

MYOFFIZ INC
Form 10KSB
September 24, 2004

ANNUAL REPORT

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Form 10-KSB

Annual Report Pursuant to Section 13 or 15(d) of the Securities Exchange

Act of 1934

For the Fiscal Year Ended June 30, 2004

Transition Report Pursuant to Section 13 or 15(d) of the Securities

Exchange Act of 1934

For the Transition Period _____ to _____.

MYOFFIZ, INC.

(Name of Small Business Issuers in its charter)

NEVADA

(State of other jurisdiction of

incorporation or organization

88-049-6188-7481

(I.R.S. Employer Identification Number)

913 Bukit Timah Road, #02-01, Singapore

(Address of principal executive offices)

589623

(zip code)

Issuer's telephone number: Singapore: (65) 68484666

Securities Registered Pursuant to Section 12(b) of the Act: NONE

Securities Registered Pursuant to Section 12(g) of the Act:

Common Stock

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

Check if there is no disclosure of delinquent filers in response to Item 405 of Regulation S-B is not contained in this form, and no disclosure will be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-KSB or any amendment to this Form 10-KSB.

The issuer's revenues for its most recent fiscal year was \$19,882.

As of the date of this filing, the Company's Common Stock is not trading on a national exchange.

The number of shares outstanding of each of the issuer's classes of common equity, as of June 30, 2004 was 4,573,350.

DOCUMENTS INCORPORATED BY REFERENCE

If the following documents are incorporated by reference, briefly describe them and identify the part of the Form 10-KSB (e.g., Part I, Part II, etc.) into which the document is incorporated: (1) any annual report to security holders; (2) any proxy or information statement; and (3) any prospectus filed pursuant to Rule 424(b) or (c) of the Securities Act of 1933 ("Securities Act"). The listed documents should be clearly described for identification purposes (e.g., annual report to security holders for fiscal year ended December 24, 1990).

Transitional Small Business Disclosure Format (Check one):

Yes No

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PART I - ITEM 1. DESCRIPTION OF BUSINESS.

Business Development

MyOffiz's predecessor, Ascomnet Pte., Ltd. was incorporated in Singapore in 1995. This entity ceased operations in 1998 and was purchased in early 2000 by the founders of MyOffiz, Inc. That company was renamed first MyOffiz.com Pte. Ltd. in early 2000 and renamed later in 2000 as MyOffiz Asia Pte, Ltd.

MyOffiz, Inc. was incorporated in Nevada in October 2000. On October 31, 2000, the shareholders and owners of Myoffiz.com Pte Ltd sold the assets used to commence our business to us in exchange for 2,200,000 shares of our common stock. In addition, in connection with the acquisition, we issued an additional 1,500,000 shares to repay loans or advances that were made to or on behalf of Myoffiz.com Pte Ltd by three of its shareholders.

Following the asset sale in October 31, 2000, MyOffiz Asia Pte, Ltd's only business has been and currently is to provide the following services to us or on our behalf:

- o
Administration of sales of office products; including ordering products for resale, processing sales orders, processing product delivery, and processing billings and payments
- o
Administration of commissions or fees from third-party product and service providers; including contracting with them, processing of orders for their products and services, and processing of related billings and payments
- o
Advertising and promotion
- o
Hosting and maintenance of our website
- o
Furnishing personnel to act as officers and directors, including Mr. Jaren Chan Eng Ann and Mr. Michael Chang

MyOffiz Asia Pte Ltd, furnishes the services of Mr. Jaren Chan Eng Ann to act as our president and director and Mr. Michael Chang to act as our treasurer and director. In this capacity, Mr. Chan devotes approximately 10% of his time to our business. The remainder of his time is devoted to his management and employee training consulting business.

Mr. Michael Chang also devotes approximately 10% of his time to our business, with the remaining time devoted to his management company. We pay MyOffiz Asia Pte, Ltd a fee of \$2300 per month for providing these services under an amended management services agreement dated January 1, 2003.

Mr. Michael Chang, our treasurer and director, is also a director of MyOffiz Asia Pte, Ltd. Mr. Jaren Chan Eng Ann, our president and director, is a shareholder of MyOffiz Asia Pte, Ltd. Mr. Hirofumi Inagawa, our director, is a shareholder of MyOffiz Asia Pte, Ltd. Mr. Chang, Mr. Chan and Mr. Hirofumi have a fiduciary duty to us and to MyOffiz Asia Pte, Ltd. We pay management fees to MyOffiz Asia Pte, Ltd. Accordingly, Mr. Chang, as an officer and director of us and a director to MyOffiz Asia Pte, Ltd, and to a lesser extent Mr. Chan and Mr. Hirofumi as officer and directors of us but only shareholders of to MyOffiz Asia Pte, Ltd, face conflicts of interest in receipt of payment of management fees, time allocation, and prioritizing opportunities between our business and MyOffiz Asia Pte, Ltd.

