

SECTOR 10 INC
Form 10-Q
November 19, 2013

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

FORM 10-Q

- QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934 FOR THE QUARTERLY PERIOD ENDED September 30, 2013
- TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934 FOR THE TRANSITION PERIOD FROM _____ TO _____

SECTOR 10, Inc.

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

Delaware	000-24370	33-0565710
(State or other jurisdiction of incorporation)	(Commission File No.)	(IRS Employer Identification No.)

222 South Main Street, 5th Floor
Salt Lake City, UT 84101
(Address of principal executive offices, including zip code)

Issuer's telephone number, including area code (206) 853-4866

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 No .

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

As of November 18, 2013 the issuer had 305,778 shares of common stock outstanding.

Transitional Small Business Disclosure Format (check one): Yes No

TABLE OF CONTENTS

Sector 10, Inc.

Part I. Financial Information

Item 1.	Unaudited Consolidated Financial Statements	
	Unaudited Condensed Consolidated Balance Sheets as of September 30, 2013 and March 31, 2013	3
	Unaudited Condensed Consolidated Statements of Operations for the three months and six months ended September 30, 2013 and 2012 and for the period from inception, September 16, 2002 to September 30, 2013	4
	Unaudited Condensed Consolidated Statements of Cash Flows for the six months ended September 30, 2013 and 2012 and for the period from inception, September 16, 2002, to September 30, 2013.	5
	Notes to the Unaudited Consolidated Financial Statements	6
Item 2.	Management’s Discussion and Analysis or Plan of Operation	9
Item 3	Quantitative and Qualitative Disclosures about Market Risk	13
Item 4.	Controls and Procedures	14
Part II. Other Information		
Item 1.	Legal Proceedings	14
Item 2.	Unregistered Sales of Equity Securities and Use of Proceeds	15
Item 3.	Defaults Upon Senior Securities	15
Item 4.	Submission of Matters to a Vote of Security Holders	15
Item 5.	Other Information	15
Item 6.	Exhibits	15
	Signatures	16

Item 1. FINANCIAL STATEMENTS

The financial statements, related notes and the other information included in this report have not been reviewed by the Company's outside accountant prior to the filing of this report.

Sector 10, Inc.
(A DEVELOPMENT STAGE COMPANY)
UNAUDITED CONDENSED CONSOLIDATED BALANCE SHEETS

	September 30, 2013 (Unaudited)	March 31, 2013 (Unaudited)
ASSETS		
Current assets:		
Cash	\$-	\$-
Inventory, net	18,409	18,409
Total current assets	18,409	18,409
Fixed assets –cost		
Less: accumulated depreciation	(22,250)	(22,250)
Net fixed assets	-	-
Total assets	\$18,409	\$18,409
LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)		
Current liabilities:		
Accounts payable and accrued liabilities	\$3,867,661	\$3,377,328
Note payable - short term	240,615	240,615
Total current liabilities	4,108,276	3,617,943
Long term liabilities:		
Note payable	483,000	483,000
Total long term liabilities	483,000	483,000
Total liabilities	4,591,276	4,100,943
Shareholders' equity (deficit)		
Preferred shares - \$0.001 par value; 1,000,000 authorized, no shares issued or outstanding	-	-
Common shares - \$0.001 par value; 199,000,000 authorized; 305,778 and 305,778 shares issued and outstanding, respectively	306	306
Additional paid-in-capital	6,148,229	6,148,229
Deficit accumulated during development stage	(10,721,402)	(10,231,069)
Total shareholders' equity (deficit)	(4,572,867)	(4,082,534)
Total liabilities and shareholders' equity (deficit)	\$18,409	18,409

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

Sector 10, Inc.
(A DEVELOPMENT STAGE COMPANY)
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
For the Three Months and Six Months Ended September 30, 2013 and 2012 and
for the Period From Inception, September 16, 2002 to September 30, 2013

	Three Months Ended		Six Months Ended		Inception to
	September	September	September	September	September
	30,	30,	30,	30,	30,
	2013	2012	2013	2012	2013
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	
Sales	\$-	\$-	\$-	\$-	\$18,500
Cost of Sales	-	-	-	-	(18,032)
Gross Profit	-	-	-	-	468
Expenses:					
General and administrative	182,363	209,501	375,823	358,786	9,051,048
Depreciation		1,112	-	2,225	24,106
Research and development			-	-	226,108
Total expenses	182,363	210,613	375,823	361,011	9,301,262
Income (loss) from operations	(182,363)	(210,613)	(375,823)	(361,011)	(9,300,794)
Interest expense	(66,617)	(40,012)	(114,510)	(77,445)	(789,813)
Other income (expense)	-	-	-		