

Dinewise, Inc

586 Cobb Parkway S

Suite 912

(888) 243-2680

www.pawntrust.com

invest@pawntrust.com

Quarterly Report

For the Period Ending September 30, 2013

(the "Reporting Period")

Outstanding Shares

The number of shares outstanding of our Common Stock was:

33,148,915 as of September 30, 2013 (Current Reporting Period Date or More Recent Date)

33,148,915 as of December 31, 2012 (Most Recent Completed Fiscal Year End)

Shell Status

Indicate by check mark whether the company is a shell company (as defined in Rule 405 of the Securities Act of 1933, Rule 12b-2 of the Exchange Act of 1934 and Rule 15c2-11 of the Exchange Act of 1934):

Yes: No: X

Indicate by check mark whether the company's shell status has changed since the previous reporting period:

Yes: No: X

Change in Control

Indicate by check mark whether a Change in Control⁴ of the company has occurred during this reporting period:

Yes: No: X

⁴"Change in Control" shall mean any events resulting in:

- (i) Any "person" (as such term is used in Sections 13(d) and 14(d) of the Exchange Act) becoming the "beneficial owner" (as defined in Rule 13d-3 of the Exchange Act), directly or indirectly, of securities of the Company representing fifty percent (50%) or more of the total voting power represented by the Company's then outstanding voting securities;
- (ii) The consummation of the sale or disposition by the Company of all or substantially all of the Company's assets;
- (iii) A change in the composition of the Board occurring within a two (2)-year period, as a result of which fewer than a majority of the directors are directors immediately prior to such change; or
- (iv) The consummation of a merger or consolidation of the Company with any other corporation, other than a merger or consolidation which would result in the voting securities of the Company outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity or its parent) at least fifty percent (50%) of the total voting power represented by the voting securities of the Company or such surviving entity or its parent outstanding immediately after such merger or consolidation.

1) Name and address(es) of the issuer and its predecessors (if any)

In answering this item, provide the current name of the issuer and names used by predecessor entities, along with the dates of the name changes.

Dinewise, Inc- September 15, 2006

Simplagene USA, Inc

Current State and Date of Incorporation or Registration: Nevada-August 2, 2002

Standing in this jurisdiction: Active

Prior Incorporation Information for the issuer and any predecessors during the past five years:

None

Describe any trading suspension or halt orders issued by the SEC or FINRA concerning the issuer or its predecessors since inception:

None

List any stock split, dividend, recapitalization, merger, acquisition, spin-off, or reorganization either currently anticipated or that occurred within the past 12 months:

None

Address of the issuer's principal executive office:

586 Cobb Parkway S
Suite 912
Marietta, Georgia 30060

Address of the issuer's principal place of business:

X Check if principal executive office and principal place of business are the same address:

Has the issuer or any of its predecessors been in bankruptcy, receivership, or any similar proceeding in the past five years?

No: X Yes: If yes, provide additional details below:

2) Security Information

Transfer Agent

Name: Pacific Stock Transfer
Phone: (800) 785-7782
Email: infor@pacificstocktransfer.com
Address: 6725 Via Austi Parkway
Suite 300
Las Vegas, NV 89119

Publicly Quoted or Traded Securities:

The goal of this section is to provide a clear understanding of the share information for its publicly quoted or traded equity securities. Use the fields below to provide the information, as applicable, for all outstanding classes of securities that are publicly traded/quoted.

Trading symbol:	DWIS
Exact title and class of securities outstanding:	Common
CUSIP:	254447105
Par or stated value:	.001
Total shares authorized:	50,000,000 as of September 30, 2013
Total shares outstanding:	33,148,915 as of September 30, 2013
Total number of shareholders of record:	81 as of September 30, 2013

Please provide the above-referenced information for all other publicly quoted or traded securities of the issuer.

N/A

Other classes of authorized or outstanding equity securities that do not have a trading symbol:

September

The goal of this section is to provide a clear understanding of the share information for its other classes of authorized or outstanding equity securities (e.g., preferred shares that do not have a trading symbol). Use the fields below to provide the information, as applicable, for all other authorized or outstanding equity securities.

None

Please provide the above-referenced information for all other classes of authorized or outstanding equity securities.

