

Edgar Filing: Trilliant, Inc. - Form 10QSB

Trilliant, Inc.
Form 10QSB
January 12, 2007

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

FORM 10-QSB

(Mark One)

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

For the quarterly period ended November 30, 2006

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

For the transition period from _____ to _____

Commission file number 000-50101

Trilliant, Inc.
(Exact name of small business issuer as specified in its charter)

Nevada 91-2135425
(State or other jurisdiction of (IRS Employer Identification No.)
incorporation or organization)

5046 E. Boulevard, NW, Canton, OH 44718
(Address of principal executive officer)

(330) 966-8120
(Issuer's telephone number)

E and S Holdings, Inc.
(Former name, former address and former fiscal year,
if changed since last report)

Check whether the issuer (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 checkmark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). YES ☐ NO ☒

APPLICABLE ONLY TO ISSUERS INVOLVED IN BANKRUPTCY
PROCEEDINGS DURING THE PRECEDING FIVE YEARS

Check whether the registrant filed all documents and reports required to be filed by Section 12, 13 or 15(d) of the Exchange Act after the distribution of securities under a plan confirmed by a court. Yes ☐ No ☐

APPLICABLE ONLY TO CORPORATE ISSUERS

State the number of shares outstanding of each of the issuer's classes of common equity, as of the latest practicable date: 15,100,000

TRILLIANT, INC.
fka E AND S HOLDINGS, INC.

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(A Development Stage Company)
BALANCE SHEETS
NOVEMBER 30, 2006 AND MAY 31, 2006

	November 30, 2006 ----- (Unaudited)	May 31, 2006 ----- (Audited)
ASSETS		
CURRENT ASSETS		
Cash in bank	\$ 57	\$ 54
Accounts receivable	179	178
Inventory	21,214	21,436
	-----	-----
Total Current Assets	21,450	21,668
	-----	-----
OTHER ASSETS		
Patent - net of amortization of \$4,453 at November 30, 2006, \$3,958 at May 31, 2006	8,246	8,740
	-----	-----
Total Assets	\$ 29,696	\$ 30,408
	=====	=====
LIABILITIES AND STOCKHOLDERS' EQUITY		
LIABILITIES		
Accounts payable	\$ 49,667	\$ 41,284
Accounts payable - stockholder	26,703	20,603
Note payable-stockholder	18,150	12,250
Accrued royalties	0	2
Accrued interest	1,564	665
Accrued warranty	123	128
	-----	-----
Total Liabilities	96,207	74,932
	-----	-----
STOCKHOLDERS' EQUITY		
Common stock - 100,000,000 shares authorized, 15,100,000 outstanding as of November 30 and May 31, 2006 at .001 par value	15,100	15,100
Additional paid-in capital	237,999	237,999
Deficit accumulated during the development stage	(319,610)	(297,623)
	-----	-----
Total Stockholders' Equity	(66,511)	(44,524)
	-----	-----
Total Liabilities and Stockholders' Equity	\$ 29,696	\$ 30,408
	=====	=====

Note: The balance sheet at May 31, 2006 has been derived from the audited financial statements at that date but does not include all of the information and footnotes required by accounting principles generally accepted in the United States of America for complete financial statements.

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See accompanying notes to financial statements.

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TRILLIANT, INC.
fka E AND S HOLDINGS, INC.
(A Development Stage Company)
STATEMENTS OF OPERATIONS
FOR THE THREE AND SIX MONTHS ENDED NOVEMBER 30, 2006
AND THE PERIOD FROM JUNE 20, 2001 (INCEPTION) TO NOVEMBER 30, 2006

	Three Months Ended November 30, 2006	Six Months Ended November 30, 2006	June 20, 2001 (Inception) November 30, 2006
	(Unaudited)	(Unaudited)	(Unaudited)
SALES - NET	\$ 219	\$ 319	\$ 12
Cost of Sales	141	186	6
GROSS PROFIT	78	133	6
OPERATING EXPENSES			
Damaged and defective items	0	12	1
Wage expense	0	0	118
Advertising	0	133	17
Legal and professional fees	5,685	16,614	122
Product development	0	0	
Bank charges	173	279	1
Rent-stockholder	0	0	11
License and permits	0	0	1
Amortization	248	495	4
Franchise tax	0	0	
Commission	0	0	
Royalty expense	1	16	
Office and administrative expense	0	0	18
Travel	635	635	5
Freight and delivery	0	0	
Postage	9	9	1
Payroll taxes	0	10	
Insurance	0	0	1
Supplies	0	0	2
Telephone	0	0	2
Trade shows	268	2,488	6
UCC code and filing expense	150	430	1
Dues, subscriptions and membership fees	0	0	
Warranty expense	4	6	
	(7,173)	(21,127)	(322)
NET INCOME (LOSS) FROM OPERATIONS	(7,095)	(20,994)	(315)
OTHER INCOME (EXPENSE)			
Miscellaneous income	0	0	
Interest expense	(453)	(993)	(3)
Bad debts	0	0	
Miscellaneous expense	0	0	

