

Edgar Filing: COVENTURE INTERNATIONAL INC - Form 10KSB

COVENTURE INTERNATIONAL INC
Form 10KSB
October 29, 2003

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 July 31, 2003

Commission File No. 0-31539

Coventure International Inc.
(Name of Small Business Issuer in its charter)

Delaware

98-0231607

(State of incorporation)

(IRS Employer
Identification No.)

404 First Street West, Unit 3
Cochrane, Alberta
(Address of Principal Executive Office)

T4C 1A5
Zip Code

Registrant's telephone number, including Area Code: (403) 851-2600 Securities registered pursuant to Section 12(b) of the Act: None Securities registered pursuant to Section 12(g) of the Act:

Common Stock, par value \$0.0001
(Title of Class)

Check 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 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 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 the 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 Company's revenues during the year ended July 31, 2003 were \$14,788.

The aggregate market value of the voting stock held by non-affiliates of the Company as of October 24, 2003 was approximately \$222,000.

As of October 24, 2003 the Company had 7,022,200 issued and outstanding shares of common stock.

FORWARD LOOKING STATEMENTS

This report contains various forward-looking statements that are based on our beliefs as well as assumptions made by and information currently available

Edgar Filing: COVENTURE INTERNATIONAL INC - Form 10KSB

to us. When used in this report, the words "believe", "expect", "anticipate", "estimate" and similar expressions are intended to identify forward-looking statements. Such statements may include statements regarding future operations, payment of operating expenses, and the like, and are subject to certain risks, uncertainties and assumptions which could cause actual results to differ materially from our projections or estimates. Should our underlying assumptions prove incorrect, actual results may vary materially from those anticipated, estimated or projected. Investors should not place undue reliance on forward-looking statements, all of which speak only as of the date made.

ITEM 1. DESCRIPTION OF BUSINESS

We were incorporated in Delaware on March 31, 1999 as Bullet Environmental Systems, Inc. and on May 25, 2000 we changed our name to Liquidpure Corp. On February 14, 2002 we changed our name to Coventure International Inc. Our original business plan involved the manufacturing and marketing of potable and waste-water treatment systems to various commercial, agricultural, and industrial markets. We never sold any water treatment systems and on October 1, 2001 the agreement under which this plan of business originated was terminated.

We plan provide consulting services to small and medium sized businesses in North America through a network of regionally licensed operators. Our consulting services will be designed to improve a client's profitability through strategic analysis, planning, consulting and ongoing evaluation. Our core services will attempt to identify inefficiencies and trouble spots in a business before they cause significant problems.

We have tested the Coventure Analysis methodologies on a mid-sized firm located in Calgary, Alberta. The results proved that the methodology for assessing business dysfunction was sound, however management is refining the process of presenting the results to the client. Our website, WWW.COVENTURE.COM became active in May 2002.

Products or Services

We plan to provide the following products and services to our clients. We will be able to provide these services once we raise \$100,000 in capital. Of this amount, the \$50,000 will be used to hire and train the analysts and consultants which will provide these services to future clients and \$50,000 will be used to market our products, services, and licensing program. We do not know when we will obtain the \$100,000 in capital. Our initial focus will be on the development of Canadian and American markets.

We anticipate pricing our products and services at rates which are comparable to those charged by consulting firms serving small and mid-sized businesses and which are located in the same area as the client.

Diagnostic Assessment

Our Business Analysts will be trained to conduct an exhaustive Diagnostic Study. The Diagnostic Study will reveal the unique conditions, concerns and procedures that each individual business possesses as well as local economic conditions and

domestic factors that impact a business in the client's area of operation. Upon completion of the Diagnostic Study, the Analyst will provide a confidential review and report of the findings, with recommendations.

Our Diagnostic Study reviews the following areas of a client's business:

Edgar Filing: COVENTURE INTERNATIONAL INC - Form 10KSB

- o Current and historical financial records, statements and reports
- o Strategic and Operating Plans/Budgeting Policies
- o The Organization Structure
- o Policies and Procedures - Employee Manuals
- o Internal Reporting Systems and Document Flows
- o Employee Moral and Attitudes
- o Management - Employee Communication
- o Employee and Management Compensation
- o Management Goals and Philosophy
- o Fixed and Variable Cost Analysis
- o Receivable and payable policies and performance
- o Breakeven Assessments
- o Pricing Strategies
- o Sales and Marketing
- o Supply Chain Management and Costs
- o Inventory Controls and Performance
- o Productivity and Employee Training
- o Quality Controls and Customer Satisfaction
- o Administration and Management Systems and Integration

Consulting Services

Following the completion of the Diagnostic Study, the information in the Diagnostic Study will be evaluated and a consulting program will be prepared to address those factors necessary for the client to achieve optimal levels of profitability.

