

Geopulse Exploration Inc.
Form 10-Q
September 14, 2009

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

FORM 10-Q

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

For the quarterly period ended July 31, 2009

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: 333-137519

GEOPULSE EXPLORATION, INC.

(Exact name of registrant as specified in its charter)

Nevada
(State or other jurisdiction of
incorporation)

20-2815911
(IRS Employer Identification Number)

Suite 1200, Kunxun Tower
9 Zhichun Avenue, Haidian District

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Beijing, P.R. China

(Address of principal executive offices)

86-10-8233-1929

(Registrant's telephone number, including area code)

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 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 (§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). Not Applicable.

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.

Large accelerated filer

Accelerated filer

Non-accelerated filer (Do not check if a smaller reporting company)

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

As of July 31, 2009 the Issuer had 2,380,000 shares of common stock issued and outstanding.

PART I-FINANCIAL INFORMATION

ITEM 1.

FINANCIAL STATEMENTS.

The financial statements of Geopulse Exploration, Inc. (the "Company" or the Registrant), a Nevada corporation, included herein were prepared, without audit, pursuant to rules and regulations of the Securities and Exchange Commission. Because certain information and notes normally included in financial statements prepared in accordance with accounting principles generally accepted in the United States of America were condensed or omitted pursuant to such rules and regulations, these financial statements should be read in conjunction with the financial statements and notes thereto included in the audited financial statements of the Company in the Company's annual report on Form 10-K for the fiscal year ended January 31, 2009, filed with the Securities and Exchange Commission (SEC) on April 29, 2009.

GEOPULSE EXPLORATIONS INC.

(A Pre-Exploration or Development Stage Company)

FINANCIAL STATEMENTS

July 31, 2009

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GEOPULSE EXPLORATION INC.**(Pre-Exploration Stage Company)****BALANCE SHEET****July 31, 2009 (unaudited) and January 31, 2009**

	July 31	Jan 31
	<u>2009</u>	<u>2009</u>
ASSETS		
CURRENT ASSETS		
Cash	\$ 2,860	\$ 2,082
Total Current Assets	\$ 2,860	\$ 2,082
LIABILITIES AND STOCKHOLDERS' DEFICIT		
CURRENT LIABILITIES		
Note payable - related party	\$ 50,900	\$ 46,847
Accounts payable	10,519	6,259
Total Current Liabilities	61,419	53,106
STOCKHOLDERS DEFICIT		
Common stock		
Authorized 75,000,000 shares at \$.001 par value		
2,380,000 shares issued	2,380	2,380
Capital in excess of par value	40,620	40,620
Accumulated deficit during pre-exploration stage	(101,559)	(94,024)
Total Stockholders Deficit	(58,559)	(51,024)
	\$ 2,860	\$ 2,082

The accompanying notes are an integral part of these financial statements

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GEOPULSE EXPLORATION INC.

(Pre-Exploration Stage Company)

STATEMENT OF OPERATIONS - unaudited

For the Three and Six Months Ended July 31, 2009 and 2008 and the Period

August 13, 2004 (date of inception) to July 31, 2009

	Three Months		Six Months		Inception to
	July 31,	July 31,	July 31,	July 31,	July 31,
	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>	<u>2009</u>
REVENUES	\$ -	\$ -	\$ -	\$ -	\$ -
EXPENSES					
Administrative	794	5,607	7,535	13,630	101,559
NET LOSS	\$ (794)	\$(5,607)	\$ (7,535)	\$(13,630)	\$ (101,559)
NET LOSS PER COMMON SHARE					
Basic and diluted	\$ -	\$ -	\$ -	\$ (.01)	
AVERAGE OUTSTANDING SHARES - (stated in 1,000's)					
Basic	2,380	2,380	2,380	2,380	

The accompanying notes are an integral part of these financial statements

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GEOPULSE EXPLORATION INC.**(Pre-Exploration Stage Company)****STATEMENT OF CASH FLOWS - unaudited****For the Six Months Ended July 31, 2009 and 2008 and the Period****August 13, 2004 (date of inception) to July 31, 2009**