N/A

Security Description:

The goal of this section is to provide a clear understanding of the material rights and privileges of the securities issued by the company. Please provide the below information for each class of the company's equity securities, as applicable:

1. For common equity, describe any dividend, voting and preemption rights.

Holders of Common Shares have one vote per share held. There is dividend entitlement determined by the Board of Directors. Further there are no pre-emptive rights.

2. For preferred stock, describe the dividend, voting, conversion, and liquidation rights as well as redemption or sinking fund provisions.

No Preferred Stocks

3. Describe any other material rights of common or preferred stockholders.

No other Material rights

4. Describe any material modifications to rights of holders of the company's securities that have occurred over the reporting period covered by this report.

No material modifications to rights of holders of company securities.

3) Issuance History

*The goal of this section is to provide disclosure with respect to each event that resulted in any changes to the total shares outstanding of any class of the issuer's securities **in the past two completed fiscal years and any subsequent interim period.***

Disclosure under this item shall include, in chronological order, all offerings and issuances of securities, including debt convertible into equity securities, whether private or public, and all shares, or any other securities or options to acquire such securities, issued for services. Using the tabular format below, please describe these events.

A. Changes to the Number of Outstanding Shares for the two most recently completed fiscal years and any subsequent period.

Indicate by check mark whether there were any changes to the number of outstanding shares within the past two completed fiscal years:

No: Yes:(If yes, you must complete the table below)

Shares Outstanding as of Second Most Recent Fiscal Year End:
Opening Balance
 Date December 31, 2011
 Common: 33,148,915
 Preferred: 0

*Right-click the rows below and select "Insert" to add rows as needed.

Date of Transaction	Transaction type (e.g., new issuance, cancellation, shares returned to treasury)	Number of Shares Issued (or cancelled)	Class of Securities	Value of shares issued (\$/per share) at Issuance	Were the shares issued at a discount to market price at the time of issuance? (Yes/No)	Individual/ Entity Shares were issued to. ***You must disclose the control person(s) for any entities listed.	Reason for share issuance (e.g. for cash or debt conversion) -OR- Nature of Services Provided	Restricted or Unrestricted as of this filing.	Exemption or Registration Type.
Shares Outstanding on Date of This Report: <u>Ending Balance:</u> Date <u>September 30, 2013</u> Common: <u>33,148,915</u> Preferred: <u>0</u>									

*****Control persons for any entities in the table above must be disclosed in the table or in a footnote here.**

Use the space below to provide any additional details, including footnotes to the table above:

N/A

B. Promissory and Convertible Notes

Indicate by check mark whether there are any outstanding promissory, convertible notes, convertible debentures, or any other debt instruments that may be converted into a class of the issuer's equity securities:

No: Yes (See accompanied Notes to Financial Statements)

Date of Note Issuance	Outstanding Balance (\$)	Principal Amount at Issuance (\$)	Interest Accrued (\$)	Maturity Date	Conversion Terms (e.g. pricing mechanism for determining conversion of instrument to shares)	Name of Noteholder. *** You must disclose the control person(s) for any entities listed.	Reason for Issuance (e.g. Loan, Services, etc.)

***Control persons for any entities in the table above must be disclosed in the table or in a footnote here.

Use the space below to provide any additional details, including footnotes to the table above:

N/A

4) Issuer's Business, Products and Services

The purpose of this section is to provide a clear description of the issuer's current operations. Ensure that these descriptions are updated on the Company's Profile on www.OTCMarkets.com.

A. Summarize the issuer's business operations (If the issuer does not have current operations, state "no operations")

DineWise, Inc. provides direct-to-consumer gourmet home meal replacement services in the United States. The company offers an array of meal planning, delivery, and preparation services under the Dinewise brand name. Its principal products include branded, prepared, and frozen entrees, such as beef, chicken, pork, and fish; and meals, soups, appetizers, and desserts. Dinewise, Inc. markets its products through various channels, including direct mail, catalog, print, public relations, and e-retailing, as well as through its inbound and outbound call center.

B. List any subsidiaries, parent company, or affiliated companies.

C. Describe the issuers' principal products or services.

Direct to Consumer meal replacement

5) Issuer's Facilities

The goal of this section is to provide investors with a clear understanding of all assets, properties or facilities owned, used or leased by the issuer and the extent in which the facilities are utilized.

In responding to this item, please clearly describe the assets, properties or facilities of the issuer. Describe the location of office space, data centers, principal plants, and other property of the issuer and describe the condition of the properties. Specify if the assets, properties, or facilities are owned or leased and the terms of their leases. If the issuer does not have complete ownership or control of the property, describe the limitations on the ownership.

