COMMERCIAL PROPERTY CORP
Form 10QSB
March 15, 2006

U. S. Securities and Exchange Commission
Washington, D. C. 20549

FORM 10-QSB

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

For the quarterly period ended January 31, 2006

[ ] TRANSITION REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from ______________ to ______________

Commission File No. 0000-4494

Commercial Property Corporation
(Exact name of small business issuer as specified in its charter)

Delaware	13-5661446
(State or Other Jurisdiction of incorporation or organization)	(I.R.S. Employer I.D. No.)

9005 Cobble Canyon Lane
Sandy, Utah 84093
(Address of Principal Executive Office)

Issuer's Telephone Number, including Area Code: (801) 942-0555

N/A
(Former name, former address and former fiscal year, if changed since last report)

Check whether the Issuer (1) has filed all reports required to be filed by Sections 13 or 15(d) of the Exchange Act during the past 12 months (or for such shorter period that the Issuer was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

(1) Yes X No ___ (2) Yes X No ___

Indicate by check mark whether the registrant is a shell company (as defined by Rule 12b-2 of the Exchange Act) Yes X No ___

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

Not applicable.

APPLICABLE ONLY TO CORPORATE ISSUERS

Indicate the number of shares outstanding of each of the Issuer's classes of common stock, as of the latest practicable date:

March 9, 2006

2,054,652

Transitional small business disclosure format (check one): Yes X No

PART I - FINANCIAL INFORMATION

Item 1. Financial Statements.

The financial statements of the Commercial Property Corporation, a Delaware corporation (the "Company," "we," "our" or words of similar import) required to be filed with this 10-QSB Quarterly Report were prepared by management, and commence on the following page, together with Related Notes. In the opinion of management, the Financial Statements fairly present the financial condition of the Registrant.

COMMERCIAL PROPERTY CORPORATION
(A Development Stage Company)

UNAUDITED CONDENSED FINANCIAL STATEMENTS

January 31, 2006

COMMERCIAL PROPERTY CORPORATION
[A Development Stage Company]

CONTENTS

COMMERCIAL PROPERTY CORPORATION
(A Development Stage Company)
UNAUDITED CONDENSED BALANCE SHEETS

ASSETS

	January 31, 2006
CURRENT ASSETS	
Cash	$ -
Total Current Assets	$ -
	$ -

LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIT)

	January 31, 2006
CURRENT LIABILITIES	
Accounts payable	$ 34,986
Advances from shareholder	25,670
Total Current Liabilities	60,656
COMMITMENTS AND CONTINGENCIES [See Note 7]	-
Total Liabilities	60,656
STOCKHOLDERS' EQUITY (DEFICIT):	
Preferred stock, $.001 par value, 10,000,000 shares authorized, no shares issued and outstanding	-
Common stock, $.001 par value, 50,000,000 shares authorized, 2,054,652 shares issued and outstanding	2,055
Capital in excess of par value	2,033,097
Retained deficit	(2,011,964)
Deficit accumulated during the development stage	(83,844)
Total Stockholders' Equity (Deficit)	(60,656)
	$ -

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

F-2

COMMERCIAL PROPERTY CORPORATION
(A Development Stage Company)
UNAUDITED CONDENSED STATEMENTS OF OPERATIONS

From the

	For the Three Months Ended January 31, 2006	2005	Re-entering of Development Stage on November 19, 1997 through January, 31, 2006
REVENUE	$ -	$ -	$ -
EXPENSES			
General and administrative	1,716	5,272	83,844
LOSS FROM OPERATIONS	(1,716)	(5,272)	(83,844)
CURRENT INCOME TAX EXPENSE	-	-	-
DEFERRED INCOME TAX EXPENSE	-	-	-
NET LOSS	$ (1,716)	$ (5,272)	$ (83,844)
LOSS PER COMMON SHARE	$ (.00)	$ (.01)	

