

Edgar Filing: Online Tele-Solutions, Inc. - Form 10-Q

Online Tele-Solutions, Inc.  
Form 10-Q  
September 18, 2012

U. S. SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549

FORM 10-Q

(Mark One)

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

For the fiscal quarter ended July 31, 2012

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: 333-159607

ONLINE TELE-SOLUTIONS INC.

(Name of small business issuer as specified in its charter)

Nevada  
(State or other jurisdiction of  
incorporation or organization)

98-0583175  
(I.R.S. Employer  
Identification No.)

Block 225, 02-213, Tampines St. 23  
Singapore 521225  
(Address of principal executive offices, including zip code)

(702) 553-3026  
(Registrant's telephone number, including area code)

Indicate by check whether the registrant (1) filed all reports required to be filed by Section 13 or 15(d) of the 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

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (ss.232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes  No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer

Accelerated filer

Non-accelerated filer

Smaller reporting company

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

The issuer had 66,000,000 shares of its common stock issued and outstanding as of September 14, 2012.

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## AVAILABLE INFORMATION

Our Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K and all amendments to those reports that we file with the Securities and Exchange Commission, or SEC, are available at the SEC's public reference room at 100 F Street, N.E., Washington, D.C. 20549. The public may obtain information on the operation of the public reference room by calling the SEC at 1-800-SEC-0330. The SEC also maintains a website at [www.sec.gov](http://www.sec.gov) that contains reports, proxy, and information statements and other information regarding reporting companies.

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## CAUTIONARY STATEMENT CONCERNING FORWARD-LOOKING STATEMENTS

### USE OF NAMES

In this quarterly report, the terms "Online Tele," "Company," "we," or "our," unless the context otherwise requires, mean Online Tele-Solutions, Inc..

### CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

This Quarterly Report on Form 10-Q and other reports that we file with the SEC contain statements that are considered forward-looking statements. Forward-looking statements give the Company's current expectations, plans, objectives, assumptions, or forecasts of future events. All statements other than statements of current or historical fact contained in this Quarterly Report, including statements regarding the Company's future financial position, business strategy, budgets, projected costs and plans and objectives of management for future operations, are forward-looking statements. In some cases, you can identify forward-looking statements by terminology such as "anticipate," "estimate," "plans," "potential," "projects," "ongoing," "expects," "management believes," "we believe," "we intend," and similar expressions. These statements are based on the Company's current plans and are subject to risks and uncertainties, and, as such, the Company's actual future activities and results of operations may be materially different from those set forth in the forward-looking statements. Any or all of the forward-looking statements in this

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Quarterly Report may turn out to be inaccurate and, as such, you should not place undue reliance on these forward-looking statements. The Company has based these forward-looking statements largely on its current expectations and projections about future events and financial trends that it believes may affect its financial condition, results of operations, business strategy and financial needs. The forward-looking statements can be affected by inaccurate assumptions or by known or unknown risks, uncertainties, and assumptions due to a number of factors.

These forward-looking statements speak only as of the date on which they are made, and except to the extent required by federal securities laws, we undertake no obligation to update any forward-looking statements to reflect events or circumstances after the date on which the statement is made or to reflect the occurrence of unanticipated events. In addition, we cannot assess the impact of each factor on our business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements. All subsequent written and oral forward-looking statements attributable to the Company or persons acting on its behalf are expressly qualified in their entirety by the cautionary statements contained in this Quarterly Report.

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### PART I

#### ITEM 1. FINANCIAL STATEMENTS

Online Tele-Solutions, Inc.  
(A Development Stage Company)  
Balance Sheets

	July 31, 2012	Jan
	-----	---
	(Unaudited)	
<b>ASSETS</b>		
<b>CURRENT ASSETS:</b>		
Cash	\$ 4,714	
	-----	
Total Current Assets	4,714	
	-----	
Total Assets	\$ 4,714	
	=====	
<b>LIABILITIES AND STOCKHOLDERS' DEFICIT</b>		
<b>CURRENT LIABILITIES:</b>		
Accounts payable and accrued expenses	\$ 7,801	
Advances from stockholders	30,700	
	-----	
Total Current Liabilities	38,501	
	-----	
<b>STOCKHOLDERS' DEFICIT:</b>		
Preferred stock at \$0.0001 par value: 25,000,000 shares authorized; none issued or outstanding		--
Common stock at \$0.0001 par value: 300,000,000 shares authorized,		

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66,000,000 shares issued and outstanding	6,600
Additional paid-in capital	43,400
Deficit accumulated during the development stage	(83,787)
	-----
Total Stockholders' Deficit	(33,787)
	-----
Total Liabilities and Stockholders' Deficit	\$ 4,714
	=====

See accompanying notes to the financial statements.