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	-----	-----	-----
	(453)	(993)	(4
Net Income (Loss) before income taxes	(7,548)	(21,987)	(319
Provision for income taxes	0 -	0 -	
	-----	-----	-----
NET INCOME (LOSS)	\$ (7,548)	\$ (21,987)	\$ (319
	=====	=====	=====
Net income (loss) per common share - basic	\$.00	\$.00	\$
	=====	=====	=====

See accompanying notes to financial statements.

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TRILLIANT, INC. fka E AND S HOLDINGS, INC. (A Development Stage Company) STATEMENTS OF OPERATIONS FOR THE THREE AND SIX MONTHS ENDED NOVEMBER 30, 2005

	Three Months Ended November 30, 2005	Six Months Ended November 30, 2005
	-----	-----
	(Unaudited)	(Unaudited)
SALES - NET	\$ 282	\$ 1,831
COST OF SALE	111	1,065
	-----	-----
GROSS PROFIT	171	766
OPERATING EXPENSES		
Wage expense	0	0
Payroll taxes	0	10
Insurance	0	0
Commissions	3	16
Freight & delivery	0	0
Legal and professional fees	5,702	17,448
Professional fees	0	0
Product development	0	0
Bank charges	138	240
Rent - stockholder	0	0
License and permits	0	0
UCC code	280	280
Franchise tax	0	0
Workers' compensation	0	0
Amortization	248	495
Advertising	23	23
Royalty expense	2	79
Telephone	113	227
Trade show expense	0	176
Travel and lodging	1	1,028
Postage	96	
Dues & subscriptions	121	121
Warranty expense	5	36
Office supplies and expense	0	520

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	-----	-----
	(6,732)	(20,699)
	-----	-----
NET INCOME (LOSS) FROM OPERATIONS	(6,561)	(19,933)
OTHER INCOME (EXPENSE)		
Interest expense	(100)	(193)
	-----	-----
Net Income (Loss) before income taxes	(6,661)	(20,126)
Provision for income taxes	0	0
	-----	-----
NET INCOME (LOSS)	\$ (6,661)	\$ (20,126)
	=====	=====
Net income (loss) per common share - basic	\$ (.00)	\$ (.00)
	=====	=====

See accompanying notes to financial statements.

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TRILLIANT, INC. fka E AND S HOLDINGS, INC. (A Development Stage Company) STATEMENTS OF CASH FLOWS FOR THE SIX MONTHS ENDED NOVEMBER 30, 2006 AND 2005, AND THE PERIOD FROM JUNE 20, 2001 (INCEPTION) TO NOVEMBER 30, 2006

	Six Months Ended November 30, 2006 ----- (Unaudited)	Six Months Ended November 30, 2005 ----- (Unaudited)
CASH FLOWS FROM OPERATING ACTIVITIES		
Net Income (Loss)	\$ (21,987)	\$ (20,126)
Adjustments to reconcile net income to net cash provided by operating activities:		
Amortization	495	494
Compensation related to stock issuance	0	0
Interest added to note payable	0	0
Decrease (Increase) in accounts receivable	(1)	1,971
Decrease (Increase) decrease in inventory	222	1,141
(Decrease) Increase in accounts payable	8,382	11,412
(Decrease) Increase in accounts payable-stockholder	6,100	2,000
(Decrease) Increase in accrued wages and directors' fees	0	0
(Decrease) in other accrued taxes	(88)	--
(Decrease) Increase in accrued royalties	(2)	(64)
(Decrease) Increase in accrued interest	899	197
(Decrease) Increase in accrued rent	0	0
(Decrease) Increase in accrued warranty	(5)	(17)
	-----	-----
Net Cash From (Used By) Operating Activities	(5,897)	(2,992)
	-----	-----
CASH FLOW USED BY INVESTING ACTIVITIES		
Purchase of patent	0	0
	-----	-----

