

ENERCORP INC
Form 10QSB
May 17, 2004

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-QSB

Quarterly Report Pursuant to Section 13 or 15(d)

of the Securities Exchange Act of 1934

For the quarter ended:

Commission file number:

March 31, 2004

0-9083

Enercorp, Inc.

(Exact name of Registrant as specified in its charter)

Colorado

84-0768802

(State or other jurisdiction of

(I.R.S. Employer

incorporation or organization)

Identification Number)

32751 Middlebelt Road, Suite B

Farmington Hills, MI

48334

(Address of principal executive offices)

(Zip Code)

Registrant's telephone number, including area code:

(248) 851-5651

Indicate by check mark whether the Company (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 and, (2) has been subject to such filing requirements for the past 90 days: Yes No

As of May 11, 2004 a total of 695,897 shares of common stock, were outstanding.

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- ◆ For the quarter ended March 31, 2004
- ◆ SIGNATURES
- ◆ Pursuant to the requirements of the Securities Exchange Act of 1934, the Company has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.
- 7.
- CERTIFICATION PURSUANT TO 18 USC, SECTION 1350, AS ADOPTED PURSUANT TO SECTIONS 302 AND 906 OF THE SARBANES-OXLEY ACT OF 2002

1.

ENERCORP, INC STATEMENTS OF ASSETS & LIABILITIES

Unaudited

	March 31, 2004	June 30, 2003
ASSETS		
Investments, at fair value, cost of \$1,231,638 and \$1,231,638 at March. 31, 2004 and June 30, 2003, respectively	\$ 993,857	\$ 900,644
Cash	93	618
Furniture and fixtures, net of accumulated depreciation of \$12,437 at March. 31, 2004 and \$12,437 at June 30, 2003, respectively	0	0
Other assets	0	0
	\$ 993,950	\$ 901,262
LIABILITIES AND NET ASSETS		
Liabilities		
Note payable	\$ 30,000	\$ 30,000
Note related-party	53,450	39,950
Accounts payable and accrued liabilities	12,808	16,142
Officer salary payable	145,000	120,000
Accrued management fees-related party	72,500	50,000
Interest payable-related party	8,529	4,898
	322,287	260,991
Net assets		
Common stock, no par value: 10,000,000 shares authorized, 695,897 shares issued and outstanding at March 31, 2004 and June 30, 2003.	1,888,251	1,888,251
Preferred stock, no par value: 1,000,000 shares authorized, -0- issued.		
Accumulated deficit	(997,967)	(916,985)
Unrealized net gain on investments, net of deferred income taxes at March 31, 2004 and June 30, 2003 respectively	(218,620)	(330,994)
	671,664	640,272
	\$ 993,950	\$ 901,263

The accompanying notes are an integral part of this financial statement

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2.

ENERCORP, INC, SCHEDULE OF INVESTMENTS AT JUNE 30, 2003

Affiliated Companies	Description of Business	Expiration Date	Restrictions	No of Shares	Share Price	Cost/Equity	Fair Market Value	Distcount	Market
Common Stocks-Public									
Market Method of Valuation									
CompuSonics Video	Digital Video Product & Web Site Development			1,751	0.037		65		
				10,000,000	0.037	106,477	370,000	(111,000)	
Ajay Sports Inc.	Golf & Casual Furniture			294,118	0.005	600,000	1,471		
				16,667	0.005	37,500	83		
Preferred Stocks-Public									
Market Method of Valuation									
Ajay Sports Inc.	Golf & Casual Furniture			2,000	0.019	20,000	38		
Common Stocks-Board									
Appraisal Method of Valuation									
Pro Golf International	Franchisor of Retail Golf Stores		a & b	7,450		195,000	424,972	(84,994)	
Pro Golf. Com	Web Sales of Golf Equip		a & b	300,000	2.5	252,000	750,000	(450,000)	
Subtotal						1,210,977	1,546,629	(645,994)	
<u>Warrants and stock Options - Board Appraisal Method of Valuation</u>									
CompuSonics Video Corporation	Digital Video Product			300,000					
Williams Controls, Inc.	Manufacturer of sensors & control systems	08/04/04	b	25,000					
		05/03/05	b	25,000					
		09/13/06	b	50,000					
		03/12/08	b	50,000					

10/02/08 b 50,000

Unaffiliated Companies

Common Stocks-Public

Market Method of Valuation

Vitro Diagnostics	Diagnostic test kits		300	0.03	1,500	9
Proconnexions, Inc.	Sports Memorabilia	a	191,610		19,161	-
	Total All Companies				1,231,638	1,546,638 (645,994)

(a) No public market for this security

(b) Subject to Rule 144

See notes to financial statements

3.

