

Clean Coal Technologies Inc.
Form 10-Q
August 06, 2010

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:

March 31, 2010

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: **000-50053**

CLEAN COAL TECHNOLOGIES, INC.

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

NEVADA

(State or other jurisdiction of incorporation or organization)

26-1079442

(I.R.S. Employer Identification No.)

12518 W Atlantic Blvd, Coral Springs, FL

(Address of principal executive offices)

33071

(Zip Code)

(954) 344-2727

(Issuer's telephone number)

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), Yes and (2) has been subject to such filing requirements for the past 90 days. 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 (§232.405 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 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

The number of shares outstanding of Registrant's Common Stock as of August 6, 2010: 461,047,134

PART I - FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

The accompanying unaudited financial statements have been prepared in accordance with the instructions to Form 10-Q pursuant to the rules and regulations of the Securities and Exchange Commission and, therefore, do not include all information and footnotes necessary for a complete presentation of our financial position, results of operations, cash flows, and stockholders' equity in conformity with generally accepted accounting principles. In the opinion of management, all adjustments considered necessary for a fair presentation of the results of operations and financial position have been included and all such adjustments are of a normal recurring nature.

Clean Coal Technologies, Inc.
(A Development Stage Company)
Balance Sheets
(Unaudited)

	June 30 2010	December 31 2009
ASSETS		
Current Assets		
Cash	\$ 1,486	\$ 9,860
Total Current Assets	1,486	9,860
Property, plant and equipment, net of accumulated depreciation of \$382 and \$280, respectively	637	739
Total Assets	\$ 2,123	\$ 10,599
LIABILITIES AND STOCKHOLDERS' DEFICIT		
Current Liabilities		
Accounts payable	\$ 348,467	\$ 384,521
Accounts payable from related parties	708,637	1,328,084
Accrued liabilities	132,963	171,908
Short-term debt	131,503	129,500
Debt owed to related parties	823,462	1,596,039
Total Current Liabilities	2,145,032	3,610,052
Long-term debt owed to related parties	2,336,338	-
Long-term debt	61,833	-
Total Liabilities	4,543,203	3,610,052
Common stock, \$0.00001 par value; 600,000,000 shares authorized, 461,047,134 and 440,355,468 shares issued and outstanding, respectively	4,611	4,404
Additional paid-in capital	184,583,993	177,740,279
Deficit accumulated during the development stage	(189,129,684)	(181,344,136)
Total Stockholders' Deficit	(4,541,080)	(3,599,453)
Total Liabilities and Stockholders' Deficit	\$ 2,123	\$ 10,599

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

Clean Coal Technologies, Inc.
(A Development Stage Enterprise)
Statements of Expenses
(Unaudited)

	Three Month Ended		Six Month Ended		October 20, 1997
	June 30,		June 30,		(Inception)
	2010	2009	2010	2009	Through
					June 30,
					2010
Operating Expenses:					
General and administrative	\$ 589,179	\$ 101,458	\$ 698,180	\$ 248,038	\$ 2,512,782
Research and development	-	-	-	-	374,912
Consulting services	1,985,687	4,823,651	7,010,156	10,799,600	165,380,005
Loss from Operations	(2,574,866)	(4,925,109)	(7,708,336)	(11,047,638)	(168,267,699)
Other Income (Expenses):					
Interest Expense	(51,907)	(24,512)	(78,202)	(49,455)	(406,041)
Other income	-	-	990	-	4,590
Other expenses	-	-	-	-	(18,985)
Loss on extinguishment of debt	-	-	-	-	(41,357)
Gain on change in derivative liability	-	-	-	7,598,481	7,598,481
Total Other Income (Expenses)	(51,907)	(24,512)	(77,212)	7,549,026	7,136,688
Net loss	\$ (2,626,773)	\$ (4,949,621)	\$ (7,785,548)	\$ (3,498,612)	\$ (161,131,011)
Net loss per share - basic and diluted	\$ (0.01)	\$ (0.01)	\$ (0.02)	\$ (0.01)	
Weighted average common shares outstanding - basic and diluted	460,808,535	439,970,618	454,645,440	437,331,811	

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

Clean Coal Technologies, Inc.
(A Development Stage Company)
Statement of Stockholders' Deficit
(Unaudited)

	Common Stock		Additional	Deficit	
	Shares	Amount	Paid-In	Accumulated	Stockholders'
			Capital	During the	Deficit
				Development	
				Stage	
Balances at December 31, 2009	440,355,468	\$ 4,404	\$ 177,740,279	\$ (181,344,136)	\$ (3,599,453)
Common stock issued for services	20,366,666	204	3,045,563	-	3,045,767
Accrued stock-based compensation	-	-	3,762,654	-	3,762,654
Common stock issued for debt	300,000	3	32,997	-	33,000
Common stock issued for settlement	25,000	-	2,500	-	2,500
Net loss	-	-	-	(7,785,548)	(7,785,548)
Balances at June 30, 2010	461,047,134	\$ 4,611	\$ 184,583,993	\$ (189,123,684)	\$ (4,541,080)

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

Clean Coal Technologies, Inc.
(A Development Stage Enterprise)
Statements of Cash Flows
(Unaudited)

	Three Months Ended June 30,		October 20, 1997 (Inception) Through June 30, 2010
	2010	2009	
CASH FLOWS FROM OPERATING ACTIVITIES:			
	\$	\$	\$
Net Loss	(7,785,548)	(3,498,612)	(161,131,011)
Adjustment to reconcile net income (loss) to net cash used in operating activities:			
Depreciation expense	102	102	5,702
Shares issued for services	6,808,421	10,438,216	146,202,487
Shares issued for settlement	2,500	-	2,500
Warrant expense	-	-	16,490,517
Loss on extinguishment of debt	-	-	41,357
Loss on shares issued for debt	16,500	-	16,500
Interest expense paid in shares	-	-	45,384
Interest converted to debt	7,996	-	117,392
Write-off of asset	-	-	16,015
Gain on write-off of accounts payable	-	-	(87,404)
Gain on derivative liability	-	(7,598,481)	(7,598,481)
Changes in operating assets and liabilities:			
Prepaid expenses and other current assets	-	-	(11,015)
Accounts payable	(7,721)	78,091	464,204
Accounts payable - related party	698,025	505,862	3,209,301
Accrued expenses	49,351	52,053	136,301
Cash Provided by (Used In) Operating Activities	(210,374)	(22,769)	(2,080,251)
CASH FLOWS FROM INVESTING ACTIVITIES:			
Purchase of fixed assets	-	-	(6,339)
Investment in joint venture	-	-	(5,000)
Cash Used in Investing Activities	-	-	(11,339)

CASH FLOWS FROM
FINANCING ACTIVITIES:

Advances from related parties	-	7,000	316,000
Borrowings on related party debt	170,000	-	1,706,576
Payments on related party debt	(3,000)	-	(3,000)
Borrowings on debt	35,000	15,000	73,500
Cash Provided by Financing Activities	202,000	22,000	2,093,076

NET CHANGE IN CASH
AND CASH EQUIVALENTS