If requested by a client, we will periodically evaluate the client's business, changing economic factors, and the client's progress in implementing our recommendations.

Licensing

Unlike most competing firms that target small businesses on a nation-wide basis, we plan to secure regional representation through licensing exclusive territories to third parties.

Licensee candidates will be chosen for their past experience, personality, education and passion for the small business sector. The amount paid to us as a licensing fee will provide the licensee with all of the appropriate training for their regional staff, promotional and diagnostic materials, regional advertising, the initiation of a telemarketing program, some equipment, software and most legal costs. All revenues generated by the regional licensee will be billed through us and an average commission of 15% will be paid to the licensee. All telephone, regional travel, entertainment and overhead costs in a territory will be the responsibility of the licensee.

A licensee will be formally reviewed each quarter. Annual and quarterly targets will be established prior to each new fiscal period. A manager will be assigned to assist and guide the licensee and his operatives in securing their targets. Upon two consecutive quarterly targets being not met, the licensee will receive a warning that his territory is in jeopardy of being revoked. If attempts to remedy the licensee's territory have proved unsuccessful the territory will be reassigned and the licensee will lose their licensing fee. A non-competition agreement will keep licensees from consulting in the regional market for a period of one year.

We plan to license the following Canadian markets in 2003: Edmonton, Kelowna and Vancouver. As of October 24, 2003 we have not licensed any of these

Edgar Filing: COVENTURE INTERNATIONAL INC - Form 10KSB

markets.

Other Services

If the results of our Diagnostic Study reveal a need for legal, accounting, tax, or related professional services, we will refer the small business owner to firms which specialize in providing these services to small and mid-sized businesses.

Competition

The leaders in the small and medium business consulting market include George S. May International and International Business Analysts. Both are located in Chicago, Illinois and are represented through-out North America. These large competitors are not regionally represented and are priced higher than the accounting services that most of the target market works with. In each territory we will also compete with numerous local and regional firms which provide business consulting services. We believe our competitive advantage will be our focus on only small and mid-sized businesses. By focusing on small and mid-sized businesses, we expect that our analysts and consultants will be more familiar with the unique range of issues facing companies of this size. As of October 24, 2003 we were not competing in the consulting industry and we will not be able to compete until we raise a minimum of \$100,000 in capital and begin operations.

Offices and Employees

We do not have any full-time employees. We have one part-time employee, John Hromyk, who is our sole officer and director. Mr. Hromyk is involved in other full-time business activities and acts as an officer on a part-time basis as needed. Hiring of other management, staff and consultants will occur incrementally as funds become available and the need arises. We have no collective bargaining agreements or employment agreements in existence.

ITEM 2. DESCRIPTION OF PROPERTY

We have no material assets and, as such, we do not own any real or personal property. We rent office space located at 404 First Street West, Unit 3, Cochrane, Alberta T4C 1A5. We lease this space at a cost of \$836 per month until August 31, 2006. We are also responsible for our proportionate share of operating costs, which as of October 24, 2003 were \$222 per month. We believe this space is sufficient at this time.

ITEM 3. LEGAL PROCEEDINGS.

We are not involved in any pending or threatened legal proceeding.

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

No matters were submitted during the fiscal year covered by this report to a vote of our security holders, through the solicitation of proxies or otherwise.

ITEM 5. MARKET FOR THE COMPANY'S COMMON EQUITY AND RELATED STOCKHOLDER MATTERS

As of October 24, 2003, we had 7,022,200 outstanding shares of common stock and forty-seven shareholders of record. We do not have any outstanding options, warrants or other arrangements providing for the issuance of additional shares of our capital stock.

Edgar Filing: COVENTURE INTERNATIONAL INC - Form 10KSB

Although our common stock is listed for trading on the OTC Bulletin Board under the symbol "CVNI", as of October 24, 2003 there had been no trades in our common stock.

Holders of our common stock are entitled to receive such dividends as may be declared by our Board of Directors. The Board of Directors is not obligated to declare a dividend. No dividends have ever been declared and we do not anticipate or intend upon paying dividends for the foreseeable future.