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Online Tele-Solutions, Inc.  
(A Development Stage Company)  
Statements of Operations

	Three Months Ended July 31, 2012 ----- (Unaudited)	Three Months Ended July 31, 2011 ----- (Unaudited)
NET REVENUES	\$ --	\$ --
OPERATING EXPENSES:		
Professional fees	1,500	9,817
General and administrative expenses	1,170	1,482
	-----	-----
Total operating expenses	2,670	11,299
	-----	-----
LOSS BEFORE INCOME TAX PROVISION	(2,670)	(11,299)
INCOME TAX PROVISION	--	--
	-----	-----
NET LOSS	\$ (2,670)	\$ (11,299)
	=====	=====
NET LOSS PER COMMON SHARE		
- BASIC AND DILUTED:	\$ (0.00)	\$ (0.00)
	=====	=====
WEIGHTED COMMON SHARES OUTSTANDING		
- BASIC AND DILUTED	66,000,000	66,000,000
	=====	=====

See accompanying notes to the financial statements

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Online Tele-Solutions, Inc.  
(A Development Stage Company)  
Statements of Operations

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	Six Months Ended July 31, 2012 ----- (Unaudited)	Six Months Ended July 31, 2011 ----- (Unaudited)	For Peri June (inc th July ----- (Una
NET REVENUES	\$ --	\$ --	\$
OPERATING EXPENSES:			
Professional fees	8,000	11,067	
General and administrative expenses	1,170	2,582	
	-----	-----	
Total operating expenses	9,170	13,649	
	-----	-----	
LOSS BEFORE INCOME TAX PROVISION	(9,170)	(13,649)	
INCOME TAX PROVISION	--	--	
	-----	-----	
NET LOSS	\$ (9,170)	\$ (13,649)	\$
	=====	=====	=====
NET LOSS PER COMMON SHARE			
- BASIC AND DILUTED:	\$ (0.00)	\$ (0.00)	
	=====	=====	
WEIGHTED COMMON SHARES OUTSTANDING			
- BASIC AND DILUTED	66,000,000	66,000,000	
	=====	=====	

See accompanying notes to the financial statements

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Online Tele-Solutions, Inc.  
(A Development Stage Company)  
Statement of Stockholders' Equity (Deficit)  
For the Period from June 5, 2008 (Inception) Through April 30, 2012  
(Unaudited)

	Common Stock, \$0.0001 Par Value ----- Number of Shares	Amount -----	Additional Paid in Capital -----	Deficit Accumulated During the Development Stage -----
Balance, June 5, 2008 (inception)	--	\$ --	\$ --	\$ --
Shares issued for cash at \$0.0003 per share on August 1, 2008	45,000,000	4,500	10,500	--

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Shares issued for cash at \$0.0017  
per share from August 1, 2008  
through October 27, 2008

	21,000,000	2,100	32,900	--
Net loss	-----	-----	-----	(4,500)
Balance, January 31, 2009	66,000,000	6,600	43,400	(4,500)
Net loss	-----	-----	-----	(17,410)
Balance, January 31, 2010	66,000,000	6,600	43,400	(21,910)
Net loss	-----	-----	-----	(30,996)
Balance, January 31, 2011	66,000,000	6,600	43,400	(52,906)
Net loss	-----	-----	-----	(21,711)
Balance, January 31, 2012	66,000,000	6,600	43,400	(74,617)
Net loss	-----	-----	-----	(9,170)
Balance, July 31, 2012	<u>66,000,000</u>	<u>\$ 6,600</u>	<u>\$ 43,400</u>	<u>\$ (83,787)</u>

See accompanying notes to the financial statements.

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Online Tele-Solutions, Inc.  
(A Development Stage Company)  
Statements of Cash Flows

	Six Months Ended July 31, 2012 ----- (Unaudited)	Six Months Ended July 31, 2011 ----- (Unaudited)
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net loss	\$ (9,170)	\$ (13,649)
Adjustments to reconcile net loss to net cash used in operating activities		
Write off of deposit on software	--	--
Changes in operating assets and liabilities:		
Prepaid expenses	--	1,600
Accrued expenses	(1,500)	1,618
	-----	-----
NET CASH USED IN OPERATING ACTIVITIES	(10,670)	(10,431)
	-----	-----
CASH FLOWS FROM INVESTING ACTIVITIES:		
Deposit on software purchase	--	--
	-----	-----

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NET CASH USED IN INVESTING ACTIVITIES	--	--
CASH FLOWS FROM FINANCING ACTIVITIES:		
Amounts received from (paid to) stockholders	--	15,200
Proceeds from sale of common stock	--	--
	-----	-----
NET CASH PROVIDED BY FINANCING ACTIVITIES	--	15,200
	-----	-----
NET CHANGE IN CASH	(10,670)	4,769
Cash at beginning of period	15,384	126
	-----	-----
Cash at end of period	\$ 4,714	\$ 4,895
	=====	=====
SUPPLEMENTAL DISCLOSURE OF CASH FLOWS INFORMATION:		
Interest paid	\$ --	\$ --
	=====	=====
Income tax paid	\$ --	\$ --
	=====	=====

See accompanying notes to the financial statements.

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Online Tele-Solutions, Inc.  
(A Development Stage Company)  
July 31, 2012 and 2011  
Notes to the Financial Statements  
(Unaudited)

### NOTE 1 - ORGANIZATION AND OPERATIONS

#### ONLINE TELE-SOLUTIONS, INC.

Online Tele-Solutions, Inc., a development stage company, (the "Company") was incorporated under the laws of the State of Nevada on June 5, 2008. Initial operations have included organization and incorporation, target market identification, marketing plans, and capital formation. A substantial portion of the Company's activities has involved developing a business plan and establishing contacts and visibility in the marketplace. The Company has generated no revenues since inception.

#### AMENDMENT TO THE ARTICLES OF INCORPORATION

On March 9, 2012, the Board of Directors and the consenting stockholders adopted and approved a resolution to (i) amend its Articles of Incorporation to (a) increase the number of shares of authorized common stock from 50,000,000 to 300,000,000; (b) create 25,000,000 shares of "blank check" preferred stock with a par value of \$0.0001 per share; and (c) change the par value of the common stock from \$0.001 per share to \$0.0001 per share; and (ii) effectuate a forward split of all issued and outstanding shares of common stock, at a ratio of thirty-for-one (30:1) (the "Stock Split").

All shares and per share amounts in the financial statements have been adjusted to give retroactive effect to the Stock Split.

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### NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### BASIS OF PRESENTATION - UNAUDITED INTERIM FINANCIAL INFORMATION

The accompanying unaudited interim financial statements and related notes have been prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP") for interim financial information, and with the rules and regulations of the United States Securities and Exchange Commission ("SEC") to Form 10-Q and Article 8 of Regulation S-X. Accordingly, they do not include all of the information and footnotes required by U.S. GAAP for complete financial statements. The unaudited interim financial statements furnished reflect all adjustments (consisting of normal recurring accruals) which are, in the opinion of management, necessary to a fair statement of the results for the interim periods presented. Interim results are not necessarily indicative of the results for the full year. These financial statements should be read in conjunction with the financial statements of the Company for the fiscal year ended January 31, 2012 and notes thereto contained in the Company's Annual Report on Form 10-K as filed with the SEC on May 15, 2012.

#### DEVELOPMENT STAGE COMPANY

The Company is a development stage company as defined by section 915-10-20 of the Financial Accounting Standards Board ("FASB") Accounting Standards Codification. Although the Company has recognized some nominal amount of revenues since inception, the Company is still devoting substantially all of its efforts on establishing the business and, therefore, still qualifies as a development stage company. All losses accumulated since inception have been considered as part of the Company's development stage activities.

#### USE OF ESTIMATES AND ASSUMPTIONS

The preparation of financial statements in conformity with generally accepted accounting principles 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 revenues and expenses during the reporting period.

The Company's significant estimates and assumptions include the fair value of financial instruments; income tax rate, income tax provision, deferred tax assets and the valuation allowance of deferred tax assets, and the assumption that the Company will continue as a going concern. Those significant accounting estimates or assumptions bear the risk of change due to the fact that there are uncertainties attached to those estimates or assumptions, and certain estimates or assumptions are difficult to measure or value.

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Management bases its estimates on historical experience and on various assumptions that are believed to be reasonable in relation to the financial statements taken as a whole under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources.

Management regularly evaluates the key factors and assumptions used to develop the estimates utilizing currently available information, changes in facts and circumstances, historical experience and reasonable assumptions. After such evaluations, if deemed appropriate, those estimates are adjusted accordingly. Actual results could differ from those estimates.

#### FAIR VALUE OF FINANCIAL INSTRUMENTS



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The Company follows paragraph 820-10-35-37 of the FASB Accounting Standards Codification ("Paragraph 820-10-35-37") to measure the fair value of its financial instruments and paragraph 825-10-50-10 of the FASB Accounting Standards Codification for disclosures about fair value of its financial instruments. Paragraph 820-10-35-37 establishes a framework for measuring fair value in accounting principles generally accepted in the United States of America (U.S. GAAP), and expands disclosures about fair value measurements. To increase consistency and comparability in fair value measurements and related disclosures, Paragraph 820-10-35-37 establishes a fair value hierarchy which prioritizes the inputs to valuation techniques used to measure fair value into three (3) broad levels. The three (3) levels of fair value hierarchy defined by Paragraph 820-10-35-37 are described below:

- Level 1      Quoted market prices available in active markets for identical assets or liabilities as of the reporting date.
  
- Level 2      Pricing inputs other than quoted prices in active markets included in Level 1, which are either directly or indirectly observable as of the reporting date.
  
- Level 3      Pricing inputs that are generally observable inputs and not corroborated by market data.

Financial assets are considered Level 3 when their fair values are determined using pricing models, discounted cash flow methodologies or similar techniques and at least one significant model assumption or input is unobservable.

The fair value hierarchy gives the highest priority to quoted prices (unadjusted) in active markets for identical assets or liabilities and the lowest priority to unobservable inputs. If the inputs used to measure the financial assets and liabilities fall within more than one level described above, the categorization is based on the lowest level input that is significant to the fair value measurement of the instrument.

The carrying amounts of the Company's financial assets and liabilities, such as accrued expenses approximate their fair values because of the short maturity of these instruments.

Transactions involving related parties cannot be presumed to be carried out on an arm's-length basis, as the requisite conditions of competitive, free-market dealings may not exist. Representations about transactions with related parties, if made, shall not imply that the related party transactions were consummated on terms equivalent to those that prevail in arm's-length transactions unless such representations can be substantiated.

It is not, however, practical to determine the fair value of advances from stockholders, if any, due to their related party nature.

### IMPAIRMENT OF LONG-LIVED ASSETS

The Company has adopted paragraph 360-10-35-17 of the FASB Accounting Standards Codification for its long-lived assets. The Company's long-lived asset, which includes deposit on software, is reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of the asset may not be recoverable.

The Company assesses the recoverability of its long-lived assets by comparing the projected undiscounted net cash flows associated with the related long-lived asset or group of long-lived assets over their remaining estimated useful lives against their respective carrying amounts. Impairment, if any, is

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based on the excess of the carrying amount over the fair value of those assets. Fair value is generally determined using the asset's expected future discounted cash flows or market value, if readily determinable. If long-lived assets are determined to be recoverable, but the newly determined remaining estimated useful lives are shorter than originally estimated, the net book values of the long-lived assets are depreciated over the newly determined remaining estimated useful lives. The Company determined that there was an impairment of its long-lived asset as of January 31, 2011 and wrote off the \$15,000 deposit to general and administrative

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### CASH EQUIVALENTS

The Company considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

### RELATED PARTIES

The Company follows subtopic 850-10 of the FASB Accounting Standards Codification for the identification of related parties and disclosure of related party transactions.

Pursuant to Section 850-10-20 the Related parties include a. affiliates of the Company; b. Entities for which investments in their equity securities would be required, absent the election of the fair value option under the Fair Value Option Subsection of Section 825-10-15, to be accounted for by the equity method by the investing entity; c. trusts for the benefit of employees, such as pension and profit-sharing trusts that are managed by or under the trusteeship of management; d. principal owners of the Company; e. management of the Company; f. other parties with which the Company may deal if one party controls or can significantly influence the management or operating policies of the other to an extent that one of the transacting parties might be prevented from fully pursuing its own separate interests; and g. Other parties that can significantly influence the management or operating policies of the transacting parties or that have an ownership interest in one of the transacting parties and can significantly influence the other to an extent that one or more of the transacting parties might be prevented from fully pursuing its own separate interests.

The financial statements shall include disclosures of material related party transactions, other than compensation arrangements, expense allowances, and other similar items in the ordinary course of business. However, disclosure of transactions that are eliminated in the preparation of consolidated or combined financial statements is not required in those statements. The disclosures shall include: a. the nature of the relationship(s) involved; b. description of the transactions, including transactions to which no amounts or nominal amounts were ascribed, for each of the periods for which income statements are presented, and such other information deemed necessary to an understanding of the effects of the transactions on the financial statements; c. the dollar amounts of transactions for each of the periods for which income statements are presented and the effects of any change in the method of establishing the terms from that used in the preceding period; and d. amounts due from or to related parties as of the date of each balance sheet presented and, if not otherwise apparent, the terms and manner of settlement.

### COMMITMENT AND CONTINGENCIES

The Company follows subtopic 450-20 of the FASB Accounting Standards Codification to report accounting for contingencies. Certain conditions may exist as of the date the consolidated financial statements are issued, which may result in a loss to the Company but which will only be resolved when one or more

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future events occur or fail to occur. The Company assesses such contingent liabilities, and such assessment inherently involves an exercise of judgment. In assessing loss contingencies related to legal proceedings that are pending against the Company or unasserted claims that may result in such proceedings, the Company evaluates the perceived merits of any legal proceedings or unasserted claims as well as the perceived merits of the amount of relief sought or expected to be sought therein.

If the assessment of a contingency indicates that it is probable that a material loss has been incurred and the amount of the liability can be estimated, then the estimated liability would be accrued in the Company's consolidated financial statements. If the assessment indicates that a potentially material loss contingency is not probable but is reasonably possible, or is probable but cannot be estimated, then the nature of the contingent liability, and an estimate of the range of possible losses, if determinable and material, would be disclosed.

Loss contingencies considered remote are generally not disclosed unless they involve guarantees, in which case the guarantees would be disclosed. Management does not believe, based upon information available at this time, that these matters will have a material adverse effect on the Company's consolidated financial position, results of operations or cash flows. However, there is no assurance that such matters will not materially and adversely affect the Company's business, financial position, and results of operations or cash flows.

