CONNECTIV CORP
Form 10QSB/A
July 23, 2003

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

FORM 10-QSB/A
AMENDMENT NO. 1

[x] Quarterly Report Pursuant to Section 13 or 15(d)
Securities Exchange Act of 1934
for Quarterly Period Ended March 31, 2003

-OR-

[ ] Transition Report Pursuant to Section 13 or 15(d)
of the Securities And Exchange Act of 1934
for the transaction period from ___________ to _________

Commission File Number 333-70663

CONNECTIVCORP
(formerly known as Spinrocket.com, Inc.)

(Exact name of registrant as specified in its charter)

Delaware	06-1529524
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification Number)

750 Lexington Avenue, 24th Floor, New York, New York 10022
(Address of principal executive offices, Zip Code)

(212) 750-5858
(Registrant's telephone number, including area code)

Check whether the issuer (1) 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 [X] No [ ]

The number of outstanding shares of the registrant's common stock, par value $.001 as of May 15, 2003 is 11,077,061.

EXPLANATORY NOTE

This Amendment No.1 to ConnectivCorp's Quarterly Report on Form 10-QSB for the period ended March 31, 2003 is being filed in order to amend the second paragraph in Note 1 to omit the erroneous disclosure that the financial statements were unreviewed.

Any items included in the original report on Form 10-QSB for the period ending March 31, 2003, that are not included herein are not amended and remain in effect as of the date of the original filing thereof. Additionally, this Form 10-QSB/A does not purport to provide a general update or discussion of any other developments subsequent to the original filing.

CONNECTIVCORP AND SUBSIDIARIES
FORM 10-QSB/A
Amendment No.1
THREE MONTHS ENDED MARCH 31, 2003
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PART I -- FINANCIAL INFORMATION

ITEM 1 -- FINANCIAL STATEMENTS

CONNECTIVCORP
CONSOLIDATED BALANCE SHEET
(UNAUDITED)

		March 31, 2003
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	$	131,4
Prepaid expenses		4,9
Total Assets	$	136,3
LIABILITIES AND STOCKHOLDERS' DEFICIT		
CURRENT LIABILITIES:		
Accounts payable and accrued expenses	$	460,2
Loans payable		175,0
Loans payable - officers		20,1
Total Current Liabilities		655,3
COMMITMENTS AND CONTINGENCIES		
STOCKHOLDERS' DEFICIT:		
Preferred Stock, $.001 par value		
10,000,000 shares authorized, Series D , none issued		
Common Stock, $.001 per value		
40,000,000 shares authorized, 11,077,061 issued and outstanding		11,0
Additional paid in capital		19,598,6
Accumulated deficit		(20,088,68
		(478,98
Less: stock subscription receivable		(40,00
Total Stockholders' Deficit		518,98
Total Liabilities and Stockholders' Deficit	$	136,39

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

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CONNECTIVCORP
CONSOLIDATED STATEMENTS OF OPERATIONS
FOR THE THREE MONTHS ENDED MARCH 31,
(UNAUDITED)

	2003	
Revenues	$ -	$
General and administrative expenses	(144,155)	
Operating loss	(144,155)	
Interest income	-	
Net loss	$ (144,155)	$
Net loss per common share- basic and diluted	$ (0.01)	$
Weighted average shares outstanding:		
basic and diluted	11,077,061	

The accompanying notes are an integral part of these consolidated statements. All share and per share amounts have been adjusted to reflect the 1 for 10 reverse stock split in March 2002.

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CONNECTIVCORP
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE THREE MONTHS ENDED MARCH 31,
(UNAUDITED)

	2003	200

CASH FLOWS FROM OPERATING ACTIVITIES:		
Net loss	$ (144,155)	$(287,
Adjustments to reconcile net loss to net cash used in operating activities:		
Stock-based compensation	-	153,
Changes in assets and liabilities:		
Prepaid expenses	(4,954)	(3,
Accounts payable and accrued expenses	92,175	(6,
Net cash used in operating activities	(56,934)	(142,
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from issuance of common stock		95,0
Proceeds from loans payable	150,000	
Proceeds from loans payable - officers	20,134	
Net cash provided by financing activities	170,134	95,0
NET CHANGE IN CASH AND CASH EQUIVALENTS	113,200	(47,7
CASH AND CASH EQUIVALENTS, beginning of period	18,243	89,8
CASH AND CASH EQUIVALENTS, end of period	$ 131,443	$ 42,1
NON-CASH INVESTING AND FINANCING ACTIVITIES		
Stock issued in satisfaction of accounts payable	$ -	$42,29

The accompanying notes are an integral part of these consolidated statements. All share and per share amounts have been adjusted to reflect the 1 for 10 reverse stock split in March 2002.

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CONNECTIVCORP AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)
MARCH 31, 2003

Note 1 - Basis of Presentation

As used in these financial statements, the term the "Company" refers to ConnectivCorp and its consolidated subsidiaries.