We have not formulated a policy for the resolution of such conflicts. We have entered into transactions and may do so in the future with our officers, directors, and shareholders. These transactions were not negotiated at arms length, and there may be conflicts with respect to the interpretation and enforcement of any agreement between us and our officer, director and shareholders. Any dispute with respect to the interpretation or enforcement of agreements between us and our officer, director and shareholders may not be resolved in our favor. There can be no assurance that future transactions or arrangements between with our officer, director and shareholders will be advantageous to us, that conflicts of interest will not arise with respect thereto, or that if conflicts do arise, that they will be resolved in a favorable manner to us.

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MyOffiz Asia Pte, Ltd and MyOffiz, Inc. have the following common directors, officers, and persons who own or control more than 5% of the stock of each:

Myoffiz Asia Pte Ltd	%	Position	MyOffiz, Inc	%	Position
Low Eng Teck	11.91%	Shareholder		7.73%	Shareholder
Kwek Swee Cheow	11.91%	Director		6.29%	Shareholder
Chang Ah Meng Michael	11.90%	Director		6.29%	Treasurer and Director
Han Mui Tuan	8.98%	Shareholder		8.27%	Shareholder
Ho Ai Lian	11.90%	Shareholder		6.29%	Shareholder
Thue Leong Meng	5.95%	Shareholder		3.14%	Shareholder
Siew Pai Oak	5.95%	Shareholder		3.14%	Shareholder
Jaren Chan Eng Ann Eng Ann	2.92%	Shareholder		3.41%	President
Chee Yew Sing	2.92%	Shareholder		1.62%	Shareholder
Han Eng Kwang	9.74%	Shareholder		5.39%	Shareholder
Masaru Osawa	1.95%	Shareholder		1.08%	Shareholder
Hirofumi Inagawa	0.97%	Shareholder		0.54%	Director
Shuan Yuan Shuan Michael	1.46%	Shareholder		0.81%	Shareholder
Masahide Katsukata	10.06%	Shareholder		5.57%	Shareholder
Springfield Technology Ventures	1.46%	Shareholder		0.81%	Shareholder

There are no common officers between Myoffiz Asia Pte Ltd and Myoffiz, Inc. Mr. Michael Chang, our treasurer and

director, is also a director of MyOffiz Asia Pte, Ltd. Mr. Jaren Chan Eng Ann, our president and director, is a shareholder of MyOffiz Asia Pte, Ltd. Mr. Hirofumi Inagawa, our director, is a shareholder of MyOffiz Asia Pte, Ltd.

MyOffiz Asia Pte, Ltd and MyOffiz, Inc. have 15 common stockholders, seven of whom own more the 5% of the issued and outstanding common stock of each.

Since our inception we have devoted our activities to the following:

o

Raising capital;

o

Securing management services;

o

Establishing our website;

o

Securing rights to sell products and services; and

o

Developing our operating infrastructure.

Initial operations began in January 2000 and sales commenced in July 2000. We generated \$19,882 in sales for year ended June 30, 2004. We had losses of [\$45,063] for the year ended June 30, 2004. At June 30, 2004 we had an accumulated deficit of [\$265,246].

We provide office products and services to businesses and individuals in the Asia-Pacific region. We wholesale and distribute third party products through direct sales and through sales conducted over the Internet.

MyOffiz's office product offerings include stationery, computer and accessories, printers and peripherals, filing and storage media, business books, general office equipment and corporate gifts. Currently, we are the exclusive Internet distributor for MSE, an American brand of toner cartridges, in the Asia-Pacific region.

We have the following principal suppliers:

o

Popular Book Co Pte Ltd

o

Kumpulan Development Pte Ltd

o

OA Supplies Pte Ltd

o

MSE Enterprise Singapore Pte Ltd

o

Sis Technologies Pte Ltd

All these suppliers carry all the products we sell. We purchase from whichever supplier offers the best price on the products we are purchasing at the time of our order.