6) All Officers, Directors, and Control Persons of the Company

Using the table below, please provide information, as of the period end date of this report, regarding all officers and directors of the company, or any person that performs a similar function, regardless of the number of shares they own.

In addition, list all individuals or entities controlling 5% or more of any class of the issuer's securities. If any insiders listed are corporate shareholders or entities, provide the name and address of the person(s) beneficially owning or controlling such corporate shareholders, or the name and contact information (City, State) of an individual representing the corporation or entity. Include Company Insiders who own any outstanding units or shares of any class of any equity security of the issuer.

The goal of this section is to provide investors with a clear understanding of the identity of all the persons or entities that are involved in managing, controlling or advising the operations, business development and disclosure of the issuer, as well as the identity of any significant or beneficial owners.

Names of All Officers, Directors, and Control Persons	Affiliation with Company (e.g. Officer Title /Director/Owner of 5% or more)	Residential Address (City / State Only)	Number of shares owned	Share type/class	Ownership Percentage of Class Outstanding	Names of control person(s) if a corporate entity

Confirm that the information in this table matches your public company profile on www.OTCMarkets.com. If any updates are needed to your public company profile, log in to www.OTCIQ.com to update your company profile.

7) Legal/Disciplinary History

A. Identify and provide a brief explanation as to whether any of the persons or entities listed above in Section 6 have, in the past 10 years:

1. Been the subject of an indictment or conviction in a criminal proceeding or plea agreement or named as a defendant in a pending criminal proceeding (excluding minor traffic violations);

N/A

2. Been the subject of the entry of an order, judgment, or decree, not subsequently reversed, suspended or vacated, by a court of competent jurisdiction that permanently or temporarily enjoined, barred, suspended or otherwise limited such person's involvement in any type of business, securities, commodities, financial- or investment-related, insurance or banking activities;

N/A

3. Been the subject of a finding, disciplinary order or judgment by a court of competent jurisdiction (in a civil action), the Securities and Exchange Commission, the Commodity Futures Trading Commission, a state securities regulator of a violation of federal or state securities or commodities law, or a foreign regulatory body or court, which finding or judgment has not been reversed, suspended, or vacated;

N/A

4. Named as a defendant or a respondent in a regulatory complaint or proceeding that could result in a "yes" answer to part 3 above; or

N/A

5. Been the subject of an order by a self-regulatory organization that permanently or temporarily barred, suspended, or otherwise limited such person's involvement in any type of business or securities activities.

N/A

6. Been the subject of a U.S Postal Service false representation order, or a temporary restraining order, or preliminary injunction with respect to conduct alleged to have violated the false representation statute that applies to U.S mail.

N/A

- B. Describe briefly any material pending legal proceedings, other than ordinary routine litigation incidental to the business, to which the issuer or any of its subsidiaries is a party to or of which any of their property is the subject. Include the name of the court or agency in which the proceedings are pending, the date instituted, the principal parties thereto, a description of the factual basis alleged to underlie the proceeding and the relief sought. Include similar information as to any such proceedings known to be contemplated by governmental authorities.

N/A

8) Third Party Service Providers

Provide the name, address, telephone number and email address of each of the following outside providers. You may add additional space as needed.

Confirm that the information in this table matches your public company profile on www.OTCMarkets.com. If any updates are needed to your public company profile, update your company profile.

Securities Counsel (must include Counsel preparing Attorney Letters).

Name:

Accountant or Auditor

Name:

Investor Relations

All other means of Investor Communication:

Twitter: <https://twitter.com/dinewiseinc>
Discord: N/A
LinkedIn N/A
Facebook <https://www.facebook.com/pawntrust>
[Other] N/A

Other Service Providers

Provide the name of any other service provider(s) that **that assisted, advised, prepared, or provided information with respect to this disclosure statement**. This includes counsel, broker-dealer(s), advisor(s), consultant(s) or any entity/individual that provided assistance or services to the issuer during the reporting period.