ENERCORP, INC SCHEDULE OF INVESTMENTS AT MARCH 31, 2004 (UNAUDITED)

Affiliated Companies	Description of Business	Expiration Date	No of Shares	Share Price	Fair Market Value	Net Fair Market Value
<u>Common Stocks-Public Market Method of Valuation</u>						
CompuSonic Video	Digital Video Product & Web Site Development		1,750,000	0.053	93	93
			10,000,000	0.053	106,477,530	159,000,000

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Ajay Sports Inc.	Golf & Casual Furniture			294,118	0.019	600,000	5,588	5,588	
				16,667	0.019	37,500	317	317	
<u>Preferred Stocks-Public Market Method of Valuation</u>									
Ajay Sports Inc.	Golf & Casual Furniture			2,000	0.019	20,000	38	38	
<u>Common Stocks-Board Appraisal Method of Valuation</u>									
Pro Golf International	Franchisor of Retail Golf Stores	a & b		7,450		195,000	396,000	(79,200)	6,800
Pro Golf. Com	Web Sales of Golf Equip	a & b		300,000	2.5	252,000	600,000	300,000	0,000
	Subtotal					1,210,975	332,036	(538,200)	93,836
<u>Warrants and stock Options - Board Appraisal Method of Valuation</u>									
Williams Controls, Inc.	Manufacturer of sensors & control systems		03/12/08	b		50,000			
Unaffiliated Companies									
<u>Common Stocks-Public Market Method of Valuation</u>									
Vitro Diagnostics	Diagnostic test kits				300	0.07	1,500	21	21
	Total All Companies					1,212,475	332,057	(538,200)	93,857

(a) No public market for this security

(b) Subject to Rule

144

See notes to financial statements

4.

ENERCORP, INC CONSENSUED STATEMENTS OF OPERATIONS

	For the Three Months		For the nine Months	
	Ended March 31,(Unaudited)		Ended March 31,(Unaudited)	
	2004	2003	2004	2003
REVENUES				
Refunds	\$ 773	\$ 0	\$ 773	\$ 0
	773	0	773	0
EXPENSES				
Salaries - officer	0	30,000	25,000	90000
Legal, accounting and other professional fees	2,043	4,123	10,037	14955
Management fees related	7,500	7,500	22,500	22500
Interest expense -related	1,280	882	3,631	2359
Other general and administrative expenses	76	128	1,426	623
	10,899	42,633	62,593	130,437
Realized Loss on Investments	(19,161)	0	(19,161)	0
Net gain (loss) from operations before taxes	(29,287)	(42,633)	(80,981)	(130,437)
Income taxes (Note 5)	0	0	0	0
Net gain (loss) from operations after taxes	(29,287)	(42,633)	(80,981)	(130,437)
Net unrealized gain (loss) on investments before taxes	(33,159)	237,752	93,213	(71,559)
Income taxes (Note 5)	0	0	0	0
Net unrealized gain (loss) on investment after taxes	(33,159)	237,752	93,213	(71,559)
Increase (decrease) in net assets resulting from operations	\$ (62,445)	\$ 195,119	\$ 12,232	\$ (201,996)
Increase (decrease) in net assets per share	\$ (0.09)	\$ 0.28	\$ 0.02	\$ (0.29)

The accompanying notes are an integral part of this financial statement

5.

ENERCORP, INC STATEMENTS OF CASH FLOWS (UNAUDITED)

For Nine Months Ended

March 31, 2004 March 31, 2003

Cash flows from operating activities:

Increase (decrease) in net assets	\$ 12,232	\$ (201,996)
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Adjustments to reconcile net income to net cash

provided by operating activities:

Depreciation	0	0
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Bad debt provision on notes receivable and interest net of write offs	0	0
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Gain on sale of investments	0	0
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Unrealized (gain) loss on investments	(93,213)	71,559
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(Increase) Decrease in other assets	0	0
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Increase (Decrease) in accounts payable and accrued expenses	47,796	119,621
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Increase (Decrease) in deferred taxes	0	0
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Total adjustments	(45,417)	191,180
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Net cash (used) by operating activities	(33,185)	(10,816)
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Cash flows from investing activities: