

NURSE SOLUTIONS, INC.
Form 10-Q
August 14, 2008

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

FORM 10-Q

(Mark One)

☒ X

QUARTERLY REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934 For
the quarterly period ended June 30, 2008

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

For the transition period from to

Commission file number 333-141875

NURSE SOLUTIONS, INC.

(Exact name of Registrant as specified in its charter)

NEVADA

(State or other jurisdiction of incorporation or organization)

20-5879021

(IRS Employer Identification No.)

439 West Bockman Way
Sparta, TN 38583
(Address of principal executive offices)

(931) 837-5344

(Registrant's telephone number, including area code)

(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 . ☒ X No . ☐ []

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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 ☒

APPLICABLE ONLY TO CORPORATE ISSUERS

As of August 8, 2008, the Company had 17,094,000 issued and outstanding shares of its common stock.

PART I FINANCIAL INFORMATION

The accompanying interim unaudited financial statements of Nurse Solutions, Inc. (a Nevada corporation) are condensed and, therefore, do not include all disclosures normally required by accounting principles generally accepted in the United States of America. These statements should be read in conjunction with the Company's most recent annual financial statements for the year ended December 31, 2007 included in a Form 10-KSB filed with the U.S. Securities and Exchange Commission (SEC) on March 21, 2008. In the opinion of management, all adjustments necessary for a fair presentation have been included in the accompanying interim financial statements and consist of only normal recurring adjustments. The results of operations presented in the accompanying interim financial statements for the six months ended June 30, 2008 are not necessarily indicative of the operating results that may be expected for the full year ending December 31, 2008.

NURSE SOLUTIONS, INC.
(A DEVELOPMENT STAGE COMPANY)
BALANCE SHEETS

| | June 30, 2008 (unaudited) | December 31, 2007 |
|---|--|------------------------------|
| <u>ASSETS</u> | | |
| Current Assets | | |
| Cash | \$ 1,562 | \$ 11,150 |
| Prepaid expenses | - | 2,500 |
| Total current assets | 1,562 | 13,650 |
| Total Assets | \$ 1,562 | \$ 13,650 |
| <u>LIABILITIES & STOCKHOLDERS' EQUITY</u> | | |
| Current Liabilities | | |
| Accounts payable | \$ 1,200 | \$ - |
| Total Liabilities | 1,200 | - |
| Stockholders' Equity | | |
| Capital stock: | | |
| 75,000,000 common shares authorized, \$0.001 par value; | | |
| 17,094,000 common shares issued and outstanding at | | |
| June 30, 2008 and December 31, 2007 | 17,094 | 17,094 |
| Additional paid-in capital | 43,956 | 43,956 |
| Deficit accumulated during the development stage | (60,688) | (47,400) |
| Total Stockholders' Equity | 362 | 13,650 |
| Total Liabilities & Stockholders' Equity | \$ 1,562 | \$ 13,650 |

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

NURSE SOLUTIONS, INC.
(A DEVELOPMENT STAGE COMPANY)
STATEMENTS OF OPERATIONS

(unaudited)

| | Three Months Ended | | Six Months Ended | | Cumulative Totals from Inception (November 14, 2006) to June 30, 2008 |
|---|---------------------------|-------------|-------------------------|-------------|--|
| | June 30, | | June 30, | | |
| | 2008 | 2007 | 2008 | 2007 | 2008 |
| REVENUES | \$ - | \$ - | \$ - | \$ - | \$ - |
| EXPENSES | | | | | |
| Advertising expense | - | 20,000 | - | 20,000 | 20,000 |
| Professional fees | 8,295 | 8,235 | 13,278 | 14,597 | 40,604 |
| Other general and administrative | 10 | 62 | 10 | 62 | 84 |
| Total expenses | 8,305 | 28,297 | 13,288 | 34,659 | 60,688 |
| NET LOSS APPLICABLE TO COMMON SHARES | \$ (8,305) | \$ (28,297) | \$ (13,288) | \$ (34,659) | \$ (60,688) |
| NET LOSS PER BASIC AND DILUTED SHARES | \$ (0.00) | \$ (0.00) | \$ (0.00) | \$ (0.00) | |
| WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING | 17,094,000 | 17,094,000 | 17,094,000 | 17,094,000 | |

