

CODY RESOURCES, INC.  
Form 10QSB  
April 16, 2008

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, DC 20549

FORM 10-QSB

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

For the quarterly period ended February 29, 2008

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

For the transition period \_\_\_\_\_ to \_\_\_\_\_

Commission File Number: 333-140056

Cody Resources, Inc.  
(Exact name of small business issuer as specified in its charter)

Nevada  
(State or other jurisdiction of incorporation or  
organization)

20-5339393  
(IRS Employer Identification No.)

2915 W. Charleston Blvd., Ste.7, Las Vegas, NV 89102  
(Address of principal executive offices)

(702) 383-5862  
(Issuer's telephone number)

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

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 issuer 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 Exchange Act).  Yes  No

State the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date: 16,038,473 common shares as of March 28, 2008

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



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PART I - FINANCIAL INFORMATION

Item 1. Financial Statements

Our unaudited financial statements included in this Form 10-QSB are as follows:

<u>F-1</u>	<u>Balance Sheet as of February 29, 2008;</u>
<u>F-2</u>	<u>Statements of Operations for the three months ended February 29, 2008 and February 28, 2007 and period from inception (July 20, 2006) through February 29, 2008;</u>
<u>F-3</u>	<u>Statements of Stockholders' Equity from inception (July 20, 2006) through February 29, 2008;</u>
<u>F-4</u>	<u>Statements of Cash Flows for the three months ended February 29, 2008 and February 28, 2007 and period from inception (July 20, 2006) through February 29, 2008;</u>
<u>F-5</u>	<u>Notes to Financial Statements.</u>

These unaudited financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America for interim financial information and the SEC instructions to Form 10-QSB. In the opinion of management, all adjustments considered necessary for a fair presentation have been included. Operating results for the interim period ended February 29, 2008 are not necessarily indicative of the results that can be expected for the full year.

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CODY RESOURCES, INC.  
(A Development Stage Company)  
Balance Sheets

ASSETS	Ferbruary	November
	29, 2008	30, 2007
CURRENT ASSETS(unaudited)		
Cash	\$ 580	\$ 580
Total Current Assets	580	580
<b>TOTAL ASSETS</b>	<b>\$ 580</b>	<b>\$ 580</b>
LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES		
Accounts payable	\$ 3,328	\$ 400
Total Current Liabilities	3,328	400
STOCKHOLDERS' EQUITY		
Common stock; \$0.001 par value, 50,000,000 shares authorized, 1,390,000 shares issued and outstanding	1,390	1,390
Additional paid-in capital	38,610	38,610
Stock subscription receivable	-	-
Accumulated deficit	(42,748)	(39,820)
Total Stockholders' Equity (Deficit)	(2,748)	180
<b>TOTAL</b>	<b>\$ 580</b>	<b>\$ 580</b>
LIABILITIES AND		

STOCKHOLDERS'  
EQUITY

The accompanying condensed notes are an integral part of these interim financial statements.

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CODY RESOURCES, INC.  
(A Development Stage Company)  
Statements of Operations  
(unaudited)

	For the Three Months Ended February 29, 2008	For the Three Months Ended February 28, 2007	Since Inception on July 20, 2006 Through February 29, 2008
REVENUES	\$ -	\$ -	\$ -
COST OF GOODS SOLD	-	-	-
GROSS PROFIT	-	-	-
<b>OPERATING EXPENSES</b>			
General and administrative expenses	-	50	19,195
Professional fees	2,928	12,500	23,553
Total Operating Expenses	2,928	12,550	42,748
NET LOSS	\$ (2,928)	\$ (12,550)	\$ (42,748)
<b>BASIC AND DILUTED LOSS PER SHARE</b>			
	\$ (0.00)	\$ (0.01)	
<b>WEIGHTED AVERAGE NUMBER OF SHARES OUTSTANDING</b>			
	1,390,000	1,249,752	

The accompanying condensed notes are an integral part of these interim financial statements.

