

APEX 1 INC.

Form 10-Q

May 19, 2014

U.S. SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

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

For the quarterly period ended March 31, 2014

TRANSITION REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

Commission file number: 000-54112

APEX 1, INC.

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of incorporation or organization)

16-1783194

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

c/o Andrew J. Zagorski, APEX 1, Inc.

1732 Cottonwood Lane

Newcastle, OK

(Address of Principal executive offices)

73065

(Zip Code)

Registrant's telephone number, including area code.

(800) 420-6344

OZ SAFEROOMS TECHNOLOGIES, INC.

(Former name, former address and former fiscal year, if changed since last report)

Indicate by check mark whether the registrant (1) filed all reports required to be filed by Section 13 or 15(d) of the Exchange Act during the past 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

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). 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.

Large accelerated filer	<input type="checkbox"/> Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input type="checkbox"/> Smaller reporting company	<input checked="" type="checkbox"/>

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

State the number of shares outstanding of each of the issuer's classes of common equity, as of the latest practicable date: As of May 16, 2014, the issuer had 10,000,000 shares of its common stock issued and outstanding.

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PART I - FINANCIAL INFORMATION**Item 1. Financial Statements.**

APEX 1, INC. (f/k/a OZ SAFEROOMS TECHNOLOGIES, INC.)
(A DEVELOPMENT STAGE COMPANY)
BALANCE SHEETS

	March 31, 2014 (Unaudited)	December 31, 2013
ASSETS		
Current Assets:		
Cash	\$-	\$-
Total Current Assets	-	-
Total Assets	\$-	\$-
LIABILITIES AND STOCKHOLDERS' DEFICIT		
Current Liabilities:		
Accrued expenses	\$400	\$532
Due to related party	99,470	98,938
Total Current Liabilities	99,870	99,470
Total Liabilities	99,870	99,470
Stockholders' Deficit		
Preferred stock, \$0.0001 par value, 5,000,000 shares authorized none issued and outstanding	\$-	\$-
Common stock, \$0.0001 par value, 250,000,000 shares authorized 10,000,000 issued and outstanding, respectively	1,000	1,000
Deficit accumulated during development stage	(100,870)	(100,470)
Total Stockholders' Deficit	(99,870)	(99,470)
Total Liabilities and Stockholders' Deficit	\$-	\$-

See notes to financial statements

APEX 1, INC. (f/k/a OZ SAFEROOMS TECHNOLOGIES, INC.)
(A DEVELOPMENT STAGE COMPANY)
STATEMENTS OF OPERATIONS
FOR THE THREE MONTH PERIOD ENDED MARCH 31, 2014 AND 2013
(Unaudited)

	For the Three Month Period Ended March 31, 2014	For the Three Month Period Ended March 31, 2013	From June 21, 2010 (inception) to March 31, 2014
Revenues	\$-	\$-	\$-
Operating Expenses			
General & Administrative	400	-	16,170
Professional fees	-	-	82,700
Organization and related expenses	-	-	5,457
Total Operating Expenses	400	-	104,327
Loss from operations	(400)	-	(104,327)
Other Income - Cancellation of debt	-	-	3,457
Net Loss	\$(400)	\$-	\$(100,870)
Net Loss per share - Basic and diluted	\$-	\$-	\$(0.01)
Weighted Average Shares Outstanding - Basic and diluted	10,000,000	10,000,000	10,000,000
See notes to financial statements			

APEX 1, INC. (f/k/a OZ SAFEROOMS TECHNOLOGIES, INC.)
(A DEVELOPMENT STAGE COMPANY)
STATEMENTS OF CASH FLOWS
FOR THE THREE MONTH PERIOD ENDED MARCH 31, 2014 AND 2013
(Unaudited)

