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GRANT VENTURES INC
Form 10QSB
May 12, 2004

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-QSB

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

For the Quarter Ended March 31, 2004

or

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 000-50133

GRANT VENTURES, INC.
(Exact name of small business issuer as specified in its charter)

NEVADA

(State or other jurisdiction of
incorporation or organization)

82 - 0490737

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

56 West 400 South, Suite #220, Salt Lake City, Utah 84101

(Address of principal executive offices)

(801) 322-3401

(Issuer's telephone number)

Check whether the issuer (1) 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 such filing requirements for the past 90 days. Yes No

APPLICABLE ONLY TO CORPORATE ISSUERS

State the number of shares outstanding of each of the issuer's classes of common equity, as of the latest practicable date.

| Class | Outstanding as of March 31, 2004 |
|--------------------------------|----------------------------------|
| Common Stock, \$.001 par value | 6,000,000 |

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

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PART I

Item 1. Financial Statements

The accompanying unaudited balance sheets of Grant Ventures, Inc. at March 31, 2004 and December 31, 2003, related unaudited statements of operations, stockholders' equity (deficit) and cash flows for the three and nine months ended March 31, 2004 and 2003 and the period July 1, 1983 (date of inception) to March 31, 2004, have been prepared by management in conformity with accounting principles generally accepted in the United States. In the opinion of management, all adjustments considered necessary for a fair presentation of the results of operations and financial position have been included and all such adjustments are of a normal recurring nature. Operating results for the period

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ended March 31, 2004, are not necessarily indicative of the results that can be expected for the fiscal year ending December 31, 2003.

GRANT VENTURES, INC.
(A Development Stage Company)

FINANCIAL STATEMENTS

March 31, 2004 and December 31, 2003

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GRANT VENTURES, INC.
(A Development Stage Company)
Balance Sheets

ASSETS

| | March 31, 2004 | December 31, 2003 |
|----------------------|----------------------|----------------------|
| | ----- (Unaudited) | ----- |
| CURRENT ASSETS | | |
| Cash | \$ -- | \$ -- |
| Total Current Assets | ----- -- | ----- -- |
| TOTAL ASSETS | ----- \$ -- | ----- \$ -- |

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

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GRANT VENTURES, INC.
(A Development Stage Company)
Balance Sheets (Continued)

LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIT)

| | March 31, 2004 ----- (Unaudited) | December 31, 2003 ----- |
|--|---|-------------------------------|
| CURRENT LIABILITIES | | |
| Accounts payable | \$ 3,355 | \$ 2,492 |
| Due to stockholder | 38,900 | 36,164 |
| | ----- | ----- |
| Total Current Liabilities | 42,255 | 38,656 |
| | ----- | ----- |
| STOCKHOLDERS' EQUITY (DEFICIT) | | |
| Common stock; 50,000,000 shares authorized at \$0.001 par value, 6,000,000 shares issued and outstanding, respectively | 6,000 | 6,000 |
| Additional paid in capital | 178,689 | 178,689 |
| Deficit accumulated during the development stage | (226,944) | (223,345) |
| | ----- | ----- |
| Total Stockholders' Equity (Deficit) | (42,255) | (38,656) |
| | ----- | ----- |
| TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIT) | \$ -- ===== | \$ -- ===== |

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

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GRANT VENTURES, INC.
(A Development Stage Company)
Statements of Operations
(Unaudited)

| | |
|--|--|
| For the Three Months Ended March 31, ----- | From Inception on July 1, 1983 Through March 31, |
|--|--|

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| | 2004 | 2003 | 2004 |
|---|------------|------------|--------------|
| REVENUES | \$ -- | \$ -- | \$ -- |
| EXPENSES | 2,725 | 3,670 | 223,105 |
| LOSS FROM OPERATIONS | (2,725) | (3,670) | (223,105) |
| OTHER EXPENSES | | | |
| Interest expense | (874) | (640) | (3,839) |
| Total Other Expenses | (874) | (640) | (3,839) |
| LOSS BEFORE INCOME TAXES | (3,599) | (4,310) | (226,944) |
| INCOME TAXES | -- | -- | -- |
| NET LOSS | \$ (3,599) | \$ (4,310) | \$ (226,944) |
| BASIC NET LOSS PER SHARE | \$ (0.00) | \$ (0.00) | |
| WEIGHTED AVERAGE NUMBER OF SHARES OUTSTANDING | 6,000,000 | 6,000,000 | |

