One e Commerce CORP
Form 10-Q
August 05, 2009

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

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

For the quarterly period ended: **June 30, 2009**

or

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

For the transition period from: _____________ to _____________

Commission File Number: **1-10185**

One e Commerce Corporation

Exact name of registrant as specified in its charter)

Nevada	**87-0531751**
(State or other jurisdiction of incorporation or organization)	*(I.R.S. Employer Identification No.)*

One Clyde Street, Golf, Illinois, 60029-0083

(Address of Principal Executive Office) (Zip Code)

(**(312) 983-8980**

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 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 þNo ¨

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 ¨	Smaller reporting company þ

(Do not check if a 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 þNo ¨

As of July 31, 2009, there were 18,317,200 shares of the issuer s common stock outstanding.

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CAUTION REGARDING FORWARD-LOOKING INFORMATION

All statements contained in this Form 10-Q, other than statements of historical facts that address future activities, events or developments are forward-looking statements, including, but not limited to, statements containing the words "believe," "anticipate," "expect" and words of similar import. These statements are based on certain assumptions and analyses made by us in light of our experience and our assessment of historical trends, current conditions and expected future developments as well as other factors we believe are appropriate under the circumstances. However, whether actual results will conform to the expectations and predictions of management are subject to a number of risks and uncertainties that may cause actual results to differ materially. Such risks include, among others, the following: international, national and local general economic and marked conditions: our ability to sustain, manage or forecast our growth; raw material costs and availability; new product development and introduction; existing government regulations and changes in, or the failure to comply with, government regulations; adverse publicity; competition; the loss of significant customers or suppliers; fluctuations and difficulty in forecasting operating results; changes in business strategy or development plans; business disruptions; the ability to attract and retain qualified personnel; the ability to protect technology; and other factors referenced in this filing.

Consequently, all of the forward-looking statements made in this Form 10-Q are qualified by these cautionary statements and there can be no assurance that the actual results anticipated by management will be realized or, even if substantially realized, that they will have the expected consequences to or effects on our business operations. As used in this Form 10-Q, unless the context requires otherwise, we" or "us" or the "Company" means One eCommerce Corporation.

PART I FINANCIAL INFORMATION

Item 1.

Financial Statements

One eCommerce Corporation

(A Development Stage Company)

Balance Sheets

	June 30, 2009 (Unaudited)		December 31, 2008	
ASSETS				
Current assets				
Cash	$		$	
TOTAL CURRENT ASSETS				
TOTAL ASSETS	$		$	
LIABILITIES & STOCKHOLDERS' DEFICIT				
Current liabilities				
Accounts payable - related party	$	34,012	$	26,031
Convertible notes payable - related party, in default		484,458		484,458
Interest payable - related party		450,748		426,526
TOTAL CURRENT LIABILITIES		969,218		937,015
Stockholders' Deficit				
Preferred stock				
500,000 shares authorized, $.001 par value, no shares issued				
Common stock				
50,000,000 shares authorized, $0.001 par value, 18,317,000 shares issued and outstanding at June 30, 2009 and December 31, 2008		18,317		18,317
Additional paid-in capital		2,163,509		2,163,509
Accumulated deficit		(2,753,538)		(2,753,538)
Accumulated deficit during development stage		(397,506)		(365,303)
TOTAL STOCKHOLDERS' DEFICIT		(969,218)		(937,015)
TOTAL LIABILITIES & STOCKHOLDERS' DEFICIT	$		$	

See accompanying notes to the condensed financial statements.

One eCommerce Corporation

(A Development Stage Company)

Statements of Operations

(unaudited)

	For the three months ended June 30 2009	2008	For the six months ended June 30 2009	2008	From December 31, 2001 (Inception) through June 30, 2009
REVENUE	$	$	$	$	$
OPERATING EXPENSES					
General and Administrative	2,260		7,981		34,162
Total Operating Expenses	2,260		7,981		34,162
LOSS FROM OPERATIONS	(2,260)		(7,981)		(34,162)
OTHER INCOME (EXPENSE)					
Other Income					
Interest Expense	(12,111)	(12,111)	(24,222)	(24,222)	(363,344)
Total Other Income (Expense)	(12,111)	(12,111)	(24,222)	(24,222)	(363,344)
LOSS BEFORE INCOME TAXES	(14,371)	(12,111)	(32,203)	(24,222)	(397,506)
INCOME TAX EXPENSE					

NET LOSS	$	(14,371)	$	(12,111)	$	(32,203)	$	(24,222)	$	(397,506)
NET LOSS PER SHARE, BASIC AND DILUTED	$		$		$		$			
WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING BASIC AND DILUTED		18,317,200		18,317,200		18,317,200		18,317,200		

See accompanying notes to the condensed financial statements.