The accompanying unaudited consolidated financial statements of the Company have been prepared pursuant to the rules of the Securities and Exchange Commission. Certain information and footnote disclosures normally included in financial statements prepared in accordance with U.S. generally accepted accounting principles have been condensed or omitted pursuant to such rules and regulations. These consolidated financial statements should be read in conjunction with the consolidated financial statements and notes thereto included in the Company's Form 10-KSB. In the opinion of management, the accompanying consolidated financial statements reflect all adjustments, which are of a normal recurring nature, necessary for a fair presentation of the results for the periods presented.

The results of operations presented for the three months ended March 31, 2003, are not necessarily indicative of the results to be expected for the year ending December 31, 2003.

Note 2 - Net Loss Per Common Share

Basic net loss per common share ("Basic EPS") is computed by dividing net loss by the weighted average number of common shares outstanding. Diluted net income per common share ("Diluted EPS") is computed by dividing net income by the weighted average number of common shares and dilutive common share equivalents then outstanding.

Basic and Diluted EPS are the same for the three months ended March 31, 2003 and 2002, as Diluted EPS does not include the impact of stock options and warrants then outstanding, as the effect of their inclusion would be antidilutive.

The following table summarizes the equivalent number of common shares assuming the related options and warrants that were outstanding as of March 31, 2003 and 2002 had been converted. These were not included in the calculation of diluted loss per share, as such shares are antidilutive:

	2003	2002
Stock options	-	-
Warrants	146,608	146,608
Common Stock Equivalents	146,608	146,608

Options to purchase 10,333 and 479,613 shares of common stock, and warrants to purchase 26,863 and 387,911 shares of common stock for the three months ended March 31, 2003 and 2002, respectively, were not included in the above table because the exercise price of those options and warrants were greater than the average market price of the common shares. The options and warrants were still outstanding at the end of the period.

MARCH 31, 2003

Note 3 - Loans payable - shareholders

During the three months ended March 31, 2003, officers of the Company have advanced $20,134. The loans bear interest at 6%.

Note 4 - Loans payable

During March 2003, the Company entered into a loan agreement of $150,000. The loan is convertible under certain conditions into common stock of the Company at $0.10 per share. The Company is in the process of continuing to raise capital either through the private placement of equity or debt.

Note 5 - Accounting for Stock Based Compensation

Effective January 1, 2003, the Company adopted the fair value recognition provisions of Statement of Financial Accounting Standards ("FAS") No. 123, "Accounting for Stock-Based Compensation" prospectively to all employee awards granted, modified, or settled after January 1, 2003. Prior to 2003, the Company accounted for stock-based employee compensation under the recognition and measurement provisions of APB Opinion No. 25, "Accounting for Stock Issued to Employees," and related Interpretations. No stock-based employee compensation cost is reflected in 2003 and 2002 net income, as no awards were granted during the three month periods ended March 31, 2003 and 2002. The following table illustrates the effect on net loss and loss per share as if the fair value based method had been applied to all outstanding and unvested awards in each period.

	2003	2002
Net loss - as reported	($144,155)	(287,005)
Net loss - Pro-forma	($144,155)	(222,501)
Basic and diluted loss		
Per common share		
As reported	$(0.01)	$(0.07)
Pro-forma	$(0.01)	$(0.07)

ITEM 2 - MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion and analysis should be read in conjunction with the Company's Financial Statements and the notes thereto appearing elsewhere in this report. This report contains statements that constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. The Company cautions that forward-looking statements are not guarantees of future performance and involve risks and uncertainties, and that actual results may differ materially from the statements that constitute forward-looking statements as a result of various factors.

The Company was incorporated in Delaware on May 8, 1998 under the name "SMD Group, Inc." In January 1999, the Company changed its name to "CDbeat.com, Inc." On April 19, 2000, the Company's name was changed to "Spinrocket.com, Inc." On September 11, 2000, the Company changed its name from

Spinrocket.com, Inc. to "ConnectivCorp" because this new name better described the Company's then strategic direction. The Company's business model was to facilitate the online connection between targeted, profiled consumers and marketers desiring to reach those consumers. As its initial focus, the Company formed a new wholly-owned subsidiary, ConnectivHealth, in order to facilitate its connectivity model in the healthcare field.

UNCERTAINTY

The accompanying financial statements have been prepared on a going concern basis, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business. The Company has a limited operating history, and since its inception in 1998 has incurred substantial losses. The Company's accumulated deficit as of March 31, 2003 is approximately $20 million. To date, the Company has not generated any revenue from its previously proposed business model, which contemplated selling pharmaceutical and other healthcare companies access to the Company's aggregated users. The Company incurred a net loss of approximately $144 thousand and $287 thousand for the three months ended March 31, 2003 and 2002, respectively, while cash and cash equivalents at March 31, 2003 totaled approximately $131,000. These matters raise substantial doubt about the Company's ability to continue as a going concern. The Company's continued existence is dependent upon several factors including the Company's ability to raise additional equity or locate a merger or business partner.

