

One e Commerce CORP
Form 10-Q
May 17, 2011

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: March 31, 2011
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
(State or other jurisdiction
of incorporation or organization)

87-0531751
(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.

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Large accelerated filer
Non-accelerated filer

Accelerated filer
Smaller reporting
company

(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 No

As of March 31, 2011, there were 18,317,200 shares of the issuer's common stock outstanding.

CAUTIONARY STATEMENT

All statements, other than statements of historical fact, included in this Form 10-Q, including without limitation the statements under “Management’s Discussion and Analysis of Financial Condition and Results of Operation” and “Description of Business,” are, or may be deemed to be, 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 market 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, unless the context requires otherwise, “we” or “us” or the “Company” means One eCommerce Corporation.

The following list of important factors may not be all-inclusive, and we specifically decline to undertake an obligation to publicly revise any forward-looking statements that have been made to reflect events or circumstances after the date of such statements or to reflect the occurrence of anticipated or unanticipated events. Among the factors that could have an impact on our ability to achieve expected operating results and growth plan goals and/or affect the market price of our stock are:

- Lack of operating history, operating revenue or earnings history.
 - Dependence on key personnel.
- Fluctuation in quarterly operating results and seasonality in certain of our markets.
 - Our ability to raise capital to fund our operations.
- Our ability to successfully integrate and operate acquired or newly formed entities, ventures and or subsidiaries.
 - Changes in laws and regulations that affect our operations.

Available Information

The Securities and Exchange Commission (“SEC”) maintains an Internet site that contains reports, proxy and information statements and other information regarding issuers that file electronically with the SEC at www.sec.gov. The public may read and copy any materials we file with the SEC at the SEC’s Public Reference Room at 100 F Street, NE, 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.

PART I – FINANCIAL INFORMATION

Item 1. Financial Statements

One eCommerce Corporation
(A Development Stage Company)
Balance Sheet

	March 31, 2011 (Unaudited)	December 31, 2010 (Audited)
ASSETS		
Current assets		
Cash	\$ 80	\$95
TOTAL CURRENT ASSETS	80	95
TOTAL ASSETS		
	\$ 80	\$95
LIABILITIES & STOCKHOLDERS' DEFICIT		
Current liabilities		
Accounts payable	\$ 8,515	\$-
Accounts payable - related party	5,500	6,515
Notes payable - related party	514,458	514,458
Accrued interest - related party	536,775	524,664
Accrued expenses - related party	36,012	36,012
TOTAL CURRENT LIABILITIES	1,101,260	1,081,649
Stockholders' Deficit		
Preferred stock		
500,000 shares authorized, \$0.001 par value, no shares issued	-	-
Common stock		
50,000,000 shares authorized, \$0.001 par value, 18,317,000 shares issued and outstanding at March 31, 2011 and December 31, 2010	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	(529,468)	(509,842)
TOTAL STOCKHOLDERS' DEFICIT	(1,101,180)	(1,081,554)
TOTAL LIABILITIES & STOCKHOLDERS' DEFICIT	\$ 80	\$95

See accompanying notes to the condensed financial statements.

One eCommerce Corporation
(A Development Stage Company)

Statements of Operations

(Unaudited)

	For the quarter ended March 31, 2011	For the quarter ended March 31, 2010	From December 31, 2001 (Inception) through March 31, 2011
REVENUE	\$-	\$-	\$-
OPERATING EXPENSES			
General and Administrative	7,515	7,525	80,097
Total Operating Expenses	7,515	7,525	80,097
LOSS FROM OPERATIONS	(7,515)	(7,525)	(80,097)
OTHER EXPENSE			
Interest Expense	(12,111)	(12,111)	(449,371)
Total Other Expense	(12,111)	(12,111)	(449,371)
LOSS BEFORE INCOME TAXES	(19,626)	(19,636)	(529,468)
INCOME TAX EXPENSE	-	-	-
NET LOSS	\$(19,626)	\$(19,636)	\$(529,468)
NET LOSS PER SHARE, BASIC AND DILUTED			
	\$-	\$-	
WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING			
BASIC AND DILUTED	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 quarter ended March 31, 2011	For the quarter ended March 31, 2010	From December 31, 2001 (Inception) through March 31, 2011
Cash flows from operating activities:			
Net loss	\$(19,626)	\$(19,636)	\$(529,468)
Adjustment to reconcile net loss			
Changes in assets and liabilities:			
Accounts payable- related party	(1,015)	7,500	5,500
Accrued interest - related party	12,111	12,111	485,533
Accounts payable	8,515	-	8,515
Net cash used in operating activities	(15)	(25)	(29,920)
Cash flows from investing activities	-	-	-
Cash flows from financing activities			
Proceeds from notes payable, related party	-	-	30,000
Net cash provided by financing activities	-	-	30,000
Net increase (decrease) in cash	(15)	(25)	80
Cash, beginning of period	95	165	-
Cash, end of period	\$80	\$140	\$80
Supplemental Cash Flow Information:			
Cash paid for interest	\$-	\$-	\$-
Cash paid for income taxes	\$-	\$-	\$-
Non-cash investing and financing activities			
Stock issued for services	\$-	\$-	\$-