One eCommerce Corporation

(A Development Stage Company)

Statements of Cash Flows

(Unaudited)

	For the six months ended June 30, 2009	2008	From December 31, 2001 (Inception) through June 30, 2009
Cash flows from operating activities:			
Net loss	$ (32,203)	$ (24,222)	$ (397,506)
Adjustment to reconcile net loss to net cash used in operating activities			
Changes in assets and liabilities:			
Increase (decrease) accounts payable - related party	7,981		347,253
Increase (decrease) interest payable - related party	24,222	24,222	50,253
Net cash used in operating activities			
Cash flows from investing activities:			
Cash flows from financing activities:			
Net increase (decrease) in cash			
Cash, beginning of period			
Cash, end of period	**$**	**$**	**$**
Supplemental Cash Flow Information:			
Cash paid for interest	$	$	$
Cash paid for income taxes	$	$	$

See accompanying notes to the condensed financial statements.

One eCommerce Corporation

(A Development Stage Company)

Condensed Notes to Financial Statements

NOTE 1 NATURE OF BUSINESS

Nature of Business

One eCommerce Corporation (the Company) was organized under the laws of the State of Nevada on September 14, 1994, under the name Arianne Co. The Company changed its name on March 30, 1999 to One eCommerce Corporation in connection with the acquisition of One Commerce Corporation on March 30, 1999 and an associated reverse merger and forward stock split.

One Commerce Corporation was founded in 1995 and was headquartered in central Texas. In 1999, the Company acquired One Commerce Corporation, One Commerce Corporation s wholly owned subsidiary, Corridor Technologies, Inc. (incorporated within the state of Texas), Corridor Voice & Data Services, LLC and Corridor Telecom, LLC (both limited liability companies having been registered in the state of Texas). One Commerce Corporation also had been known formerly by doing business as Altcomm.

The business of the Company was carried out through its Texas subsidiary, One Commerce Corporation. None of the subsidiaries of One eCommerce Corporation was active after December 31, 2000.

During 2000, the subsidiaries of One Commerce Corporation (Corridor Technologies, Inc., Corridor Voice & Data Services, LLC and Corridor Telecom, LLC) ceased to do business, or never did any business, and were dissolved at the direction of the Company s board of director s.

As a result of unfavorable business conditions, One Commerce Corporation (as debtor) filed for Chapter 7 bankruptcy in the Western District of Texas (Austin) on April 23, 2001. One Commerce Corporation was discharged on October 25, 2001. There were no assets transferred nor were any payments made on the outstanding shareholder notes as the debtor had no assets at the time of filing. As a result, the Company was forced to write off all of its investment in One Commerce Corporation in 2001.

The accompanying interim financial statements have been prepared by management without audit, pursuant to the rules and regulations of the Securities and Exchange Commission, in accordance with the accounting policies described in our Annual Report on Form 10-Q for the three- and six-month periods ended June 30, 2009, and reflect all adjustments which are, in the opinion of management, necessary to present a fair statement of the results for the interim period on a basis consistent with the annual audited consolidated financial statements. All such adjustments are of a normal recurring nature. The condensed financial statements include the accounts of One eCommerce Corporation (ONCE , we , our or the Company). Certain information and footnote disclosures normally included in financial statements prepared in accordance with U.S. generally accepted accounting principles have been omitted. These condensed financial statements should be read in conjunction with the audited financial statements and related notes included in our Annual Report on Form 10K for the year ended December 31, 2008.

NOTE 2 DEVELOPMENT STAGE ACTIVITIES

Since coming out of bankruptcy at the close of the 2001 calendar year, the Company has been in the development stage and has not realized any significant revenue from operations. It is primarily engaged in pursuing a merger or other acquisition with an unidentified company or companies.