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CODY RESOURCES, INC.  
(A Development Stage Company)  
Statements of Stockholders' Equity  
(unaudited)

	Common Stock Shares	Amount	Additional Paid-In Capital	Stock Subscription Receivable	Accumulated Deficit	Total Stockholders' Equity
Balance at inception on July 20, 2006	-	\$ -	\$ -	\$ -	\$ -	\$ -
Common stock issued for debt in September 2006 at par value of \$0.001 per share	1,000,000	1,000	-	(875)	-	125
Common stock issued for cash in October 2006 at par value of \$0.10 per share	220,000	220	21,780	-	-	22,000
Common stock issued for cash in November 2006 at par value of \$0.10 per share	170,000	170	16,830	-	-	17,000
Net loss since inception through November 30, 2006	-	-	-	-	(1,438)	(1,438)
Balance, November 30, 2006	1,390,000	1,390	38,610	(875)	(1,438)	37,687
Receipt of stock subscription	-	-	-	875	-	875
Net loss for the year ended November 30, 2007	-	-	-	-	(38,382)	(38,382)
Balance, November 30, 2007	1,390,000	1,390	38,610	-	(39,820)	180
Net loss for the three months ended February 29, 2008	-	-	-	-	(2,928)	(2,928)
Balance, February 29, 2008	1,390,000	\$ 1,390	\$ 38,610	\$ -	\$ (42,748)	\$ (2,748)

The accompanying condensed notes are an integral part of these interim financial statements.



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CODY RESOURCES, INC.  
(A Development Stage Company)  
Statements of Cash Flows  
(unaudited)

	For the Three Months Ended February 29, 2008	For the Three Months Ended February 28, 2007	Since Inception on July 20, 2006 Through February 29, 2008
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Net income (loss)	\$ (2,928)	\$ (12,550)	\$ (42,748)
Adjustments to reconcile net loss to net cash used by operating activities:			
Common stock issued for debt	-	-	1,000
Changes in operating assets and liabilities			
Increase (decrease) in accounts payable	2,928	-	3,328
<b>Net Cash Used by Operating Activities</b>	<b>-</b>	<b>(12,550)</b>	<b>(38,420)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
	-	-	-
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Common stock issued for cash	-	-	39,000
<b>Net Cash Used by Financing Activities</b>	<b>-</b>	<b>-</b>	<b>39,000</b>
<b>NET INCREASE IN CASH</b>	<b>-</b>	<b>(12,550)</b>	<b>580</b>
<b>CASH AT BEGINNING OF PERIOD</b>	<b>580</b>	<b>23,112</b>	<b>-</b>
<b>CASH AT END OF PERIOD</b>	<b>\$ 580</b>	<b>\$ 10,562</b>	<b>\$ 580</b>
<b>SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION</b>			
<b>CASH PAID FOR:</b>			

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Interest	\$	- \$	- \$	-
Income Taxes	\$	- \$	- \$	-

The accompanying condensed notes are an integral part of these interim financial statements.

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CODY RESOURCES, INC.  
(A Development Stage Company)  
Notes to the Financial Statements

NOTE 1 - CONDENSED FINANCIAL STATEMENTS

The accompanying financial statements have been prepared by the Company without audit. In the opinion of management, all adjustments (which include only normal recurring adjustments) necessary to present fairly the financial position, results of operations and cash flows at February 29, 2008 and for all periods presented have been made.

Certain information and footnote disclosures normally included in financial statements prepared in accordance with accounting principles generally accepted in the United States of America have been condensed or omitted. It is suggested that these condensed financial statements be read in conjunction with the financial statements and notes thereto included in the Company's November 30, 2007 audited financial statements. The results of operations for the period ended February 29, 2008 are not necessarily indicative of the operating results for the full years.

NOTE 2 - GOING CONCERN

The Company's financial statements are prepared using generally accepted accounting principles applicable to a going concern which contemplates the realization of assets and liquidation of liabilities in the normal course of business. The Company has had no revenues and has generated losses from operations.

In order to continue as a going concern and achieve a profitable level of operations, the Company will need, among other things, additional capital resources and to develop a consistent source of revenues. Management's plans include of investing in and developing all types of businesses related to the equine industry.

The ability of the Company to continue as a going concern is dependent upon its ability to successfully accomplish the plan described in the preceding paragraph and eventually attain profitable operations. The accompanying financial statements do not include any adjustments that might be necessary if the Company is unable to continue as a going concern.