	July 31, <u>2009</u>	July 31, <u>2008</u>	Inception to April 30, <u>2009</u>
CASH FLOWS FROM			
OPERATING ACTIVITIES			
Net loss	\$ (7,535)	\$ (13,630)	\$ (101,559)
Adjustments to reconcile net loss to net cash provided by operating activities			
Change in accounts payable	4,260	3,837	10,519
Net Cash Flows Used in Operations	(3,275)	(9,793)	
CASH FLOWS FROM INVESTING			
ACTIVITIES			
	-	-	-
CASH FLOWS FROM FINANCING			
ACTIVITIES			
Proceeds from loans - related party	4,053	10,000	50,900
Proceeds from issuance of capital stocks	-	-	43,000
Net Change in Cash	778	207	2,860
Cash at Beginning of Period			
Cash at End of Period	2,860	\$ 11,070	\$ 2,860

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

GEOPULSE EXPLORATION INC.

(Pre-Exploration Stage Company)

NOTES TO FINANCIAL STATEMENTS

July 31, 2009

1.

ORGANIZATION

The Company was incorporated under the laws of the state of Nevada on August 13, 2004 with authorized common stock of 75,000,000 at \$.001 par value.

The Company was organized for the purpose of acquiring and developing mineral properties. At the report date mineral claims, with unknown reserves had been acquired. The Company has not established the existence of a commercial minable ore deposit and therefore has not reached the exploration stage and is considered to be in the pre-exploration stage.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Accounting Methods

The Company recognizes income and expenses based on the accrual method of accounting.

Dividend Policy

The Company has not yet adopted a policy regarding payment of dividends.

Financial Instruments

The carrying amounts of financial instruments are considered by management to be their estimated fair values due to their short term maturities.

Income Taxes

The Company utilizes the liability method of accounting for income taxes. Under the liability method deferred tax assets and liabilities are determined based on the differences between financial reporting and the tax bases of the assets and liabilities and are measured using the enacted tax rates and laws that will be in effect, when the differences are expected to reverse. An allowance against deferred tax assets is recorded, when it is more likely than not, that such tax benefits will not be realized.

On July 31, 2009, the Company had a net operating loss available for carry forward of \$ 101,559. The income tax benefit of approximately \$ 30,000 from the carry forward has been fully offset by a valuation reserve because the use of the future tax benefit is doubtful since the Company has not started full operations. The net operating loss will expire in 2030.

Foreign Currency Translations

Part of the transactions of the Company were completed in Canadian dollars and have been translated to US dollars as incurred, at the exchange rate in effect at the time, and therefore, no gain or loss from the translation is recognized. The functional currency is considered to be US dollars.

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Revenue Recognition

Revenue is recognized on the sale and delivery of a product or the completion of a service provided.

Advertising and Market Development

The company expenses advertising and market development costs as incurred.

Financial and Concentrations Risk

The Company does not have any concentration or related financial credit risk.

Unproven Mining Claim Costs

The cost of acquisition, exploration, carrying and retaining unproven mineral properties are expensed as incurred.

Environmental Requirements

At the report date environmental requirements related to a formally held mineral claim are unknown and therefore any estimate of future costs cannot be made.

Estimates and Assumptions

Management uses estimates and assumptions in preparing financial statements in accordance with accounting principles generally accepted in the United States of America. Those estimates and assumptions affect the reported amounts of the asset and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could vary from the estimates that were assumed in preparing these financial statements.

Basic and Diluted Net Income (Loss) Per Share

Basic net income (loss) per share amounts are computed based on the weighted average number of shares actually outstanding. Diluted net income (loss) per share amounts are computed using the weighted average number of common shares and common equivalent shares outstanding as if shares had been issued on the exercise of any common share rights unless the exercise becomes anti dilutive and then only the basic per share amounts are shown in the report.

Recent Accounting Pronouncements

The Company does not expect that the adoption of other recent accounting pronouncements will have a material impact on its financial statements.

3. CAPITAL STOCK

During 2005 and 2006 the Company issued 1,900,000 common shares for \$ 19,000 and 480,000 common shares for \$ 24,000.

4. SIGNIFICANT TRANSACTIONS WITH RELATED PARTIES

Officer-directors have acquired 22% of the outstanding common stock and have made no interest, demand loans to the Company of \$ 50,900.

5. GOING CONCERN

The accompanying financial statements have been prepared assuming that the Company will continue as a going concern. The Company does not have sufficient working capital for its planned activity, and to service its debt, which raises substantial doubt about its ability to continue as a going concern.

