

SECURITIES AND EXCHANGE COMMISSION

Washington, DC 20549

FORM 10QSB/A

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

| | |
|-------------------|------------------------|
| For Quarter Ended | Commission File Number |
| ----- | ----- |
| March 31, 2001 | 000-31553 |

HOUSTON OPERATING COMPANY

(Exact name of registrant as specified in its charter)

| | |
|--------------------------|---|
| Delaware | 76-0307819 |
| ----- | ----- |
| (State of incorporation) | (I.R.S. Employer Identification No.) |

| | |
|---|-------|
| 11145 Rockland Dr., Littleton, | 80127 |
| ----- | ----- |
| (Address of principal executive offices) (Zip Code) | |

Registrant's telephone number, including area code: (720) 981-0523

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 the filing requirements for at least the past 90 days.

| | | |
|-------|-------|-------|
| Yes | X | No |
| ----- | ----- | ----- |

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

7,795,171 common shares as of March 31, 2001

FINANCIAL STATEMENTS
HOUSTON OPERATING COMPANY, INC.

HOUSTON OPERATING COMPANY, INC.
BALANCE SHEETS
(Unaudited)

| | March 31, 2001 | December 31, 2000 |
|--|-------------------|----------------------|
| | ----- | ----- |
| ASSETS: | | |
| Current Assets: | | |
| Cash | \$ 512 | \$ 541 |
| | ----- | ----- |
| Total Current Assets | 512 | 541 |
| | ----- | ----- |
| TOTAL ASSETS | \$ 512 | 541 |
| | ===== | ===== |
| LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIT) | | |
| Current Liabilities: | | |
| Accounts payable and accrued expenses | \$ 1,353 | \$ 1,353 |
| Advances from shareholders' | 1,896 | 1,896 |
| | ----- | ----- |
| Total Current Liabilities | 3,249 | 3,249 |
| | ----- | ----- |
| Stockholders' Equity (Deficit): | | |
| Common stock, \$.001 par value; 50,000,000 | | |
| shares authorized; 7,795,171 shares issued | | |
| and outstanding, respectively | 7,795 | 7,795 |
| Additional paid-in capital | 38,350 | 38,350 |
| Retained deficit | (48,882) | (48,853) |
| | ----- | ----- |
| Total Stockholders' Equity (Deficit) | (2,737) | (2,708) |
| | ----- | ----- |
| TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIT) | \$ 512 | \$ 541 |
| | ===== | ===== |

See accountants reveiw report.

HOUSTON OPERATING COMPANY, INC.
STATEMENTS OF OPERATIONS
(Unaudited)

| | Three Months Ended March 31, | |
|--|---------------------------------|-----------|
| | 2001 | 2000 |
| | ---- | ---- |
| REVENUES: | \$ - | \$ - |
| OPERATING EXPENSES: | | |
| Sales and marketing | - | - |
| General and administrative | 29 | - |
| | ----- | ----- |
| Total Operating Expenses | 29 | - |
| | ----- | ----- |
| Net Loss from Operations | (29) | - |
| | ----- | ----- |
| Other Income and expenses: | | |
| Interest income | - | - |
| Interest expense | - | - |
| Other | - | - |
| | ----- | ----- |
| | - | - |
| | ----- | ----- |
| Net Loss | \$ (29) | \$ - |
| | ===== | ===== |
| Weighted average number of shares outstanding | 7,795,171 | 2,795,171 |
| | ===== | ===== |
| Basic and diluted net loss per share | \$ - | \$ - |
| | ===== | ===== |

See accountants review report.

HOUSTON OPERATING COMPANY, INC.
STATEMENTS OF CASH FLOWS
(Unaudited)

| | Three Months Ended March 31, | |
|--|---------------------------------|-------|
| | 2001 | 2000 |
| | ---- | ---- |
| Cash Flows From Operating Activities: | | |
| Net (Loss) | \$ (29) | \$ - |
| Adjustments to reconcile net loss to net cash used in operating activities: | | |
| Stock issued for services | - | - |
| Changes in assets and liabilities: | | |
| Increase in Advances from Stockholders | - | - |
| | ----- | ----- |
| | - | - |
| | ----- | ----- |
| Net Cash Used in Operating Activities | (29) | - |
| | ----- | ----- |
| Cash Flow From Financing Activities: | | |
| Issuance of Common Stock | - | - |
| | ----- | ----- |
| Net Cash Provided By Financing Activities | - | - |
| | ----- | ----- |
| Increase (Decrease) in Cash | (29) | - |
| Cash and Cash Equivalents - Beginning of period | 541 | - |
| | ----- | ----- |
| Cash and Cash Equivalents - End of period | \$ 512 | \$ - |
| | ===== | ===== |
| Supplemental Cash Flow Information: | | |
| Interest paid | \$ - | \$ - |
| | ===== | ===== |
| Taxes paid | \$ - | \$ - |
| | ===== | ===== |

See accountants reveiw report.