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

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GRANT VENTURES, INC.
(A Development Stage Company)
Statements of Stockholders' Equity (Deficit)
From Inception on July 1, 1983 through March 31, 2004

| | Common Stock | | Additional | Deficit |
|---|--------------|--------|-----------------|-------------|
| | Shares | Amount | Paid in Capital | Accumulated |
| | ----- | ----- | ----- | ----- |
| Balance at inception of the development stage on July 1, 1983 | -- | \$ -- | \$ -- | \$ -- |
| Common stock issued for mining claims on July 2, 1983 at \$0.04 per share | 216,699 | 217 | 7,783 | -- |

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| | | | | |
|--|-------------|---------|-----------|-------------|
| Balance, December 31, 1984 | 216,699 | 217 | 7,783 | -- |
| Net Loss for the year ended December 31, 1984 | -- | -- | -- | (8,000) |
| Net Loss for the period December 31, 1984 through December 31, 1995 | -- | -- | -- | -- |
| Balance, December 31, 1995 | 216,699 | 217 | 7,783 | (8,000) |
| Common stock issued for cash on April 19, 1996 at \$0.02 per share | 3,466,650 | 3,467 | 4,033 | -- |
| Net Loss for the year ended December 31, 1996 | -- | -- | -- | (565) |
| Balance, December 31, 1996 | 3,683,349 | 3,684 | 11,816 | (8,565) |
| Common shares canceled on September 15, 1997 | (3,466,650) | (3,467) | 3,467 | -- |
| Net Loss for the year ended December 31, 1997 | -- | -- | -- | (7,535) |
| Balance, December 31, 1997 | 216,699 | 217 | 15,283 | (16,100) |
| Common shares issued at \$0.08 per share on August 5, 1998 for services rendered | 66,350 | 66 | 4,934 | - |
| Net Loss for the year ended December 31, 1998 | -- | -- | -- | (5,000) |
| Balance, December 31, 1998 | 283,049 | \$ 283 | \$ 20,217 | \$ (21,100) |

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

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GRANT VENTURES, INC.
(A Development Stage Company)
Statements of Stockholders' Equity (Deficit) (Continued)
From Inception on July 1, 1983 through March 31, 2004

| | Common Stock | | Additional | Deficit |
|----------------------------|--------------|--------|-----------------|---|
| | Shares | Amount | Paid in Capital | Accumulated During the Development Stage |
| | ----- | ----- | ----- | ----- |
| Balance, December 31, 1998 | 283,049 | \$ 283 | \$ 20,217 | \$ (21,100) |

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| | | | | |
|---|-----------|----------|------------|--------------|
| Common shares issued to directors at \$0.03 per share on August 30, 1999 for services rendered | 4,000,000 | 4,000 | 116,000 | - |
| Common shares issued to directors at \$0.40 per share on September 16, 1999 for services rendered | 25,000 | 25 | 9,975 | -- |
| Net Loss for the year ended December 31, 1999 | -- | -- | -- | (130,000) |
| Balance, December 31, 1999 | 4,308,049 | 4,308 | 146,192 | (151,100) |
| Net Loss for the year ended December 31, 2000 | -- | -- | -- | (10,421) |
| Balance, December 31, 2000 | 4,308,049 | 4,308 | 146,192 | (161,521) |
| Net Loss for the year ended December 31, 2001 | -- | -- | -- | (2,359) |
| Balance, December 31, 2001 | 4,308,049 | 4,308 | 146,192 | (163,880) |
| Common shares issued to directors at \$0.02 per share on February 24, 2002 for services rendered | 1,691,951 | 1,692 | 32,147 | -- |
| Net Loss for the year ended December 31, 2002 | -- | -- | -- | (47,857) |
| Balance, December 31, 2002 | 6,000,000 | 6,000 | 178,339 | (211,737) |
| Services contributed by shareholder | -- | -- | 350 | -- |
| Net Loss for the year ended December 31, 2003 | -- | -- | -- | (11,608) |
| Balance, December 31, 2003 | 6,000,000 | 6,000 | 178,689 | (223,345) |
| Net Loss for the three months ended March 31, 2004 (Unaudited) | -- | -- | -- | (3,599) |
| Balance, March 31, 2004 (Unaudited) | 6,000,000 | \$ 6,000 | \$ 178,689 | \$ (226,944) |
| | ===== | ===== | ===== | ===== |