NOTE 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Management s Estimates

The preparation of condensed financial statements in conformity with accounting principles generally accepted in the United States of America 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 condensed financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents

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

One eCommerce Corporation

(A Development Stage Company)

Condensed Notes to Financial Statements

Loss per Common Share

The Company applies SFAS No. 128, "Earnings per Share," which requires two presentations of earnings (loss) per share-"basic" and "diluted." Basic earnings (loss) per share is computed by dividing income or loss available to common stockholders by the weighted-average number of common shares issued and outstanding for the period. The computation of diluted earnings (loss) per share is similar to basic earnings per share, except that the weighted average number of common shares is increased to include the number of additional common shares that would have been outstanding if the potentially dilutive common shares had been issued. For the three and six month periods ended June 30, 2009 and 2008, the 30,573,664 potential common stock shares to be issued upon conversion of the notes payable to a stockholder (see Note 5) have not been included in the determination of loss per share because the effect would be anti-dilutive.

Recent Accounting Pronouncements

In May 2008, the FASB issued Statement of Financial Accounting Standards (SFAS) No. 163, *Accounting for Financial Guarantee Insurance Contracts an interpretation of FASB Statement No. 60.* SFAS 163 requires that an insurance enterprise recognize a claim liability prior to an event of default (insured event) when there is evidence that credit deterioration has occurred in an insured financial obligation. This Statement also clarifies how Statement 60 applies to financial guarantee insurance contracts, including the recognition and measurement to be used to account for premium revenue and claim liabilities. Those clarifications will increase comparability in financial reporting of financial guarantee insurance contracts by insurance enterprises. This Statement requires expanded disclosures about financial guarantee insurance contracts. The accounting and disclosure requirements of the Statement will improve the quality of information provided to users of financial statements. SFAS 163 will be effective for financial statements issued for fiscal years beginning after December 15, 2008. The adoption of SFAS 163 did not have a material impact on our financial condition or results of operation.

On May 5, 2008, SFAS No. 162*, The Hierarchy of Generally Accepted Accounting Principles,* was issued. This standard identifies the sources of accounting principles and the framework for selecting the principles to be used in the preparation of financial statements that are presented in conformity with GAAP in the U.S. The adoption of this standard did not impact the presentation of our financial position or results of operations.

In May 2009, the FASB issued Statement No. 165, Subsequent Events (SFAS 165), which establishes general standards of accounting for, and requires disclosure of, events that occur after the balance sheet date but before financial statements are issued or are available to be issued. We adopted the provisions of SFAS 165 for the quarter ended June 30, 2009. The adoption of these provisions did not have a material effect on our consolidated financial statements.

In June 2009, the FASB issued SFAS No. 166, Accounting for Transfers of Financial Assets (SFAS 166). SFAS 166 is a revision to SFAS No. 140, Accounting for Transfers and Servicing of Financial Assets and Extinguishments of Liabilities , and will require more information about transfers of financial assets and where companies have continuing exposure to the risk related to transferred financial assets. It eliminates the concept of a qualifying special purpose entity, changes the requirements for derecognizing financial assets, and requires additional disclosure. This standard is effective for interim and annual periods ending after November 15, 2009. The Company will adopt SFAS 166 on January 1, 2010 and are currently evaluating the potential impact on our financial statements when implemented.

In June 2009, the FASB issued SFAS No. 167, Amendments to FASB Interpretation No. 46(R) (SFAS 167). SFAS 167 is intended to improve financial reporting by providing additional guidance to companies involved with variable interest entities and by requiring additional disclosures about a company s involvement in variable interest entities. This standard is effective for interim and annual periods ending after November 15, 2009. The adoption of this standard will not have a material impact on our financial statements

In June 2009, the Financial Accounting Standards Board (FASB) issued Statement of Financial Accounting Standards (SFAS) No. 168, The FASB Accounting Standards Codification and the Hierarchy of Generally Accepted Accounting Principles (SFAS 168). SFAS 168 establishes the FASB Accounting Standards Codification (the Codification) as the single source of authoritative nongovernmental U.S. GAAP. The Codification is effective for interim and annual periods ending after September 15, 2009. The adoption of this standard will not have a material impact on our financial statements.

