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SUN RIVER MINING INC
Form 10QSB
May 21, 2003

SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

FORM 10QSB

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

CIK NO.: 0001039466

For Quarter Ended
March 31, 2003

Commission File Number
000-29621

SUN RIVER MINING, INC.

(Name of Small Business Issuer in its charter)

COLORADO

State or other jurisdiction of
incorporation or organization

84-1384159

IRS Employer ID Number

P. O. Box 723, Evergreen, Colorado

(Address of principal executive offices)

80437

(Zip Code)

Issuer's telephone number: (720) 318-7339

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

Yes X No

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

15,362,970 as of March 31, 2003

PART 1. FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS
 SUN RIVER MINING, INC.

(AN EXPLORATION STAGE COMPANY)
FINANCIAL STATEMENTS

MARCH 31, 2003
(UNAUDITED)

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ACCOUNTANT'S REVIEW REPORT
Certified Public Accountants
9175 East Kenyon Ave., Suite 100
Denver, Colorado 80237

Michael B. Johnson C.P.A.
Member: A.I.C.P.A.
Colorado Society of C.P.A.s

Telephone: (303) 796-0099
Fax: (303) 796-0137

INDEPENDENT AUDITORS' REPORT

Board of Directors
Sun River Mining, Inc.
Denver, CO

We have reviewed the accompanying balance sheet of Sun River Mining, Inc. (An Exploration Stage Company) as of March 31, 2003 and the related statements of operations for the three and six-months ended March 31, 2003 and 2002 and the period February 27, 1997 (inception) to March 31, 2003 and cash flows and stockholders' equity for the six-months ended March 31, 2003 and 2002 and for February 25, 1997 (Inception to March 31, 2003 included in the accompanying Securities and Exchange Commission Form 10-QSB for the period ended March 31, 2003. These financial statements are the responsibility of the Company's management.

We conducted our review in accordance with standards established by the American Institute of Certified Public Accountants. A review of interim financial information consists principally of applying analytical procedures to financial data and making inquiries of person responsible for financial and accounting matters. It is substantially less in scope than an audit conducted in accordance with auditing standards generally accepted in the United States, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements for them to be in conformity with accounting principles generally accepted in the United States.

We have previously audited, in accordance with auditing standards generally accepted in the United States, the balance sheet as of September 30, 2002, and the related statements of operations, stockholders' equity and cash flows for the year then ended (not presented herein). In our report dated January 6, 2003, we expressed an unqualified opinion on those financial statements. In our opinion, the information set forth in the accompanying balance sheets as of March 31, 2003 is fairly stated in all material respects in relation to the balance sheet from which it has been derived.

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Michael Johnson & Co., LLC
 Denver, CO
 May 19, 2003

Sun River Mining, Inc.
 (Exploration Stage Company)
 Consolidated Balance Sheets
 (Unaudited)

| | March 31, 2003 |
|---|-------------------|
| ASSETS: | |
| Current assets: | |
| Cash | \$ - |
| TOTAL ASSETS | \$ - |
| LIABILITIES AND STOCKHOLDERS' EQUITY: | |
| Current Liabilities: | |
| Accounts Payable | \$ 200,875 |
| Accrued Expenses | 18,858 |
| Notes Payable | 195,729 |
| Total Current Liabilities | 415,462 |
| Stockholders' Equity: | |
| Preferred Stock, par value \$0.01 per share; 50,000,000 shares authorized; no shares issued and outstanding | - |
| Common Stock, no par value; 500,000,000 shares authorized; 15,362,970 shares issued and outstanding for March 31, 2003 and 2002 | 2,259,306 |
| Deficit accumulated during the exploratory stage | (2,674,768) |
| Total Stockholders' Deficit | (415,462) |
| TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY | \$ - |

See Accountants Review Report

Sun River Mining, Inc.
 (Exploration Stage Company)