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

NURSE SOLUTIONS
(A DEVELOPMENT STAGE COMPANY)
STATEMENTS OF CASH FLOWS
(unaudited)

| | Six Months Ended | | Cumulative totals from Inception (November 14, 2006) to |
|--|------------------|-----------------|---|
| | June 30, | | June 30, |
| | 2008 | 2007 | 2008 |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Net loss | \$ (13,288) | \$ (34,659) | \$ (60,688) |
| Adjustments to reconcile net loss to net cash provided by | | | |
| (used in) operations: | | | |
| Changes in operating assets and liabilities: | | | |
| Decrease (increase) in prepaid expenses | 2,500 | (3,988) | - |
| Increase in accounts payable | 1,200 | 4,000 | 1,200 |
| Net cash used in operating activities | (9,588) | (34,647) | (59,488) |
| CASH FLOWS FROM INVESTING ACTIVITIES | - | - | - |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | |
| Common stock issued for cash | - | - | 61,050 |
| Proceeds received from notes payable - related parties | - | - | 100 |
| Payments made on notes payable - related parties | - | - | (100) |
| Net cash provided by financing activities | - | - | 61,050 |
| NET INCREASE (DECREASE) IN CASH AND CASH | | | |

| | | | |
|-----------------------------|----------|-----------|----------|
| EQUIVALENTS | (9,588) | (34,647) | 1,562 |
| | | | - |
| Cash at beginning of period | 11,150 | 56,050 | |
| Cash at end of period | \$ 1,562 | \$ 21,403 | \$ 1,562 |

**SUPPLEMENTAL CASH FLOW
INFORMATION:**

| | | | |
|----------------------------|------|------|------|
| | \$ - | \$ - | \$ - |
| Cash paid for interest | | | |
| | \$ - | \$ - | \$ - |
| Cash paid for income taxes | | | |

**SCHEDULE OF NON-CASH INVESTING
AND FINANCING ACTIVITIES:**

None

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

Nurse Solutions, Inc.

(A Development Stage Company)

Notes to Unaudited Financial Statements

June 30, 2008

NOTE 1. Organization and Summary of Significant Accounting Policies

This summary of significant accounting policies of Nurse Solutions, Inc. (a development stage company) (the Company) is presented to assist in understanding the Company's financial statements. These accounting policies conform to accounting principles generally accepted in the United States of America and have been consistently applied in the preparation of the accompanying financial statements. The Company has not realized revenues from its planned principal business purpose and is considered to be in its development stage in accordance with SFAS 7, *"Accounting and Reporting by Development Stage Enterprises."*

Business Activity

The Company was incorporated in Nevada on November 14, 2006 to provide highly qualified registered nurses from around the globe to healthcare organizations throughout the USA and Canada. The Company has elected a fiscal year end of December 31.

Income Taxes

The Company recognizes the tax effects of transactions in the year in which such transactions enter into the determination of net income, regardless of when reported for tax purposes. Deferred taxes are normally provided in the financial statements under SFAS No. 109 to give effect to the resulting temporary differences which may arise from differences in the bases of fixed assets, depreciation methods, allowances, and start-up costs based on the income taxes expected to be payable in future years. Minimal development stage deferred tax assets of approximately \$21,000 arising as a result of net operating loss carryforwards have been offset completely by a valuation allowance due to the uncertainty of their utilization in future periods. The valuation allowance increased by approximately \$5,000 and \$12,000 during the six months ended June 30, 2008 and 2007, respectively. Operating loss carryforwards generated during the period from November 14, 2006 (date of inception) through June 30, 2008 of \$60,688 will begin to expire in 2025.

Foreign Currency

Transactions and balances originally denominated in U.S. dollars are presented at their original amounts. Transactions and balances in other currencies are converted into U.S. dollars in accordance with Statement of Financial Accounting Standards (SFAS) No. 52, *"Foreign Currency Translation,"* and are included in determining net income or loss.