Besides office products and services, we provide other services through commission-based arrangements with providers of these services. For example, we have the following agreements with the following parties: a member of Horwath International to provide services such as corporate company secretarial, accountancy and auditing services. Joaquims, Singapore's largest floral company to provide flowers; Cathay Photo Store, a Singapore photographic supplies company to provide camera equipments and accessories and Unison Commercial, a Singapore stationery supplier to provide stationary products. We have no written agreements with them.

We generate revenues from the sale of the following products and services:

Product	Year ended June 30, 2004
Office and similar products	\$11,265
Commissions or fees from third-party product and service providers	\$8,617

Of our product sales since inception, 5% have been generated from sales on the internet and 95% from direct sales.

We operate a website at www.myoffiz.com. Nothing on that website is part of this registration statement.

Marketing

We currently use fax promotion, telemarketing and the internet to reach our customers.

Future marketing efforts will focus on product promotions with vendors, exhibitions, newspaper advertisements, magazines and adding additional sales personnel.

We have not entered into any agreements with spokespersons, sales representative, distributors or others to promote our products or website in any manner. We must secure additional funding to do so.

Seasonality

Our operating results may fluctuate from quarter to quarter as a result of stronger sales in the third quarter of our fiscal year, January to March, associated with the beginning of calendar year office supply budgeting programs.

Government Approval

Although our operations are located outside of the U.S., we are not subject to any material government regulation upon our business.

Principal Customers

Our principal customers are as follows:

Year 2004

Teleflex Morse Pte LTD

34.6%

Software Cube

14.7%

Arbug Pte Ltd

13.8%

H2O Design

8.1%

Institute Estetica De Beaute

7.7%

We have no written agreements with these customers.

Competitive Environment

The office supply and related services industry is increasingly competitive. Because barriers to market entry are relatively low, new competitors can establish their business at a relatively low cost. Thus, we expect competition to become increasingly intensified in the future. Therefore, competition is rapidly evolving and we may not be able to keep pace with the intense competition in this market.

Many of our competitors have significantly greater brand recognition, customer bases, operating histories and financial and other resources. In addition, many companies have expanded the size of their operations by acquiring other complimentary companies or forming advantageous strategic alliances.

Currently, the key players in the on-line office products segment in Asia are all large companies, including WizOffice.com, a company listed on the main-board of the Singapore Stock Exchange, WebOffice.com, a company which is funded by UK-based 3i, PLC, one of the world's largest investment groups, and Saggio.com which is funded by Warburg Pincus and Ryoden Development. Most of the above companies provide only an Internet gateway for purchase of third-party office supplies via e-commerce, unlike MyOffiz which carries an exclusive product, at this time only one: the MSE range of toners.

Product Sales; Returns; Warranties and Product Liability

Customers will access our website and select the items they want to purchase. When the customer has completed a purchase selection, we arrange for delivery and the customer pays for the items with their corporate check upon delivery. For certain customers, a 15 to 30 days credit term is provided. Revenue is recognized when the earning process is complete and the risks and rewards of ownership have transferred to the customer, which is generally considered to have occurred upon shipment of the finished product or performance of services.

Our cancellation policy is as follows: If the customer cancels the order before the products are shipped, then no costs are incurred. If the customer cancels the order after the product has been shipped, then the customer is responsible for the shipping fees back to us along with the original shipping costs we incurred. Our refund policy is 30 days from the date of shipping. The refund is dependant upon the fact the product is returned in good condition. The customer is also responsible for the shipping costs both ways if the product is returned.

We offer no warranties ourselves. The only warranties offered are manufacturers' warranties for which we are not responsible. For example, MSE Toners are covered by a 100% warranty by MSE. They are guaranteed to be free from defects in both material and workmanship from the original date of purchase for a period of one year or until the toner is depleted, whichever occurs first.

We have not obtained warranty or product liability insurance. In addition, we have not established a reserve fund for such purposes. Since inception, there have been no claims against us.

RISK FACTORS

Our poor financial condition raises substantial doubt about our ability to continue as a going concern. You will be unable to determine whether we will ever become profitable.

Initial operations began in January 2000 and sales commenced in July 2000. We generated \$19,882 in sales for year ended June 30, 2004. We had losses of [\$45,063] for the year ended June 30, 2004. At June 30, 2004 we had an accumulated deficit of [\$265,246].

