. The Company does not have a source of such capital at this time.

Going Concern

The Company's financial statements have been presented on the basis that it is a going concern, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business.

The Company is in the development stage and has not earned any revenue from operations. The Company's ability to continue as a going concern is dependent upon its ability to develop additional sources of capital or locate a merger candidate and ultimately, achieve profitable operations. The accompanying

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financial statements do not include any adjustments that might result from the outcome of these uncertainties. Management is seeking new capital to revitalize the Company.

ADDITIONAL FINANCING

NEED FOR ADDITIONAL FINANCING

The Company believes it has insufficient capital to meet its short-term cash needs, including the costs of compliance with the continuing reporting requirements of the Securities Exchange Act of 1934. If the losses continue it may have to seek loans or equity placements to cover longer term cash needs to continue operations and expansion.

There have been no commitments to provide additional funds 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 operations expenses.

If future revenue declines or operations are unprofitable, it will be forced to develop another line of business, or to finance its operations through the sale of assets it has, or enter into the sale of stock for additional capital, none of which may be feasible when needed. The Company has neither specific management ability, nor financial resources or plans to enter any other business as of this date.

2

ITEM 3. CONTROLS AND PROCEDURES

a. Evaluation of Disclosure Controls and Procedures:

The management of the company has evaluated the effectiveness of the issuer's disclosure controls and procedures as of the end of the period of the report June 30, 2007 and have concluded that the disclosure controls, internal controls and procedures are adequate and effective based upon their evaluation as of the evaluation date.

b. Changes in Internal Control over Financial Reporting:

There were no changes in the small business issuers internal control over financial reporting identified in connection with the Company evaluation required by paragraph (d) of Rule 13a-15 or Rule 15d-15 under the Exchange act that occurred during the small business issuers last fiscal quarter that has materially affected or is reasonable likely to materially affect, the small business issuers internal control over financial reporting.

ITEM 3(A)T. CONTROLS AND PROCEDURES

There have been no changes in the small business issuers internal control over financial reporting identified in connection with the evaluation required by paragraph (d) of Rule 240.15d-15 that occurred during the small business issuer's last fiscal quarter that has materially affected, or is reasonable likely to materially affect, the small business issuer's internal control over financial reporting.

PART II. OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

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NONE

ITEM 2. CHANGES IN SECURITIES

NONE

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

NONE

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

NONE

ITEM 5. OTHER INFORMATION

NONE

3

ITEM 6. EXHIBITS

Exhibits. The following is a complete list of exhibits filed as part of this Form 10-QSB. Exhibit numbers correspond to the numbers in the Exhibit Table of Item 601 of Regulation S-B.

Exhibit 31.1 Certification of Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act

Exhibit 31.2 Certification of Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act

Exhibit 32.1 Certification of Principal Executive Officer pursuant to Section 906 of the Sarbanes-Oxley Act

Exhibit 32.2 Certification of Principal Financial Officer pursuant to Section 906 of the Sarbanes-Oxley Act

4

SIGNATURES

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Pursuant to the requirements of Section 12 of the Securities and Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

JOINTLAND DEVELOPMENT, INC.
(Registrant)

Dated: August 14, 2007

By: /s/ Kexi Xu

Kexi Xu, President, CEO &
Acting CFO