

RELIABILITY INC
Form 10-Q
August 15, 2016

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

FORM 10-Q

QUARTERLY REPORT UNDER SECTION 13 or 15 (d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the quarterly period ended June30, 2016

TRANSITION REPORT UNDER SECTION 13 or 15 (d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the transition period from _____ to _____.

Commission File Number 0-7092

RELIABILITY INCORPORATED
(Name of registrant in its charter)

TEXAS 75-0868913
(State or other jurisdiction of incorporation or organization) (I.R.S. Employer Identification Number)

53 Forest Avenue, First Floor, Old Greenwich, Connecticut 06870
(Address of principal executive offices) (Zip Code)

(203) 489-9500
(Issuer's telephone number, including area code)

(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 twelve 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 ninety days. YES NO

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). YES NO

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer,

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or a smaller reporting company. See the definitions of “large accelerated filer,” “accelerated filer” and “smaller reporting company” in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer Accelerated filer
Non-accelerated filer Smaller reporting company
(Do not check if a 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

State the number of shares outstanding of each of the issuer's classes of common equity, as of the latest practicable date: 16,914,693 shares of Common Stock, no par value, as of August 9, 2016.

RELIABILITY INCORPORATED
Quarterly Report on Form 10-Q
For the Three Months Ended March 31, 2016

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PART I. FINANCIAL INFORMATION

Item 1. Financial Statements

RELIABILITY INCORPORATED
 UNAUDITED BALANCE SHEETS
 As of June 30, 2016 and December 31, 2015

	June 30, 2016	December 31, 2015
ASSETS		
Current assets:		
Cash and cash equivalents	\$2,312	\$11,924
Total current assets	2,312	11,924
Total Assets	\$2,312	\$11,924
LIABILITIES AND STOCKHOLDERS' DEFICIT		
Current liabilities:		
Accounts payable and accrued liabilities	\$16,775	\$15,898
Total current liabilities	16,775	15,898
Long term liabilities:		
Loan from shareholder	50,000	50,000
Total long term liabilities	50,000	50,000
Total liabilities	66,775	65,898
Stockholders' equity (deficit):		
Preferred stock, without par value; 1,000,000 shares authorized, none issued and outstanding	-	-
Common stock, without par value; 300,000,000 shares authorized; 17,268,993 shares issued	9,912,150	9,912,150
Accumulated deficit	(8,882,096)	(8,871,607)
Less treasury stock at cost, 354,300 shares	(1,094,517)	(1,094,517)
Total stockholders' deficit	(64,463)	(53,974)
Total liabilities and stockholders' deficit	\$2,312	\$11,924

The accompanying notes are an integral part of these statements.

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RELIABILITY INCORPORATED
 UNAUDITED STATEMENTS OF OPERATIONS
 FOR THE THREE MONTHS ENDED JUNE 30, 2016 AND 2015

	Three months ended	
	June 30,	
	2016	2015
Operating expenses:		
General and administrative	\$4,171	\$6,083
Interest expense	1,243	1,267
Total expenses	5,414	7,350
Other income	-	-
Net Loss	\$(5,414)	\$(7,350)
Basic and Diluted Loss Per Share	(0.00)	(0.00)
Weighted average shares:		
Basic	16,914,693	16,914,693
Diluted	16,914,693	16,914,693

The accompanying notes are an integral part of these statements.

RELIABILITY INCORPORATED
 UNAUDITED STATEMENTS OF OPERATIONS
 FOR THE SIX MONTHS ENDED JUNE 30, 2016 AND 2015

	Six months ended June 30,	
	2016	2015
Operating expenses:		
General and administrative	\$8,002	\$11,140
Interest expense	2,486	2,479
Total expenses	10,488	13,619
Other income	-	-
Net Loss	\$(10,488)	\$(13,619)
Basic and Diluted Loss Per Share	\$(0.00)	\$(0.00)
Weighted average shares:		
Basic	16,914,693	16,914,693
Diluted	16,914,693	16,914,693

The accompanying notes are an integral part of these statements.

RELIABILITY INCORPORATED
UNAUDITED STATEMENTS OF CASH FLOWS
FOR THE SIX MONTHS ENDED JUNE 30, 2016 AND 2015

	Six months ended June 30, 2016 2015	
Cash flows from operating activities:		
Net loss	\$	