Our Articles of Incorporation authorize our Board of Directors to issue up to 5,000,000 shares of Preferred Stock. The provisions in the Articles of Incorporation relating to the Preferred Stock allow our directors to issue Preferred Stock with multiple votes per share and dividend rights which would have priority over any dividends paid with respect to the holders of our common stock. The issuance of Preferred Stock with these rights may make the removal of management difficult even if the removal would be considered beneficial to shareholders generally, and will have the effect of limiting shareholder participation in certain transactions such as mergers or tender offers if these transactions are not favored by our management.

Trades of our common stock are subject to Rule 15c-9 of the Securities and Exchange Commission, which imposes certain requirements on broker/dealers who sell securities subject to the rule to persons other than established customers and accredited investors. For transactions covered by the rule, brokers/dealers must make a special suitability determination for purchasers of the securities and receive the purchaser's written agreement to the transaction prior to sale. The Securities and Exchange Commission also has rules that regulate broker/dealer practices in connection with transactions in "penny stocks". Penny stocks generally are equity securities with a price of less than \$5.00 (other than securities registered on certain national securities exchanges or quoted on the NASDAQ system, provided that current price and volume information with respect to transactions in that security is provided by the exchange or system). The penny stock rules require a broker/ dealer, prior to a transaction in a penny stock not otherwise exempt from the rules, to deliver a standardized risk disclosure document prepared by the Commission that provides information about penny stocks and the nature and level of risks in the penny stock market. The broker/dealer also must provide the customer with current bid and offer quotations for the penny stock, the compensation of the broker/dealer and its salesperson in the transaction, and monthly account statements showing the market value of each penny stock held in the customer's account. The bid and offer quotations, and the broker/dealer and salesperson compensation information, must be given to the customer orally or in writing prior to effecting the transaction and must be given to the customer in writing before or with the customer's confirmation. These disclosure requirements may have the effect of reducing the level of trading activity in the secondary market for our common stock.

ITEM 6. MANAGEMENT'S DISCUSSION AND ANALYSIS OR PLAN OF OPERATIONS

Our plan of business encompasses the following steps.

- o Raise capital of \$250,000 through the sale of equity securities prior to October 31, 2004.
- o Refine, market and expand our business plan and begin our licensing program
- o Hire and train an outside sales force, analysts and consultants

Although we have made initial progress in implementing our business, we will face considerable risks in each step of our business plan. Our website, WWW.COVENTURE.COM became active in May 2002.

Edgar Filing: COVENTURE INTERNATIONAL INC - Form 10KSB

Year ended July 31, 2001: Activity during the year ended July 31, 2001 was confined to the development of a business plan and securing an Internet website.

Year ended July 31, 2002: During the year ended July 31, 2002 our operations used \$46,694 in cash. Operating capital was provided by a loan of \$10,000 from John Hromyk, our President, the sale of the 80,000 shares of our common stock for \$20,000 to Jacquie Hromyk, the wife of Mr. Hromyk, and the sale of shares of our common stock for \$17,500 to an unrelated third party.

Year ended July 31, 2003: During this fiscal year our operations used \$59,444 in cash. Operating capital was provided by the sale of 256,000 shares of our common stock for \$64,000 (\$0.25 per share). Subsequent to July 31, 2003 we sold 48,000 shares of our common stock for \$12,000 (\$0.25 per share).

We will be able to begin providing consulting services once we raise \$100,000 in capital. Of this amount, \$50,000 will be used to hire and train the analysts and consultants which will provide these services to future clients and \$50,000 will be used to market our products, services, and licensing program. We do not know when we will obtain the \$100,000 in capital.

ITEM 7. FINANCIAL STATEMENTS

See the financial statements attached to this report.

ITEM 8. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

Not Applicable.

ITEM 8a. CONTROLS AND PROCEDURES.

Based on the evaluation of the Company's disclosure controls and procedures by John Hromyk, the Company's Chief Executive and Financial Officer, as of a date within 90 days of the filing date of this annual report, such officer has concluded that the Company's disclosure controls and procedures are effective in ensuring that information required to be disclosed by the Company in the reports that it files or submits under the Securities and Exchange Act of 1934, as amended, is recorded, processed, summarized and reported, within the time period specified by the Securities and Exchange Commission's rules and forms.

There were no significant changes in the Company's internal controls or in other factors that could significantly affect these controls subsequent to the date of their evaluation, and as a result, no corrective actions with regard to significant deficiencies and material weaknesses were required.