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Item 2. Plan of Operation

Forward-Looking Statements

Certain statements, other than purely historical information, including estimates, projections, statements relating to our business plans, objectives, and expected operating results, and the assumptions upon which those statements are based, are “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995, Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. These forward-looking statements generally are identified by the words “believes,” “project,” “expects,” “anticipates,” “estimates,” “intends,” “strategy,” “plan,” “may,” “will,” “would,” “will be,” “will continue,” “will likely result,” and similar expressions. Such forward-looking statements to be covered by the safe-harbor provisions for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995, and are including this statement for purposes of complying with those safe-harbor provisions. Forward-looking statements are based on current expectations and assumptions that are subject to risks and uncertainties which may cause actual results to differ materially from the forward-looking statements. Our ability to predict results or the actual effect of future plans or strategies is inherently uncertain. Factors which could have a material adverse affect on our operations and future prospects on a consolidated basis include, but are not limited to: changes in economic conditions, legislative/regulatory changes, availability of capital, interest rates, competition, and generally accepted accounting principles. These risks and uncertainties should also be considered in evaluating forward-looking statements and undue reliance should not be placed on such statements. We undertake no obligation to update or revise publicly any forward-looking statements, whether as a result of new information, future events or otherwise. Further information concerning our business, including additional factors that could materially affect our financial results, is included herein and in our other filings with the SEC.

Abandonment of Vulture Mineral Claims

We were incorporated on July 19, 2006 under the laws of the State of Nevada. We acquired an option to purchase an interest in mineral claims referred to as the Vulture mineral claims. Our plan of operations was to carry out exploration work on these claims in order to ascertain whether they possess commercially exploitable quantities of copper, lead, zinc, gold, and other metallic minerals.

During our third quarter of 2007, we commenced exploration activities on the Vulture mineral claims. Specifically, we conducted a soil geochemistry program under the guidance of our geological consultant, Mr. Marvin A. Mitchell. The results of this program were discouraging. In his report, Mr. Mitchell reports that the program failed to detect significant anomalous values of exploitable minerals. As such, no additional exploration was recommended at this time.

Based on the recommendations of our consulting geologist, we have decided to abandon our exploration program on the Vulture mineral claims. As such, we will lose all interest in the option that we acquired on the property.

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Plan of Operation in the Next 12 Months

During the next twelve months, we intend to conduct a review of our current operating structure and to seek out and evaluate alternative business opportunities. We have not yet identified any suitable business opportunities and there is no assurance that we will be able to do so in the future. Even if we are able to identify suitable business opportunities, there are no assurances that we will be able to acquire an interest in those opportunities or that we will have the resources to pursue such opportunities. As such, an investment in our shares at this time would be highly speculative.

Because we have not identified an alternate business opportunity, we are unable to provide an estimate of our exact financial needs for the next twelve months. We have limited working capital of \$79 as of February 29, 2008. We have, therefore, ceased all business operations in an effort to minimize or eliminate all expenses until such time as we are able to identify and acquire an alternate business opportunity. We will require substantial additional financing in the near future in order to meet our current obligations and to renew our operations or begin the operations or any new business we may be able to acquire. In addition, in the event that we are successful in identifying suitable alternative business opportunities, of which there is no assurance, we anticipate that we will need to obtain additional financing in order to pursue those opportunities.

Because we do not currently have a specific business plan and have not identified any suitable alternative business opportunities, our ability to obtain additional financing is substantially limited. If sufficient financing is not available or obtainable, we may not be able to continue as a going concern and investors may lose a substantial portion or all of their investment. We currently do not have any financing arrangements in place and there are no assurances that we will be able to acquire financing on acceptable terms or at all. If we are able to identify a suitable alternative business opportunity, we will seek appropriate financing arrangements at that time.

Results of Operations for the three months ended February 29, 2008 and February 28, 2007 and period from inception on July 20, 2006 to February 29, 2008

We did not earn any revenues from inception through the period ending February 29, 2008. We do not anticipate earning revenues until such time that we are able to secure a successful business opportunity.

We incurred \$2,928 in operating expenses for the three months ended February 29, 2008, compared with \$12,550 for the three months ended February 28, 2007, and \$42,748 from our inception on July 20, 2006 to February 29, 2008. The operating expenses for the three months ended February 29, 2008 included solely professional fees in the amount of \$2,928. The operating expenses for the three months ended February 28, 2007 included professional fees in the amount of \$12,500 and general and administrative expenses of \$50. The operating expenses for the period from our inception on July 20, 2006 to February 29, 2008 included professional fees in the amount of \$23,553, and general and administrative expenses in the amount of \$19,195. The professional fees consisted of legal fees and accounting fees.

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We incurred a net loss of \$2,928 for the three months ended February 29, 2008. We incurred a net loss of 12,550 for the three months ended February 28, 2007. We incurred a net loss of \$42,748 from our inception on July 20, 2006 through the period ending February 29, 2008. Our losses for all periods are attributable to operating expenses.

