E & S HOLDINGS INC
Form 10QSB/A
October 19, 2005

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

FORM 10-QSB/A

(Mark One)

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

For the quarterly period ended August 31, 2005

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

For the transition period from _____ to _____

Commission file number 000-50101

E and S Holdings, Inc.
(Exact name of small business issuer as specified in its charter)

| Nevada | 91-2135425 |
|---|---|
| (State or other jurisdiction of incorporation or organization) | (IRS Employer Identification No.) |

5046 E. Boulevard, NW, Canton, OH 44718
(Address of principal executive officer)

(330) 966-8120
(Issuer's telephone number)

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

Check whether the issuer (1) filed all reports required to be filed by Section 13 or 15(d) of the Exchange Act 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 [X] No [ ]

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

Check whether the registrant filed all documents and reports required to be filed by Section 12, 13 or 15(d) of the Exchange Act after the distribution of securities under a plan confirmed by a court. Yes [ ] No [ ]

APPLICABLE ONLY TO CORPORATE ISSUERS

State the number of shares outstanding of each of the issuer's classes of common equity, as of the latest practicable date: 15,000,000

Transitional Small Business Disclosure Format (Check One): Yes [ ] No [ ]

E AND S HOLDINGS, INC.
(A Development Stage Company)
BALANCE SHEETS
AUGUST 31, 2005 AND MAY 31, 2005

| | August 31, 2005 (Unaudited) | May 31, 2005 (Audited) |
|---|---|---|
| ASSETS | | |
| Current Assets | | |
| Cash in bank | $ 692 | $ 136 |
| Accounts receivable | 1,169 | 2,209 |
| Inventory | 23,292 | 24,281 |
| | 25,153 | 26,626 |
| OTHER ASSETS | | |
| Patent - net of amortization of $3,216 at August 31, 2005 and $2,969 at May 31, 2005 | 9,483 | 9,730 |
| Total Other Assets | 9,483 | 9,730 |
| Total Assets | $ 34,636 | $ 36,356 |
| LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIT) | | |
| LIABILITIES | | |
| Accounts payable | $ 31,245 | $ 23,549 |
| Accounts payable - stockholder | 18,520 | 18,520 |
| Note payable-stockholder | 4,000 | 0 |
| Accrued wages | 25,000 | 25,000 |
| Accrued royalties | 71 | 110 |
| Accrued warranty | 129 | 134 |
| Accrued interest | 93 | 0 |
| Total Liabilities | 79,058 | 67,313 |
| STOCKHOLDERS' EQUITY | | |
| Common stock - 100,000,000 shares authorized, 15,000,000 outstanding as of August 31 and and May 31, 2005 at .001 par value | 15,000 | 15,000 |
| Additional paid-in capital | 211,099 | 211,099 |
| Deficit accumulated during the development stage | (270,521) | (257,056) |
| Total Stockholders' Equity (Deficit) | (44,422) | (30,957) |
| Total Liabilities and Stockholders' Equity (Deficit) | $ 34,636 | $ 36,356 |

Note: The balance sheet at May 31, 2005 has been derived from the audited financial statements at that date but does not include all of the information and footnotes required by accounting principles generally accepted in the United

States of America for complete financial statements.

See accompanying notes to financial statements.

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E AND S HOLDINGS, INC.
(A Development Stage Company)
STATEMENTS OF OPERATIONS
FOR THE THREE MONTHS ENDED AUGUST 31, 2005,
THE THREE MONTHS ENDED AUGUST 31, 2004 AND
THE PERIOD FROM JUNE 20, 2001 (INCEPTION) TO AUGUST 31, 2005

| | Three Months Ended August 31, 2005 | Three Months Ended August 31, 2004 | June 20 (Incepti August 3 |
|---|---|---|---|
| | (Unaudited) | (Unaudited) | (Unaud |
| SALES - NET | $ 1,549 | $ 2,132 | $ 11 |
| COST OF SALES | | | |
| Purchases | 954 | 680 | 5 |
| GROSS PROFIT | 595 | 1,452 | 5 |
| OPERATING EXPENSES | | | |
| Wage expense | 0 | 7,800 | 116 |
| Advertising | 0 | 603 | 17 |
| Legal and accounting | 10,580 | 7,050 | 81 |
| Professional fees | 1,166 | 0 | 6 |
| Product development | 0 | 0 | |
| Bank charges | 102 | 16 | |
| Rent - stockholder | 0 | 1,500 | 11 |
| License and permits | 0 | 0 | 1 |
| Amortization | 247 | 247 | 3 |
| Franchise tax | 0 | 0 | |
| Workers' compensation | 10 | 89 | |
| Commission | 13 | 12 | |
| Royalty expense | 77 | 48 | |
| Office and administrative expense | 520 | 3,335 | 16 |
| Travel | 1,027 | 0 | 3 |
| Freight and delivery | 0 | 127 | |
| Postage | 80 | 0 | |
| Payroll tax | 0 | 65 | |
| Insurance | 0 | 0 | 1 |
| Supplies | 0 | 0 | 2 |
| Telephone | 114 | 296 | 1 |
| Trade shows | 0 | 823 | 3 |
| UCC code | 0 | 0 | |
| Membership fees | 0 | 0 | |
| Warranty expense | 31 | 0 | |
| | 13,967 | 22,011 | 273 |
| NET LOSS FROM OPERATIONS | (13,372) | (20,559) | (267 |
| OTHER INCOME (EXPENSE) | | | |
| Miscellaneous income | 0 | 29 | |
| Interest expense | (93) | 0 | (2 |
| Bad debts | 0 | 0 | |

