

Lone Pine Holdings, Inc
Form 10-Q
November 16, 2011

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington D. C. 20549

FORM 10-Q

QUARTERLY REPORT UNDER SECTION 13 or 15 (d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended September 30, 2011

TRANSITION REPORT UNDER SECTION 13 OR 15(d) OF THE EXCHANGE ACT

For the transition period from _____ to _____

Commission file number 000-25909

Lone Pine Holdings, Inc.
(Exact name of small business issuer as specified in its charter)

Nevada
(State or other jurisdiction of incorporation or
organization)

86-0931332
(I.R.S. Employer Identification No.)

c/o Sanders Ortoli Vaughn Flam Rosenstadt LLP
501 Madison Avenue
New York, NY 10022
(Address of principal executive offices, zip code)

Issuer's telephone number: 212-588-0022

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 Website, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T 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,

Edgar Filing: Lone Pine Holdings, Inc - Form 10-Q

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 (Check one):

Large Accelerated Filer

Accelerated Filer

Non-accelerated Filer

Smaller Reporting Company

(Do not check if a smaller reporting company)

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

The number of shares outstanding of the registrant’s common stock, as of November 14, 2011 was 2,577,371.

PART I.	FINANCIAL STATEMENTS	Pages
Item 1.	UNAUDITED CONDENSED FINANCIAL STATEMENTS:	
	Condensed Balance Sheets as of September 30, 2011 and December 31, 2010	2
	Condensed Statements of Operations for the Three and Nine Months Ended September 30, 2011 and 2010	3
	Condensed Statements of Cash Flows for the Nine Months Ended September 30, 2011 and 2010	4
	Notes to Condensed Financial Statements	5
Item 2.	MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS	8
Item 3.	QUANTITATIVE AND QUALITATIVE DISCLOSURE ABOUT MARKET RISK	9
Item 4.	CONTROLS AND PROCEDURES	9
PART II.	OTHER INFORMATION	
Item 1.	LEGAL PROCEEDINGS	10
Item 1A.	RISK FACTORS	10
Item 2.	UNREGISTERED SALE OF EQUITY SECURITIES AND USE OF PROCEEDS	10
Item 3.	DEFAULTS UPON SENIOR SECURITIES	10
Item 4.	REMOVED AND RESERVED	10
Item 5.	OTHER INFORMATION	10
Item 6.	EXHIBITS	10

LONE PINE HOLDINGS, INC.
CONDENSED BALANCE SHEETS
(Unaudited)

	ASSETS	
	September 30, 2011	December 31, 2010
CURRENT ASSETS		
Cash and cash equivalents	\$ 1,261	\$ 1,026
TOTAL ASSETS	\$ 1,261	\$ 1,026
LIABILITIES AND STOCKHOLDERS' (DEFICIT)		
CURRENT LIABILITIES		
Loan payable, principal shareholder	40,475	40,475
Accrued expenses	15,615	47,503
Promissory notes	70,000	-
TOTAL CURRENT LIABILITIES	126,090	87,978
STOCKHOLDERS' (DEFICIT)		
Preferred stock, par value \$0.001, 5,000,000 shares authorized, none issued and outstanding	-	-
Common stock, par value \$0.001, 145,000,000 shares authorized, 2,577,371 issued and outstanding	2,577	2,577
Additional paid-in capital	4,915,774	4,915,774
Accumulated deficit	(5,043,180)	(5,005,303)
 Total Stockholders' (Deficit)	 (124,829)	 (86,952)
TOTAL LIABILITIES AND STOCKHOLDERS' (DEFICIT)	\$ 1,261	\$ 1,026
	-	-

See accompanying notes to condensed financial statements.

LONE PINE HOLDINGS, INC.
CONDENSED STATEMENTS OF OPERATIONS
(Unaudited)

	FOR THE THREE MONTHS ENDED SEPTEMBER 30,		FOR THE NINE MONTHS ENDED SEPTEMBER 30,	
	2011	2010	2011	2010
REVENUE	\$ -	\$ -	\$ -	\$ -
OPERATING EXPENSES				
General and administrative expenses	7,791	7,000	34,840	30,000
Total operating expenses	7,791	7,000	34,840	30,000
OTHER INCOME (EXPENSE)				
Interest expense	(1,790)	-	(3,037)	-
NET (LOSS) APPLICABLE TO COMMON SHARES	(9,581)	(7,000)	(37,877)	(30,000)
NET (LOSS) PER BASIC AND DILUTED SHARES	\$ (0.00)	\$ (0.00)	\$ (0.01)	\$ (0.01)
WEIGHTED AVERAGE OF COMMON SHARES OUTSTANDING				
BASIC AND DILUTED	2,577,371	2,577,371	2,577,371	2,577,371

See accompanying notes to condensed financial statements.