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CASH FLOWS FROM FINANCING ACTIVITIES

Loans from (repayments to) stockholders	5,900	4,000
Repayment of loans - stockholders	0	0
Proceeds from issuance of common stock,		
Net of issuance costs of \$2,500	0	0
	-----	-----
Net Cash Provided By Financing Activities	5,900	4,000
	-----	-----
Net Increase (Decrease) In Cash	3	1,008
Cash At Beginning Of Period	54	136
	-----	-----
Cash At End of Period	\$ 57	\$ 1,144
	=====	=====
Supplemental Disclosure of Cash Flows Information		
Interest paid	\$ 0	\$ 0
	=====	=====
Taxes paid	\$ 0	\$ 0
	=====	=====

Supplemental Disclosure of Non-cash Investing and Financing Activities

On September 27, 2001, 700,000 shares of stock were issued at a value of \$1,899 in return for contribution of the patent option. The patent was subsequently purchased for \$10,800 in March 2002.

In March of 2003, interest accrued on stockholder loans payable in the amount of \$1,296 was added to the outstanding loan balance when the stockholder notes due March, 2003 were renewed.

In November of 2004, certain officers, directors, and shareholders of the company forgave accrued wages, director's fees and rents totaling \$96,700. These transactions are reflected as increases to paid-in capital.

In February of 2006, a shareholder of the company forgave accrued wages of \$17,000. This transaction is reflected as an increase to additional paid-in capital. Also, the shareholder acquired 100,000 shares of stock in exchange for accrued wages of \$8,000 and \$2,000 of compensation. These transactions have been reflected as increases to common stock and additional paid-in capital.

See accompanying notes to financial statements.

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TRILLIANT, INC.
fka E AND S HOLDINGS, INC.
(A Development Stage Company)
NOTES TO FINANCIAL STATEMENTS
NOVEMBER 30, 2006

NOTE A - BASIS OF PRESENTATION

The accompanying unaudited financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America for interim financial information and with the instructions to Form 10-QSB and item 310(b) of Regulation S-B. Accordingly, they do not include all the information and footnotes required by accounting principles generally accepted in the United States of America for complete financial statements. In the opinion of management, all adjustments (consisting of normal recurring accruals) considered necessary for a fair presentation have been included. For further information, refer to the financial statements and footnotes thereto included in the Trilliant, Inc. fka E and S Holdings, Inc. Form 10-KSB filing for the year ended May 31, 2006.

NOTE B - DEVELOPMENT STAGE COMPANY

Trilliant, Inc. fka E and S Holdings, Inc. (a Nevada corporation) has been

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in the development stage since its formation on June 20, 2001. It is primarily engaged in the development and marketing of new products on which it holds the patent. Realization of a major portion of its assets is dependent upon the Company's ability to successfully develop and market the patent, meet its future financing requirements, and the success of future operations. These factors raise substantial doubt about the Company's ability to continue as a going concern.

NOTE C - SUBSEQUENT EVENTS

In December, 2006, the name of the Corporation was changed from E and S Holdings, Inc. to Trilliant, Inc.

In December, 2006, the Board of Directors approved a four-for-one forward split of the Corporation's common stock.

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ITEM 2 - MANAGEMENT'S DISCUSSION AND ANALYSIS OR PLAN OF OPERATION

Trilliant, Inc. (Trilliant) formerly known as E & S Holdings, Inc. is a developmental stage company that has received revenues of approximately \$219 during the three-month period ending November 30, 2006. Trilliant has received no significant revenues since its inception.

As of November 30, 2006, Trilliant has cash assets of \$57 and accounts receivable of \$179. The inventory of the company is \$ 21,214. After experiencing initial favorable response to the company's sole product, the Portable Pipe Vise, Trilliant has experienced a continuing decrease in the public interest for its product. Due to the lack of market response to the product, the management of Trilliant has decided that it is necessary to review the focus of the business's operation at this time. Management does not believe that additional funding of the Portable Pipe Vise will create sufficient interest in the product to justify raising additional capital. Instead, management is now focusing its efforts toward developing another product to market to the public either through the purchase of the product or through a combination with another existing entity.