ITEM 9. DIRECTORS, EXECUTIVE OFFICERS, PROMOTERS AND CONTROL PERSONS, COMPLIANCE WITH SECTION 16(a) OF THE EXCHANGE ACT

Name	Age	Position
John Hromyk	42	President, Secretary, Treasurer and a director

John Hromyk has been our officer and director since August 30, 2001. From May 1999 to June 2001 he was the sole proprietor of Banded Peak Venture Services, a business development and management-consulting firm located in Calgary, Alberta. Banded Peak Venture Service is presently inactive. For three

Edgar Filing: COVENTURE INTERNATIONAL INC - Form 10KSB

years prior he was the founder and president of Hillside Estate Winery Ltd. located in Penticton, British Columbia. Hillside Estate Winery Ltd. is an established winery which produces a small number of high quality varietal wines which are sold through its wine shop and to specialty stores and restaurants. From June 1985 to April 1996 Mr. Hromyk was a contract magazine publisher for numerous Canadian regional and national periodicals. Educated in Vancouver, British Columbia Mr. Hromyk studied biological sciences from 1980 to 1984 at Vancouver Community College (Langara) and at the University of British Columbia. He also completed a Diploma Program in Business Administration and Marketing from Capilano College in North Vancouver in 1986.

Each director holds office until his successor is duly elected by the stockholders. Executive officers serve at the pleasure of the board of directors. John Hromyk presently devotes a limited amount of his time to our business. If we can raise at least \$100,000 in capital, Mr. Hromyk plans to spend approximately 75% of his time on our business. If we are not able to raise at least \$100,000 in capital, and other funding is not available, Mr. Hromyk, plans to spend approximately 50% of his time on our business.

ITEM 10. EXECUTIVE COMPENSATION

The following table sets forth in summary form the compensation received by our Chief Executive Officer. None of our former or current executive officers have ever received in excess of \$100,000 in compensation during any fiscal year.

Name and Principal Position -----	Fiscal Year -----	Salary -----	Bonus -----	Other Annual Compen- sation -----	Restricted Stock Awards -----	Options Granted -----	All Other Compen- sation -----
John Hromyk	2003	--	--	\$ 2,205			\$ 712
President since August 2001	2002	--	--	\$17,426	--	--	\$1,322
Amar Bahadoorsingh	2001	--	--	--	--	--	--
President prior to August 2001							

All Other Compensation paid to Mr. Hromyk represents automobile allowance and rent.

We do not have any consulting or employment agreements with our officer or director.

Our board of directors may increase the compensation paid to our officers depending upon a variety of factors, including the results of our future operations.

Options Granted During Fiscal Year Ending July 31, 2003:

None.

Long Term Incentive Plans - Awards in Last Fiscal Year

Edgar Filing: COVENTURE INTERNATIONAL INC - Form 10KSB

None.

Employee Pension, Profit Sharing or other Retirement Plans

We do not have a defined benefit, pension plan, profit sharing or other retirement plan, although we may adopt one or more of such plans in the future.

Directors' Compensation

At present we do not pay our directors for attending meetings of the board of directors, although we expect to adopt a director compensation policy in the future. We have no standard arrangement pursuant to which our directors are compensated for any services provided as a director or for committee participation or special assignments.

Except as disclosed elsewhere in this report none of our directors received any compensation from us during the year ended July 31, 2003.

ITEM 11. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT.

The following table sets forth, as of October 24, 2003, information with respect to the only persons owning beneficially 5% or more of our outstanding common stock and the number and percentage of outstanding shares owned by each of our directors and officers and by our officers and directors as a group. Unless otherwise indicated, each owner has sole voting and investment powers over his shares of common stock.

Name and Address	Shares of Common Stock	Percent of Class
John Hromyk PO Box 731 Bragg Creek, Alberta Canada T0L 0K0	6,134,900 (1)	87.4%
All Officers and Directors as a group (1 person)	6,134,900 (1)	87.4%

(1) includes 80,000 shares owned by Mr. Hromyk's wife.

ITEM 12. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS.

In March 1999 we sold 1,000,000 shares of our common stock to Century Capital Management Ltd., a company controlled by Andrew Hromyk, for \$100. Andrew Hromyk is our founder, a former officer and director, and the brother of John Hromyk.

In October 1999 we issued 7,000,000 shares of our common stock to Brett Walker, a former officer and director, for services rendered valued at \$700.