| | | | |
|---|---|---|---|
| Miscellaneous expense | 0 | 0 | |
| | (93) | 29 | (2 |
| NET LOSS BEFORE INCOME TAXES | (13,465) | (20,530) | (270 |
| PROVISION FOR INCOME TAXES | 0 | 0 | |
| NET LOSS | $ (13,465) | $ (20,530) | $(270 |
| NET LOSS PER COMMON SHARE - BASIC | $ (.00) | $ (.00) | $ |

See accompanying notes to financial statements.



E AND S HOLDINGS, INC.
(A Development Stage Company)
STATEMENTS OF CASH FLOWS
FOR THE THREE MONTHS ENDED AUGUST 31, 2005
THE THREE MONTHS ENDED AUGUST 31, 2004 AND THE PERIOD FROM JUNE 20, 2001
(INCEPTION) TO AUGUST 31, 2005

| | Three Months Ended August 31, 2005 | Three Months Ended August 31, 2004 | J (I Au |
|---|---|---|---|
| | (Unaudited) | (Unaudited) | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Net Loss | $ (13,465) | $ (20,530) | |
| Adjustments to reconcile net income to net cash provided by operating activities: | | | |
| Amortization | 247 | 247 | |
| Interest capitalized | 0 | 0 | |
| Decrease (Increase) in accounts receivable | 1,040 | (1,562) | |
| (Increase) in inventory | 989 | 681 | |
| Increase (Decrease) in accounts payable | 7,696 | 7,445 | |
| Increase in accrued wages - stockholder | 0 | 7,800 | |
| Increase in accrued director's fees | 0 | 0 | |
| Increase in accrued interest | 93 | 0 | |
| Increase in accrued rent | 0 | 1,500 | |
| Increase (Decrease) in accrued taxes | 0 | (88) | |
| Increase (Decrease) in stockholder payable | 0 | 1,000 | |
| Increase (decrease) in accrued royalties | (39) | 0 | |
| Increase (Decrease) in accrued warranty | (5) | 0 | |
| Net Cash Used By Operating Activities | (3,444) | (3,507) | |
| CASH FLOWS USED BY INVESTING ACTIVITIES | | | |
| Purchase of patent | 0 | 0 | |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | |
| Loans from stockholders | 4,000 | 0 | |
| Repayment of loans | 0 | 0 | |
| Proceeds from issuance of common stock, Net of issuance costs of $2,500 | 0 | 0 | |

| | | |
|---|---|---|
| Net Cash Provided By Financing Activities | 4,000 | 0 |
| NET INCREASE (DECREASE) IN CASH | 556 | (3,507) |
| CASH AT BEGINNING OF PERIOD | 136 | 3,760 |
| CASH AT END OF PERIOD | $ 692 | $ 253 |

See accompanying notes to financial statements.



E AND S HOLDINGS, INC.
(A Development Stage Company)
STATEMENTS OF CASH FLOWS
FOR THE THREE MONTHS ENDED AUGUST 31, 2005
THE THREE MONTHS ENDED AUGUST 31, 2004 AND THE PERIOD FROM JUNE 20, 2001
(INCEPTION) TO AUGUST 31, 2005

| | Three Months Ended August 31, 2005 (Unaudited) | Three Months Ended August 31, 2004 (Unaudited) | J (I Au |
|---|---|---|---|
| SUPPLEMENTAL DISCLOSURE OF CASH FLOWS INFORMATION | | | |
| Interest paid | $ 0 | $ 0 | |
| Taxes paid | $ 0 | $ 0 | |

SUPPLEMENTAL DISCLOSURE OF NON-CASH INVESTING AND FINANCING ACTIVITIES

On September 27, 2001, 700,000 shares of stock were issued at a value of $1,899 in return for contribution of the patent option. The patent was subsequently purchased for $10,800 in March 2002.

In March of 2003, interest accrued on stockholder loans payable in the amount of $1,296 was added to the outstanding loan balance when the stockholder notes due March, 2003 were renewed.

In November of 2004, certain officers, directors, and shareholders of the company forgave accrued wages, director's fees, and rents totaling $96,700. These transactions are reflected as increases to paid- in capital.

See accompanying notes to financial statements.