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

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GRANT VENTURES, INC.
(A Development Stage Company)
Statements of Cash Flows
(Unaudited)

From

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| | For the Three Months Ended March 31, | | Inception on July 1, 1983 Through March 31, 2004 |
|--|---|------------|--|
| | 2004 | 2003 | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Net loss | \$ (3,599) | \$ (4,310) | \$ (226,944) |
| Adjustments to reconcile net cash used by operating activities: | | | |
| Common stock issued for services rendered | -- | -- | 168,839 |
| Services contributed by shareholder | -- | -- | 350 |
| Changes in operating assets and liabilities: | | | |
| Increase in accounts payable | 863 | 2,292 | 3,355 |
| Increase in due to shareholder | 2,736 | 2,018 | 38,900 |
| Decrease of mining claims | -- | -- | 8,000 |
| Net Cash Used by Operating Activities | -- | -- | (7,500) |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| | -- | -- | -- |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | |
| Sale of common stock | -- | -- | 7,500 |
| Net Cash Provided by Financing Activities | -- | -- | 7,500 |
| NET DECREASE IN CASH | -- | -- | -- |
| CASH AT BEGINNING OF PERIOD | -- | -- | -- |
| CASH AT END OF PERIOD | \$ -- | \$ -- | \$ -- |

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

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GRANT VENTURES, INC.
(A Development Stage Company)
Statements of Cash Flows (continued)
(Unaudited)

For the Three Months Ended
Inception on
July 1,

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| | March 31, | | 1983 Through |
|--|-----------|-------|--------------|
| | ----- | | March 31, |
| | 2004 | 2003 | 2004 |
| | ----- | | ----- |
| SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION | | | |
| CASH PAID FOR: | | | |
| Interest | \$ -- | \$ -- | \$ -- |
| Income Taxes | \$ -- | \$ -- | \$ -- |
| NON CASH FINANCING ACTIVITIES | | | |
| Common stock issued for services | \$ -- | \$ -- | \$ 168,839 |
| Common stock issued for mining | \$ -- | \$ -- | \$ 8,000 |

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

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GRANT VENTURES, INC.
(A Development Stage Company)
Notes to the Financial Statements
March 31, 2004 and December 31, 2003

NOTE 1 - CONDENSED FINANCIAL STATEMENTS

The accompanying financial statements have been prepared by the Company without audit. In the opinion of management, all adjustments (which include only normal recurring adjustments) necessary to present fairly the financial position, results of operations and cash flows at March 31, 2004 and 2003 and for all periods presented have been made.

Certain information and footnote disclosures normally included in financial statements prepared in accordance with accounting principles generally accepted in the United States of America have been condensed or omitted. It is suggested that these condensed financial statements be read in conjunction with the financial statements and notes thereto included in the Company's December 31, 2003 audited financial statements. The results of operations for the periods ended March 31, 2004 and 2003 are not necessarily indicative of the operating results for the full years.

NOTE 2 - GOING CONCERN

The Company's financial statements are prepared using accounting

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

In order to continue as a going concern, the Company will need, among other things, additional capital resources. Management's plans to obtain such resources for the Company include (1) obtaining capital from management and significant shareholders sufficient to meet its minimal operating expenses, and (2) seeking out and completing a merger with an existing operating company. However, management cannot provide any assurances that the Company will be successful in accomplishing any of its plans.

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

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

The following information should be read in conjunction with the financial statements and notes thereto appearing elsewhere in this Form 10-QSB.

We are considered a development stage company with no assets or capital and with no material operations or income. The costs and expenses associated with the preparation and filing of this report and other reports and our registration statement in 2002 have been paid for by advances from shareholders, which are evidenced on our financial statements as accounts payable-related parties. It is anticipated that we will require only nominal capital to maintain our corporate viability and necessary funds will most likely be provided by our officers and directors in the immediate future. However, unless we are able to facilitate an acquisition of or merger with an operating business or are able to obtain significant outside financing, there is substantial doubt about our ability to continue as a going concern.