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

COMMERCIAL PROPERTY CORPORATION
(A Development Stage Company)
UNAUDITED CONDENSED STATEMENTS OF CASH FLOWS

	For the Three Months Ended January 31, 2006	2005	From the Re-entering of Development Stage on November 19, 1997 through January 31, 2006
Cash Flows from Operating Activities:			
Net loss	$ (1,716)	$ (5,272)	$ (83,844)
Adjustments to reconcile net loss to net cash used by operating activities:			
Stock issued for services rendered	-	-	18,963
Changes in assets and liabilities:			
Increase (decrease) in accounts payable	(126)	(5,371)	38,016
Net Cash (Used) by Operating Activities	(1,842)	(10,643)	(26,865)
Cash Flows from Investing Activities	-	-	-
Net Cash Provided by Investing Activities	-	-	-
Cash Flows from Financing Activities:			
Capital contributions	-	-	1,195
Advances from related party	1,842	10,643	25,670
Net Cash Provided by Financing Activities	1,842	10,643	26,865
Net Increase (Decrease) in Cash	-	-	-

Cash at Beginning of Period	-	-	-
Cash at End of Period	$ -	$ -	$ -

Supplemental Disclosures of Cash Flow information:

Cash paid during the period for:			
Interest	$ -	$ -	$ -
Income taxes	$ -	$ -	$ -

Supplemental Schedule of Noncash Investing and Financing Activities:

From the re-entering of development stage on November 19, 1997 through January 31, 2006:

In January 2006, a company paid legal fees of $3,030 on behalf of the Company for an acquisition that was terminated. The payment was treated as a contribution to capital.

In April 1998, the Company issued 1,742,500 shares of common stock for services rendered valued at $8,713.

In March 1998, the Company issued 205,000 shares of common stock for services rendered valued at $10,250.

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

COMMERCIAL PROPERTY CORPORATION
(A Development Stage Company)
NOTES TO UNAUDITED CONDENSED FINANCIAL STATEMENTS

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization - Commercial Property Corporation ("the Company") was organized under the laws of the State of Delaware on November 15, 1955 as Inland Mineral Resources Corp., but later changed its name to Parker-Levitt Corporation. The Company has been known as Commercial Property Corporation since 1977. The Company was previously engaged in various real estate and development projects. The Company had entered into several business acquisitions with subsidiaries and held various limited partnership interests. The operations of the Company were not successful and the Company discontinued the majority of its operations by 1981. In 1984, the Company had its corporate charter canceled by the State of Delaware. In 1997, the Company issued common stock which resulted in a change in control. The Company is considered to have re-entered into a new development stage on November 19, 1997. In June 2003, the Company was reinstated with the State of Delaware. The Company is presently an inactive shell pursuing a suitable business opportunity. Any transaction with an operating company will likely be structured similar to a reverse acquisition in which a controlling interest in the Company will be acquired by the successor operation. In such a transaction, the shareholders of the Company will likely own a minority interest in the combined company after the acquisition and present management of the Company will likely resign and be replaced by the principals of the operating company.

Condensed Financial Statements - The accompanying financial statements have been prepared by the Company without audit. In the opinion of management, all adjustments (which include only normal recurring adjustments) necessary to present fairly the financial position, results of operations and cash flows at January 31, 2006 and 2005 and for the periods then ended have been made.

Certain information and footnote disclosures normally included in financial statements prepared in accordance with generally accepted accounting principles in the United States of America have been condensed or omitted. It is suggested that these condensed financial statements be read in conjunction with the financial statements and notes thereto included in the Company's October 31, 2005 audited financial statements. The results of operations for the periods ended January 31, 2006 and 2005 are not necessarily indicative of the operating results for the full year.

Development Stage - The Company is considered a development stage company as defined in Statement of Financial Accounting Standards No. 7.

Cash and Cash Equivalents - The Company considers all highly liquid debt investments purchased with a maturity of three months or less to be cash equivalents.