There were no net gains and losses resulting from foreign exchange transactions that are included in the statements of operations during the period presented.

Estimates

Preparation of financial statements in accordance 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. The Company's periodic filings with the Securities and Exchange Commission include, where applicable, disclosures of estimates, assumptions, uncertainties and markets that could affect the financial statements and future operations of the Company.

Cash and Cash Equivalents

For the purpose of the statements of cash flows, the Company considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents. The Company had \$1,562 and \$11,150 in cash and cash equivalents at June 30, 2008 and December 31, 2007, respectively.

Nurse Solutions, Inc.

(A Development Stage Company)

Notes to Unaudited Financial Statements (continued)

June 30, 2008

NOTE 1. Organization and Summary of Significant Accounting Policies (continued)

Revenue Recognition

The Company's primary revenue stream will be placement fees earned for the placement of qualified nurses into various medical facilities. Revenue will be recognized once the service is performed, persuasive evidence of an agreement exists, the price is fixed or determinable, and collectibility is reasonably expected.

Recently Issued Accounting Pronouncements

In May 2008, FASB issued Financial Accounting Standards No. 163, *Accounting for Financial Guarantee Insurance Contracts - an interpretation of FASB Statement No. 60*. Diversity exists in practice in accounting for financial guarantee insurance contracts by insurance enterprises under FASB Statement No. 60, Accounting and Reporting by Insurance Enterprises. That diversity results in inconsistencies in the recognition and measurement of claim liabilities because of differing views about when a loss has been incurred under FASB Statement No. 5, Accounting for Contingencies. This Statement 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. This Statement is effective for financial statements issued for fiscal years beginning after December 15, 2008, and all interim periods within those fiscal years.

In May 2008, FASB issued Financial Accounting Standards No. 162, *The Hierarchy of Generally Accepted Accounting Principles*. This Statement identifies the sources of accounting principles and the framework for selecting the principles to be used in the preparation of financial statements of nongovernmental entities that are presented in conformity with generally accepted accounting principles (GAAP) in the United States (the GAAP hierarchy). This Statement is effective 60 days following the SEC's approval of the Public Company Accounting Oversight Board amendments to AU Section 411, *The Meaning of Present Fairly in Conformity With Generally Accepted Accounting Principles*.

In March 2008, FASB issued Financial Accounting Standards No. 161, *Disclosure about Derivative Instruments and Hedging Activities - an amendment to FASB Statement No. 133*. The use and complexity of derivative instruments and hedging activities have increased significantly over the past several years. Constituents have expressed concerns that the existing disclosure requirements in FASB Statement No. 133, *Accounting for Derivative Instruments and Hedging Activities*, do not provide adequate information about how derivative and hedging activities affect an entity's financial position, financial performance, and cash flows. Accordingly, this Statement requires enhanced disclosures about an entity's derivative and hedging activities and thereby improves the transparency of financial reporting. This Statement is effective for financial statements issued for fiscal years and interim periods beginning after November 15, 2008.

In December 2007, the FASB issued SFAS No. 160, *Noncontrolling Interests in Consolidated Financial Statements - an amendment of ARB No. 51*. This Statement amends ARB 51 to establish accounting and reporting standards for the noncontrolling interest in a subsidiary and for the deconsolidation of a subsidiary. It clarifies that a noncontrolling interest in a subsidiary is an ownership interest in the consolidated entity that should be reported as equity in the consolidated financial statements. This statement is effective as of the beginning of an entity's first fiscal year that begins after December 15, 2008.

None of the above new pronouncements has current application to the Company, but may be applicable to the Company's future financial reporting.