In the opinion of management, inflation has not and will not have a material effect on our operations until such time as we successfully complete an acquisition or merger. At that time, management will evaluate the possible effects of inflation related to our business and operations.

Plan of Operation

During the next 12 months, we intend to actively seek out and investigate possible business opportunities for the purpose of possibly acquiring or merging with one or more business ventures. We do not intend to limit our search to any particular industry or type of business.

Because we lack funds, it may be necessary for our officers and directors to either advance funds or to accrue expenses until such time as a successful business consolidation can be made. Management intends to hold expenses to a minimum and to obtain services on a contingency basis when possible. Further,

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our directors will defer any compensation until such time as an acquisition or merger can be accomplished and will strive to have the business opportunity provide their remuneration. However, if we engage outside advisors or consultants in its search for business opportunities, it may be necessary to attempt to raise additional funds. As of the date hereof, we have not made any arrangements or definitive agreements to use outside advisors or consultants or to raise any capital.

In the event we need to raise capital, most likely the only method available to us would be the private sale of our securities. Because we are a development stage company, it is unlikely that we could make a public sale of securities or be able to borrow any significant sum from either a commercial or private lender. There can be no assurance that we will be able to obtain additional funding when and if needed, or that such funding, if available, can be obtained on acceptable terms.

We do not intend to use any employees, with the possible exception of part-time clerical assistance on an as-needed basis. Outside advisors or consultants will be used only if they can be obtained for minimal cost or on a deferred payment basis. Management is confident that it will be able to operate in this manner and to continue its search for business opportunities during the next twelve months. Management further believes that we will not have to make any equipment purchases in the immediate future.

Forward-Looking and Cautionary Statements

This report contains certain forward-looking statements. These statements relate to future events or our future performance and involve known and unknown risks and uncertainties. Actual results may differ substantially from such forward-looking statements, including, but not limited to, the following:

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- o our ability to search for an appropriate business opportunity and to subsequently acquire or merge with such entity;
- o to meet our cash and working capital needs;
- o our ability to maintain our corporate existence as a viable entity; and
- o other risks detailed in our periodic report filings with the SEC.

In some cases, you can identify forward-looking statements by terminology such as "may," "will" "should," "expects," "intends," "plans," "anticipates," "believes," "estimates," "predicts," "potential," "continue," or the negative of these terms or other comparable terminology.

These statements are only predictions. Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee future results, levels of activity, performance or achievements.

Item 3. Controls and Procedures.

As of the end of the period covered by this report, we carried out an evaluation, under the supervision and with the participation of management, including our chief executive officer and principal financial officer, of the effectiveness of the design and operation of our disclosure controls and procedures as defined in Rules 13a-15(e) and 15d-15(e) of the Securities Exchange Act of 1934. Based upon that evaluation, our chief executive officer and principal financial officer concluded that our disclosure controls and procedures are effective to cause the material information required to be disclosed by us in the reports that we file or submit under the Exchange Act to be recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms. There have been no significant changes

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in our internal controls or in other factors which could significantly affect internal controls subsequent to the date we carried out our evaluation.

PART II

Item 1. Legal Proceedings

There are no material pending legal proceedings to which we are a party or to which any of our property is subject and, to the best of our knowledge, no such actions against us are contemplated or threatened.

Item 2. Changes In Securities and Use of Proceeds

This Item is not applicable.

Item 3. Defaults Upon Senior Securities

This Item is not applicable.

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

This Item is not applicable.

Item 5. Other Information

This Item is not applicable.

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Item 6. Exhibits and Reports on Form 8-K

(a) Exhibits:

| | |
|--------------|---|
| Exhibit 31.1 | Certification of C.E.O. Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002. |
| Exhibit 31.2 | Certification of Principal Accounting Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002. |
| Exhibit 32.1 | Certification of C.E.O. Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002. |
| Exhibit 32.2 | Certification of Principal Accounting Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002. |

(b) Reports on Form 8-K

No report on Form 8-K was filed during the three month period ended March 31, 2004.

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SIGNATURES

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In accordance with the requirements of the Securities Exchange Act of 1934, the Registrant caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

GRANT VENTURES, INC.

Date: May 12, 2004

By: /S/ GEOFF WILLIAMS

Geoff Williams
Acting President and C.E.O.,
Secretary and Director
(Principal Accounting Officer)

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