Continuation of the Company as a going concern is dependent upon obtaining additional working capital and the management of the Company has developed a strategy, which it believes will accomplish this objective through short term loans from an officer-director, and additional equity investment, which will enable the Company to continue operations for the coming year.

ITEM 2.

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

SPECIAL NOTE OF CAUTION REGARDING FORWARD-LOOKING STATEMENTS

CERTAIN STATEMENTS IN THIS REPORT, INCLUDING STATEMENTS IN THE FOLLOWING DISCUSSION, ARE WHAT ARE KNOWN AS "FORWARD LOOKING STATEMENTS", WHICH ARE BASICALLY STATEMENTS ABOUT THE FUTURE. FOR THAT REASON, THESE STATEMENTS INVOLVE RISK AND UNCERTAINTY SINCE NO ONE CAN ACCURATELY PREDICT THE FUTURE. WORDS SUCH AS "PLANS," "INTENDS," "WILL," "HOPES," "SEEKS," "ANTICIPATES," "EXPECTS "AND THE LIKE OFTEN IDENTIFY SUCH FORWARD LOOKING STATEMENTS, BUT ARE NOT THE ONLY INDICATION THAT A STATEMENT IS A FORWARD LOOKING STATEMENT. SUCH FORWARD LOOKING STATEMENTS INCLUDE STATEMENTS CONCERNING OUR PLANS AND OBJECTIVES WITH RESPECT TO THE PRESENT AND FUTURE OPERATIONS OF THE COMPANY, AND STATEMENTS WHICH EXPRESS OR IMPLY THAT SUCH PRESENT AND FUTURE OPERATIONS WILL OR MAY PRODUCE REVENUES, INCOME OR PROFITS. NUMEROUS FACTORS AND FUTURE EVENTS COULD CAUSE THE COMPANY TO CHANGE SUCH PLANS AND OBJECTIVES OR FAIL TO SUCCESSFULLY IMPLEMENT SUCH PLANS OR ACHIEVE SUCH OBJECTIVES, OR CAUSE SUCH PRESENT AND FUTURE OPERATIONS TO FAIL TO PRODUCE REVENUES, INCOME OR PROFITS. THEREFORE, THE READER IS ADVISED THAT THE FOLLOWING DISCUSSION SHOULD BE CONSIDERED IN LIGHT OF THE DISCUSSION OF RISKS AND OTHER FACTORS CONTAINED IN THIS REPORT ON FORM 10-Q AND IN THE COMPANY'S OTHER FILINGS WITH THE SECURITIES AND EXCHANGE COMMISSION. NO STATEMENTS CONTAINED IN THE FOLLOWING DISCUSSION SHOULD BE CONSTRUED AS A GUARANTEE OR ASSURANCE OF FUTURE PERFORMANCE OR FUTURE RESULTS.

Plan of Operation

Geopulse Exploration, Inc. (the Company or We) was incorporated on August 13, 2004 under the laws of the state of Nevada. We are a development stage company and are currently seeking business opportunities.

We previously owned one mineral claim known as the CATH 1 Claim, located in British Columbia, Canada. Our plan of operations had been to pursue exploration activities on the CATH 1 Claim with a view to exploiting any mineral deposits that we discover which demonstrate economic feasibility.

From the date of our incorporation to the present, we have not received any revenues from operations and we have been dependent upon obtaining financing to pursue exploration activities. We have been unable to obtain the necessary financing. As of October 17, 2008, the CATH 1 Claim expired and because of insufficient funds, we elected not to renew it.

As a result of our inability to obtain the working capital needed to conduct exploration activities, and the resulting expiration of the CATH I claim, we now intend to explore other potential business opportunities. Our plan of operations for the next 12 months is to maintain our status as a fully reporting company with the SEC by filing all required reports under the Securities Exchange Act of 1934, and either to seek to locate a new mineral property for acquisition or to seek business opportunities through a combination transaction with an operating business. We have not had preliminary contact or discussions with any third party or with representatives of any entity regarding either acquisition of an interest in a new mineral property and obtaining the financing needed for that purpose, or regarding completion of a business combination transaction. There is no assurance that we will be able to find either a suitable mineral

property available for acquisition and the financing required for completion of such an acquisition, or some other suitable business opportunity for acquisition.