N/A

9) Disclosure & Financial Information

A. This Disclosure Statement was prepared by (name of individual):

Name: Christina Moore
Title: Director
Relationship to Issuer: Name of Control Person

B. The following financial statements were prepared in accordance with:

- IFRS
 U.S. GAAP

C. The following financial statements were prepared by (name of individual):

Name:
Title:
Relationship to Issuer:
Describe the qualifications of the person or persons who prepared the financial statements:

Provide the following qualifying financial statements:

- Audit letter, if audited;
- Balance Sheet;
- Statement of Income;
- Statement of Cash Flows;
- Statement of Retained Earnings (Statement of Changes in Stockholders' Equity)
- Financial Notes

Financial Statement Requirements:

- Financial statements must be published together with this disclosure statement as one document.
- Financial statements must be "machine readable". Do not publish images/scans of financial statements.
- Financial statements must be presented with comparative financials against the prior FYE or period, as applicable.
- Financial statements must be prepared in accordance with U.S. GAAP or International Financial Reporting Standards (IFRS) but are not required to be audited.

10) Issuer Certification

Principal Executive Officer:

The issuer shall include certifications by the chief executive officer and chief financial officer of the issuer (or any other persons with different titles but having the same responsibilities) in each Quarterly Report or Annual Report.

The certifications shall follow the format below:

I, Christina Moore certify that:

1. I have reviewed this Disclosure Statement for September 30, 2013;
2. Based on my knowledge, this disclosure statement does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this disclosure statement; and
3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this disclosure statement.

April 30, 2024



Christina Moore-Director

Principal Financial Officer:

I, Christina Moore certify that:

1. I have reviewed this Disclosure Statement for September 30, 2013;
2. Based on my knowledge, this disclosure statement does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this disclosure statement; and
3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this disclosure statement.

April 30, 2024



Christina Moore-Director

DINEWISE, INC.**CONSOLIDATED BALANCE SHEETS**

(Dollar amounts in thousands, except shares and per share data)

	September 30, 2013	December 31, 2012
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 188	\$ 188
Due from financial institution	1	1
Inventories	-	-
Prepaid expenses and other assets, net	26	26
Total current assets	<u>215</u>	<u>215</u>
Property and equipment, net	70	70
Identifiable intangible assets, net	174	174
Goodwill	496	496
Deferred finance costs	25	25
Total assets	<u>\$ 980</u>	<u>\$ 980</u>
DEFICIT		
Current liabilities:		
Accounts payable	\$ 80	\$ 80
Accrued expenses	676	676
Deferred revenue	615	615
Income and other taxes payable	23	23
Convertible debt, current portion	285	285
portion	10	10
Total current liabilities	<u>1689</u>	<u>1689</u>
net of current portion	2769	2769
Derivative liability	225	225
portion	-	-
Total liabilities	<u>4683</u>	<u>4683</u>
Commitments		
Stockholders' deficit		
authorized 10,000,000 shares;		
issued and outstanding 0 shares,	-	-
authorized 50,000,000 shares;		
issued and outstanding 33,148,915 and		
33,148,915, respectively	33	32
Additional paid-in capital	40984	40984
Accumulated deficit	(44720)	(44288)
deficit	<u>(3703)</u>	<u>(3272)</u>
Total liabilities and stockholders' deficit	<u>\$ 980</u>	<u>\$ 1845</u>

DINEWISE, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS

	6 Months Ended	
	September 30, 2013	June 30, 2013
	(Dollar amounts in thousands, except shares and per share data)	
Revenues	\$ 6718	\$ 6718
Cost of goods sold	2705	2705
Gross profit	4013	4013
Operating expenses	3538	3538
Restructuring recoveries	-	-
Total operating expenses	3538	3538
Operating income	475	475
Interest expense, net	931	931
income taxes	(456)	(456)
(Benefit) Provision for income taxes	(24)	(24)
Net (loss) income	\$ (432)	\$ (432)
Net (loss) income per share - Basic	\$ (0)	\$ (0)
Net (loss) income per share - Fully Diluted	\$ (0)	\$ (0)
(loss) income per share amounts - Basic	33,112,651	33,112,651
(loss) income per share amounts - Fully Diluted	33,112,651	33,112,651

