

INTERNATIONAL STAR INC
Form 10-Q
May 15, 2009

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

FORM 10-Q

(Mark One)

Quarterly Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

For the Quarterly Period Ended March 31, 2009

or

Transition Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

For the Transition period from _____ to _____

Commission File Number: 000-28861

INTERNATIONAL STAR, INC.
(Exact name of registrant as specified in its charter)

Nevada
(State or other jurisdiction of
incorporation or organization)

86-0876846
(I.R.S. Employer
Identification No.)

1818 Marshall Street, Shreveport, LA
(Address of principal executive offices)

71101
(Zip Code)

(318) 464-8687

(Registrant's telephone number, including area code)

Not Applicable

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

Indicate by check mark whether the registrant (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 (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 large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting

Edgar Filing: INTERNATIONAL STAR INC - Form 10-Q

company” in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer Accelerated filer Non-accelerated filer Smaller reporting company
x
(Do not check if smaller reporting company)

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

As of April 30, 2009, there were 281,512,274 shares of the registrant’s Common Stock issued and outstanding.

INTERNATIONAL STAR, INC.

Form 10-Q
For the Quarterly Period Ended March 31, 2009

TABLE OF CONTENTS

PART I – FINANCIAL INFORMATION		1
ITEM 1.	FINANCIAL STATEMENTS	1
ITEM 2.	MANAGEMENT’S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS	8
ITEM 3.	QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK	18
ITEM 4.	CONTROLS AND PROCEDURES	18
PART II – OTHER INFORMATION		19
ITEM 1.	LEGAL PROCEEDINGS	19
ITEM 1A.	RISK FACTORS	19
ITEM 2.	UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS	20
ITEM 3.	DEFAULTS UPON SENIOR SECURITIES	21
ITEM 4.	SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS	21
ITEM 5.	OTHER INFORMATION	21
ITEM 6.	EXHIBITS	21

PART I

FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

The following unaudited financial statements of International Star, Inc. have been prepared in accordance with generally accepted accounting principles for interim financial information and with the instructions to Form 10-Q. Accordingly, these financial statements may not include all of the information and disclosures required by generally accepted accounting principles for complete financial statements. These financial statements should be read in conjunction with the audited financial statements and the notes thereto for the fiscal year ending December 31, 2008. In the opinion of management, these unaudited financial statements contain all adjustments necessary to fairly present the Company's financial position as of March 31, 2009, and its results of operations and its cash flows for the three-month period ended March 31, 2009.

INTERNATIONAL STAR, INC.
AND SUBSIDIARIES
(An Exploration Stage Company)
BALANCE SHEETS

ASSETS	(Unaudited) March 31, 2009	(Audited) December 31, 2008
Current Assets:		
Cash	\$ 57,404	\$ 8,889
Prepaid expenses	6,507	11,388
Total Current Assets	13,467	20,277
Property and Equipment (Net of accumulated depreciation)		
	663	9,136
Total Assets	\$ 64,574	\$ 29,413
LIABILITIES AND STOCKHOLDERS' DEFICIENCY		
Current Liabilities:		
Accounts payable	\$ 339,818	\$ 366,847
Accrued expenses	29,389	22,590
Note payable – Related party	200,000	30,000
Shareholder deposits	750	7,500
Total Current Liabilities	569,957	426,937
Long Term Note Payable – Related Party	500,000	500,000
Total Liabilities	1,069,957	926,937
Stockholders' Deficiency:		
Preferred Stock 20,000,000 shares authorized, Undesignated par value – none issued	--	--
Common Stock 780,000,000 shares authorized, at \$.001 par value; 281,512,274 and 279,262,274 shares issued and outstanding at March 31, 2009 and December 31, 2008, respectively	281,512	279,262
Capital in excess of par value	4,430,884	4,429,759
Deficit accumulated during the exploration stage	(5,717,779)	(5,606,546)
Total Stockholders' Deficiency	(1,005,383)	(897,525)
Total Liabilities and Stockholders' Deficiency	\$ 64,574	\$ 29,413

See accompanying notes to the financial statements.

INTERNATIONAL STAR, INC.

AND SUBSIDIARIES
 (An Exploration Stage Company)
 STATEMENT OF OPERATIONS
 (Unaudited)

	Three Months Ended March 31,		January 1, 2004 (date of inception of exploration stage) to March 31, 2009
	2009	2008	
Revenue:			
Total Revenue	\$ --	\$ --	\$ --
Expenses:			
Mineral exploration costs	39,929	104,825	878,567
Professional fees	19,604	60,722	659,812
Compensation & management fees	19,817	9,697	1,431,552
Depreciation & amortization			