LONE PINE HOLDINGS, INC.
 CONDENSED STATEMENTS OF CASH FLOWS
 (Unaudited)

	FOR THE NINE MONTHS ENDED SEPTEMBER 30,	
	2011	2010
CASH FLOWS FROM OPERATING ACTIVITIES		
Net (loss)	\$ (37,877)	\$ (30,000)
Adjustments to reconcile net (loss) to cash (used in) operating activities:		
Increase (decrease) in accrued expenses	(31,888)	27,000
Cash (used in) operating activities	(69,765)	(3,000)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from promissory note	70,000	-
Loan from principal shareholder	-	3,000
Net cash provided by financing activities	70,000	3,000
NET INCREASE IN CASH	\$ 235	\$ -
CASH BEGINNING OF PERIOD	1,026	-
CASH END OF PERIOD	\$ 1,261	\$ -

See accompanying notes to condensed financial statements.

LONE PINE HOLDINGS, INC.
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2011
(UNAUDITED)

NOTE 1 - BASIS OF PRESENTATION AND NATURE OF BUSINESS

Nature of Business

Lone Pine Holdings, Inc. ("the Company"), through its former wholly owned subsidiary Integrated Forest Products Pty Ltd ("Integrated"), previously operated a saw mill in Australia which cut pine timber into building products to supply the commercial and residential industry along the eastern coast of Australia. In July 2007, its wholly owned subsidiary in Australia was put into receivership and has formerly discontinued its operations. In connection with the receivership, the receiver formed a new Australian wholly owned subsidiary, Australian Forest Industries, LTD., and exchanged all of the shares of Integrated for Australian Forest Industries, LTD. shares. On October 15, 2008, the board of Directors of the Company approved the transfer of all the outstanding shares of Australian Forest Industries, LTD., its operating subsidiary that had been placed in receivership, to the principal shareholders and Directors, personally. Subsequent to the spin out, the Company became a non-operating shell company. As the Company does not currently engage in any business activities, it is looking for a suitable candidate for acquisition or merger that does not need substantial additional capital, but which desires to establish a public trading market for its shares, while avoiding, among other things, the time delays, significant expense, and loss of voting control which may occur in a public offering.

Basis of Presentation

The accompanying condensed unaudited interim financial statements included herein have been prepared, without audit, pursuant to the rules and regulations of the Securities and Exchange Commission ("SEC"). The condensed financial statements and notes are presented as permitted on Form 10-Q and do not contain information included in the Company's annual statements and notes. Certain information and footnote disclosures normally included in financial statements prepared in accordance with accounting principles generally accepted in the United States of America have been condensed or omitted pursuant to such rules and regulations, although the Company believes that the disclosures are adequate to make the information presented not misleading. It is suggested that these condensed financial statements be read in conjunction with the December 31, 2010 audited financial statements and the accompanying notes thereto. While management believes the procedures followed in preparing these condensed financial statements are reasonable, the accuracy of the amounts are in some respects dependent upon the facts that will exist, and procedures that will be accomplished by the Company later in the year. These results are not necessarily indicative of the results to be expected for the full year.

These condensed unaudited financial statements reflect all adjustments, including normal recurring adjustments, which, in the opinion of management, are necessary to present fairly the operations and cash flows for the periods presented.

LONE PINE HOLDINGS, INC.
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2011
(UNAUDITED)

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Cash and Cash Equivalents

For the purposes of the condensed statements of cash flow, the Company considers all highly liquid debt instruments purchased with an original maturity of three months or less to be cash equivalents.

Use of Estimates

The preparation of the financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Net Loss Per Common Share

Basic earnings per share is computed using the weighted average number of common shares outstanding during the period. It also assumes that outstanding common shares were increased by shares issuable upon exercise of those stock options and warrants for which the market price exceeds exercise price, less shares which we could have purchased with related proceeds. There are no dilutive financial instruments as of September 30, 2011 and 2010.

Fair Values of Financial Instruments

The carrying value of current assets and liabilities approximate their fair value due to the short-term nature.

Income Taxes

The Company accounts for income taxes pursuant to the provisions of the ASC 740, Accounting for Income Taxes, which requires an asset and liability approach to calculating deferred income taxes. The asset and liability approach requires the recognition of deferred tax liabilities and assets for the expected future tax consequences of temporary differences between the carrying amounts and the tax basis of assets and liabilities.