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Consolidated Statements of Operations (Unaudited)

| | Three-Months Ended | | Six-Months Ended | | |
|-----------------------------|---------------------------|--------------------|---------------------------|--------------------|---------------|
| | March 31, 2003 ---- | 2002 ---- | March 31, 2002 ---- | 2002 ---- | |
| Revenue | \$ - | \$ - | \$ - | \$ - | |
| Expenses: | | | | | |
| Bank Charges | - | - | - | - | |
| Consulting | - | - | - | - | |
| Depreciation | - | - | - | - | |
| Directors' Fees | - | - | - | - | |
| Due Diligence | - | - | - | - | |
| Equipment Rental | - | - | - | - | |
| Impairment loss | - | - | - | - | |
| Legal & Accounting | - | 16,844 | 884 | 18,844 | |
| Licenses & Fees | - | - | - | - | |
| Meals & Entertainment | - | - | - | - | |
| Office Expenses | - | - | - | - | |
| Officer's Salaries | - | - | - | - | |
| Postage & Shipping | - | - | - | - | |
| Printing | - | - | - | - | |
| Public Relations | - | - | - | - | |
| Rent | - | - | - | - | |
| Taxes | - | - | - | - | |
| Telephone | - | - | - | - | |
| Transfer Agent Expense | - | 250 | 375 | 795 | |
| Travel | - | - | - | - | |
| Total Expenses | - | 17,094 | 1,259 | 19,639 | 2, |
| EXTRAORDINARY (GAIN) | | | | | |
| Interest | - | - | - | - | |
| Forgiveness of Debt | - | - | - | - | |
| Net (Loss) | \$ - | \$ (17,094) | \$ (1,259) | \$ (19,639) | \$ (2) |

Per Share Information:

| | | | | |
|---|------------|------------|------------|------------|
| Weighted average number of common shares outstanding | 15,362,970 | 15,362,970 | 15,362,970 | 15,362,970 |
| Net Loss per Common Share | * | * | * | * |
| | = == | = == | = == | = == |
| | ===== | ===== | ===== | ===== |

* Less than \$.01

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| | Common Stock | | Accumulated |
|---------------------------------------|--------------|-------------|----------------|
| | # of Shares | Amount | During the |
| | ----- | ----- | Exploration |
| | | | Stage |
| | | | ----- |
| - | | | |
| Inception - February 25, 1997 | - | \$ - | \$ - |
| Issuance of stock for cash | 100,000 | 100 | - |
| Issuance of stock for cash | 111,800 | 111,800 | - |
| Issuance of stock to Founders | 282,200 | - | - |
| Issuance of stock for Consolidation | 8,900,000 | 312,106 | - |
| Issuance of stock for cash | 58,000 | 58,000 | - |
| Issuance of stock for cash | 47,800 | 47,800 | - |
| Net Loss | - | - | (193,973) |
| Balance - September 30, 1997 | 9,499,800 | 529,806 | (193,973) |
| Issuance of stock for compensation | 30,000 | 30,000 | - |
| Issuance of stock for cash | 1,000,000 | 200,000 | - |
| Consolidation stock cancelled | (1,200,000) | (50,000) | - |
| Issuance of stock for cash | 4,000 | 4,000 | - |
| Net Loss for year | - | - | (799,451) |
| Balance - September 30, 1998 | 9,333,800 | 713,806 | (993,424) |
| Issuance of stock for cash | 424,670 | 159,367 | - |
| Issuance of stock for compensation | 800,000 | 40,000 | - |
| Issuance of stock for cash | 750,000 | 296,125 | - |
| Issuance of stock for compensation | 500,000 | 276,500 | - |
| Issuance of stock for cash | 150,000 | 70,313 | - |
| Issuance of stock for cash & services | 904,500 | 122,108 | - |
| Issuance of stock for compensation | 1,400,000 | 147,000 | - |
| Issuance of stock for compensation | 800,000 | 69,200 | - |
| Net Loss for year | | | (1,482,017) |
| Balance - September 30, 1999 | 15,062,970 | 1,894,419 | (2,475,441) |
| Issuance of stock for cash | 300,000 | 27,000 | - |
| Net Loss for year | - | - | (118,369) |
| Balance - September 30, 2000 | 15,362,970 | 1,921,419 | (2,593,810) |
| Extinguishment of Debt | - | 337,887 | - |
| Net Loss for Year | - | - | (32,402) |
| Balance - September 30, 2001 | 15,362,970 | 2,259,306 | (2,626,212) |
| Net Loss for Year | - | - | (47,297) |
| Balance - September 30, 2002 | 15,362,970 | 2,259,306 | (2,673,509) |
| Net Loss for Period | - | - | (1,259) |
| Balance - March 31, 2003 | 15,362,970 | \$2,259,306 | \$ (2,674,768) |