DINEWISE, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS

	9 Months Ended	
	September 30, 2013	September 30, 2012
	(Dollar amounts in thousands, except shares and per share data)	
Revenues	\$ 6718	\$ 6718
Cost of goods sold	2705	2705
Gross profit	4013	4013
Operating expenses	3538	3538
Restructuring recoveries	-	-
Total operating expenses	3538	3538
Operating income	475	475
Interest expense, net	931	931
(Loss) income before (benefit) provision for income taxes	(456)	(456)
(Benefit) Provision for income taxes	(24)	(24)
Net (loss) income	\$ (432)	\$ (432)
Net (loss) income per share - Basic	\$ (0)	\$ (0)
Net (loss) income per share - Fully Diluted	\$ (0)	\$ (0)
Common shares used in computing net (loss) income per share amounts - Basic	33,112,651	33,112,651
Common shares used in computing net (loss) income per share amounts - Fully Diluted	33,112,651	33,112,651

DINEWISE, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS

	6 Months Ended	
	September 30 2013	June 30, 2013
(Dollar amounts in thousands)		
OPERATING ACTIVITIES:		
Net (loss) income	\$ (432)	\$ (432)
net cash		
provided by operating activities		
Depreciation and amortization	232	232
Amortization of debt discount	355	355
Mark to market of derivative liability	209	209
Restructuring reserve recovery	-	-
consultants	1	1
Accrued interest on Convertible Note	60	60
liabilities:		
receivable	7	7
Decrease (increase) in inventories	170	170
expenses and other assets	7	7
payable	(27)	(27)
payable	(223)	(223)
revenue	(11)	(11)
expenses	42	42
OPERATING ACTIVITIES	390	390
INVESTING ACTIVITIES:		
Purchases of property and equipment	(2)	(2)
ACTIVITIES	(2)	(2)
FINANCING ACTIVITIES:		
Payments on convertible debt financings	(827)	(827)
Repayments of capital lease obligations	(12)	(12)
ACTIVITIES	(839)	(839)
CASH AND CASH EQUIVALENTS	(451)	(451)
BEGINNING OF PERIOD	639	639
END OF PERIOD	\$ 188	\$ 188
FOR:		
Interest	\$ 219	\$ 219
Income Taxes	\$ -	\$ -

DINEWISE, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS

	9 Months Ended	
	September 30, 2013	September 30, 2012
(Dollar amounts in thousands)		
OPERATING ACTIVITIES:		
Net (loss) income	\$ (432)	\$ (432)
net cash		
provided by operating activities		
Depreciation and amortization	232	232
Amortization of debt discount	355	355
Mark to market of derivative liability	209	209
Restructuring reserve recovery	-	-
consultants	1	1
Accrued interest on Convertible Note	60	60
liabilities:		
receivable	7	7
Decrease (increase) in inventories	170	170
expenses and other assets	7	7
payable	(27)	(27)
payable	(223)	(223)
revenue	(11)	(11)
expenses	42	42
OPERATING ACTIVITIES	390	390
INVESTING ACTIVITIES:		
Purchases of property and equipment	(2)	(2)
ACTIVITIES	(2)	(2)
FINANCING ACTIVITIES:		
Payments on convertible debt financings	(827)	(827)
Repayments of capital lease obligations	(12)	(12)
ACTIVITIES	(839)	(839)
CASH AND CASH EQUIVALENTS	(451)	(451)
BEGINNING OF PERIOD	639	639
END OF PERIOD	\$ 188	\$ 188
FOR:		
Interest	\$ 219	\$ 219
Income Taxes	\$ -	\$ -

DINEWISE, INC.
CONSOLIDATED STATEMENTS OF STOCKHOLDERS' DEFICIT

(Dollar amounts in thousands)

	Shares	Amount	Additional paid-in capital	Accumulated Deficit	Total
Balance at December 31, 2011	33,148,915	33	40984		(3703)
Net Income	-	-	-		
			-	-	-
Balance at December 31, 2012	33,148,915	33	40984		(3703)
Net Loss	-	-	-		
Balance at September 30, 2013	33,148,915	33	40984		(3703)

Dinewise, Inc
Notes to Financial Statements

NOTE A - THE COMPANY AND NATURE OF OPERATIONS

The Company was originally established in 1959 to provide in-home "restaurant quality" beef shopping services throughout the United States. During 2005, the Company established the Dinewise® brand to serve this market by attracting new customers through multi-channel media which includes catalogues, e-commerce and strategic alliances, as well as existing customer referrals. Dinewise® is a direct-to-consumer gourmet home meal replacement provider. Dinewise® targets lifestyle profiles, i.e. busy moms, singles, retirees, seniors, and working couples, as well as health profiles including diabetic, heart smart, low carbohydrate, low calorie, and weight loss. The Company has positioned its Dinewise® brand as the solution for time-constrained but discerning consumers focused on satisfying every member of the family by offering a broad array of the highest quality meal planning, delivery, and preparation services. Products are customized meal solutions, delivered fresh-frozen directly to the home. In June 2009, the Company acquired certain assets of Home Bistro Foods, Inc. (principally inventory, customer lists, product recipes, URL and Brand name) in a bankruptcy sale.