Nurse Solutions, Inc.**(A Development Stage Company)****Notes to Unaudited Financial Statements (continued)****June 30, 2008****NOTE 2. Net Income or (Loss) Per Share of Common Stock**

The Company has adopted Financial Accounting Standards Board ("FASB") Statement Number 128, *"Earnings per Share,"* ("EPS") which requires presentation of basic and diluted EPS on the face of the statements of operations for all entities with complex capital structures and requires a reconciliation of the numerator and denominator of the basic EPS computation to the numerator and denominator of the diluted EPS computation. In the accompanying financial statements, basic earnings (loss) per share is computed by dividing net income/loss by the weighted average number of shares of common stock outstanding during the period.

The following table sets forth the computation of basic and diluted earnings per share:

| | Three Months Ended June 30, | | Six Months Ended June 30, | |
|--|-----------------------------|-------------|---------------------------|-------------|
| | 2008 | 2007 | 2008 | 2007 |
| Net loss | \$ (8,305) | \$ (28,297) | \$ (13,288) | \$ (34,659) |
| Weighted average common shares outstanding (Basic) | 17,094,000 | 17,094,000 | 17,094,000 | 17,094,000 |
| Options | - | - | - | - |
| Warrants | - | - | - | - |
| Weighted average common shares outstanding (Diluted) | 17,094,000 | 17,094,000 | 17,094,000 | 17,094,000 |
| Net loss per share (Basic and Diluted) | \$ (0.00) | \$ (0.00) | \$ (0.00) | \$ (0.00) |

The Company has no potentially dilutive securities, such as options or warrants, currently issued and outstanding.

NOTE 3. Stockholders' Equity

Upon incorporation in November 2006, the Company undertook a private offering of 17,050,000 shares of its common stock, with an offering price of \$0.001 per share for \$17,050 in cash. Also in November 2006, the Company issued 44,000 shares of its common stock with an offering price of \$1.00 per share for \$44,000 in cash. The funds raised from the two offerings totaled \$61,050 and will be used to cover further start-up and organizational costs of the Company. At June 30, 2008 and December 31, 2007 the Company had 17,094,000 shares of common stock issued and outstanding.

NOTE 4. Going Concern Considerations

The accompanying 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. The Company is currently in the development stage and has not generated revenues from its planned business purpose. Realization of the assets of the Company is dependent upon the Company's ability to meet its financial requirements through equity financing and the success of future operations. These factors, among others, raise substantial doubt about the Company's ability to continue as a going concern. The accompanying financial statements do not include any adjustments that might result from the outcome of this uncertainty.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.

The business plan of Nurse Solutions, Inc. ("Nurse Solutions" or "the Company") is to establish a market for the placement of qualified registered nurses from abroad in medical offices and hospitals located within the United States and Canada. The Company will charge a fee ranging between \$2,500 and \$5,000, excluding certain governmental expenses and transportation, which will be paid by the prospective client.

The Company's business plan also includes the development of a website, which will allow prospective clients to learn about the Company and contact Nurse Solutions for a presentation outlining a customized solution for their particular staffing needs.

The Company has not yet begun the development of its website. However, it currently has an existing relationship with Sleep Associates Corporation, a private Nevada corporation that deals with doctors and hospitals specializing in sleep disorders. Nurse Solutions will use this relationship to begin marketing its services.

The funds available to the Company from private offerings were for a total of \$61,050 and are adequate for it to cover general and operating expenses and to begin development of its website and marketing materials.

The Company does not have day-to-day operations and does not employ full or part-time staff. The Company pays fees for services to its attorneys, accountants, and transfer agent. It retains additional services such as technology, website design and assistance in procedures necessary to coordinate the legal, accounting and regulatory filings from its consultants. A fee is paid for these services.

The Company will require additional cash, either from financing transactions or operating activities, to meet our long-term goals. Our long-term goals will be to develop our website and establish relationships with prospective clients.

Over the next twelve months, the Company intends to complete the following:

1.

Hire one employee and set up an office, telephones, computers, website, marketing materials, and infrastructure.

2.

Set up an overseas placement company to coordinate complete placement of nurses.

3.

Complete all forms, standard operating procedures, and any additional paperwork and protocol needed to finalize placement, and create a written placement procedures manual (overseas placement company to provide).

4.

