

ONCOSEC MEDICAL Inc
Form 10-Q
June 14, 2011
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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

(Mark One)

- QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended April 30, 2011

OR

- TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from _____ to _____

Commission file number 000-54318

ONCOSEC MEDICAL INCORPORATED

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(Exact name of registrant as specified in its charter)

Nevada
(State or other jurisdiction of
incorporation or organization)

98-0573252
(IRS Employer
Identification No.)

4690 Executive Drive Suite #250, San Diego, CA 92121

(Address of principal executive offices) (zip code)

855.662.6732

(Registrant's telephone number, including area code)

Not Applicable

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

Indicate by check mark 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 preceding 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 check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§229.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of large accelerated filer, accelerated filer, and smaller reporting company in Rule 12b-2 of the Exchange Act.

Large accelerated filer

Accelerated filer

Non-accelerated filer
(Do not check if a smaller reporting company)

Smaller reporting company

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

52,656,000 shares of the registrant's common stock were issued and outstanding as of June 13, 2011.

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OncoSec Medical Incorporated
(formerly Netventory Solutions, Inc.)
(A Development Stage Company)

Form 10-Q

for the Quarterly Period Ended April 30, 2011

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OncoSec Medical Incorporated
(formerly Netventory Solutions Inc.)
(A Development Stage Company)

Consolidated Balance Sheets

As of April 30, 2011 and July 31, 2010

	(unaudited) April 30, 2011	July 31, 2010
Assets		
Current assets		
Cash	\$ 542,896	\$ 237
Prepaid expenses	83,816	
Other current assets	9,444	
Total Current Assets	636,156	237
Property and equipment, net	16,802	
Intangible assets, net	2,900,292	
Total Assets	\$ 3,553,250	\$ 237
Liabilities and Stockholders Equity (Deficit)		
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities	\$ 160,765	\$ 15,929
Accrued compensation	85,149	
Due to stockholder		14,367
Accrued income taxes	1,600	
Acquisition obligation, current	1,250,000	
Total Current Liabilities	1,497,514	30,296
Acquisition obligation, net of current portion	1,500,000	
Total Liabilities	2,997,514	30,296
Stockholders Equity (Deficit)		
Common stock authorized 3,200,000,000 common shares with a par value of \$0.0001		
Common stock issued and outstanding 52,656,000 and 68,480,000 common shares as of April 30, 2011 and July 31, 2010, respectively	5,266	6,848
Additional paid in capital	701,753	40,152
Warrants issued and outstanding 1,456,000 units as of April 30, 2011	431,981	
Deficit accumulated during the development stage	(583,264)	(77,059)
Total Stockholders Equity (Deficit)	555,736	(30,059)
Total Liabilities and Stockholders Equity (Deficit)	\$ 3,553,250	\$ 237

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

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OncoSec Medical Incorporated
(formerly Netventory Solutions Inc.)
(A Development Stage Company)

Consolidated Statements of Operations (unaudited)

	Three Months ended April 30, 2011	Three Months ended April 30, 2010	Nine months ended April 30, 2011	Nine months ended April 30, 2010	Period from Inception (February 8, 2008) to April 30, 2011
Revenue	\$	\$	\$	\$	\$
Expenses:					
Research and development	216,658		216,658		216,658
General and administrative	279,751	3,100	286,547	15,379	354,606
Loss from operations	(496,409)	(3,100)	(503,205)	(15,379)	(571,264)
Other expenses:					
Interest expense	1,400		1,400		1,400
Impairment charges					9,000
Net loss before income taxes	(497,809)	(3,100)	(504,605)	(15,379)	(581,664)
Provision for income taxes	1,600		1,600		1,600
Net loss	\$ (499,409)	\$ (3,100)	\$ (506,205)	\$ (15,379)	\$ (583,264)
Basic and diluted net loss per common share	\$ (0.01)	\$ (0.00)	\$ (0.01)	\$ (0.00)	
Weighted average shares used in computing basic and diluted net loss per common share	61,611,326	68,480,000	66,240,762	68,480,000	

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OncoSec Medical Incorporated
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Consolidated Statement of Stockholders Equity (Deficit) (unaudited)

For the period from Inception (February 8, 2008) to April 30, 2011

	Common Stock (1)		Additional	Warrants		Deficit	Total
	Shares	Amount	Paid In Capital	Shares	Amount	Accumulated during the Development Stage	Stockholders Equity (Deficit)
Balance, February 8, 2008		\$	\$		\$	\$	\$
Shares issued to founder on Feb 8, 2008	48,000,000	4,800	10,200				15,000
Private placement on June 30, 2008	20,480,000	2,048	29,952				32,000
Net loss						(7,187)	(7,187)
Balance, July 31, 2008	68,480,000	6,848	40,152			(7,187)	39,813
Net loss						(33,714)	(33,714)
Balance, July 31, 2009	68,480,000	6,848	40,152			(40,901)	6,099
Net loss						(36,158)	(36,158)
Balance, July 31, 2010	68,480,000	6,848	40,152			(77,059)	(30,059)
Common stock cancelled (17,280,000)	(17,280,000)	(1,728)	1,728				
Private placement	1,456,000	146	659,873	1,456,000	431,981		1,092,000
Net loss						(506,205)	(506,205)
Balance, April 30, 2011	52,656,000	\$ 5,266	\$ 701,753	1,456,000	\$ 431,981	\$ (583,264)	\$ 555,736

(1) Adjusted to reflect the forward stock split of 32-for-1 effective March 1, 2011.

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

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OncoSec Medical Incorporated
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(A Development Stage Company)

Consolidated Statements of Cash Flows (unaudited)

	Nine months ended April 30, 2011	Nine months ended April 30, 2010	Period from Inception (Feb 8, 2008) to April 30, 2011
<i>Operating activities</i>			
Net loss	\$ (506,205)	\$ (15,379)	\$ (583,264)
Adjustments to reconcile net loss to net cash used in operating activities:			
Depreciation and amortization	62,642		62,642
Write-down of supplies inventory	38,000		38,000
Write-down of web development costs			9,000
Changes in operating assets and liabilities:			
(Increase) Decrease in prepaid expenses	(83,816)	5,610	(83,816)
Increase in other current assets	(9,444)		(9,444)
Increase in accounts payable and accrued liabilities	144,836	2,400	160,765
Increase in accrued compensation	85,149		85,149
Increase in accrued income taxes	1,600		1,600
Net cash used in operating activities	(267,238)	(7,369)	(319,368)
<i>Investing activities</i>			
Purchases of property and equipment	(17,736)		(26,736)
Investment in intangible assets	(250,000)		(250,000)
Net cash used in investing activities	(267,736)		(276,736)
<i>Financing activities</i>			
Proceeds from issuance of common stock and warrants	1,092,000		1,139,000
Proceeds from amounts due to stockholder	139,500		