

NAPTAU GOLD CORP  
Form 10QSB  
August 15, 2005

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**UNITED STATES**  
**SECURITIES AND EXCHANGE COMMISSION**  
**WASHINGTON, D.C. 20549**

**FORM 10-QSB**

**(Mark One)**

**QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

**For the quarterly period ended June 30, 2005**

**TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

**For the transition period from \_\_\_\_\_ to \_\_\_\_\_**

**Commission File Number 0-2660**

**NAPTAU GOLD CORPORATION**

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



**Transitional Small Business Disclosure Format (check one):**

Yes  No



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**PART 1. FINANCIAL INFORMATION**

## Item 1. Financial Statements

**NAPTAU GOLD CORPORATION**

(A Development Stage Company)

***BALANCE SHEET***

June 30, 2005

(Unaudited)

ASSETS		
Current Asset		
Cash		\$ 49
	<b>LIABILITIES AND STOCKHOLDERS' DEFICIT</b>	
Current Liabilities		
Accounts payable		\$ 18,717
Accrued management compensation		213,000
Accrued interest		2,678
Loans payable, related parties		33,573
	Total current liabilities	267,968
Stockholders' Deficit		
Preferred stock - authorized 5,000,000 shares, par value \$.001 none issued or outstanding		
Common stock - authorized 500,000,000 shares, par value \$.001 59,060,560 issued and outstanding		59,061
Common stock issuable; 9,550,000 shares		9,550
Additional paid-in capital		5,213,481
Stock subscriptions		(720,000)
Accumulated deficit		(2,632,475)
Deficit accumulated during the development stage		(2,197,536)
		(267,919)
		\$ 49

*See Notes to Financial Statements*



**NAPTAU GOLD CORPORATION**

(A Development Stage Company)

**STATEMENTS OF OPERATIONS**

For the Three and Six Months Ended June 30, 2005 and 2004, and for the  
Period from October 1, 2003 (the effective date of the development stage) through

June 30, 2005

(Unaudited)

	Three Months Ended June 30, 2005	Three Months Ended June 30, 2004	Six Months Ended June 30, 2005	Six Months Ended June 30, 2004	Cumulative During the Development Stage
Revenues	\$ -	\$ -	\$ -	\$ -	\$ -
Expenses					
Management compensation	29,250	63,750	58,500	88,500	2,148,000
General and administrative	18,565	3,925	30,645	6,222	48,520
Interest	138		138	-	1,016
	47,953	67,675	89,283	94,722	2,197,536
Net Loss	\$ (47,953)	\$ (67,675)	\$ (89,283)	(94,722)	\$(2,197,536)
Loss per Common Share (basic and fully diluted) - restated for 2004	\$ (0.00)	\$ (0.00)	\$ (0.00)	\$ (0.00)	
Weighted average number of common shares outstanding - restated for 2004	68,610,560	68,610,560	68,610,560	68,610,560	

*See Notes to Financial Statements*



**NAPTAU GOLD CORPORATION**

(A Development Stage Company)

**STATEMENTS OF STOCKHOLDERS' DEFICIT**For the Six Months Ended June 30, 2005, and for the  
Period from October 1, 2003 (the effective date of the development stage) through

June 30, 2005

(Unaudited)

	Preferred Stock		Common Stock		Common Stock Issuable		Additional Paid-in Capital	Stock Subscriptions	Accu D
	Shares	Amount	Shares	Amount	Shares	Amount			
Balance, October 1, 2003	-	\$ -	6,133,500	\$6,134	-	\$ -	\$1,582,105	\$ -	\$(2,000,000)
Common stock issuable for management compensation, October 2003					39,000,000	39,000	1,911,000		
Common stock issuable for debt and accrued expenses, October 2003					20,477,060	20,477	1,003,376		
Net loss for period									
Balance, December 31,	-	-	6,133,500	6,134	59,477,060	59,477	4,496,481		(2,000,000)

2003

Stock  
subscription  
issued  
for  
services

to be  
provided,

May

2004

3,000,000

3,000

717,000

(720,000)

Issuance  
of  
common  
stock  
issuable

49,927,060

49,927

(49,927,060)

(49,927)

Net loss  
for  
period

Balance,  
December

31,

2004

-

-

59,060,560

59,061

9,550,000

9,550

5,213,481

(720,000)

(2,000,000)

Net loss  
for  
period

Balance,  
June 30,

2005

-

-

59,060,560

\$59,061

9,550,000

\$9,550

\$5,213,481

\$ (720,000)

\$(2,000,000)

*See Notes to Financial Statements*

**NAPTAU GOLD CORPORATION**

(A Development Stage Company)

**STATEMENTS OF CASH FLOWS**

For the Six Months Ended June 30, 2005 and 2004, and for the Period from October 1, 2003 (the effective date of the development stage) through