We do not intend to limit our potential candidate target companies to any specific business, industry or geographical location and, thus, may acquire any type of business. We may consider a business which has recently commenced operations, is a developing company in need of additional funds for expansion into new products or markets, is seeking to develop a new product or service, or is an established business which may be experiencing financial or operating difficulties and is in need of additional capital. In the alternative, a business combination may involve the acquisition of, or merger with, a company which does not need substantial additional capital, but which desires to establish a public trading market for its shares, while avoiding, among other things, the time delays, significant expense, and loss of voting control which may occur in a public offering.

Liquidity and Capital Resources

As of July 31, 2009, the Company is in pre-exploration or development stage. As of July 31, 2009, the Company's balance sheet reflects total assets of \$2,860, all in the form of cash, and total current liabilities of \$61,419. We currently have a deficit accumulated in the exploration or development state of \$(101,559).

Our cash reserves are not sufficient to meet our financial obligations for the next twelve-month period. As a result, we will need to seek additional funding in the near future. We currently do not have a specific plan of how we will obtain such funding; however, we anticipate that additional funding will either be in the form of equity financing from the sale of our common stock or short-term loans from our directors or shareholders, although no such arrangement has been made. At this time, we cannot provide investors with any assurance that we will be able to raise sufficient funding from the sale of our common stock or through a loan from our directors to meet our obligations over the next twelve months. We do not have any arrangements in place for any future equity financing.

Off Balance Sheet Arrangements

The Company does not have any off-balance sheet arrangements.

ITEM 3.

QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK.

Not Applicable.

ITEM 4T.

CONTROLS AND PROCEDURES.

Disclosure Controls and Procedures

The Securities and Exchange Commission defines the term "disclosure controls and procedures" to mean a company's controls and other procedures of an issuer that are designed to ensure that information required to be disclosed in the reports that it files or submits under the Securities Exchange Act of 1934 is recorded, processed, summarized and reported, within the time periods specified in the Securities and Exchange Commission's rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed by an issuer in the reports that it files or submits under the Securities Exchange Act of 1934 is accumulated and

communicated to the issuer's management, including its principal executive and principal financial officers, or persons performing similar functions, as appropriate to allow timely decisions regarding required disclosure. The Company maintains such a system of controls and procedures in an effort to ensure that all information which it is required to disclose in the reports it files under the Securities Exchange Act of 1934 is recorded, processed, summarized and reported within the time periods specified under the SEC's rules and forms and that information required to be disclosed is accumulated and communicated to principal executive and principal financial officers to allow timely decisions regarding disclosure.

As of the end of the period covered by this report, we carried out an evaluation, under the supervision and with the participation of our chief executive officer and chief financial officer, of the effectiveness of the design and operation of our disclosure controls and procedures. Based on this evaluation, our chief executive officer and chief financial officer concluded that our disclosure controls and procedures are designed to provide reasonable assurance of achieving the objectives of timely alerting them to material information required to be included in our periodic SEC reports and of ensuring that such information is recorded, processed, summarized and reported within the time periods specified. Our chief executive officer and chief financial officer also concluded that our disclosure controls and procedures were effective as of the end of the period covered by this report to provide reasonable assurance of the achievement of these objectives.

Changes in Internal Control over Financial Reporting

There was no change in the Company's internal control over financial reporting during the period ended July 31, 2009, that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting.

PART II-OTHER INFORMATION

ITEM 1.

LEGAL PROCEEDINGS.

The Company is not a party to any pending legal proceedings, and no such proceedings are known to be contemplated. No director, officer or affiliate of the Company, and no owner of record or beneficial owner of more than 5.0% of the securities of the Company, or any associate of any such director, officer or security holder is a party adverse to the Company or has a material interest adverse to the Company in reference to pending litigation.

ITEM 1A.

RISK FACTORS.

Not Applicable.

ITEM 2.

UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS.

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.

(a)

The following exhibits are filed herewith:

31.1

Certifications pursuant to Rule 13a-14(a) or 15d-14(a) under the Securities Exchange Act of 1934, as amended, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.

31.2

Certifications pursuant to Rule 13a-14(a) or 15d-14(a) under the Securities Exchange Act of 1934, as amended, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.

32.1

Certifications pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

32.2

Certifications pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

SIGNATURES

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

GEOPULSE EXPLORATION INC.

By: /s/ Zhipeng Cai

Zhipeng Cai, Chief Executive Officer and Chief Financial Officer

Date: September 14, 2009