E AND S HOLDINGS, INC.
(A Development Stage Company)

NOTES TO FINANCIAL STATEMENTS
AUGUST 31, 2005

NOTE A - BASIS OF PRESENTATION

The accompanying unaudited financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America for interim financial information and with the instructions to Form 10-QSB and item 310(b) of Regulation S-B. Accordingly, they do not include all the information and footnotes required by accounting principles generally accepted in the United States of America for complete financial statements. In the opinion of management, all adjustments (consisting of normal recurring accruals) considered necessary for a fair presentation have been included. For further information, refer to the financial statements and footnotes thereto included in the E and S Holdings, Inc. Form 10-KSB filing for the year ended May 31, 2005.

NOTE B - DEVELOPMENT STAGE COMPANY

E and S Holdings, Inc. (a Nevada corporation) has been in the development stage since its formation on June 20, 2001. It is primarily engaged in the development and marketing of new products on which it holds the patent. Realization of a major portion of its assets is dependent upon the Company's ability to successfully develop and market the patent, meet its future financing requirements, and the success of future operations. These factors raise substantial doubt about the Company's ability to continue as a going concern.



ITEM 2 - MANAGEMENTS DISCUSSION AND ANALYSIS OR PLAN OF OPERATION

E & S Holdings (E & S) is a developmental stage company that has received revenues of approximately $1,549 during the three-month period ending August 31, 2005. E & S has received no significant revenues since its inception.

As of August 31, 2005, E & S has cash assets of $692. However, it also had accounts receivable of $1,169 and inventory of $23,292. Because the liquid assets of the company are low, management is contemplating increasing needed capital through a private offering of additional shares, although no definite plans have been formulated at this time. E & S continues to receive small orders for its Portable Pipe Vise. In order to promote additional sales, management has continued to do direct mailing as funds permit. E & S has previously secured the services of seven independent sales representatives in various parts of the United States to promote the sale of its Portable Pipe Vise. Unfortunately, management efforts to obtain dealers/representatives have not produced any substantial sales. Management has notified its representatives that unless the representatives commence producing orders for E & S, their contracts will not be renewed. Management has altered its marketing strategy and now is emphasizing direct sales to large retail outlets and direct sales through its website,WWW.PORTABLEPIPEVISE.COM. These moves have been initiated to reduce costs of sales. The Portable Pipe Vise is currently placed in the catalog of a nationally recognized tool retailer and in the Black Book of Tools catalog.

Management is attempting to focus on specific industries in which the Portable Pipe Vise would be most useful. Therefore, its first marketing effort is focused toward the welding equipment suppliers. Its second round of direct marketing will focus on plumbing suppliers and retailers of heating, ventilating and air conditioning supplies. Management intends to increase its marketing efforts at such time as additional funds are made available through sales of the product.

E & S continues in its efforts to list the shares of E & S on the OTC Bulletin Board. It is currently consulting with a new broker/dealer in order to establish a market and obtain clearance from NASD for trading.

Over the last three months, E & S has sustained operating losses in the amount of $13,465. Of this amount, $10,580 involves costs for legal and accounting fees incurred during the last quarter. As of February 28, 2005, E & S has total liabilities of $79,058.

There are no off balance sheet arrangements involving E & S at this time.

ITEM 3 - CONTROLS AND PROCEDURES

The management of E & S recognize its responsibility for establishing and maintaining adequate internal controls over financial reporting for E & S. Due to the small size of E & S, the company's Chief Executive Officer and Chief Operating Officer is aware of all matters pertaining to the operations of E & S Holdings, Inc and has reviewed all aspects of the financial information included in the company's financial reporting. At the present time, management is of the opinion that the company's internal controls over financial reporting for the past fiscal year is adequate. However, management has identified a material weakness in its procedures in that the small size of management causes a lack of segregation of duties and limits management's ability to recognize potential inadequacies of the internal controls over the financial reporting.



PART II - OTHER INFORMATION

ITEM 1 - LEGAL PROCEEDINGS

To the best of its knowledge, management of E & S is not aware of any legal proceedings in which E & S is currently involved.

ITEM 2 - CHANGES IN SECURITY

There are no changes in security since the last annual statement for the year ending May 31, 2005.

ITEM 3 - DEFAULTS UPON SENIOR SECURITIES

There are no defaults upon any senior securities.

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

There have been no submissions of any matters to security holders to vote upon during this reporting period.

ITEM 5 - OTHER INFORMATION

There are no items of information required to be disclosed pursuant to this item at this time.

ITEM 6 - EXHIBITS AND REPORTS ON FORM 8-K

A. The following are filed as Exhibits to this quarter of the report. The numbers refer to the exhibit table of Item 601 of regulation S-K: Reference is hereby made to the exhibits contained in the registration statement (Form SB-2) filed by E & S.

Exhibit 31 - Certification Pursuant to Section 302 of the Sarbanes Oxley

Act of 2002
Exhibit 32 - Certification Pursuant to Section 906 of the Sarbanes Oxley Act of 2002

B. Reports on Form 8-K - 9/21/2005



SIGNATURES

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

E & S HOLDINGS, INC.

Date: October 19, 2005 By: /s/ Edward A. Barth
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Edward A. Barth, Principal Financial Officer

Date: October 19, 2005 By: /s/ Edward A. Barth
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Edward A. Barth, Principal Executive Officer