In addition, as of June 30, 2004, we had only \$1,818 in current cash available. Our current cash resources of \$1,818 at June 30, 2004 are sufficient to satisfy our cash requirements over the next twelve months if we have no growth and if MyOffiz Asia Pte, Ltd. continues to provide services while deferring their management fee, which they have orally agreed to do. We estimate our business needs an additional \$475,000 cash infusion to fund our desired expansion during the same period. In order to become profitable, we may still need to secure additional debt or equity funding. We hope to be able to raise additional funds from an offering of our stock in the future. However, this offering may not occur, or if it occurs, may not raise the required funding. There are no preliminary or definitive agreements or understandings with any party for such financing.

Our ability to continue as a going concern is dependent on our ability to raise funds to implement our planned development; however we may not be able to raise sufficient funds to do so. Our independent auditors have indicated that there is substantial doubt about our ability to continue as a going concern over the next twelve months. Our poor financial condition could inhibit our ability to achieve our business plan, because we are currently operating at a substantial loss with no significant revenues, an investor cannot determine if we will ever become profitable.

We have a limited operating history; because our planned growth is contingent upon receiving additional funding, you are unable to evaluate whether our business will be successful.

Our business development is contingent upon raising debt or equity funding. We have no sources of funding identified. You must consider the risks, difficulties, delays and expenses frequently encountered by young and unestablished companies in our business, which have little operating history, including whether we will be able to overcome the following challenges:

- o
Inability to raise necessary revenue to operate for the next 12 months or thereafter
- o
Advertising and marketing costs that may exceed our current estimates
- o
Unanticipated expenses
- o
Our ability to generate sufficient revenues to offset the substantial costs of operating our business

Because significant expenses are in our growth plan, including inventory, website development and operations, we anticipate that we may incur losses until revenues are sufficient to cover our operating costs. Future losses are likely before our operations become profitable. As a result of our short operating history, you will have little basis upon which to accurately forecast our:

o

Total assets, liabilities, and equity

o

Annual revenues

o

Gross and operating margins

o

Labor costs

Accordingly, the business growth plans described in this registration statement may not either materialize or prove successful and we may never be profitable. Also, you have no basis upon which to judge our ability to develop our business and you will be unable to forecast our future growth.

Because sales of products such as ours through an Internet-based office supply sales website have not been widely accepted by the public, we may face significant barriers in selling the products we hope to be able to sell, which could reduce our revenues.

Our business involves the use of a website to sell products. The use of the Internet is a relatively new form by which to provide these type of products. Traditionally, these products are provided through retail or wholesale stores with seasoned sales associates or other personal points of contact. Additionally, the public has perceived these stores as being more reliable than depersonalized on-line websites. Accordingly, we face significant barriers to overcome in consumer preferences of traditionally used retail and wholesale outlets for the office supply and products that we offer.

If substantial numbers of our website users lose connection to our website, we will lose potential customers and fail to develop repeat business which will reduce our revenues.

Although we will test our website for errors and attempt to identify any bugs or errors, our site may contain the following problems leading to interruptions in our business:

- o
Undetected errors or bugs
- o
Inability of our server to handle peak loads
- o
Systems failures by our Internet service provider
- o
Inactivity by users for periods while remaining on-line

Repeated disruptions due to such errors or even one disruption may dissuade users from ever using our services again. Accordingly, if we fail to develop effective systems to detect such errors or guard against such errors and there are substantial interruptions, we will be unsuccessful at developing business, and our potential revenues will be reduced.

Our vulnerability to security breaches, glitches and other computer failures could harm our future customer relationships, our ability to establish our future customer base.

We will offer the products we hope to be able to sell exclusively through our Internet site. The secure transmission of confidential information over public networks is a critical element of our operations. A party who is able to circumvent security measures could misappropriate proprietary information or cause interruptions in our operations. If we are unable to prevent unauthorized access to our users' information and transactions, our customer relationships will be harmed. Although we hope to be able to implement industry-standard security measures, these measures may not prevent future security breaches. Heavy stress placed on our systems could cause systems failures or operation of our systems at unacceptably low speeds.

Because we have a limited number of suppliers, one of which accounted for almost all of our sales, the loss of this supplier could reduce our revenues.

We have the following principal suppliers:

o

Popular Book Co Pte Ltd

o

Kumpulan Development Pte Ltd

o

OA Supplies Pte Ltd

o

MSE Enterprise Singapore Pte Ltd

o

Sis Technologies Pte Ltd

Because we have limited major customers, the loss of any one major customer would significantly reduce our revenues.

In fiscal year ended June 30, 2004, Teleflex Morse accounted for 34.6% and Software Cube accounted for 14.7% percent of our revenues. We have no written agreements with these customers. Because of this concentration of major customers, the loss of either or both of them would significantly reduce our revenues.