In May 2000 we acquired, for \$1,000, a license to manufacture and sell water treatment systems from a company controlled by Andrew Hromyk. Under the terms of the license, we were required to pay a 3% royalty on the gross sales price on any products sold using the technology subject to the license and a 2.5% royalty on any royalties or fees from the sale or lease of the license to third parties. During the nine-month period ended April 30, 2002, we abandoned this license since we decided we would not be able to raise the capital needed to compete in the water purification industry.

Edgar Filing: COVENTURE INTERNATIONAL INC - Form 10KSB

In July 2000 we sold 2,568,200 shares of common stock to twenty-two investors, all residents of Missouri, for cash in the amount of \$25,682.

In November 2000 Mr. Walker sold his 7,000,000 shares of common stock to Amar Bahadoorsingh.

During the year ended July 31, 2001, we paid management fees of \$2,026 to Brett Walker a former officer and director of the Company and rent of \$1,084 to a company controlled by Andrew Hromyk, a former officer and director of the Company.

In August 2001 Mr. Bahadoorsingh, who was then our President, sold 6,500,000 shares to John Hromyk for \$650 in cash. Following this sale, and effective August 30, 2001, Mr. Bahadoorsingh resigned as an officer and director and appointed Mr. Hromyk as a director.

In September 2001 Mr. Bahadoorsingh sold his remaining 500,000 shares to John Hromyk for \$50 in cash. In September 2001 and February 2002 Mr. Hromyk acquired the 1,000,000 shares originally sold to Century Capital Management for \$100 in cash.

In February, 2002 we received a loan of \$10,000 from John Hromyk.

In April 2002 Mr. Hromyk acquired 2,054,900 shares of common stock from ten of the shareholders who purchased shares in the July 2000 private placement.

In April, 2002 we sold 80,000 shares of our common stock to Jacquie Hromyk, the wife of John Hromyk, for \$20,000 in cash.

In May 2002 Mr. Hromyk returned 4,000,000 shares of common stock to the Company for cancellation.

In May 2002 we sold 70,000 shares of our common stock to one investor for cash of \$17,500.

In April 2003 we sold 226,000 shares of our common stock to six investors for cash of \$56,500.

In May 2003 we sold 30,000 shares of our common stock to one investor for cash of \$7,500.

During the year ended July 31, 2002 we paid \$1,889 to the wife of John Hromyk for administrative services.

During the year ended July 31, 2003 we paid \$723 to Mr. Hromyk's wife for administrative services.

ITEM 13. EXHIBITS AND REPORTS ON FORM 8-K

Exhibits

Number	Exhibit	Page Number
3	Certificate of Incorporation and Bylaws	(1) -----
4.	Instruments defining the rights of security holders	(2) -----
31	Rule 13a-14(a) Certifications	

Edgar Filing: COVENTURE INTERNATIONAL INC - Form 10KSB

32 Section 1350 Certifications

- (1) Incorporated by reference to the same exhibit number in the Company's registration statement on Form 10-SB.
- (2) Included as part of Exhibit 3.

We did not file any reports on Form 8-K during the three months ended July 31, 2003.

ITEM 14. PRINCIPAL ACCOUNTANT FEES AND SERVICES

The following table shows the aggregate fees billed to us for the years ended July 31, 2003 and July 31, 2002 by N.I. Cameron Inc., our independent auditors:

	Year Ended July 31,	
	2003	2002
Audit Fees	\$ 5,200	\$ 4,300
Audit-Related Fees	\$ 568	\$ --
Tax Fees	\$ --	\$ --
All Other Fees	\$ --	\$ --

Audit fees represent amounts billed for professional services rendered for the audit of our annual financial statements and the reviews of the financial statements included in our Forms 10-QSB for the fiscal year. We do not have an Audit Committee. Our Board of Directors has not adopted any policies or procedures for the pre-approval of non-audit services. Our Board of Directors has considered the role of N.I. Cameron Inc. in providing audit, audit-related and tax services to us and has concluded that such services are compatible with the role of N.I. Cameron Inc. as our independent auditor.

Coventure International Inc.
 (formerly Liquidpure Corp.)
 (a development stage enterprise)
 Consolidated Financial Statements
 July 31, 2003 and July 31, 2002

REPORT OF INDEPENDENT AUDITOR

Edgar Filing: COVENTURE INTERNATIONAL INC - Form 10KSB

To the Stockholders of
Coventure International Inc.
(formerly Liquidpure Corp.)