### Liquidity and Capital Resources

We had cash of \$580 as our only current asset as of February 29, 2008. We had current liabilities of \$3,328 as of February 29, 2008. We therefore had a working capital deficit of \$2,748 as of February 29, 2008.

We have not attained profitable operations and are dependent upon obtaining financing to pursue any business opportunity. Our auditors stated in their report that they have substantial doubt we will be able to continue as a going concern.

### Off Balance Sheet Arrangements

As of February 29, 2008, there were no off balance sheet arrangements.

### Going Concern

Our financial statements are prepared using generally accepted accounting principles in the United States of America applicable to a going concern, which contemplates the realization of assets and liquidation of liabilities in the normal course of business. We have not yet established an ongoing source of revenues sufficient to cover our operating costs and allow us to continue as a going concern. The ability of us to continue as a going concern is dependent on us obtaining adequate capital to fund operating losses until we become profitable. If we are unable to obtain adequate capital, we could be forced to cease operations.

In order to continue as a going concern, we will need, among other things, additional capital resources. Management's plans to obtain such resources for us include (1) obtaining capital from management and significant shareholders sufficient to meet its minimal operating expenses, and (2) seeking out and completing a merger with an existing operating company. However, management cannot provide any assurances that we will be successful in accomplishing any of our plans.

Our ability to continue as a going concern is dependent upon our ability to successfully accomplish the plans described in the preceding paragraph and eventually secure other sources of financing and attain profitable operations. The accompanying financial statements do not include any adjustments that might be necessary if we are unable to continue as a going concern.

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Item 3. Controls and Procedures

We carried out an evaluation of the effectiveness of the design and operation of our disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) as of February 29, 2008. This evaluation was carried out under the supervision and with the participation of our Chief Executive Officer and our Chief Financial Officer, Mr. Donald L. Sampson. Based upon that evaluation, our Chief Executive Officer and Chief Financial Officer concluded that, as of February 29, 2008, our disclosure controls and procedures are effective. There have been no changes in our internal controls over financial reporting during the quarter ended February 29, 2008.

Disclosure controls and procedures are controls and other procedures that are designed to ensure that information required to be disclosed in our reports filed or submitted under the Exchange Act are recorded, processed, summarized and reported, within the time periods specified in the SEC's rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed in our reports filed under the Exchange Act is accumulated and communicated to management, including our Chief Executive Officer and Chief Financial Officer, to allow timely decisions regarding required disclosure.

Limitations on the Effectiveness of Internal Controls

Our management does not expect that our disclosure controls and procedures or our internal control over financial reporting will necessarily prevent all fraud and material error. Our disclosure controls and procedures are designed to provide reasonable assurance of achieving our objectives and our Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures are effective at that reasonable assurance level. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, within the Company have been detected. These inherent limitations include the realities that judgments in decision-making can be faulty, and that breakdowns can occur because of simple error or mistake. Additionally, controls can be circumvented by the individual acts of some persons, by collusion of two or more people, or by management override of the internal control. The design of any system of controls also is based in part upon certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions. Over time, control may become inadequate because of changes in conditions, or the degree of compliance with the policies or procedures may deteriorate.

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PART II – OTHER INFORMATION

Item 1. Legal Proceedings

We are not a party to any pending legal proceeding. We are not aware of any pending legal proceeding to which any of our officers, directors, or any beneficial holders of 5% or more of our voting securities are adverse to us or have a material interest adverse to us.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

None

Item 3. Defaults upon Senior Securities

None

Item 4. Submission of Matters to a Vote of Security Holders

No matters have been submitted to our security holders for a vote, through the solicitation of proxies or otherwise, during the quarterly period ended February 29, 2008.

Item 5. Other Information

None

Item 6. Exhibits

Exhibit Description of Exhibit

Number

3.1 Articles of Incorporation (1)

3.2 By-Laws (1)

10.1 Mining Option Agreement between Cody Resources, Inc. and Mr. Locke B. Goldsmith(1)

31.1 Certification of Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

31.2 Certification of Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

32.1 Certification of Chief Executive Officer and Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

99.1 Soil Geochemistry Report, dated June 18, 2007

(1) Previously included as an exhibit to the Registration Statement on Form SB-2 filed on January 18, 2007



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SIGNATURES

In accordance with the requirements of the Securities and Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Cody Resources, Inc.

Date: April 14, 2008

By: /s/ Donald L. Sampson  
Donald L. Sampson

Title: Chief Executive Officer, Chief Financial Officer, Principal Accounting Officer and Director