### REVENUE RECOGNITION

The Company follows paragraph 605-10-S99-1 of the FASB Accounting Standards Codification for revenue recognition. The Company will recognize revenue when it is realized or realizable and earned. The Company considers revenue realized or realizable and earned when all of the following criteria are met: (i) persuasive evidence of an arrangement exists, (ii) the product has been shipped or the services have been rendered to the customer, (iii) the sales price is fixed or determinable, and (iv) collectability is reasonably assured.

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### INCOME TAX PROVISION

The Company accounts for income taxes under Section 740-10-30 of the FASB Accounting Standards Codification, which requires recognition of deferred tax assets and liabilities for the expected future tax consequences of events that have been included in the financial statements or tax returns. Under this method, deferred tax assets and liabilities are based on the differences between the financial statement and tax bases of assets and liabilities using enacted tax rates in effect for the fiscal year in which the differences are expected to reverse. Deferred tax assets are reduced by a valuation allowance to the extent management concludes it is more likely than not that the assets will not be realized. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the fiscal years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in the Statements of Income and Comprehensive Income in the period that includes the enactment date.

The Company adopted section 740-10-25 of the FASB Accounting Standards Codification ("Section 740-10-25") with regards to uncertainty income taxes. Section 740-10-25 addresses the determination of whether tax benefits claimed or expected to be claimed on a tax return should be recorded in the financial statements. Under Section 740-10-25, the Company may recognize the tax benefit from an uncertain tax position only if it is more likely than not that the tax position will be sustained on examination by the taxing authorities, based on

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the technical merits of the position. The tax benefits recognized in the financial statements from such a position should be measured based on the largest benefit that has a greater than fifty percent (50%) likelihood of being realized upon ultimate settlement. Section 740-10-25 also provides guidance on de-recognition, classification, interest and penalties on income taxes, accounting in interim periods and requires increased disclosures.

The estimated future tax effects of temporary differences between the tax basis of assets and liabilities are reported in the accompanying consolidated balance sheets, as well as tax credit carry-backs and carry-forwards. The Company periodically reviews the recoverability of deferred tax assets recorded on its consolidated balance sheets and provides valuation allowances as management deems necessary.

Management makes judgments as to the interpretation of the tax laws that might be challenged upon an audit and cause changes to previous estimates of tax liability. In addition, the Company operates within multiple taxing jurisdictions and is subject to audit in these jurisdictions. In management's opinion, adequate provisions for income taxes have been made for all years. If actual taxable income by tax jurisdiction varies from estimates, additional allowances or reversals of reserves may be necessary.

### UNCERTAIN TAX POSITIONS

The Company did not take any uncertain tax positions and had no adjustments to unrecognized income tax liabilities or benefits pursuant to the provisions of Section 740-10-25 for the interim period ended July 31, 2012 or 2011.

### NET INCOME (LOSS) PER COMMON SHARE

Net income (loss) per common share is computed pursuant to section 260-10-45 of the FASB Accounting Standards Codification. Basic net income (loss) per common share is computed by dividing net income (loss) by the weighted average number of shares of common stock outstanding during the period. Diluted net income (loss) per common share is computed by dividing net income (loss) by the weighted average number of shares of common stock and potentially outstanding shares of common stock during the period to reflect the potential dilution that could occur from common shares issuable through stock options and warrants.

There were no potentially outstanding dilutive common shares for the interim period ended July 31, 2012 or 2011.

### CASH FLOWS REPORTING

The Company adopted paragraph 230-10-45-24 of the FASB Accounting Standards Codification for cash flows reporting, classifies cash receipts and payments according to whether they stem from operating, investing, or financing activities and provides definitions of each category, and uses the indirect or reconciliation method ("Indirect method") as defined by paragraph 230-10-45-25 of the FASB Accounting Standards Codification to report net cash flow from operating activities by adjusting net income to reconcile it to net cash flow from operating activities by removing the effects of (a) all deferrals of past operating cash receipts and payments and all accruals of expected future operating cash receipts and payments and (b) all items that are included in net income that do not affect operating cash receipts and payments. The Company reports the reporting currency equivalent of foreign currency cash flows, using the current exchange rate at the time of the cash flows and the effect of exchange rate changes on cash held in foreign currencies is reported as a separate item in the reconciliation of beginning and ending balances of cash and cash equivalents and separately provides information about investing and financing activities not resulting in cash receipts or payments in the period

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pursuant to paragraph 830-230-45-1 of the FASB Accounting Standards Codification.

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### SUBSEQUENT EVENTS

The Company follows the guidance in Section 855-10-50 of the FASB Accounting Standards Codification for the disclosure of subsequent events. The Company will evaluate subsequent events through the date when the financial statements were issued. Pursuant to ASU 2010-09 of the FASB Accounting Standards Codification, the Company as an SEC filer considers its financial statements issued when they are widely distributed to users, such as through filing them on EDGAR.