We have audited the accompanying consolidated balance sheets of Coventure International Inc. (a development stage enterprise) as of July 31, 2003 and 2002 and the related consolidated statements of operations, stockholders' equity (deficit) and cash flows for the years ended July 31, 2003 and 2002 and for each of the periods from March 31, 1999 (date of incorporation) to July 31, 2003 and 2002. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States. Those standards require that we plan and perform an audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Coventure International Inc. at July 31, 2003 and 2002, and the results of its operations and its cash flows for the years ended July 31, 2003 and July 31, 2002 and for each of the periods from March 31, 1999 (date of incorporation) to July 31, 2003 and 2002, in conformity with accounting principles generally accepted in the United States.

The accompanying consolidated financial statements have been prepared assuming that the Company will continue as a going concern. As discussed in Note 1 to the financial statements, the Company is in the development stage, has no established source of revenue and is dependent on its ability to raise capital from stockholders or other sources to sustain operations. These factors, along with other matters as set forth in Note 1, raise doubt that the Company will be able to continue as a going concern. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

Vancouver, Canada,
ACCOUNTANTS
October 15, 2003

N.I. Cameron Inc. (signed)
CHARTERED

Coventure International Inc.
(formerly Liquidpure Corp.)
(a development stage enterprise)
Consolidated Balance Sheets

Edgar Filing: COVENTURE INTERNATIONAL INC - Form 10KSB

(expressed in U.S. dollars)

	ASSETS	
	July 31 2003	July 31 2002
CURRENT		
Cash	\$ 4,992	\$ 232
Accounts receivable	-	1,259
Prepaid expenses and deposits	824	-
	5,816	1,491
PROPERTY, PLANT AND EQUIPMENT, at cost (Note 2)		
Computer equipment	583	875
Less: accumulated depreciation	218	109
	365	766
	\$ 6,181	\$ 2,257

LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIT)

CURRENT LIABILITIES

Accounts payable and accrued liabilities	\$ 14,238	\$ 16,035
Advances from stockholder (Note 4)	10,000	10,000
	24,238	26,035

STOCKHOLDERS' EQUITY (DEFICIT)

Share capital (Note 3)		
Common stock - \$0.0001 par value		
30,000,000 authorized; 6,974,200 issued and outstanding (2002 - 6,718,200)	697	672
Preferred stock - \$0.0001 par value		
5,000,000 authorized		
Additional paid-in capital	127,285	63,310
Deficit accumulated in the development stage	(146,039)	(87,760)
	(18,057)	(23,778)
	\$ 6,181	\$ 2,257

SUBSEQUENT EVENTS (Notes 3 and 6)

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

Coventure International Inc.

Edgar Filing: COVENTURE INTERNATIONAL INC - Form 10KSB

(formerly Liquidpure Corp.)
(a development stage enterprise)
Consolidated Statements of Operations

(expressed in U.S. dollars)

	Year Ended July 31, 2003	Year Ended July 31, 2002	Period from March 31, 1999 (date of incorporation) to July 31, 2003	Period from March 31, 1999 (date of incorporation) to July 31, 2002
REVENUE	\$ 14,788	\$ 2,678	\$ 17,466	\$ 2,678
EXPENSES				
Professional fees	50,594	18,232	80,646	30,052
Administration	7,522	11,197	25,880	18,358
Management fees	2,205	17,426	23,710	21,505
Consulting fees	4,500	9,000	18,850	14,350
Sub-contract	7,327	-	7,327	-
Advertising and promotion	578	5,064	5,642	5,064
Write-off of impaired asset (Note 4)	-	1,000	1,000	1,000
Bad debts	244	-	244	-
Gain on sale of equipment	(49)	-	(49)	-
Depreciation	146	109	255	109
	73,067	62,028	163,505	90,438
LOSS FROM OPERATIONS FOR THE PERIOD	\$ (58,279)	\$ (59,350)	\$ (146,039)	\$ (87,760)
LOSS PER SHARE - Basic and diluted	\$ (0.01)	\$ (0.01)		
WEIGHTED AVERAGE NUMBER OF SHARES OUTSTANDING	6,793,877	9,745,460		

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

Coventure International Inc.