Income Taxes -The Company accounts for income taxes in accordance with Statement of Financial Accounting Standards No. 109, "Accounting for Income Taxes" which requires an asset/liability approach for the effect of income taxes.

Loss Per Share - The computation of loss per share is based on the weighted average number of shares outstanding during the period presented in accordance with Statement of Financial Accounting Standards No. 128, "Earnings Per Share" [See Note 6].

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES [Continued]

Accounting Estimates - The preparation of financial statements in conformity with generally accepted accounting principles in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the reported period. Actual results could differ from those estimated.

Recently Enacted Accounting Standards - Statement of Financial Accounting Standards ("SFAS") No. 151, "Inventory Costs - an amendment of ARB No. 43, Chapter 4", SFAS No. 152, "Accounting for Real Estate Time-Sharing Transactions - an amendment of FASB Statements No. 66 and 67", SFAS No. 153, "Exchanges of Nonmonetary Assets - an amendment of APB Opinion No. 29", SFAS No. 123 (revised 2004), "Share-Based Payment", SFAS No. 154, "Accounting Changes and Error Corrections - a replacement of APB Opinion No. 20 and FASB Statement No. 3", and SFAS No. 155, "Accounting for Certain Hybrid Financial Instruments   an amendment of FASB Statements No. 133 and 140", were recently issued. SFAS No. 151, 152, 153, 123 (revised 2004), 154 and 155 have no current applicability to the Company or their effect on the financial statements would not have been significant.

Restatement - In March 2005, the Company effected a 2-for-1 forward stock split. The financial statements have been restated, for all periods presented, to reflect the stock splits and change in par value [See Note 2].

In April 1998, the Company effected a 100-for-1 reverse stock split. In December 2004, the Company amended its articles of incorporation to change the common stock par value. The financial statements have been restated, for all periods presented, to reflect the stock split and change in par value [See Note 2].

Reclassification - The financial statements for periods prior to January 31, 2006 have been reclassified to conform to the headings and classifications used in the January 31, 2006 financial statements.

NOTE 2 - CAPITAL STOCK

Preferred Stock In December 2004, the Company amended its articles of incorporation to authorize 10,000,000 shares of preferred stock, $.001 par value, with such rights, preferences and designations and to be issued in such series as determined by the Board of Directors. No shares are issued and outstanding at January 31, 2006.

Common Stock - In March 1998, the Company issued 205,000 shares of its previously authorized but unissued common stock for services valued at $10,250. The stock issuance resulted in a change of control of the Company. The former officers and directors resigned and new officers and directors were appointed.

NOTE 2 - CAPITAL STOCK [Continued]

In April 1998, the Company effected a 100-for-1 reverse stock split. No shareholder was to be reduced to less than 50 shares; therefore, an additional 56,632 shares were issued in conjunction with the reverse split. The financial statements have been restated, for all periods presented, to reflect the stock split.

In April 1998, the Company issued 1,742,500 shares of its previously authorized but unissued common stock for services valued at $8,713.

In December 2004, the Company amended its articles of incorporation to authorize 50,000,000 shares of common stock with $.001 par value. Previously, the Company had authorized 3,000,000 shares of common stock with $.01 par value. The financial statements have been restated for all periods presented to reflect the change in par value.

In March 2005, the Company effected a 2-for-1 forward stock split. The financial statements have been restated, for all periods presented, to reflect the stock split.

The Company incurred legal fees pursuant to an unsuccessful acquisition. Upon termination of the acquisition in January 2006 the target company paid $3,030 of legal fees on behalf of the Company. The payment has been treated as a contribution of capital.

NOTE 3 - RELATED PARTY TRANSACTIONS

Advances - An officer/shareholder of the Company has paid expenses totaling $25,670 on behalf of the Company. The advances are due on demand and bear no interest.

Management Compensation - During the three months ended January 31, 2006 and 2005, the Company did not pay any compensation to its officers and directors.