The following discussion and analysis compares the results of the Company's continuing operations for the Three Months ended March 31, 2003 and March 31, 2002.

ACCOUNTING POLICIES

The following accounting policies are important to an understanding of the operating results and financial condition of the Company and should be considered as an integral part of the financial review. For additional accounting policies, see Note 1 to the consolidated financial statements, "Significant Accounting Policies."

ESTIMATES AND ASSUMPTIONS

In preparing the financial information, the Company used some estimates and assumptions that may affect reported amounts and disclosures. Estimates are used when accounting for depreciation, amortization, impairment of assets and asset valuation allowances. We are also subject to risks and

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uncertainties that may cause actual results to differ from estimated results, such as legislation, regulation and the ability to obtain financing. Certain of these risks and uncertainties are discussed elsewhere in Management's Discussion and Analysis.

THREE MONTHS ENDED MARCH 31, 2003

The Company generated no revenues from operation during the three months ended March 31, 2003.

For the three months ended March 31, 2003 and 2002, the Company reported the following:

Net loss	$	(144,155)
Net loss per common share- basic and diluted	$	(0.01)

For the three months ended March 31,2003, the Company reported a net loss of $144,155. General and administrative expenses include expenses of approximately $26,400 for professional fees; $80,600 for salary and related expenses, $1,000 for insurance, $7,500 for rent, $800 for interest and $27,900 of office expenses.

For the three months ended March 31,2002, the Company reported a net loss of $287,005. General and administrative expenses include expenses of approximately $8,300 for professional fees; $60,500 for salary and related expenses, $94,000 for consultants, $26,000 for insurance, $7,500 for rent and $64,000 for compensation costs recognized in connection with stock options.

THREE MONTHS ENDED MARCH 31, 2002

The Company generated $3,500 in revenues from operations during the three months ended March 31, 2002.

For the three months ended March 31, 2002 and 2001, the Company reported the following:

Net loss	$	(287,005)
Net loss per common share- basic and diluted	$	(0.07)

For the three months ended March 31,2002, the Company reported a net loss of $287,005. General and administrative expenses include expenses of approximately $8,300 for professional fees; $60,500 for salary and related expenses, $94,000 for consultants, $26,000 for insurance, $7,500 for rent and $64,000 for compensation costs recognized in connection with stock options.

For the three months ended March 31, 2001, the Company reported a loss from continuing operations of $1,074,340. General and administrative expenses include expenses of which approximately $59,000 for professional fees; $120,000 for salary-related expenses, $274,000 for consultants, $250,000 for amortization of acquired software, magazines and goodwill, and $234,000 for compensation costs recognized in connection with stock options issued.

LIQUIDITY AND CAPITAL RESOURCES

In the three months ended March 31, 2003, $56,934 of cash was used in operating activities. Funds were used to pay the Company's operating expenses. $170,134 of cash was generated from the proceeds loans from an outside third party and officers of the Company.

ITEM 3 - CONTROLS AND PROCEDURES

EVALUATION OF DISCLOSURE CONTROLS AND PROCEDURES.

Our chief executive officer and chief financial officer have reviewed and evaluated the effectiveness of our disclosure controls and procedures (as defined in Rules 13a-14 and 15d-14 under the Securities Exchange Act of 1934 (the "Exchange Act")), as of a date within ninety days before the filing of this quarterly report. Based on that evaluation, the chief executive officer and chief financial officer have concluded that our current disclosure controls and procedures are effective to ensure that information required to be disclosed by us in reports that we file or submit under the Exchange Act is recorded, processed, summarized, and reported within the time periods specified in the Commission's rules and forms.

CHANGES IN INTERNAL CONTROLS.

There have not been any significant changes in our internal controls or in other factors that could significantly affect these controls subsequent to the date of their evaluation. There were no significant deficiencies or material weakness in the internal controls, and therefore no corrective actions were taken.

PART II -- OTHER INFORMATION

ITEM 1 - LEGAL PROCEEDINGS

None

ITEM 2 - CHANGES IN SECURITIES

None

ITEM 3 - DEFAULTS UPON SENIOR SECURITIES

None

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

Not applicable

ITEM 5 - OTHER INFORMATION

None

ITEM 6 - EXHIBITS AND REPORTS ON FORM 8-K

(a) Not applicable

(b) Reports on Form 8-K

On April 11, 2003, the Company filed a report on Form 8-K regarding the appointment of Israeloff, Trattner & Co. P.C. as its independent certified public accountants for the resignation of Patrusky, Mintz & Semel.

SIGNATURE

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.

CONNECTIVCORP

Dated: July 23, 2003 By: /S/ Robert Ellin

Robert Ellin
Chairman

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