Edgar Filing: COVENTURE INTERNATIONAL INC - Form 10KSB

(formerly Liquidpure Corp.)
(a development stage enterprise)
Consolidated Statements of Stockholders' Equity (Deficit)

(expressed in U.S. dollars)

	Common Stock		Additional Paid-in Capital	Deficit	Total
	Number of Shares	Amount		Accumulated in the development Stage	
Issuance of common stock	1,000,000	\$ 100	\$ -	\$ -	\$ 100
Loss for the period	-	-	-	(638)	(638)
Balance, July 31, 1999	1,000,000	100	-	(638)	(538)
Issuance of common stock	9,568,200	957	25,425	-	26,382
Loss for the Year	-	-	-	(10,439)	(10,439)
Balance, July 31, 2000	10,568,200	1,057	25,425	(11,077)	15,405
Loss for the Year	-	-	-	(17,333)	(17,333)
Balance, July 31, 2001	10,568,200	1,057	25,425	(28,410)	(1,928)
Issuance of common stock	150,000	15	37,485	-	37,500
Common stock cancelled	(4,000,000)	(400)	400	-	-
Loss for the Year	-	-	-	(59,350)	(59,350)
Balance, July 31, 2002	6,718,200	672	63,310	(87,760)	(23,778)
Issuance of common stock	256,000	25	63,975	-	64,000
Loss for the Year	-	-	-	(58,279)	(58,279)
Balance, July 31, 2003	6,974,200	\$ 697	\$ 127,285	\$ (146,039)	\$ (18,057)

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

Coventure International Inc.

Edgar Filing: COVENTURE INTERNATIONAL INC - Form 10KSB

(formerly Liquidpure Corp.)
(a development stage enterprise)
Consolidated Statements of Cash Flows

(expressed in U.S. dollars)

	Year Ended July 31, 2003	Year Ended July 31, 2002	Period from March 31, 1999 (date of incorporation) to July 31, 2003	Period from March 31, 1999 (date of incorporation) to July 31, 2002
OPERATING ACTIVITIES				
Net loss for the Period	\$ (58,279)	\$ (59,350)	\$ (146,039)	\$ (87,760)
Adjustments to reconcile net loss to net cash used in operating activities				
Gain on sale of equipment	(49)	-	(49)	-
Write-off of impaired asset	-	1,000	1,000	1,000
Depreciation	146	109	255	109
Changes in operating assets and liabilities				
Accounts receivable	1,259	(1,259)	-	(1,259)
Prepaid expenses and deposits	(824)	-	(824)	-
Accounts payable and accrued liabilities	(1,797)	12,806	14,238	16,035
Net cash used in operating activities	(59,544)	(46,694)	(131,419)	(71,875)
INVESTING ACTIVITIES				
Proceeds on sale of equipment	304	-	304	-
Purchase of property, plant and equipment	-	(875)	(875)	(875)
Purchase of license	-	-	(1,000)	(1,000)
Net cash used in investing activities	304	(875)	(1,571)	(1,875)
FINANCING ACTIVITIES				
Issuance of share capital	64,000	37,500	127,982	63,982
Advances from stockholders	-	10,000	10,000	10,000
Net cash provided by financing activities	64,000	47,500	137,982	73,982
NET CHANGE IN CASH DURING THE PERIOD	4,760	(69)	4,992	232
CASH AT BEGINNING OF PERIOD	232	301	-	-

Edgar Filing: COVENTURE INTERNATIONAL INC - Form 10KSB

CASH AT END OF PERIOD	\$ 4,992	\$ 232	\$ 4,992	\$ 232
	=====			

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

Coventure International Inc.
(formerly Liquidpure Corp.)
(a development stage enterprise)
Notes to Consolidated Financial Statements
July 31, 2003

(expressed in U.S. dollars)

1. FORMATION AND BUSINESS OF THE COMPANY

Coventure International Inc. (the "Company") was incorporated in Delaware, U.S.A. on March 31, 1999 as Bullet Environmental Systems, Inc. and changed its name on May 25, 2000 to Liquidpure Corp. On February 14, 2002, the Company changed its name to Coventure International Inc.

The Company is a development stage enterprise engaged in the business of providing management consulting products and services through an eventual network of regionally licensed operators in North America. The Company's services will include strategic analysis, planning, consulting and coaching. To date the Company has not commenced significant operational activities.

These financial statements include the accounts of the Company and its wholly-owned subsidiary Coventure Canada Inc. (the "Subsidiary"). The Subsidiary was incorporated in the Province of Alberta, Canada on February 5, 2002.

Going concern

The accompanying financial statements have been presented assuming the Company will continue as a going concern. At July 31, 2003, the Company had accumulated \$146,039 in losses and had no material revenue producing operations. At the date of this report, the Company's ability to continue as a going concern is dependent upon its ability to raise additional capital, achieve profitable operations or merge with a revenue-producing venture partner.

