

Grant Life Sciences, Inc.
Form 10QSB
May 16, 2005

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549**

FORM 10-QSB

(Mark One)

Quarterly report under Section 13 or 15(d) of the Securities Exchange Act of 1934.

For the quarterly period ended March 31, 2005

Transition report under Section 13 or 15(d) of the Exchange Act

For the transition period from _____ to _____

Commission File Number: 000-50133

GRANT LIFE SCIENCES, INC.

(Exact Name of Small Business Issuer as Specified in Charter)

Nevada

(State or Other Jurisdiction of
Incorporation or Organization)

82-0490737

(I.R.S. Employer Identification
Number)

64 East Winchester, Suite 205, Murray, UT 84107

(Address of Principal Executive Offices)

(801) 261-8736

(Issuer's Telephone Number, Including Area Code)

(Former Address, if Changed Since Last Report)

Check whether the issuer: (1) filed all reports required to be filed by Section 13 or 15(d) of the Exchange Act 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 such filing requirements for the past 90 days. Yes No

State the number of shares outstanding of each of the issuer's classes of common equity, as of the last practicable date: As of May 12, 2005, there were 58,139,113 shares of Common Stock, par value \$0.001 per share, issued and outstanding.

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

GRANT LIFE SCIENCES, INC.
FORM 10-QSB
INDEX

PART I FINANCIAL INFORMATION		
Item 1	Condensed Consolidated Financial Statements (unaudited)	
	Condensed Consolidated Balance Sheets -March 31, 2005 and December 31, 2004	3
	Condensed Consolidated Statement of Losses - three months ended March 31, 2005 and March 31, 2004 and July 9, 1998 (date of inception) through March 31, 2005	4
	Condensed Consolidated Statement of Deficiency in Stockholder's Equity- July 9, 1998 (date of inception) through March 31, 2005	5
	Condensed Consolidated Statement of Cash Flows - three months ended March 31, 2005 and March 31, 2004 and July 9, 1998 (date of inception) through March 31, 2005	6
	Notes to Condensed Consolidated Financial Statements	7
Item 2	Management's Discussion and Analysis of Financial Condition and Results of Operations	14
Item 3	Controls and Procedures	18
PART II OTHER INFORMATION		
Item 1	Legal Proceedings	19
Item 2	Unregistered Sales of Equity Securities and Use of Proceeds	19
Item 3	Defaults upon Senior Securities	19
Item 4	Submission of Matters to a Vote of Security Holders	19
Item 5	Other Information	19
Item 6	Exhibits	20
	Signatures	21

GRANT LIFE SCIENCES, INC.
(A development stage company)
CONDENSED CONSOLIDATED BALANCE SHEETS

	(Unaudited) March 31, 2005	December 31, 2004
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 193,233	\$ 365,958
Miscellaneous receivables	1,500	3,000
Prepaid expenses	40,213	5,213
Due from employees	-	334
Deposits	3,263	3,263
Total current assets	238,209	377,768
Property and equipment, net of accumulated depreciation of \$7,380 and \$5,857 at March 31, 2005 and December 31, 2004, respectively		
		19,460
		15,240
Total assets		
\$		257,669
\$		393,008
LIABILITIES AND (DEFICIENCY IN) STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable		
\$		228,593
\$		95,841
Accrued liabilities		
		87,556
		37,000
Accrued interest payable		

	-
	7,005
Accrued payroll liabilities	
	42,249
	13,159
Notes payable, current portion (Note C)	
	135,741
	122,500
Total current liabilities	
	494,138
	275,505
Long-term liabilities:	
Note payable - long term (Note C)	
	368,021
	350,000
Commitments and contingencies (Note F)	
	-
	-
(Deficiency in) stockholders' equity:	
Preferred stock, par value: \$.001, authorized 20,000,000 shares; no shares issued and outstanding at March 31, 2005 and December 31, 2004	
	-
	-
Common stock, par value; \$.001, authorized 150,000,000 shares; 57,639,113 and 56,243,791 shares issued and outstanding at March 31, 2005 and December 31, 2004, respectively (Note D)	
	57,639

	56,244
Additional paid in capital	
	4,441,921
	4,190,485
Deferred compensation	
)	(832,137
)	(1,097,886
Deficit accumulated during development stage	
)	(4,271,913
)	(3,381,340
Total (deficiency in) stockholders' equity:	
)	(604,490
)	(232,496
Total liabilities and (deficiency in) stockholders' equity:	
\$	257,669
\$	393,008

See accompanying notes to the unaudited condensed consolidated financial statements

GRANT LIFE SCIENCES, INC.
(A development stage company)
CONDENSED CONSOLIDATED STATEMENT OF LOSSES
(Unaudited)

	For the three months ended March 31,		For the period July 9, 1998 (date of inception) through March 31, 2005
	2005	2004	
Operating Expenses:			
General and administrative	\$ 673,202	\$ 90,161	\$ 3,136,440
Depreciation	1,523	927	14,264
Acquisition cost	-	-	65,812
Research and development	193,246	62,887	1,035,176
Total Operating Expenses	867,971	153,975	4,251,692
Loss from Operations	(867,971)	(153,975)	(4,251,692)
Other income (expenses):			
Gain on extinguishment of debt	-	-	510,104
Interest expense	(22,602)	(17,159)	(530,324)