	For the Three Month Period Ended March 31, 2014	For the Three Month Period Ended March 31, 2013	For the Period from June 21, 2010 (Inception) to March 31, 2014
CASH FLOWS FROM OPERATING ACTIVITIES:			
Net loss	\$(400)	\$-	\$(100,870)
Adjustments to reconcile net loss from operations to net cash used in operating activities:			
Cancellation of debt income	-	-	(3,457)
Changes in operating liabilities:			
(Decrease) Increase in accrued expenses	(132)	-	400
Net cash used in operating activities	(532)	-	(103,927)
CASH FLOWS FROM INVESTING ACTIVITIES:			
Net cash provided by investing activities	-	-	-
CASH FLOWS FROM FINANCING ACTIVITIES:			
Common stock issued for services		-	- 1,000
Advances from related party	532	-	102,927
Net cash provided by financing activities	532	-	103,927
NET INCREASE IN CASH	-	-	-
CASH - beginning of period	-	-	-
CASH - end of period	\$-	\$-	\$-
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:			
Cash paid for:			
Interest	\$-	\$-	\$-
Income taxes	\$-	\$-	\$-
NON-CASH INVESTING AND FINANCING ACTIVITIES:			
Common stock issued to founder for services rendered	\$-	\$-	\$-

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Common stock issued for purchase of patents in stock	\$-	\$-	\$-
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See notes to financial statements

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APEX 1, INC.
(f/k/a OZ SAFEROOMS TECHNOLOGIES, INC.)
(A DEVELOPMENT STAGE COMPANY)
NOTES TO FINANCIAL STATEMENTS
AS OF March 31, 2014
(UNAUDITED)

NOTE 1 - INTERIM UNAUDITED FINANCIAL STATEMENTS

The balance sheet of APEX 1, Inc. (the “Company”) as of March 31, 2014, and the statements of operations and cash flows for the three months then ended, have not been audited. However, in the opinion of management, such information includes all adjustments (consisting only of normal recurring adjustments) which are necessary to properly reflect the financial position of the Company as of March 31, 2014, and the results of its operations and cash flows for the three months then ended.

Certain information and notes normally included in financial statements prepared in accordance with accounting principles generally accepted in the United States of America have been condensed or omitted, although management believes that the disclosures are adequate to make the information presented not misleading. Interim period results are not necessarily indicative of the results to be achieved for an entire year. These financial statements should be read in conjunction with the financial statements and notes to financial statements included in the Company’s financial statements as filed on Form 10-K for the fiscal year ended December 31, 2013.

NOTE 2 - ORGANIZATION AND DESCRIPTION OF BUSINESS

APEX 1, Inc., (formerly known as OZ Saferooms Technologies, Inc.), (the “Company”), was incorporated under the laws of the State of Delaware on June 21, 2010 and has been inactive since inception. The Company intends to serve as a vehicle to effect an asset acquisition, merger, exchange of capital stock or other business combination with a domestic or foreign business. On April 21, 2011, the Company underwent a change of ownership when OZ Saferooms Technologies, Inc. (an Oklahoma corporation), (OZ-OK), purchased 100% of the Company’s common stock from the Company’s then sole shareholder. Accordingly, the Company is a wholly owned subsidiary of OZ-OK. Subsequent to the acquisition of the Company’s common stock by OZ-OK, the Company changed its name to that of its new parent entity and then changed its name again to APEX 1, Inc.

NOTE 3 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

BASIS OF PRESENTATION - DEVELOPMENT STAGE COMPANY

The Company is a development stage company as defined by ASC 915-10, "DEVELOPMENT STAGE ENTITIES." All losses accumulated since inception have been considered as part of the Company's development stage activities.

The Company has not earned any revenue from operations. Among the disclosures required are that the Company's financial statements be identified as those of a development stage company, and that the statements of operations, stockholders' equity and cash flows disclose activity since the date of the Company's inception.

The accompanying financial statements have been prepared in accordance with generally accepted accounting principles for financial information and have been prepared pursuant to the rules and regulations of the Securities and Exchange Commission for smaller reporting companies. In the opinion of management, all adjustments, consisting of normal recurring accruals, necessary for a fair presentation of the results of operations for the period from June 21, 2010 (Inception) to March 31, 2014 have been reflected herein.

USE OF ESTIMATES

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. In the opinion of management, all adjustments necessary in order to make the financial statements not misleading have been included. Actual results could differ from those estimates.