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Sun River Mining, Inc.
 (Exploration Stage Company)
 Consolidated Statement of Cash Flows
 (Unaudited)

| | Six-Months Ended March 31, | |
|---|-------------------------------|--------|
| | 2003 | 2002 |
| | ---- | ---- |
| Cash Flows from Operating Activities: | | |
| Net Loss | \$ (1,259) | \$ (19 |
| Adjustments to reconcile net loss to cash used in operating activities: | | |
| Issuance of Common Stock for Services | - | |
| Increase (Decrease) in Accounts Payable | 1,259 | 16 |
| Increase (Decrease) in Accrued Liabilities | - | |
| Decrease (Increase) in Accounts Rec - Shareholders | - | |
| Decrease (Increase) in Prepaid Expenses | - | |
| | ----- | ----- |
| Net Cash Flows Used by Operating Activities | - | (2 |
| Cash Flows from Investing Activities: | | |
| Acquisition of Fixed Assets | - | |
| | ----- | ----- |
| Net Cash Flows Provided by Investing Activities | - | |
| Cash Flows from Financing Activities: | | |
| Proceeds from Notes Payable | - | 2 |
| Issuance of Common Stock | - | |
| | ----- | ----- |
| Net Cash Flows Provided by Financing Activities | - | 2 |
| Net Increase (Decrease) in Cash | - | |
| | ----- | ----- |
| Cash and cash equivalents - Beginning of period | - | |
| | ----- | ----- |
| Cash and cash equivalents - End of period | \$ - | |
| | ===== | ===== |
| Supplemental Disclosure of Cash Flow Information | | |
| Cash Paid During the Year for: | | |
| Interest | \$ - | |
| | ===== | ===== |
| Income Taxes | \$ - | |
| | ===== | ===== |
| NON-CASH TRANSACTIONS | | |
| Common stock issued in exchange for services | \$ - | |
| | ===== | ===== |

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SUN RIVER MINING, INC.
Notes to Financial Statements
March 31, 2003
(Unaudited)

Note 1 - Presentation of Interim Information:

In the opinion of the management of Sun River Mining, Inc., the accompanying unaudited financial statements include all normal adjustments considered necessary to present fairly the financial position as of March 31, 2003 and the results of operations for the three-months and the six-months ended March 31, 2003 and 2002 and for the period February 25, 1997 (inception) to March 31, 2003, and cash flows for the six-months ended March 31, 2003 and 2002 and for the period February 25, 1997 (inception) to March 31, 2003. Interim results are not necessarily indicative of results for a full year.

The financial statements and notes are presented as permitted by Form 10-Q, and do not contain certain information included in the Company's audited financial statements and notes for the fiscal year ended September 30, 2002.

Note 2 - Going Concern:

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

The Company is in the exploration state and has not earned any revenue from operations. The Company's ability to continue as a going concern is dependent upon its ability to develop additional sources of capital or locate a merger candidate and ultimately, achieve profitable operations. The accompanying financial statements do not include any adjustments that might result from the outcome of these uncertainties. Management is seeking new capital to revitalize the Company.

ITEM 2.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

RESULTS OF OPERATIONS FOR THE QUARTER ENDED MARCH 31, 2003 COMPARED TO SAME PERIOD IN 2002

The Company had no revenues in the period in 2003 or 2002. The Company incurred expenses of \$17,094 in the period in 2003 compared to \$1,242 in the same period in 2002. The Company had a net loss of (\$17,094) in the quarter in 2003 compared to a net loss of (\$6,379) in the same period in 2002. Loss per share was less than (\$.01) per share in the period in 2003 and 2002.

RESULTS OF OPERATIONS FOR THE SIX MONTH PERIOD ENDED MARCH 31, 2003 COMPARED TO THE SAME PERIOD IN 2002.

The Company had no revenues in the period in 2003 or 2002. The Company incurred operating expenses for the six month period of \$19,639 in 2003 compared to \$3,271 in the same six month period in 2002. The Company recorded a net

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operating loss of \$(19,639) for the 2003 period as compared to (\$13,545) for the same period in fiscal year 2002. The loss per share was less than \$.01 in the period in 2003 and 2002.