We intend to request Sleep Associates Corporation salespeople to ask potential customers if they have a need for qualified nurses. If so, they will pass out the brochures and register the needs of the prospective customer with Nurse Solutions.

5.

Nurse Solutions will capitalize on the upfront marketing provided by Sleep Associates Corporation's salespeople, and they will broker the nurses using the overseas placement company to fulfill the needs of our customers.

6.

Commencing in months 4 and 5, we will hire an additional employee and spend the money necessary to hire directly from the schools that train the nurses overseas and eliminate the 50% placement commission paid to our overseas placement company.

The Company estimates expenses over the next twelve months to complete the above tasks to be \$156,885. The Company is expecting income from nurses placed through existing relationships and referrals from Sleep Associates Corporation to be sufficient to pay for expenses.

During the six months ended June 30, 2008, the Company incurred \$8,305 in expenses, consisting primarily of \$8,295 in professional fees for legal, accounting fees associated with audited financial statements and consulting fees for development of the Company.

Capital and Liquidity

As of June 30, 2008, we had total current assets of \$1,562 and total liabilities of \$1,200, resulting in working capital of \$362.

During the period of inception (November 14, 2006) through June 30, 2008, the Company received \$61,050 in cash from the sale of its common stock, which it is using on a short-term basis to fund operations until the Company can generate profits. It did not receive the proceeds from the sale of stock under its SB-2 Registration Statement.

On a long-term basis, we do not have sufficient cash to meet our needs and we will require additional cash, either from financing transactions or operating activities, to meet our long-term goals over the next twelve months. If revenues are not sufficient to pay our expenses, the Company will require additional financing over the next twelve months. There can be no assurance that we will be able to obtain additional financing, either in the form of debt or equity, or that, if such financing is obtained, it will be sufficient for our needs or available to us on reasonable terms. In the event that the Company is unable to obtain financing, the Company will seek joint venture partners to assist in development with its technology and products. The Company has had no discussions with potential merger candidates, and has no knowledge of potential joint venture partners at this time. If we are able to obtain additional financing or structure strategic relationships in order to fund existing or future projects, existing stockholders will likely experience further dilution of their percentage ownership of the Company by the issuance of additional shares to investors under terms not yet negotiated.

The Company has a net loss and deficit accumulated during this development stage of \$60,688.

Item 4. Controls and Procedures.

The management of Nurse Solutions, Inc. is responsible for establishing and maintaining adequate internal control over financial reporting (as defined in Rule 13a-15(e) and Rule 15d-15(e) under the Exchange Act). Nurse Solutions, Inc.'s internal control system was designed to provide reasonable assurance to the Company's management and Board

of Directors regarding

the preparation and fair presentation of published financial statements in accordance with U.S. generally accepted accounting principles and reliability of financial reporting. All internal control systems, no matter how well designed, have inherent limitations. Therefore, even those systems determined to be effective can provide only reasonable assurance with respect to financial statement preparation and presentation.

Management maintains a comprehensive system of controls intended to ensure that transactions are executed in accordance with management's authorization, assets are safeguarded, and financial records are reliable. Management also takes steps to ensure that information and communication flows are effective, and to monitor performance, including performance of internal control procedures.

Nurse Solutions, Inc.'s management assessed the effectiveness of the Company's internal control over financial reporting as of June 30, 2008 based on the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) in Internal Control-Integrated Framework. Based on this assessment, management believes that, as of June 30, 2008, the Company's internal control over financial reporting is effective.

PART II OTHER INFORMATION

Item 6. Exhibits

Exhibits:

| Exhibit No. | Document | Location |
|-------------|---------------------------------------|------------------|
| 3.1 | Articles of Incorporation | Previously Filed |
| 3.2 | Bylaws | Previously Filed |
| 31 | Rule 13a-41(a)/15d-14(a) Certificates | Included |
| 32 | Section 1350 Certifications | Included |

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.

NURSE SOLUTIONS, INC.

July 24, 2008

/s/ Tomasz Zurawek

Date

TOMASZ ZURAWEK, PRESIDENT