### RECENTLY ISSUED ACCOUNTING PRONOUNCEMENTS

#### FASB ACCOUNTING STANDARDS UPDATE NO. 2011-05

In June 2011, the FASB issued the FASB Accounting Standards Update No. 2011-05 "Comprehensive Income" ("ASU 2011-05"), which was the result of a joint project with the IASB and amends the guidance in ASC 220, Comprehensive Income, by eliminating the option to present components of other comprehensive income (OCI) in the statement of stockholders' equity. Instead, the new guidance now gives entities the option to present all non-owner changes in stockholders' equity either as a single continuous statement of comprehensive income or as two separate but consecutive statements. Regardless of whether an entity chooses to present comprehensive income in a single continuous statement or in two separate but consecutive statements, the amendments require entities to present all reclassification adjustments from OCI to net income on the face of the statement of comprehensive income.

The amendments in this Update should be applied retrospectively and are effective for public entity for fiscal years, and interim periods within those years, beginning after December 15, 2011.

#### FASB ACCOUNTING STANDARDS UPDATE NO. 2011-08

In September 2011, the FASB issued the FASB Accounting Standards Update No. 2011-08 "Intangibles--Goodwill and Other: Testing Goodwill for Impairment" ("ASU 2011-08"). This Update is to simplify how public and nonpublic entities test goodwill for impairment. The amendments permit an entity to first assess qualitative factors to determine whether it is more likely than not that the fair value of a reporting unit is less than its carrying amount as a basis for determining whether it is necessary to perform the two-step goodwill impairment test described in Topic 350. Under the amendments in this Update, an entity is not required to calculate the fair value of a reporting unit unless the entity determines that it is more likely than not that its fair value is less than its carrying amount.

The guidance is effective for interim and annual periods beginning on or after December 15, 2011. Early adoption is permitted.

#### FASB ACCOUNTING STANDARDS UPDATE NO. 2011-10

In December 2011, the FASB issued the FASB Accounting Standards Update No. 2011-10 "Property, Plant and Equipment: Derecognition of in Substance Real Estate—a Scope Clarification" ("ASU 2011-09"). This Update is to resolve the diversity in practice as to how financial statements have been reflecting circumstances when parent company reporting entities cease to have controlling financial interests in subsidiaries that are in substance real estate, where the situation arises as a result of default on nonrecourse debt of the subsidiaries.

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The amended guidance is effective for annual reporting periods ending after June 15, 2012 for public entities. Early adoption is permitted.

### FASB ACCOUNTING STANDARDS UPDATE NO. 2011-11

In December 2011, the FASB issued the FASB Accounting Standards Update No. 2011-11 "Balance Sheet: Disclosures about Offsetting Assets and Liabilities" ("ASU 2011-11"). This Update requires an entity to disclose information about offsetting and related arrangements to enable users of its financial statements to understand the effect of those arrangements on its financial position. The objective of this disclosure is to facilitate comparison between those entities that prepare their financial statements on the basis of U.S. GAAP and those entities that prepare their financial statements on the basis of IFRS.

The amended guidance is effective for annual reporting periods beginning on or after January 1, 2013, and interim periods within those annual periods.

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### FASB ACCOUNTING STANDARDS UPDATE NO. 2011-12

In December 2011, the FASB issued the FASB Accounting Standards Update No. 2011-12 "Comprehensive Income: Deferral of the Effective Date for Amendments to the Presentation of Reclassifications of Items Out of Accumulated Other Comprehensive Income in Accounting Standards Update No. 2011-05" ("ASU 2011-12"). This Update is a deferral of the effective date pertaining to reclassification adjustments out of accumulated other comprehensive income in ASU 2011-05. FASB is to going to reassess the costs and benefits of those provisions in ASU 2011-05 related to reclassifications out of accumulated other comprehensive income. Due to the time required to properly make such a reassessment and to evaluate alternative presentation formats, the FASB decided that it is necessary to reinstate the requirements for the presentation of reclassifications out of accumulated other comprehensive income that were in place before the issuance of Update 2011-05.

All other requirements in Update 2011-05 are not affected by this Update, including the requirement to report comprehensive income either in a single continuous financial statement or in two separate but consecutive financial statements. Public entities should apply these requirements for fiscal years, and interim periods within those years, beginning after December 15, 2011.

### OTHER RECENTLY ISSUED, BUT NOT YET EFFECTIVE ACCOUNTING PRONOUNCEMENTS

Management does not believe that any other recently issued, but not yet effective accounting pronouncements, if adopted, would have a material effect on the accompanying financial statements.

### NOTE 3 - GOING CONCERN

The accompanying financial statements have been prepared assuming that the Company will continue as a going concern, which contemplates continuity of operations, realization of assets, and liquidation of liabilities in the normal course of business

As reflected in the accompanying financial statements, the Company had a deficit accumulated during the development stage at July 31, 2012, a net loss and net cash used in operating activities for the interim period then ended, respectively, with no revenues earned since inception. These factors raise substantial doubt about the Company's ability to continue as a going concern.