June 30, 2005

(Unaudited)

	Six Months Ended June 30, 2005	Six Months Ended June 30, 2004	Cumulative During the Development Stage
<b>Cash Flows from Operating Activities</b>			
Net loss for period	\$ (89,283)	\$ (94,722)	\$ (2,197,536)
Adjustments to reconcile net loss to net cash used in operating activities			
Common stock issuable for management compensation			1,950,000
Changes in operating assets and liabilities			
Increase (Decrease) in accounts payable and accrued expenses	75,108	(226,010)	213,850
Net cash flows provided by operating activities	(14,175)	(320,732)	(33,686)
<b>Cash Flows from Financing Activities</b>			
Proceeds (Payment) on loans payable, related parties	4,984	( 28,947)	81,192
Payment on contracts payable		(235,639)	12,361
Payments on loans payable			(59,821)
Capital stock issues		585,353	
Net cash flows provided by financing activities	4,984	320,767	33,732
Net change in cash	(9,191)	35	46
Cash, beginning of period	9,240	32	3
Cash, end of period	\$ 49	\$ 67	\$ 49
<b>Supplementary information - Non-cash Transactions:</b>			
Common stock issuable for debt and accrued expenses	\$ -	\$ -	\$ 1,023,853
Stock subscriptions issued for services to be provided	\$ -	\$ -	\$ 720,000

*See Notes to Financial Statements*

*NOTES TO FINANCIAL STATEMENTS*

**Note 1. Organization and Significant Accounting Policies**

**Organization**

Naptau Gold Corporation (the "Company") was formed under the laws of the State of Delaware on January 8, 1988. The Company's principal business activity was the exploration and development of mineral properties until it reorganized. Effective as of October 1, 2003, the Company discontinued its operations related to mineral properties and re-entered the development stage to examine new opportunities in the acquisition and development of projects related to the base metal sectors of the mining industry and pursue potential opportunities in the hospitality, real estate, and hotel sectors. Accordingly, this interim period financial statements have been prepared treating the Company as a development stage company, effective as of October 1, 2003.

The Company's offices are currently provided on a rent-free basis by the Chief Financial Officer of the Company. Due to limited Company operations, any facilities expenses are not material and have not been recognized in these interim period financial statements.

**Interim Period Financial Statements**

The interim period financial statements have been prepared by the Company pursuant to the rules and regulations of the U.S. Securities and Exchange Commission (the "SEC"). Certain information and footnote disclosure normally included in financial statements prepared in accordance with accounting principles generally accepted in the United States have been condensed or omitted pursuant to such SEC rules and regulations. The interim period financial statements should be read together with the audited financial statements and accompanying notes included in the Company's audited financial statements for the year ended December 31, 2004. In the opinion of the Company, the unaudited financial statements contained herein contain all adjustments (consisting of a normal recurring nature) necessary to present a fair statement of the results of the interim periods presented.

**Going Concern**

The Company has incurred significant losses from operations in each of the last two fiscal years and has an accumulated deficit at June 30, 2005. The Company's ability to continue as a going concern is in substantial doubt

and is dependent upon obtaining additional financing and/or achieving a sustainable profitable level of operations. The interim period financial statements do not include any adjustments that might result from the outcome of this uncertainty.

Management of the Company has undertaken steps as part of a plan with the goal of sustaining Company operations for the next twelve months and beyond. These steps include: (a) attempting to raise additional capital and/or other forms of financing; (b) controlling overhead and expenses, and (c) considering other business alternatives. There can be no assurance that any of these efforts will be successful.

### **Earnings per Share**

Basic loss per share is computed by dividing the net loss available to common stockholders by the weighted average number of common shares outstanding in the period. Diluted earnings per share takes into consideration common shares outstanding (computed under basic earnings per share), and potentially dilutive common shares. There were no potentially dilutive securities held as of June 30, 2005 or 2004. Common stock issuable is considered outstanding as of the original approval date for purposes of earnings per share computations.