One eCommerce Corporation

(A Development Stage Company)

Condensed Notes to Financial Statements

In April 2009, the FASB issued FASB Staff Position (FSP) FAS No. 107-1 and APB 28-1, Interim Disclosures about Fair Value of Financial Instruments (FSP FAS 107-1 and APB 28-1), which amends SFAS No. 107, Disclosures about Fair Value of Financial Instruments, to require disclosures about the fair value of financial instruments for interim reporting periods, as well as annual reporting periods. FSP FAS 107-1 and APB 28-1 are effective for all interim and annual reporting periods ending after June 15, 2009 and did not impact the Company s consolidated financial statements.

NOTE 4 - GOING CONCERN

The accompanying condensed financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America which contemplate continuation of the Company as a going concern. However, the Company has suffered recurring losses from operations and currently has no revenue or assets.

The Company has inadequate working capital to maintain or develop its operations, and is dependent upon funds from private investors and the support of certain stockholders. These factors raise substantial doubt about the ability of the Company to continue as a going concern. The condensed financial statements do not include any adjustments that might result from the outcome of this uncertainty. In this regard, the Company s Management may raise any necessary additional funds through loans, additional sales of its common stock, or through the possible acquisition of other companies. There is no assurance that the Company will be successful in raising additional capital.

NOTE 5 NOTES PAYABLE TO STOCKHOLDER

The Company is currently indebted to John B. Welch, Chairman of the Board of Directors of the Company, per the schedule of notes below.

	Interest			**Conversion**		
Issue Date	**Rate**	**Maturity Date**		**Rate**		**Amount**
December 31, 1999	10%	December 31, 2000	$	0.1000	$	190,010
December 31, 1999	10%	December 31, 2000	$	0.1000		72,580
April 27, 2000	10%	July 27, 2000	$	0.0054		98,168
May 16, 2000	10%	July 27, 2000	$	0.1000		75,000
July 19, 2000	10%	September 19, 2000	$	0.0054		33,700
September 28, 2000	10%	December 28, 2000	$	0.0054		15,000
					$	**484,458**

In the event he elects to exercise his conversion rights under the various notes, the potential additional shares to be issued would be dilutive to the existing shares outstanding by an additional 30,573,664 shares. The notes are all unsecured demand notes with maturity dates in 2000 and they are all in a state of default. As of June 30, 2009, Mr. Welch has not demanded to accelerate immediate payment of these notes. Interest has accrued since the issuance of these notes and as of June 30, 2009, and December 31, 2008, an aggregate accrued interest amount of $450,748 and $426,526, respectively, is due and payable. While the notes carry the same conversion option for the accrued interest as for the principal amount of each note, Mr. Welch has agreed to waive the conversion option for the accrued interest.

NOTE 6 STOCKHOLDER S EQUITY TRANSACTIONS

Since December 31, 2008, there have been no stockholder equity transactions.

NOTE 7 CORPORATE OVERHEAD

Since emerging from bankruptcy in 2001 (see Note 1), the Company has not been charged corporate overhead for service performed by its two officers, for office rent, professional fees and other administrative expenses.

ITEM 2.

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

The accompanying interim financial statements have been prepared by management without audit, pursuant to the rules and regulations of the Securities and Exchange Commission, in accordance with the accounting policies described in our Annual Report on Form 10-Q for the periods ended June 30, 2009, and reflect all adjustments which are, in the opinion of management, necessary to present a fair statement of the results for the interim period on a basis consistent with the annual audited consolidated financial statements. All such adjustments are of a normal recurring nature. The condensed financial statements include the accounts of One eCommerce Corporation (ONCE , we , our or the Company). Certain information and footnote disclosures normally included in financial statements prepared in accordance with U.S. generally accepted accounting principles have been omitted. These condensed financial statements should be read in conjunction with the audited financial statements and related notes included in our Annual Report on Form 10K for the year ended December 31, 2008.

GENERAL

One eCommerce Corporation (The Company) was originally incorporated on September 14, 1994, under the laws of the State of Nevada.

The company has had no material business since the cessation of the operations of its wholly owned subsidiary, One Commerce Corporation at the end of 2001. Since coming out of bankruptcy at the close of the 2001 calendar year, the Company has been in the development stage and has not realized any significant revenue from operations. It is primarily engaged in pursuing a merger or other acquisition with an unidentified company or companies.