While the Company is attempting to commence operations and generate

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revenues, the Company's cash position may not be sufficient enough to support the Company's daily operations. Management intends to raise additional funds by way of a public or private offering. Management believes that the actions presently being taken to further implement its business plan and generate revenues provide the opportunity for the Company to continue as a going concern. While the Company believes in the viability of its strategy to commence operations and generate revenues and in its ability to raise additional funds, there can be no assurances to that effect. The ability of the Company to continue as a going concern is dependent upon the Company's ability to further implement its business plan and generate revenues.

The financial statements do not include any adjustments related to the recoverability and classification of recorded asset amounts or the amounts and classification of liabilities that might be necessary should the Company be unable to continue as a going concern.

### NOTE 4 - RELATED PARTY TRANSACTIONS

#### FREE OFFICE SPACE

The Company has been provided office space by its Chief Executive Officer at no cost. The management determined that such cost is nominal and did not recognize the rent expense in its financial statements.

#### ADVANCES FROM STOCKHOLDER

From time to time, stockholders of the Company advance funds to the Company for working capital purpose. Those advances are unsecured, non-interest bearing and due on demand.

### NOTE 5 - STOCKHOLDERS' EQUITY (DEFICIT)

#### SHARES AUTHORIZED

Upon formation the total number of shares of common stock which the Company is authorized to issue is Fifty Million (50,000,000) shares, par value \$0.001 per share.

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On March 9, 2012 the Board of Directors and the consenting stockholders adopted and approved a resolution to effectuate an amendment to its Articles of Incorporation to (i) increase the number of shares of authorized common stock from 50,000,000 to 300,000,000 and (ii) create 25,000,000 shares of "blank check" preferred stock with a par value of \$0.0001 per share and (iii) decrease the par value of common stock from \$0.001 per share to \$0.0001 per share.

#### COMMON STOCK

On August 1, 2008, the Company issued 45,000,000 shares of common stock at \$0.0003 per share to the company's president for total cash proceeds of \$15,000.

For the period from August 1, 2008 through October 27, 2008, the Company issued 21,000,000 shares of common stock at \$0.0017 per share for total cash proceeds of \$35,000.

### NOTE 6 - SUBSEQUENT EVENTS

The Company has evaluated all events that occurred after the balance sheet date through the date when the financial statements were issued to determine if they must be reported. The Management of the Company determined that there were no reportable subsequent events to be disclosed.

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

#### OVERVIEW

We were incorporated in the state of Nevada on June 5, 2008. Our offices are currently located at Block 225, 02-213, Tampines St 23, Singapore 521225. Our U.S.-based telephone number is (702) 553-3026. Our website, which is currently being developed, is [www.online-tele-solutions.com](http://www.online-tele-solutions.com). The information that is or will be contained on our website does not form a part of this quarterly report.

We are a development-stage company that has not generated any revenue and has had limited operations to date. From June 5, 2008 (inception) to July 31, 2012, we have incurred accumulated net losses of \$83,787. As of July 31, 2012, we had total assets of \$4,714, and total liabilities of \$38,501. Based on our financial history since inception, our independent auditor has expressed substantial doubt as to our ability to continue as a going concern.

We intend to develop and offer Internet-based hosted call center services for small-to-medium-sized companies, or companies with between 10 - 500 employees, that are seeking to establish their own internal support and telemarketing divisions. We intend to provide call-center software to our customers which will enable them to handle outbound calls, inbound calls and a combination of both from their own locations. We intend to host our customers' calling data on our servers, so that our customers can access the functionality of our software via a web browser such as Internet Explorer. We expect our product will blend together features of Voice over Internet Protocol ("VoIP") technology and customer relationship management ("CRM") software. To date, we have taken steps to retain a transfer agent and have been in contact with professional advisors regarding legal compliance, accounting disclosure statements and financial reporting. We also have begun our planning for developing a website and searching for a contractor to develop that website. We intend to launch our "information only" web site late in calendar year 2012.

During the 12-month period following the date of this quarterly report, we intend to focus on product development and execution of the initial stage of our marketing efforts. We do not expect to earn any sales revenue during this initial 12-month period of operations. We anticipate that our revenue will come from two primary sources: first, from direct sales to small and medium business owners that subscribe to our online call center services and, second, from our network of resellers. We anticipate that our operations will begin to generate revenue approximately 12 to 24 months following the date of this quarterly report.

We can offer no assurance that we will be successful in developing and offering our products and services. Any number of factors may impact our ability to develop our products and services, including our ability to obtain financing if and when necessary; the availability of skilled personnel; market acceptance of our products, if and when such are developed; and our ability to gain market share. Our business will fail if we cannot successfully implement our business plan or if we cannot develop or successfully market our products and services.

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#### RESULTS OF OPERATIONS FOR THE THREE AND SIX MONTHS ENDED JULY 31, 2012 AND 2011

##### REVENUES

We had no revenues for the period from June 5, 2008 (date of inception) through



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July 31, 2012.