Until such time as additional capital is raised to accelerate its marketing plan, the Company will focus only on those channels that deliver the highest response rates and incremental profits, thus substantially reducing both marketing expenses and short-term sales growth opportunities. By executing these cost reductions to substantially reduce our quarterly losses, and with the Company's cash balances, the Company has continued to operate, however at substantially reduced revenue levels. While the Company has been able to raise capital and or amend its Debenture agreements in the past, the capital markets have deteriorated for micro-cap companies. While we continue to seek additional capital to allow operations to continue and then accelerate our marketing spend after such funding is attained, as well as complete a strategic acquisition, there is no assurance we will be able to raise the required capital. In the event it takes longer to obtain appropriate funding, or we are unable to obtain such funding, we will need to significantly curtail further expenses, which may significantly reduce future revenues and cash flows.

NOTE B - BASIS OF PRESENTATION

Principles of consolidation

The condensed interim consolidated financial statements include the accounts of Dinewise, Inc. and its wholly-owned subsidiaries. The financial statements have been prepared in accordance with accounting principles generally accepted in the United States ("GAAP") and SEC rules for interim financial information. Accordingly, they do not include all of the information and footnotes required by GAAP for complete financial statements. The consolidated financial statements included herein should be read in conjunction with the annual consolidated financial statements and the footnotes thereto contained in the Company's annual report to the Securities and Exchange Commission for the fiscal year ended on December 26, 2010, filed as part of this Form 10. In our opinion, the information presented reflects all adjustments necessary for a fair statement of interim results. All such adjustments are of a normal and recurring nature. The foregoing interim results are not necessarily indicative of the results of operations for the full year ending December 25, 2011.

Fiscal year

The Company's fiscal year ends on the last Sunday in December. The Company's 2011 nine-month period consisted of the thirty-nine weeks, which began on December 27, 2010 and ended on September 25, 2011. The Company's 2010 nine-month period consisted of the thirty-nine weeks, which began on December 29, 2009 and ended on September 27, 2010.

NOTE C – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Revenue recognition

The Company recognizes revenue from product sales when (i) persuasive evidence of an arrangement exists and the sales price is fixed or determinable (evidenced by written sales orders), (ii) delivery of the product has occurred, and (iii) collectibility of the resulting receivable is reasonably assured. Shipping and handling expenses of \$545 and \$672 are included in selling, general and administrative expenses for the nine months ended September 25, 2011 and September 27, 2010, respectively.

The Company records its Revenue net of any sales taxes collected on its sales, which are then subsequently remitted to the local tax office, as required.

With respect to product sales, we recognize revenue on a gross basis, using the criteria outlined in Emerging Issues Task Force Issue (“EITF”) No. 99-19, Reporting Revenue Gross as a Principal Versus Net as an Agent, net of provisions for discounts and allowances. Our product sales are collected utilizing major credit cards, prior to the sale of the DineWise branded products, or are collected within three days of delivery of other product sales. Although the Company accepts product returns, historical returns have been insignificant and are primarily due to product quality or delivery delays, we may replace the product or issue a credit to the customer.

Amortization of deferred finance costs

As a result of the Company’s \$2,500 Convertible Debenture financing completed on July 14, 2006, and its \$1,750 Debenture financing completed on February 16, 2007, it incurred deferred finance charges of \$375 and \$210, respectively. These amounts are being amortized monthly, as a charge to interest expense, over the 5-year and 2-year terms of the notes, respectively. In the nine months ended September 25, 2011 and September 26, 2010, amortization expense was \$25 and \$67, respectively. As of September 25, 2011 and December 26, 2010, unamortized deferred finance charges were \$0 and \$25, respectively.

Concentration risk

The Company purchased approximately 55% and 54% of its food products from one vendor during the nine months ended September 25, 2011 and September 26, 2010, respectively. The Company is not obligated to purchase from this vendor, and, if necessary, there are other vendors from which the Company can purchase food products.