Office Space - The Company has not had a need to rent office space. An officer/shareholder of the Company is allowing the Company to use his home as a mailing address, as needed, at no expense to the Company.

NOTE 4 - GOING CONCERN

The accompanying financial statements have been prepared in conformity with generally accepted accounting principles in the United States of America, which contemplate continuation of the Company as a going concern. However, the Company has no on-going operations and has current liabilities in excess of current assets. These factors raise substantial doubt about the ability of the Company to continue as a going concern. In this regard, management is proposing to raise any necessary additional funds not provided by operations through loans or through sales of its common stock or through a possible business combination with another company. There is no assurance that the Company will be successful in raising this additional capital or in establishing profitable operations. The financial statements do not include any adjustments that might result from the outcome of these uncertainties.

NOTE 5 - LOSS PER SHARE

The following data shows the amounts used in computing loss per share:

	For the Three Months Ended January 31,	
	2006	2005
Loss available to common shareholders (numerator)	$(1,716)	$ (5,272)
Weighted average number of common shares outstanding used in loss per share during the period (denominator)	2,054,652	2,054,652

Dilutive loss per share was not presented; as the Company had no common equivalent shares for all periods presented that would effect the computation of diluted loss per share.

NOTE 6 - COMMITMENTS AND CONTINGENCIES

The Company has not been active for 20 years, since it discontinued its real estate operations. Management believes that there are no valid outstanding liabilities from prior operations. If a creditor were to come forward and claim a liability, the Company has committed to contest the claim to the fullest extent of the law. Due to various statutes of limitations and because the likelihood that a 20-year old liability would not still be valid, no amount has been accrued in these financial statements.

F-8

Item 2. Management's Discussion and Analysis or Plan of Operation.

Plan of Operation.

The Company has not engaged in any material operations since the fiscal year ended October 31, 1981, or during the quarterly period ended January 31, 2006, or to the date hereof.

The Company's plan of operation for the next 12 months is to:(i) consider guidelines of industries in which the Company may have an interest; (ii) adopt a business plan regarding engaging in business in any selected industry; and (iii) to commence such operations through funding and/or the acquisition of a "going concern" engaged in any industry selected.

During the next 12 months, the Company's only foreseeable cash requirements will relate to maintaining the Company in good standing or the payment of expenses associated with reviewing or investigating any potential industries as a business venture, which the Company expects to pay from its cash resources or loans from members of management.

Item 3. Controls and Procedures.

As of the end of the period covered by this Quarterly Report, we carried out an evaluation, under the supervision and with the participation of our President and Secretary/Treasurer, of the effectiveness of the design and operation of our disclosure controls and procedures. Based on this evaluation, our President and Chief Financial Officer concluded that our disclosure controls and procedures are effectively designed to ensure that information required to be disclosed or filed by us is recorded, processed or summarized, within the time periods specified in the rules and regulations of the Securities and Exchange Commission. It should be noted that the design of any system of controls is based in part upon certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions, regardless of how remote. In addition, we reviewed our internal controls, and there have been no significant changes in our internal controls or in other factors that could significantly affect those controls subsequent to the date of their last evaluation.

PART II - OTHER INFORMATION

Item 1. Legal Proceedings.

None; not applicable.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds.

None; not applicable.

Item 3. Defaults Upon Senior Securities.

None; not applicable.

Item 4. Submission of Matters to a Vote of Security Holders.

None; not applicable.

Item 5. Other Information.

None; not applicable.

Item 6. Exhibits.

Exhibits.

31.1 302 Certification of David C. Merrell

31.2 302 Certification of Kristine M. Rogers

32 906 Certification

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this Quarterly Report to be signed on its behalf by the undersigned there unto duly authorized.

Commercial Property Corporation

Date: 3/13/2006

By/s/David C. Merrell

David C. Merrell
Director and President

Date: 3/13/2006

By/s/Kristine M. Rogers

Kristine M. Rogers
Secretary and Treasurer