CASH EQUIVALENTS

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

INCOME TAXES

Income taxes are accounted for under the asset and liability method as stipulated by ASC 740, "ACCOUNTING FOR INCOME TAXES". Deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases and operating loss and tax credit carry forwards. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. Under ASC 740, the effect on deferred tax assets and liabilities or a change in tax rate is recognized in income in the period that includes the enactment date. Deferred tax assets are reduced to estimated amounts to be realized by the use of the valuation allowance. A valuation allowance is applied when in management's view it is more likely than not (50%) that such deferred tax will not be utilized.

The Company has adopted certain provisions under ASC 740, which provide interpretative guidance for the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. Effective with the Company's adoption of these provisions, interest related to the unrecognized tax benefits is recognized in the financial statements as a component of income taxes.

The adoption of ASC 740 did not have an impact on the Company's financial position and results of operations.

In the unlikely event that an uncertain tax position exists in which the Company could incur income taxes, the Company would evaluate whether there is a probability that the uncertain tax position taken would be sustained upon examination by the taxing authorities. Reserve for uncertain tax positions would then be recorded if the Company determined it is probable that a position would be sustained upon examination or if a payment would have to be made to a taxing authority and the amount is reasonably estimable. As of March 31, 2013, the Company does not believe it has any uncertain tax positions that would result in the Company having a liability to the taxing authorities. The Company's tax returns are subject to examination by the regulatory tax authorities for the years ended December 31, 2013, 2012, 2011 and 2010.

BASIC EARNINGS (LOSS) PER SHARE

The Company follows ASC 260-10, "EARNINGS PER SHARE" in calculating the basic and diluted loss per share. The Company computes basic loss per share by dividing net loss and net loss attributable to common shareholders by the weighted average number of common shares outstanding. Diluted loss per share considers the effect of common equivalent shares. There were no common share equivalents at March 31, 2014 and 2013.

FINANCIAL INSTRUMENTS

The Company has adopted the provisions of ASC 820, "FAIR VALUE MEASUREMENTS AND DISCLOSURES", ASC 820 defines fair value, establishes a framework for measuring fair value under generally accepted accounting principles and enhances disclosures about fair value measurements.

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Valuation techniques used to measure

fair value, as required by ASC 820, must maximize the use of observable inputs and minimize the use of unobservable inputs.

The standard describes a fair value hierarchy based on three levels of inputs, of which the first two are considered observable and the last unobservable, that may be used to measure fair value. The Company's

assessment of the significance of a particular input to the fair value measurements requires judgment, and may affect the valuation of the assets and liabilities being measured and their placement within the fair value

hierarchy.

- Level 1 - Quoted prices in active markets for identical assets or liabilities.
- Level 2 - Inputs other than Level 1 that are observable, either directly or indirectly, such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.
- Level 3 - Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

IMPACT OF NEW ACCOUNTING STANDARDS

The Company does not expect the adoption of recently issued accounting pronouncements to have a significant impact on the Company's results of operations, financial position, or cash flow.

NOTE 4 - GOING CONCERN

The Company's financial statements are prepared using accounting principles generally accepted in the United States of America applicable to a going concern that contemplates the realization of assets and liquidation of liabilities in the normal course of business. The Company has not established any source of revenue to cover its operating costs. The Company will engage in very limited activities without incurring any liabilities that must be satisfied in cash until a source of funding is secured. The Company will offer noncash consideration and seek equity lines as a means of financing its operations. If the Company is unable to obtain revenue producing contracts or financing or if the revenue or financing it does obtain is insufficient to cover any operating losses it may incur, it may substantially curtail or terminate its operations or seek other business opportunities through strategic alliances, acquisitions or other arrangements that may dilute the interests of existing stockholders.

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The financial statements have been prepared on a going concern basis, and do not reflect any adjustments related to the uncertainty surrounding our recurring losses or accumulated deficit. The Company currently has no revenue source and is incurring losses. These factors raise substantial doubt about our ability to continue as a going concern.

Management plans to finance the Company's operations through the issuance of equity and debt securities. However, management cannot provide any assurances that the Company will be successful in accomplishing any of its plans.

The ability of the Company to continue as a going concern is dependent upon its ability to successfully accomplish the plans described in the preceding paragraph and eventually secure other sources of financing and attain profitable

operations. The accompanying financial statements do not include any adjustments that might be necessary if the Company is unable to continue as a going concern.

NOTE 5 - RELATED PARTY TRANSACTIONS