RESULTS OF OPERATIONS

The Company had no revenue in since inception (December 31, 2001). During the three- and six-month periods ended June 30, 2009, general and administrative expenses totaled $2,260 and $7,981, respectively, and $0 in the comparable fiscal 2008 periods. General and administrative expenses in 2009, specifically accounting fees and other fees related to SEC filings, were paid directly to the service providers by the Company's officers in the form of check or wire transfer. We recorded these payments, as accounts payable - related party.

PLAN OF OPERATIONS

The Company's current purpose is to seek, investigate and, if such investigation warrants, merge or acquire an interest in business opportunities presented to it by persons or companies who or which desire to seek the perceived advantages of a Securities Exchange Act of 1934 registered corporation. As of the date of this filing, the Company has no particular acquisitions in mind and has not entered into any negotiations regarding such an acquisition, and neither the Company's officer and director nor any promoter and affiliate has engaged in any negotiations with any representatives of the owners of any business or company regarding the possibility of a merger or acquisition between the Company and such other company.

Pending negotiation and consummation of a combination, the Company anticipates that it will have, aside from carrying on its search for a combination partner, no business activities, and, thus, will have no source of revenue. Should the Company incur any significant liabilities prior to a combination with a private company, it may not be able to satisfy such liabilities as are incurred. If the Company's management pursues one or more combination opportunities beyond the preliminary negotiations stage and those negotiations are subsequently terminated, it is foreseeable that such efforts will exhaust the Company's ability to continue to seek such combination opportunities before any successful combination can be consummated. In that event, the Company's common stock will become worthless and holders of the Company's common stock will receive a nominal distribution, if any, upon the Company's liquidation and dissolution.

LIQUIDITY AND CAPITAL RESOURCES

It is the intent of management and significant stockholders to provide sufficient working capital necessary to support and preserve the integrity of the corporate entity. However, there is no legal obligation for either management or significant stockholders to provide additional future funding.

Should this pledge fail to provide financing, the Company has not identified any alternative sources. Consequently, there is substantial doubt about the Company's ability to continue as a going concern.

The Company's need for capital may change dramatically as a result of any business acquisition or combination transaction. There can be no assurance that the Company will identify any such business, product, technology or company suitable for acquisition in the future. Further, there can be no assurance that the Company would be successful in consummating any acquisition on favorable terms or that it will be able to profitably manage the business, product, technology or company it acquires.

Off Balance Sheet Arrangements

We have no off-balance sheet arrangements that have or are reasonably likely to have a current or future effect on our financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources that is material to stockholders.

ITEM 3.

QUANTITATIVE AND QUALITATIVE DISCLOSURESS ABOUT MARKET RISK

None.

ITEM 4T.

CONTROLS AND PROCEDURES.

As of the end of the period covered by this quarterly report on Form 10-Q, the Company s Chief Executive Officer and President conducted an evaluation of the Company s disclosure controls and procedures (as defined in Rules 13a-15 and 15d-15 of the Securities Exchange Act of 1934). Based upon this evaluation, the Company s Chief Executive Officer and President concluded that the Company s disclosure controls and procedures are ineffective due to the limited resources of the Company.

PART II OTHER INFORMATION

ITEM 1.

LEGAL PROCEEDINGS

As of June 30, 2009 and for the three and six months prior, the company was not a party to any legal proceedings.

ITEM 1A.

RISK FACTORS.

There have been no material changes to our risk factors as previously disclosed in our most recent 10-K filing

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

Exhibit No.	Description
31.1	Certification Pursuant to Rule 13a-14 under the Securities Exchange Act of 1934, as amended Section 302 of the Sarbanes-Oxley Act of 2002
31.2	Certification Pursuant to Rule 13a-14 under the Securities Exchange Act of 1934, as amended Section 302 of the Sarbanes-Oxley Act of 2002
32.1	Certification Pursuant to 18 U.S.C. Section 1350 as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
32.2	Certification 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 Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on behalf by the undersigned, thereunto duly authorized.

August 5, 2009	**One eCommerce Corporation**	
	By:	/s/ HARRY NASS Harry Nass
		President and Chief Executive Officer