Recent Accounting Pronouncements

In May 2011, FASB issued ASU No. 2011-04 “Fair Value Measurement (Topic 820): Amendments to Achieve Common Fair Value Measurement and Disclosure Requirements in U.S. GAAP and IFRSs”. The amendments in this Update result in common fair value measurement and disclosure requirements in U.S. GAAP and IFRSs. Consequently, the amendments change the wording used to describe many of the requirements in U.S. GAAP for

measuring fair value and for disclosing information about fair value measurements. Some of the amendments clarify the Board's intent about the application of existing fair value measurement requirements. Other amendments change a particular principle or requirement for measuring fair value or for disclosing information about fair value measurements. ASU 2011-04 shall be effective for public entities for interim and annual periods beginning after December 15, 2011, and should be applied prospectively. Early adoption is not permitted for public entities. For nonpublic entities, the amendments are effective for annual periods beginning after December 15, 2011, and should be applied prospectively. Nonpublic entities may elect to apply the amendments early, but no earlier than interim

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Recent Accounting Pronouncements (Continued)

periods beginning after December 15, 2011. The Company does not expect that the adoption of ASU 2011-04 will have a material effect on its financial statements.

In June 2011, FASB issued ASU No. 2011-05 “Comprehensive Income (Topic 220): Presentation of Comprehensive Income”. Under the amendments to Topic 220, “Comprehensive Income”, in this Update, an entity has the option to present the total of comprehensive income, the components of net income, and the components of other comprehensive income either in a single continuous statement of comprehensive income or in two separate but consecutive statements. In both choices, an entity is required to present each component of net income along with total net income, each component of other comprehensive income along with a total for other comprehensive income, and a total amount for comprehensive income. The amendments in this update should be applied retrospectively. For public entities, the amendments are effective for fiscal years, and interim periods within those years, beginning after December 15, 2011. For nonpublic entities, the amendments are effective for fiscal years ending after December 15, 2012, and interim and annual periods thereafter. Early adoption is permitted. The Company does not expect that the adoption of ASU 2011-05 will have a material effect on its financial statements.

In September 2011, the Financial Accounting Standards Board (“FASB”) issued an accounting standard update that amends the accounting guidance on goodwill impairment testing. The amendments in this accounting standard update are intended to reduce complexity and costs by allowing an entity the option to make a qualitative evaluation about the likelihood of goodwill impairment to determine whether it should calculate the fair value of a reporting unit. The amendments also improve previous guidance by expanding upon the examples of events and circumstances that an entity should consider between annual impairment tests in determining whether it is more likely than not that the fair value of a reporting unit is less than its carrying amount. The amendments in this accounting standard update are effective for interim and annual goodwill impairment tests performed for fiscal years beginning after December 15, 2011. The adoption of this accounting standard update will not have an impact on our consolidated financial position, results of operations, or cash flows, as it is intended to simplify the assessment for goodwill impairment.

NOTE 3 – GOING CONCERN

As shown in the accompanying financial statements, the Company incurred a loss from continuing operations of \$37,877 during the nine months ended September 30, 2011 and has an accumulated deficit of \$5,043,180 at September 30, 2011. Management in October 2008 dissolved the saw mill operations in Australia which was in receivership, spun out the bankrupt subsidiary and is currently looking for a merger candidate for the public shell. The Company’s short term liquidity needs are principally related to its operating expenses. It is expected that this will get funded by its principal stockholder. The accompanying financial statements have been prepared assuming that the Company will continue as a going concern and do not include any adjustments as a result of this uncertainty.

NOTE 4 – RELATED PARTY TRANSACTIONS

During the nine months ended September 30, 2011 and 2010, the company received advances from the principal shareholder in the amount of \$0 and \$3,000 to pay for professional fees, respectively. The legal fees for the three months ended September 30, 2011 and 2010 were \$3,658 and \$3,000, respectively. The legal fees for the nine months ended September 30, 2011 and 2010 were \$17,575 and \$9,000, respectively. These fees were incurred by

Sanders|Ortoli|Vaughn-Flam|Rosenstadt LLP of whom William Rosenstadt, President and CEO of The Company, is a partner.

NOTE 5 – CONVERTIBLE PROMISSORY NOTES

On March 18 and May 26, 2011, Heriot Holdings Limited loaned the Company \$30,000 and \$40,000 (the “Principal Amount”) pursuant to a convertible promissory notes at a rate of 10% per annum, until the Principal Amount is repaid. If the Principal Amount is not repaid by March 18, 2012 and May 26, 2012, the dates of maturity, the then-outstanding Principal Amounts and any interest accrued thereon shall be converted into shares of the Company’s common stock at a price of \$0.10.