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 AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Unaudited Interim Financial Statements

The interim financial statements as of March 31, 2011, and for the periods ended March 31, 2011 and 2010, are unaudited. However, in the opinion of management, the interim financial statements include all adjustments, consisting only of normal recurring adjustments, necessary to present the Company's financial position as of March 31, 2011 and the results of its operations and its cash flows for the periods ended March 31, 2011 and 2010. These results are not necessarily indicative of the results expected for the year ending December 31, 2011. The accompanying financial statements and condensed notes thereto do not reflect all disclosures required under accounting principles generally accepted in the United States of America. Refer to the Company's audited financial statements as of December 31, 2010, filed with the Securities and Exchange Commission ("SEC") for additional information, including significant accounting policies

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.

Use of Estimates

The preparation of 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 financial statements and the reported

amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

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.

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.

Loss per Common Share

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 months ended March 31, 2011 and 2010, the 30,573,664 potential common stock shares to be issued upon conversion of the notes payable to a stockholder (see Note 3) have not been included in the determination of loss per share because the effect would be anti-dilutive.

NOTE 2 - 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 3 – RELATED PARTY TRANSACTIONS

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

Issue Date	Interest Rate	Maturity Date	Conversion 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
October 2, 2009	10%	October 2, 2011	\$ N/A	10,000
August 9, 2010	10%	May 18, 2011	\$ N/A	20,000
				\$ 514,458

In the event Mr. Welch 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 March 31, 2011, and through this date, Mr. Welch has not demanded to accelerate immediate payment of these notes. 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 3 – RELATED PARTY TRANSACTIONS (continued)

On October 2, 2009, the Company issued a related party note payable to Mr. Welch and received \$10,000 of proceeds. The related party note payable carries an interest rate of 10% and is due on October 2, 2011. The note is not convertible to equity and was renewed on October 1, 2010. In August 2010, the Company issued a related party note payable to Mr. Welch and received \$20,000 of proceeds. The related party note payable carries an interest rate of 10% and is due on May 18, 2011. The note is not convertible to equity.

Accrued interest for all related party notes was \$536,775 and \$524,664 at March 31, 2011 and December 31, 2010, respectively.

During the three months ended Mr. Welch paid expenses on behalf of the Company in the amount of \$5,500, which are recorded as accounts payable, related party in the accompanying balance sheet.

NOTE 4 – 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 period ended March 31, 2011, 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, 2010.

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 has had no revenue since inception (December 31, 2001). During the three month periods ended March 31, 2011 and 2010, general and administrative expenses totaled 7,515 and \$7,525, respectively. Some general and administrative expenses in the period ending March 31, 2011, specifically accounting fees and other fees related to SEC filings, were paid or will be paid directly to the service providers by the Company's officers in the form of check or wire transfer. We recorded these payments (if any), as accounts payable - related party.

Interest expense for the three month periods ended March 31, 2011 and 2010 was \$12,111 and \$12,111, respectively, and \$449,371 from inception (December 21, 2001) to March 31, 2011. Interest expense is simple interest calculated at 10% on the outstanding balances of related party notes. See Note 3 of the Condensed Notes to Financial Statements.

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.

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

Issue Date	Interest Rate	Maturity Date	Conversion Rate	Amount
December 31, 1999	10%	December 31, 2000	\$ 0.1000	\$ 190,010
December 31, 1999	10%	December 31, 2000	\$ 0.1000	72,580
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On October 2, 2009, the Company issued a related party note payable to Mr. Welch and received \$10,000 of proceeds. The related party note payable carries an interest rate of 10% and is due on October 2, 2011. The note is not convertible to equity and was renewed on October 1, 2010. In August 2010, the Company issued a related party note payable to Mr. Welch and received \$20,000 of proceeds. The related party note payable carries an interest rate of 10% and is due on May 18, 2011. The note is not convertible to equity.

Accrued interest for all related party notes was \$ 536,775 and \$524,664 March 31, 2011 and at December 31, 2010, respectively.

During the three months ended Mr. Welch paid expenses on behalf of the Company in the amount of \$5,500.

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 DISCLOSURE 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.

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PART II – OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

As of March 31, 2011 and for the three 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	Rule 13a-14(a) Certification of Principal Executive Officer.*
31.2	Rule 13a-14(a) Certification of Principal Financial Officer.*
32.1	Section 1350 Certification of Principal Executive Officer.*
32.2	Section 1350 Certification of Principal Financial Officer.*

* Filed herewith

(c) Financial Statement Schedules omitted

None.

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.

May 16, 2011

One eCommerce Corporation

By: /s/ Harry Nass
Harry Nass
President and Chief Executive
Officer