2. SIGNIFICANT ACCOUNTING POLICIES

Revenue Recognition

The Company recognizes revenue in accordance with applicable accounting regulations. Accordingly, revenues from services are recognized when all significant contractual obligations have been satisfied and collection is reasonably assured.

Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions

Edgar Filing: COVENTURE INTERNATIONAL INC - Form 10KSB

that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from these estimates.

Coventure International Inc.
(formerly Liquidpure Corp.)
(a development stage enterprise)
Notes to Consolidated Financial Statements
July 31, 2003

(expressed in U.S. dollars)

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Income taxes

The Company uses the liability method of accounting for income taxes. Under this method, deferred tax assets and liabilities are determined based on the difference between financial statement and tax bases of assets and liabilities and are measured using the enacted tax rates and laws that are expected to be in effect when the differences are expected to reverse. Deferred tax assets are reduced by a valuation allowance in respect of amounts considered by management to be less likely than not of realization in future periods.

Foreign currency translation

Unless otherwise stated, all amounts are in United States dollars. The functional currency of the Company and its Subsidiary is the Canadian dollar. Hence, all asset and liability amounts denominated in Canadian dollars have been translated using the exchange rate as at July 31, 2002 and all expenses have been translated using the average exchange rate for each month. The rates used were as follows:

(equivalent Cdn \$ per U.S. \$)	2003	2002
	-----	-----
July 31 rate	.7118	.6318

Depreciation

Depreciation of property, plant and equipment is provided for on the straight-line basis over the estimated useful life of the assets, estimated to be four years. One-half the normal rate is taken in the year of acquisition.

3. SHARE CAPITAL

Holders of the common stock are entitled to one vote per share and share equally in any dividends declared and distributions on liquidation.

During the year ended July 31, 2003, the Company issued 256,000 shares of common stock at a price of \$0.25 per share. Subsequent to July 31, 2003, the Company issued 48,000 shares of common stock at a price of \$0.25 per share.

During the year ended July 31, 2002, 4,000,000 common shares were returned to

Edgar Filing: COVENTURE INTERNATIONAL INC - Form 10KSB

the treasury of the Company and were cancelled.

Coventure International Inc.
(formerly Liquidpure Corp.)
(a development stage enterprise)
Notes to Consolidated Financial Statements
July 31, 2003

(expressed in U.S. dollars)

4. RELATED PARTY TRANSACTIONS

- a) During the year, the Company paid management fees of \$2,205 (2002 - \$17,426), rent of \$712 (2002 - \$945) and automobile allowance of \$0 (2002 - \$377) to a director and officer of the Company. In addition, the Company paid \$723 (2002 - \$1,889) to the spouse of this director and officer for administrative services. These transactions have been recorded using the exchange amount. Accounts payable include \$1,987 (2002 - \$1,848) due to the same officer and director.
- b) The advances from a stockholder are interest-free and repayable on demand.
- c) In May 2000, the Company acquired a non-exclusive commercial license from a company controlled by a former director and officer of the Company for \$1,000. The Company experienced a lack of co-operation from the engineering firm who owned the patent to the apparatus under license. The Company was not provided with the technical information it required to start manufacturing any of the systems for which it was contractually permitted. Further, due to the capital market decline in 2001, it proved impossible to execute the business plan. As a result, in October 2001, the Company abandoned this license.

5. FINANCIAL INSTRUMENTS AND CONCENTRATIONS OF CREDIT RISK

The Company's financial instruments consist of cash, accounts receivable, accounts payable and advances from stockholder. It is management's opinion that the Company is not exposed to significant interest, currency or credit risks arising from these financial instruments. The fair value of these financial instruments approximate their carrying values.

6. SUBSEQUENT EVENTS

Subsequent to July 31, 2003, the Company entered into an operating lease for office premises. The lease calls for monthly payments of \$836 starting September 1, 2003 until August 31, 2006. In addition, the Company is responsible for its proportionate share of operating costs, currently at \$222 per month.

Edgar Filing: COVENTURE INTERNATIONAL INC - Form 10KSB

SIGNATURES

In accordance with Section 13 or 15(a) of the Exchange Act, the Registrant has caused this Report to be signed on its behalf by the undersigned, thereunto duly authorized on the 28th day of October, 2003.

Coventure International Inc.

By /s/ John Hromyk

John Hromyk, President and Principal
Financial and Accounting Officer

Pursuant to the requirements of the Securities Act of 1933, this Registration Statement has been signed by the following persons in the capacities and on the dates indicated.

	Title	Date
/s/ John Hromyk John Hromyk	Director	October 28, 2003