LONE PINE HOLDINGS, INC.
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2011
(UNAUDITED)

ITEM 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.

CAUTIONARY STATEMENT REGARDING FORWARD LOOKING STATEMENTS

It should be noted that this Management's Discussion and Analysis of Financial Condition and Results of Operations may contain "forward-looking statements". The terms "believe", "anticipate", "intend", "goal", "expect" and similar expressions may identify forward-looking statements. These forward-looking statements represent our current expectations or beliefs concerning future events. The matters covered by these statements are subject to certain risks and uncertainties that could cause actual results to differ materially from those set forth in the forward-looking statements. The foregoing list should not be construed as exhaustive, and we disclaim any obligation subsequently to revise any forward-looking statements to reflect events or circumstances after the date of such statements, or to reflect the occurrence of anticipated or unanticipated events. In light of the significant uncertainties inherent in the forward-looking information included herein, the inclusion of such information should not be regarded as a representation that the strategy, objectives or other of our plans will be achieved. We wish to caution readers not to place undue reliance on any such forward-looking statements, which speak only as of the date made.

Background

Our former subsidiaries Integrated Forest Products Pty Ltd ("Integrated") and Timbermans Group Pty Ltd ("Timbermans") went into administration in Australia (in the United States this is tantamount to a Chapter 11 Bankruptcy). On July 31, 2007, Price Waterhouse Coopers LLP was appointed Receivers and Managers of both Integrated and Timbermans. Also on this same date, Deloitte was appointed Liquidator of Timbermans. Romanis Cant was appointed Liquidator of Integrated on October 18, 2007. The business operations of Integrated were continued until November 30, 2007 when all of the assets of Integrated were offered for sale as a going concern.

In connection with the receivership, the receiver formed a new Australian wholly owned subsidiary, Australian Forest Industries, LTD., and exchanged all of the shares of Integrated for Australian Forest Industries, LTD. shares. On October 15, 2008, the board of Directors of the Company approved the transfer of all the outstanding shares of Australian Forest Industries, LTD. to the principal shareholders and Directors, personally. Subsequent to the spin out, the Company became a non-operating shell company.

The Company incurred a net loss from continuing operations of \$9,581 for the three months ended September 30, 2011, incurred a net loss from continuing operations of \$37,877 for the nine months ended September 30, 2011 and has an accumulated deficit of \$5,043,180 at September 30, 2011. Because of the dissolution of the business and the liquidation of all liabilities, our current business objective for the next 12 months is to investigate and, if such investigation warrants, acquire a target company or business seeking the perceived advantages of being a publicly held corporation. We will not restrict our potential candidate target companies to any specific business, industry or geographical location and, thus, may acquire any type of business.

We do not currently engage in any business activities that provide us with positive cash flows. As such, the costs of investigating and analyzing business combinations for the next approximately 12 months and beyond will be paid

through funds from financing to be obtained.

During the next 12 months, we anticipate incurring costs related to filing of Exchange Act reports and costs relating to consummating an acquisition.

We believe we will be able to meet these costs with amounts to be loaned to or invested in us by our principal stockholder or other investors.

We may consider a business which has recently commenced operations, is a developing company in need of additional funds for expansion into new products or markets, is seeking to develop a new product or service, or is an established business which may be experiencing financial or operating difficulties and is in need of additional capital. In the alternative, a business combination may involve the acquisition of, or merger with, a company which does not need substantial additional capital, but which desires to establish a public trading market for its shares, while avoiding, among other things, the time delays, significant expense, and loss of voting control which may occur in a public offering.

Any target business that is selected may be a financially unstable company or an entity in its early stages of development or growth, including entities without established records of sales or earnings. In that event, we will be subject to numerous risks inherent in the business and operations of financially unstable and early stage or potential emerging growth companies. In addition, we may effect a business combination with an entity in an industry characterized by a high level of risk, and, although our management will endeavor to evaluate the risks inherent in a particular target business, there can be no assurance that we will properly ascertain or assess all significant risks.

RESULTS OF OPERATIONS

Net loss for the three months ended September 30, 2011 was \$9,581 as compared to a net loss of \$7,000 for the three months ended September 30, 2010. Net loss for the nine months ended September 30, 2011 was \$37,877 as compared to a net loss of \$30,000 for the nine months ended September 30, 2010. All of the losses in the 2010 periods were from continuing operations and related almost exclusively to accounting, legal and transfer agent fees. All of the losses in the 2011 periods were from continuing operations related to accounting, legal, and transfer agent fees and interest expense related to the convertible promissory notes. Apart from looking for a merger candidate, we have no current operations, and we have no employees.