The Company losses will continue until business and profitable operations are achieved. While the Company is seeking capital sources for investment, there is no assurance that capital sources can be found.

LIQUIDITY AND CAPITAL RESOURCES

The Company had no current assets at the end of the period. The Company will be forced to make private placements of stock in order to fund operations continuance. No assurance exists as to the ability to make private placements of stock. At March 31, 2003, the Company had no accounts receivable. The Company has current liabilities of \$274,155 which exceed assets by approximately \$274,155.

Evaluation of Internal and Disclosure Controls

The management of the company has evaluated the effectiveness of the issuer's disclosure controls and procedures as of a date within 90 days prior to the filing date of the report (evaluation date) and have concluded that the disclosure controls and procedures are adequate and effective based upon their evaluation as of the evaluation date. There were no significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of the most recent evaluation of such, including any corrective actions with regard to significant deficiencies and material weaknesses.

PART II

OTHER INFORMATION

- Item 1. Legal Proceedings - None.
- Item 2. Changes in securities - None.
- Item 3. Defaults upon senior securities - None.
- Item 4. Submission of matters to a vote of security holders - None.
- Item 5. Other information - None.
- Item 6. Exhibits and reports on Form 8-K

(a) The following are filed as Exhibits to this Quarterly Report. The numbers refer to the Exhibit Table of Item 601 of Regulation S-K:

Exhibit 99.14

(b) Reports on Form 8-K filed during the three months ended March 31, 2003. (incorporated by reference)

None.

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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 of the undersigned thereunto duly authorized.

Dated: May 20, 2003

SUN RIVER MINING, INC.

by:/s/Stephen W. Weathers
Stephen W. Weathers, Secretary

CERTIFICATION PURSUANT TO SECTION 302 OF THE SARBANES OXLEY ACT

I, Thomas Anderson, certify that:

1. I have reviewed this quarterly report on Form 10-KSB of Sun River Mining, Inc.;
2. Based on my knowledge, this quarterly 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 quarterly report;
3. Based on my knowledge, the financial statements, and other financial information included in this quarterly report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this annual report;
4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-14 and 15d-14) for the registrant and have:
 - a) designed such disclosure controls and procedures to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this quarterly report is being prepared;
 - b) evaluated the effectiveness of the registrant's disclosure controls and procedures as of a date within 90 days prior to the filing date of this quarterly report (the "Evaluation Date"); and
 - c) presented in this quarterly report our conclusions about the effectiveness of the disclosure controls and procedures based on our evaluation as of the Evaluation Date;
5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):
 - a) all significant deficiencies in the design or operation of internal controls which could adversely affect the registrant's ability to record, process,

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summarize and report financial data and have identified for the registrant's auditors any material weaknesses in internal controls; and

b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls; and

6. The registrant's other certifying officers and I have indicated in this quarterly report whether there were significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of our most recent evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

Date: May 20, 2003

/s/Thomas Anderson

Thomas Anderson, Acting Chief Executive Officer

CERTIFICATION PURSUANT TO SECTION 302 OF THE SARBANES OXLEY ACT

I, Stephen W. Weathers, certify that:

1. I have reviewed this quarterly report on Form 10-QSB of Sun River Mining, Inc.;

2. Based on my knowledge, this quarterly 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 quarterly report;

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

4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-14 and 15d-14) for the registrant and have:

a) designed such disclosure controls and procedures to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this quarterly report is being prepared;

b) evaluated the effectiveness of the registrant's disclosure controls and procedures as of a date within 90 days prior to the filing date of this quarterly report (the "Evaluation Date"); and

c) presented in this quarterly report our conclusions about the effectiveness of the disclosure controls and procedures based on our evaluation as of the Evaluation Date;

5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):

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a) all significant deficiencies in the design or operation of internal controls which could adversely affect the registrant's ability to record, process, summarize and report financial data and have identified for the registrant's auditors any material weaknesses in internal controls; and

b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls; and

6. The registrant's other certifying officers and I have indicated in this quarterly report whether there were significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of our most recent evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

Date: May 20, 2003

/s/Stephen W. Weathers

Stephen W. Weathers, Chief Financial Officer