HOUSTON OPERATING COMOPANY, INC.
STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY
(Unaudited)

| | Common Stock Shares | Amount | Additional Paid-In Capital | Accumulated Deficit | Totals |
|--|------------------------|----------|----------------------------------|------------------------|------------|
| | ----- | ----- | ----- | ----- | ----- |
| Balance - December 31, 1997 | 2,795,171 | \$ 2,795 | \$ 28,820 | \$ (38,874) | \$ (7,259) |
| Net loss for period | - | - | - | (1,725) | (1,725) |
| | ----- | ----- | ----- | ----- | ----- |
| Balance - December 31, 1998 | 2,795,171 | 2,795 | 28,820 | (40,599) | (8,984) |
| | ----- | ----- | ----- | ----- | ----- |
| Conversion of loan payable to additional paid-in capital | - | - | 9,530 | - | 9,530 |
| Net loss for year | - | - | - | (1,000) | (1,000) |
| | ----- | ----- | ----- | ----- | ----- |
| Balance - December 31, 1999 | 2,795,171 | 2,795 | 38,350 | (41,599) | (454) |
| | ----- | ----- | ----- | ----- | ----- |
| Stock issuance for cash | 1,000,000 | 1,000 | - | - | 1,000 |
| Stock issuance for services | 4,000,000 | 4,000 | - | - | 4,000 |
| Net loss for year | - | - | - | (7,254) | (7,254) |
| | ----- | ----- | ----- | ----- | ----- |
| Balance - December 31, 2000 | 7,795,171 | 7,795 | 38,350 | (48,853) | (2,708) |
| | ----- | ----- | ----- | ----- | ----- |
| Net loss for period | - | - | - | (29) | (29) |
| | ----- | ----- | ----- | ----- | ----- |
| Balance - March 31, 2001 | 7,795,171 | \$ 7,795 | \$ 38,350 | \$ (48,882) | \$ (2,737) |
| | ----- | ----- | ----- | ----- | ----- |

See accountants reveiw report.

HOUSTON OPERATING COMPANY, INC.
NOTES TO FINANCIAL STATEMENTS

Note 1. Presentation of Interim Information

In the opinion of the management of Houston Operating Company, Inc., the accompanying unaudited financial statements include all normal adjustments considered necessary to present fairly the financial position as of March 31, 2001, and the results of operations for the three months ended March 31, 2001 and cash flows for the three months ended March 31, 2001. Interim results are not necessarily indicative of results for a full year.

The financial statements and notes are presented as permitted by Form 10-Q, and do not contain certain information which would be included in the Company's audited financial statements and notes.

MANAGEMENT DISCUSSION & ANALYSIS RESULT OF OPERATION FOR THE QUARTER ENDED MARCH 31, 2001 COMPARED TO QUARTER ENDED MARCH 31, 2000

The Company had no revenues or operations for the period in 2001 or 2000. The Company incurred \$29 in miscellaneous expenses in the quarter in 2001 and no expenses in the quarter in 2000. The net loss for the quarter was (\$29) in 2001 and \$0 in 2000. Loss per share was nominal in 2001 and none in 2000 for the quarter.

LIQUIDITY AND CAPITAL RESOURCES

The Company does not have capital sufficient to meet the Company's cash needs, including the costs of compliance with the continuing reporting requirements of the Securities and Exchange Act of 1934. The Company will have to seek loans or equity placements to cover such cash needs. In the event the Company is able to complete a business combination during this period, lack of its existing capital may be a sufficient impediment to prevent it from accomplishing the goal of completing a business combination. There is no assurance, however, that without funds it will ultimately allow registrant to complete a business combination. Once a business combination is completed, the Company's needs for additional financing are likely to increase substantially.

Irrespective of whether the Company's cash assets prove to be inadequate to meet the Company's operational needs, the Company might seek to compensate providers of services by issuances of stock in lieu of cash.

PART II - OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

None

ITEM 2. CHANGES IN SECURITIES

None

ITEM 3. DEFAULT UPON SENIOR SECURITIES

None

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

None

ITEM 5. OTHER INFORMATION

None

Appointment of New Directors and Resignation of Directors

None

ITEM 6.

EXHIBITS AND REPORTS ON FORM 8-K

Reports on Form 8-K were made for the period for which this report is filed.

8-K dated 4/13/2001 incorporated herein by this reference.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Date: June 7, 2001

HOUSTON OPERATING COMPANY

/s/ J.R. Nelson

J.R. NELSON, President