LIQUIDITY AND CAPITAL RESOURCES

Net cash used by operations was \$69,765 for the nine months ended September 30, 2011 as compared to net cash used by operations of \$3,000 for the nine months ended September 30, 2010. We realized \$70,000 net cash provided by financing activities for our continuing operations for the nine-month period ended September 30, 2011, and we realized net cash provided by financing activities of \$3,000 for the nine-month period ended September 30, 2010.

CRITICAL ACCOUNTING POLICIES AND ESTIMATES

The Company's discussion and analysis of its financial condition and results of operations are based upon its financial statements, which have been prepared in accordance with accounting principles generally accepted in the United States. You should read Note 2 to the financial statements to better understand the Company's significant accounting policies. The preparation of these financial statements requires the Company to make estimates and judgments that affect the reported amounts of assets, liabilities, revenues and expenses, and related disclosure of contingent assets and liabilities. On an on-going basis, the Company evaluates its estimates, including those related to bad debts, income taxes and contingencies and litigation. The Company bases its estimates on historical experience and on various other assumptions that are believed to be reasonable under the circumstances, the results of which form the basis for making

judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions or conditions.

8

Item 3. Quantitative and Qualitative Disclosure About Market Risk.

Not applicable

Item 4 – Controls and Procedures

(a) Disclosure Controls and Procedures.

As of the end of the period covering this Form 10-Q, we evaluated the effectiveness of the design and operation of our “disclosure controls and procedures”. We conducted this evaluation under the supervision and with the participation of management, including our Chief Executive Officer and Acting Principal Accounting Officer.

(i) Definition of Disclosure Controls and Procedures.

Disclosure controls and procedures are controls and other procedures that are designed with the objective of ensuring that information required to be disclosed in our periodic reports filed under the Exchange Act, such as this report, is recorded, processed, summarized and reported within the time periods specified in the SEC’s rules and forms. As defined by the SEC, such disclosure controls and procedures are also designed with the objective of ensuring that such information is accumulated and communicated to our management, including the Chief Executive Officer and Acting Principal Accounting Officer, in such a manner as to allow timely disclosure decisions.

9

LONE PINE HOLDINGS, INC.
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2011
(UNAUDITED)

(ii) Conclusions with Respect to Our Evaluation of Disclosure Controls and Procedures.

Our Chief Executive Officer and Acting Principal Accounting Officer determined that, as of the end of the period covered by this report, these controls and procedures are adequate and effective in alerting them in a timely manner to material information relating to us required to be included in our periodic SEC filings.

(b) Changes in Internal Controls.

In and since the quarter ended September 30, 2011, there have been no changes in our internal controls over financial reporting that could significantly affect these controls.

PART II

Item 1. Legal Proceedings

No material changes.

Item 1A Risk Factors

Not applicable.

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

None.

Item 3. Defaults Upon Senior Securities

None.

Item 4. (Removed and Reserved)

Item 5. Other Information

None.

Item 6. Exhibits

Exhibit Index:

Exhibit 31.1 Certification of Chief Executive Officer and Acting Principal Accounting Officer

Exhibit 32.1 Certification of Chief Executive Officer and Acting Principal Accounting Officer

Edgar Filing: Lone Pine Holdings, Inc - Form 10-Q

Pursuant to Rule 406T of Regulation S-T, the interactive data files on Exhibit 101 hereto are deemed not filed or part of a registration statement or prospectus for purposes of Sections 11 or 12 of the Securities Act of 1933, as amended, are deemed not filed for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, and otherwise are not subject to liability under those sections.

Exhibit 101

101.INS - XBRL Instance Document

101.SCH - XBRL Taxonomy Extension Schema Document

101.CAL - XBRL Taxonomy Extension Calculation Linkbase Document

101.DEF - XBRL Taxonomy Extension Definition Linkbase Document

101.LAB - XBRL Taxonomy Extension Label Linkbase Document

101.PRE - XBRL Taxonomy Extension Presentation Linkbase Document

LONE PINE HOLDINGS, INC.
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2011
(UNAUDITED)

SIGNATURES

Pursuant to the requirements of the Exchange Act, the registrant caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

LONE PINE HOLDINGS, INC.

/s/ William S. Rosenstadt

Name: William S. Rosenstadt

Title: CEO, President and Acting Principal Accounting Officer

Date: November 14, 2011