All of the Company’s receivables are due from one financial institution (TD Banknorth, Inc.) under an agreement in which the Company receives payment on its receivables within 3-5 business days. The Company has had no losses on collections in the past, and since this institution is deemed financially sound, there is little, if any, collection risk at this time.

Stock based compensation

The Company applies the provisions of ASC Topic 505-50, Equity Based Payments to Non-Employees (formerly named as EITF 96-18) to account for stock-based compensation awards issued to non-employees for services. Such awards for services are recorded at either the fair value of the consideration received or the fair value of the instruments issued in exchange for such services, whichever is more reliably measurable. The calculation of fair value using the Black-Scholes option pricing model involves certain assumptions that are reasonably estimated. However, if these estimates change, the fair value calculated could be materially impacted.

As a result, the Company recorded share-based compensation for options of \$80 and \$0, in the nine months ended September 25, 2011 and September 26, 2010, respectively.

NOTE D- RECENTLY ADOPTED AND NEWLY ISSUED ACCOUNTING PRONOUNCEMENTS

In May 2011, the FASB issued ASU 2011-04, "Amendments to Achieve Common Fair Value Measurement and Disclosure Requirements in U.S. GAAP and IFRSs", which amends ASC 820, "Fair Value Measurement". ASU 2011-04 does not extend the use of fair value accounting, but provides guidance on how it should be applied where its use is already required or permitted by other standards within U.S. GAAP or International Financial Reporting Standards (IFRSs). ASU 2011-04 changes the wording used to describe many requirements in U.S. GAAP for measuring fair value and for disclosing information about fair value measurements. Additionally, ASU 2011-04 clarifies the FASB's intent about the application of existing fair value measurements. ASU 2011-04 is effective for interim and annual periods beginning after December 15, 2011 and is applied prospectively. The Company does not anticipate that the adoption of ASU 2011-04 will have a material impact on its consolidated financial statements.

NOTE E- Fair Value Measurements

FASB ASC 820 (formerly known as SFAS No. 157) defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (an exit price). The standard outlines a valuation framework, creates a fair value hierarchy in order to increase the consistency and comparability of fair value measurements, and details the disclosures that are required for items measured at fair value. Under FASB ASC 825 (formerly known as SFAS No. 159, "The Fair Value Option for Financial Assets and Financial Liabilities,") entities are permitted to choose to measure many financial instruments and certain other items at fair value. We did not elect the fair value measurement option under FASB ASC 825 for any of our financial assets or liabilities.

We currently have one financial instrument that must be measured under the new fair value standard. This financial Liability is a derivative liability. Our financial assets and liabilities are to be measured using inputs from the three levels of the fair value hierarchy, which are as follows:

- Level 1 - inputs are unadjusted quoted prices in active markets for identical assets or liabilities that we have the ability to access at the measurement date;
- Level 2 - inputs include quoted prices for similar assets and liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the asset or liability (i.e., interest rates, yield curves, etc.), and inputs that are derived principally from or corroborated by observable market data by correlation or other means (market corroborated inputs); and
- Level 3 - unobservable inputs that reflect our assumptions about the assumptions that market participants would use in pricing assets or liabilities based on the best information available.

The amounts of the Company's financial instruments, including cash and cash equivalents, accounts receivable and accounts payable approximate fair value because of their short-term maturities. The carrying values of the Company's convertible debt and long-term debt approximate fair value since the interest rates are at terms currently available to the Company.

NOTE F- COMMON STOCK

On April 20, 2011, by written consent of the Shareholders, the Company increased the authorized shares of its common stock to 250,000,000 shares from 50,000,000.

On April 20, 2011, as consideration of a six month consulting engagement related to corporate finance and improved visibility in the financial community, the Company issued to Affinity advisors, LLC 300,000 shares of its common stock. As a result, the Company recorded consulting expenses of \$15 for the nine months ended September 25, 2011.

On June 8, 2011, the Company raised \$50 from the sale of 500,000 of its common stock at a price of \$.10 per share. The proceeds were used for general working capital purposes. In addition the Company issued 500,000 warrants with an exercise price of \$.20, and an expiration of June 30, 2014.

On June 15, 2011, as part of an agreement with ICM Capital Markets, Ltd. ("ICM") to provide investment banking services, the Company issued a total of 357,705 of its common stock to ICM and certain ICM employees as follows: ICM Capital Markets, Ltd. 112,677; Averell Satloff 209,257 and Harvey Luft 35,771. As a result, the Company recorded consulting expenses of \$40 for the nine months ended September 25, 2011.