Until such time as Trilliant is in a position to propose to its shareholders a change in direction of the company, it will continue in its efforts to market the Portable Pipe Vise to the public. It has no plans, at this time, however, to order additional units of the Portable Pipe Vise from its manufacturer.

The shares of Trilliant are currently listed on the OTC Bulletin Board, under the symbol ESHI. Due to the recent name change of the company and the proposed forward stock split discussed in Part II Item 4, the trading symbol will change when the stock split becomes effective.

Over the past three months, Trilliant has sustained operating losses in the amount of \$7,548. Of this amount, \$5,685 involve costs for legal and accounting fees occurred during the last quarter. As of November 30, 2006, Trilliant has total liabilities of \$96,207. These liabilities include approximately \$44,853 of liabilities owed to shareholders for advances and loans made to the company.

There are no off balance sheet arrangements involving Trilliant at this time.

ITEM 3 - CONTROLS AND PROCEDURES

The management of Trilliant recognize its responsibility for establishing and maintaining adequate internal controls over financial reporting for

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Trilliant. Due to the small size of Trilliant, the company's Chief Executive Officer and Chief Operating Officer is aware of all matters pertaining to the operations of Trilliant, Inc and has reviewed all aspects of the financial information included in the company's financial reporting. At the present time, management is of the opinion that the company's internal controls over financial reporting for the past fiscal year is adequate. However, management has identified a material weakness in its procedures in that the small size of management causes a lack of segregation of duties and limits management's ability to recognize potential inadequacies of the internal controls over the financial reporting.

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PART II - OTHER INFORMATION

ITEM 1 - LEGAL PROCEEDINGS

To the best of its knowledge, management of Trilliant is not aware of any legal proceedings in which Trilliant is currently involved.

ITEM 2 - CHANGES IN SECURITY

There are no changes in security since the last annual statement for the year ending May 31, 2006.

ITEM 3 - DEFAULTS UPON SENIOR SECURITIES

There are no defaults upon any senior securities.

ITEM 4 - SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

On December 14, 2006 an Action of Shareholders occurred without meeting, pursuant to Nevada State statutes. The Shareholder's action, which was ratified by 66.22% of holders of outstanding shares of the company, voted to change the name of the company to Trilliant Resources, Inc. The corporate name was subsequently revised by shareholder action without meeting on December 20, 2006 to change the name of the corporation to Trilliant, Inc. The second referenced action was also ratified by 66.22% of holders of outstanding shares of common stock of the company.

The December 14, 2006 the Action of Shareholders without meeting also elected a new Director to the Board of Directors. The Shareholders elected Mr. Gary Campbell to serve as a third member of the Board of Directors, thereby increasing the number on the Board of Directors from 2 to 3. In addition, the Shareholders ratified a previous action taken by the Board of Directors to declare a forward stock split of the company's common stock at a ratio of 4 shares for every 1 share held. The stock split shall become effective on the next trading day after the split is approved by NASD. Shareholders will be requested to return their share certificates for E and S Holdings, Inc. to the transfer agent and receive back a new certificate in Trilliant, Inc. The return shares of Trilliant, Inc. shall be 4 shares for every 1 share previously held by the Shareholder.

ITEM 5 - OTHER INFORMATION

There are no items of information required to be disclosed pursuant to this item at this time.

ITEM 6 - EXHIBITS AND REPORTS ON FORM 8-K

A. The following are filed as Exhibits to this quarter of the report. The numbers refer to the exhibit table of Item 601 of regulation S-K: Reference is

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hereby made to the exhibits contained in the registration statement (Form SB-2) filed by E & S Holdings, Inc.

Exhibit 31 - Rule 13a-14(a)/15d-14(a) - Certification

Exhibit 32 - Section 1350 - Certification

B. Reports on Form 8-K - 09/21/2005

Reports on Form 8-K - 12/16/2005

Reports on Form 8-K - 02/10/2006

Reports on Form 8-K - 12/22/2006

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SIGNATURES

In accordance with the requirements of the Exchange Act, the registrant caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

TRILLIANT, INC.

Date: January 12, 2007

By: /s/ Edward A. Barth

Edward A. Barth, Principal Financial Officer

Date: January 12, 2007

By: /s/ Edward A. Barth

Edward A. Barth, Principal Executive Officer

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