Item 2. Plan of Operation

THE FOLLOWING INFORMATION CONTAINS CERTAIN FORWARD-LOOKING STATEMENTS OF MANAGEMENT OF THE COMPANY. FORWARD-LOOKING STATEMENTS ARE STATEMENTS THAT ESTIMATE THE HAPPENING OF FUTURE EVENTS AND ARE NOT BASED ON HISTORICAL FACT. FORWARD-LOOKING STATEMENTS MAY BE IDENTIFIED BY THE USE OF FORWARD-LOOKING TERMINOLOGY, SUCH AS "MAY," "SHALL," "WILL," "COULD," "EXPECT," "ESTIMATE," "ANTICIPATE," "PLAN," "PREDICT," "PROBABLE," "POSSIBLE," "SHOULD," "CONTINUE," OR SIMILAR TERMS, VARIATIONS OF THOSE TERMS OR THE NEGATIVE OF THOSE TERMS. THE FORWARD-LOOKING STATEMENTS SPECIFIED IN THE FOLLOWING INFORMATION HAVE BEEN COMPILED BY OUR MANAGEMENT ON THE BASIS OF ASSUMPTIONS MADE BY MANAGEMENT AND CONSIDERED BY MANAGEMENT TO BE REASONABLE. OUR FUTURE OPERATING RESULTS, HOWEVER, ARE IMPOSSIBLE TO PREDICT AND NO REPRESENTATION, GUARANTY, OR WARRANTY IS TO BE INFERRED FROM THOSE FORWARD-LOOKING STATEMENTS.

This discussion and analysis should be read in conjunction with the accompanying Financial Statements and related notes. Our discussion and analysis of our financial condition and results of operations are based upon our financial statements, which have been prepared in accordance with accounting principles generally accepted in the United States. The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires us to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of any contingent liabilities at the *financial statement* date and reported amounts of revenue and expenses during the reporting period. On an on-going basis we review our estimates and assumptions. Our estimates were based on our historical experience and other assumptions that we believe to be reasonable under the circumstances. Actual results are likely to differ from those estimates under different assumptions or conditions, but we do not believe such differences will materially affect our financial position or results of operations. Our critical accounting policies, the policies we believe are most important to the presentation of our financial statements and require the most difficult, subjective and complex judgments, are outlined below and have not changed significantly.

With the completion of the re-organization in 1994 the Company is expanding its areas of interest in addition to the historical mineral exploration activities carried on in the past. Management has identified potential opportunities in the hospitality, real estate and hotel sectors of the economy as well as new opportunities related to the acquisition and development of projects related to the base metal sectors of the mining industry. We are in the process of identifying and isolating companies with cash flow streams to which we can add value, bridge short term problems, and accumulate equity positions to the benefit of our shareholders.

**Limited Operations:** The Company has not generated any significant revenues and will not generate significant revenues until it is able to develop new projects and sources of financing. During this quarter the Company actively pursued opportunities related to its business.

At June 30, 2005 the Company had a stockholders' deficit of \$267,919.

**Liquidity:** The financial statements of the Company contained herein have been prepared on a going concern basis. If the Company were unable to raise funds necessary to continue operations or were unable to generate positive cash flow from new operations, it might be forced to liquidate. In such event, it is unlikely that the Company would realize amounts sufficient to liquidate its liabilities recorded on the balance sheet.

**Substantial Indebtedness to Related Parties:** The Company owed an aggregate of \$246,573, including accrued management compensation and loans payable, primarily to Officers, Directors and related parties. There can be no assurance that the Company will be able to satisfy its obligations to the Related Parties.



Item 3. Controls and Procedures

(a) Evaluation of Disclosure Controls and Procedures.

Within the 90 days prior to the date of this Report, we carried out an evaluation, under the supervision and with the participation of our management, including the Company's Chief Executive and Chief Financial Officer, of the effectiveness of the design and operation of our disclosure controls and procedures pursuant to Rule 13a-14 under the Securities Exchange Act of 1934, as amended. Based upon that evaluation, the Company's Chief Executive and Chief Financial Officer concluded that our disclosure controls and procedures are effective in timely alerting them to material information required to be included in our periodic filings with the U.S. Securities and Exchange Commission.

However, due to the limited funding available to staff administrative and clerical positions, it is recognized individual persons perform multiple tasks which normally would be allocated to separate persons and therefore extra diligence must be exercised during the period these tasks are combined. It is also recognized, for similar reason, the Company has not designated an audit committee and should address this concern at the earliest possible opportunity.

(b) Changes in Internal Controls.

There were no significant changes in our internal controls or in other factors that could significantly affect these internal controls subsequent to the date of our most recent evaluation.

PART II OTHER INFORMATION

Item 1. Legal Proceedings

None

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

No changes to securities were made during this reporting period.

Item 3. Defaults upon Senior Securities

None

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

None during this reporting period.

Item 5. Other Information

None

Item 6. Exhibits and Reports on Form 8-K

a)

Exhibits: The following Exhibits are furnished as part of this report.

31.1

Certification of Chief Executive Officer Pursuant to the Securities Exchange of 1934, Rules 12a-14 and 15d-14, as adopted pursuant to Section 302 of the Sarbanes-Oxley act of 2002.

32.1

Certification of Chief Financial Officer Pursuant to the Securities Exchange of 1934, Rules 12a-14 and 15d-14, as adopted pursuant to Section 302 of the Sarbanes-Oxley act of 2002.