On July 19, 2011, the Company issued 50,000 shares of its common stock to Broad Street Ventures LLC for services related to the June 8, 2011 \$50 capital raise noted above. In addition, 50,000 warrants were issued at an exercise price of \$.20 and an expiration date of June 30, 2014.

On August 4, 2011, as consideration of a 90 day consulting engagement related to investor relations, the Company issued to Corporate Public relations Inc. 200,000 shares of its common stock. As a result, the Company recorded consulting expenses of \$10 for the nine months ended September 25, 2011.

NOTE G- SUBSEQUENT EVENTS

On October 24, 2011, as approved by the Company's Board of Directors, a series A preferred stock was created and one share was issued to the Company's CEO, Paul A. Roman. It provides the holder the right to vote 50.1% of the total outstanding shares entitled to vote on all matters submitted for a vote to shareholders of the Company. This provision provides unilateral control of the voting of the Corporation's securities. As a result, the Company believes the increasing of any authorized shares is now 100% under its control.

On November 8, 2011, the Company issued 1,400,000 shares of its common stock to Endeavor Group, LLC, for financial advisory related services.

Due from Financial Institution

The Company submits substantially all accounts receivable to a third party financial institution for collection, without recourse. Payment is generally received from this financial institution within three business days. The financial institution holds in escrow approximately 3% of the net receivables that have been submitted by the Company and not collected. This escrow is evaluated by the financial institution on a quarterly basis.

Inventories

Inventories consist principally of prepared meals and meal complements held at its outsourced fulfillment locations. Inventories are valued at the lower of cost or market, with cost determined using the first-in, first-out (FIFO) method. In May 2010, the Company consolidated its outsourced fulfillment operations, whereby the purchasing of inventory, storage and handling is the responsibility of the outsourced fulfillment center. The Company is charged for the inventory only upon sale of the product to its customer. As a result, effective May 2010, the Company has no inventory.

The Company's fulfillment provider purchases the Company's proprietary products and bills the Company upon sale of the product. In the event the products are no longer selling, or become outdated, the Company is required to pay for these products within 45 days of notice. The fulfillment agreement is currently in effect until April 27, 2013, and automatically extends for one year unless terminated with 6 months notice by either party.

Property and Equipment

Property and equipment are stated at cost, net of accumulated depreciation and amortization. Depreciation and amortization are computed using the straight-line method over the estimated useful lives of the related assets or, in the case of leasehold improvements, the lesser of the life of the related leases or the life of the improvement.

Costs of internal use software are accounted for in accordance with FASB ASC 350 Statement of Position 98-1 ("SOP 98-1"), "Accounting for the Costs of Computer Software Developed or Obtained for Internal Use" and formerly known as Emerging Issue Task Force No. 00-02 ("EITF 00-02"), "Accounting for Website Development Costs." FASB ASC 350 require that the Company expense computer software and website development costs as they are incurred during the preliminary project stage. Once the capitalization criteria of FASB ASC 350 have been met, external direct costs of materials and services consumed in developing or obtaining internal-use software, including website development, are capitalized. Capitalized costs are amortized using the straight-line method over the software's estimated useful life, estimated at three years. Capitalized internal use software and website development costs are included in property, plant and equipment, net, in the accompanying balance sheets.

Goodwill and Other Intangibles

Goodwill is calculated as the excess of the cost of purchased businesses over the fair value of their underlying net assets. Other intangible assets principally consist of customer lists, trademarks, URL and product recipes. Goodwill and other intangible assets that have an indefinite life are not amortized.

In accordance with GAAP, the Company tests goodwill and other intangible assets for impairment on at least an annual basis. Goodwill impairment exists if the net book value of a reporting unit exceeds its estimated fair value. The impairment testing is performed in two steps: (i) the Company determines impairment by comparing the fair value of a reporting unit with its carrying value, and (ii) if there is an impairment, the Company measures the amount of impairment loss by comparing the implied fair value of goodwill with the carrying amount of that goodwill. To determine the fair value of these intangible assets, the Company uses many assumptions and estimates using a market participant approach that directly impact the results of the testing. In making these assumptions and estimates, the Company uses industry accepted valuation models and set criteria that are reviewed and approved by management.