### EXPENSES

Our expenses for the three months ended July 31, 2012 and 2011 were \$2,670 and \$11,299. Our expenses for the six months ended July 31, 2012 and 2011 were \$9,170 and \$13,649. Our expenses since our inception were \$83,787. These expenses were comprised primarily of general and administrative and legal and accounting expenses.

### NET INCOME (LOSS)

Our net loss for the three months ended July 31, 2012 and 2011 was \$2,670 and \$11,99. Our net loss for the six months ended July 31, 2012 and 2011 was \$9,170 and \$13,649. During the period from June 5, 2008 (date of inception) through July 31, 2012, we incurred a net loss of \$83,787. This loss consisted primarily of administrative expenses and professional fees. Since inception, we have sold 66,000,000 shares of common stock.

### LIQUIDITY AND CAPITAL RESOURCES

Our balance sheet as of July 31, 2012 reflects assets of \$4,714. Cash and cash equivalents from inception to date have been insufficient to provide the working capital necessary to operate to date.

We anticipate generating losses and, therefore, may be unable to continue operations in the future. If we require additional capital, we would have to issue debt or equity or enter into a strategic arrangement with a third party. There can be no assurance that additional capital will be available to us. We currently have no agreements, arrangements or understandings with any person to obtain funds through bank loans, lines of credit or any other sources.

### GOING CONCERN CONSIDERATION

The financial statements contained herein for the fiscal quarter ended July 31, 2012, have been prepared on a "going concern" basis, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business. There is a significant risk that we will be unable to continue as a going concern.

Management continues to seek funding from its shareholders and other qualified investors to pursue its business plan. In the alternative, the Company may be amenable to a sale, merger or other acquisition in the event such transaction is deemed by management to be in the best interests of the shareholders.

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### OFF-BALANCE SHEET ARRANGEMENTS

We have no off-balance sheet arrangements.

### ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

None.

### ITEM 4. CONTROLS AND PROCEDURES

#### MANAGEMENT'S REPORT ON DISCLOSURE CONTROLS AND PROCEDURES

We maintain disclosure controls and procedures that are designed to ensure that information required to be disclosed in our reports filed under the SECURITIES EXCHANGE ACT OF 1934, as amended, is recorded, processed, summarized and

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reported within the time periods specified in the Securities and Exchange Commission's rules and forms, and that such information is accumulated and communicated to our management, including our president (who is acting as our principal executive officer, principal financial officer and principle accounting officer) to allow for timely decisions regarding required disclosure.

As of July 31, 2012, the end of our quarter covered by this report, we carried out an evaluation, under the supervision and with the participation of our president (who is acting as our principal executive officer, principal financial officer and principle accounting officer), of the effectiveness of the design and operation of our disclosure controls and procedures. Based on the foregoing, our president (who is acting as our principal executive officer, principal financial officer and principle accounting officer) concluded that our disclosure controls and procedures were effective as of the end of the period covered by this quarterly report.

### CHANGES IN INTERNAL CONTROL OVER FINANCIAL REPORTING

There have been no changes in our internal controls over financial reporting that occurred during our quarter ended July 31, 2012 that have materially affected, or are reasonably likely to materially affect, our internal controls over financial reporting.

## PART II

### ITEM 1. LEGAL PROCEEDINGS

None.

### ITEM 1A. RISK FACTORS

There have been no material changes from the risk factors disclosed in our S-1 filed on October 29, 2009, as amended.

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### ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

None.

### ITEM 3. DEFAULTS UPON SENIOR SECURITIES

None.

### ITEM 4. MINE SAFETY DISCLOSURES

None.

### ITEM 5. OTHER INFORMATION

None.

### ITEM 6. EXHIBITS

Exhibit No.	Description
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3.1	Articles of Incorporation. (Attached as an exhibit to our Registration Statement on Form S-1 originally filed with the SEC on October 29, 2009, and incorporated herein by reference.)
3.2	Bylaws. (Attached as an exhibit to our Registration Statement on

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Form S-1 originally filed with the SEC on October 29, 2009, and incorporated herein by reference.)

- 31 Certification of Mario Jakiri Tolentino, Chief Executive Officer and Chief Financial Officer of the Company pursuant to Rule 13a-14(a).
- 32 Certification of Mario Jakiri Tolentino, Chief Executive Officer and Chief Financial Officer of the Company pursuant to 18 U.S.C Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
- 101 Interactive data files pursuant to Rule 405 of Regulation S-T.

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SIGNATURES

In accordance with Section 13 or 15(d) of the Securities Exchange Act of 1934, the Registrant caused this Report to be signed on its behalf by the undersigned, thereunto duly authorized.

ONLINE TELE-SOLUTIONS, INC.

By: /s/ Mario Jakiri Tolentino

-----  
 Mario Jakiri Tolentino, President,  
 Treasurer and Director Principal  
 Executive and Financial Officer

Dated September 14, 2012

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

Signatures -----	Title -----	Date -----
/s/ Mario Jakiri Tolentino ----- Mario Jakiri Tolentino	President, Treasurer and Director	September 14, 2012

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