32

Certification Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes=Oxley Act of 2002.

SIGNATURES

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

NAPTAU GOLD CORPORATION

/s/ J. Greig

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Dated: August 12, 2005

By: Dr. J. Greig, Ph.D.

CEO and

Principal Executive Officer

/s/ Edward D. Renyk

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Dated: August 12, 2005

By: Edward D. Renyk, CA

CFO and

Principal Accounting Officer

CERTIFICATION OF CHIEF EXECUTIVE OFFICER  
PURSUANT TO THE SECURITIES EXCHANGE ACT OF 1934,  
RULES 13a-14 AND 15d-14  
AS ADOPTED PURSUANT TO  
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Naptau Gold Corporation (the Company) on Form 10-QSB for the period ending June 30, 2005 as filed with the Securities and Exchange Commission on the date hereof (the Report), I, Dr. J. Greig, Chief Executive Officer and President of the Company, certify, pursuant to Rules 13a-14 and 15-d14 of the Securities Exchange Act of 1934 (the Exchange Act), as adopted pursuant to §302 of the Sarbanes-Oxley Act of 2002, that:

1.

I have reviewed this Report;

2.

Based on my knowledge, this Report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this Report;

3.

Based on my knowledge, the financial statements, and other financial information included in this Report, fairly present in all material respects the financial condition, results of operations and cash flows of the Company, as of, and for, the periods presented in this Report;

4.

I and the other certifying officers of the Company are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the Company and have:

(a)

Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Company, including any consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this Report is being prepared;

(b)

Evaluated the effectiveness of the Company's disclosure controls and procedures and presented in this Report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this Report based on such evaluation; and

(c)

Disclosed in this Report any change in the Company's internal control over financial reporting that occurred during the Company's most recent fiscal quarter (the Company's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting; and

5.

I and the other certifying officers have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Company's auditors and to the audit committee of the Company's board of directors (or persons performing the equivalent functions):

(a)

All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Company's ability to record, process, summarize and report financial information; and

(b)

Any fraud, whether or not material, that involves management or other employees who have a significant role in the Company's internal control over financial reporting.

/s/ J. Greig

Dr. J. Greig, Chief Executive Officer

August 12, 2005

CERTIFICATION OF CHIEF FINANCIAL OFFICER  
PURSUANT TO THE SECURITIES EXCHANGE ACT OF 1934,  
RULES 13a-14 AND 15d-14  
AS ADOPTED PURSUANT TO  
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Naptau Gold Corporation. (the Company ) on Form 10-QSB for the period ending June 30, 2005 as filed with the Securities and Exchange Commission on the date hereof (the Report ), I, Edward Renyk, Chief Financial Officer of the Company, certify, pursuant to Rules 13a-14 and 15-d14 of the Securities Exchange Act of 1934 (the Exchange Act ), as adopted pursuant to §302 of the Sarbanes-Oxley Act of 2002, that:

1.

I have reviewed this Report;

2.

Based on my knowledge, this Report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this Report;

3.

Based on my knowledge, the financial statements, and other financial information included in this Report, fairly present in all material respects the financial condition, results of operations and cash flows of the Company, as of, and for, the periods presented in this Report;

4.

I and the other certifying officers of the Company are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the Company and have:

(a)

Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Company, including any consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this Report is being prepared;

(b)



Evaluated the effectiveness of the Company's disclosure controls and procedures and presented in this Report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this Report based on such evaluation; and

(c)

Disclosed in this Report any change in the Company's internal control over financial reporting that occurred during the Company's most recent fiscal quarter (the Company's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting; and

5.

I and the other certifying officers have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Company's auditors and to the audit committee of the Company's board of directors (or persons performing the equivalent functions):

(a)

All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Company's ability to record, process, summarize and report financial information; and

(b)

Any fraud, whether or not material, that involves management or other employees who have a significant role in the Company's internal control over financial reporting.

/s/ E. D. Renyk

Edward Renyk, Chief Financial Officer

August 12, 2005

**CERTIFICATION PURSUANT TO  
18 U.S.C. SECTION 1350,  
AS ADOPTED PURSUANT TO  
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of Naptau Gold Corporation (the Company) on Form 10-QSB for the period ending June 30, 2005 as filed with the Securities and Exchange Commission on the date hereof (the Report), we, Dr. J. Greig, Chief Executive Officer of the Company, and Edward Renyk, Chief Financial Officer of the Company, respectively certify, pursuant to 18 U.S.C. §1350, as adopted pursuant to §906 of the Sarbanes-Oxley Act of 2002, that:

1.

The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

2.

The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ J. Greig

/s/ E. D. Renyk

Dr. J. Greig, Chief Executive Officer

Edward Renyk, Chief Financial Officer

August 12, 2005

August 12, 2005