SEAMLESS Corp
Form 10-Q
November 23, 2009

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

FORM 10-Q

[X] QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended September 30, 2009

[ ] TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

Commission File Number: 000-20259

SEAMLESS CORPORATION
(Exact name of small business issuer as specified in its charter)

Nevada	33-0845463
(State or other jurisdiction of incorporation or organization)	(IRS Employer Identification No.)

800 N. Rainbow Blvd., Ste. 208, Las Vegas, NV 89109
(Address of principal executive offices)

(702) 448-1861
(Issuer's telephone number)

N/A
(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 Exchange Act during the past 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 [ ]

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 company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer [ ]	Accelerated filer [ ]
Non-accelerated filer [ ] (Do not check if a smaller reporting company)	Smaller reporting company [X]

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

As of November 20, 2009, the number of shares of common stock issued and Outstanding was 16,324,424,763.

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

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PART I - FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

SEAMLESS CORPORATION
CONSOLIDATED BALANCE SHEETS

ASSETS

	September 30, 2009 (unaudited)
Current assets	
Cash	$ 3,751
Other current assets	800
Total current assets	4,551
Property and equipment (net of accumulated depreciation of $52,993 and $52,763 at September 30, 2009 and June 30, 2009, respectively)	2,077,102
Security deposit	13,910
TOTAL ASSETS	$ 2,095,562

LIABILITIES AND STOCKHOLDERS' EQUITY

Current liabilities	
Accounts payable and accrued expenses	1,334,572
Other current liabilities	600
Loan Payable	726,554
Payable to officer	94,379
Preferred Stock Liability	2,499,342
Convertible Debt-Conversion Feature Liability	878,453
Current liabilities of discontinued operations	361,054
Total current liabilities	5,894,954
Commitments and contingencies (See Note 9)	
Stockholders' equity (deficit)	
Preferred A stock, par value $0.001, 2,000,000 shares and 10,000,000 shares authorized at September 30, 2009 and June 30, 2009, 615,403 shares issued and outstanding	-
Preferred B stock, par value $0.001, 1,000,000 and 10,000,000 shares authorized at September 30, 2009 and June 30, 2009 zero shares issued and outstanding	-
Preferred C stock, par value $0.001, 3,000,000 shares authorized at September 30, 2009 and June 30, 2009, 1,380,848 shares and 1,852,848 issued and outstanding	-
Preferred D Stock, par value $.0.001 4,000,000 and zero authorized at September 30, 2009 and June 30, 2009 1,306,646 and 1,286,848 shares issued And outstanding at September 30, 2009 and June 30, 2009	1,307
Common stock, par value $0.001, 19,989,800,000 shares and 19,990,000,000 shares authorized at September 30, 2009 and June 30, 2009, 14,758,680,963 shares and 10,348,080,963 shares issued and outstanding at September 30, 2009 and June 30, 2009	14,758,681
Additional paid-in capital	10,057,712
Accumulated deficit	(28,517,712)
Total stockholders' equity	(3,699,391)
Less: Treasury stock at cost	(100,000)

Stockholders' equity	(3,799,391)
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	$ 2,095,562

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

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SEAMLESS CORPORATION
CONSOLIDATED STATEMENTS OF OPERATIONS
FOR THE THREE MONTHS ENDED SEPTEMBER 30,
(unaudited)

	2009	2008
Revenues	$ -	$ 498
Cost of revenues	27,170	5,951
Gross Income (Loss)	(27,170)	(4,951)
Expenses:		
Selling, general and admin.	354,708	254,922
Consulting	-	10,000
Financing Fee Expense	8,000	-
Interest	21	2,295
Officer Payroll	75,000	75,000
Depreciation and amortization	229	12,073
Total Expenses	437,938	351,995
(Loss) from continuing operations before interest and other items	(465,108)	(356,946)
Other income		
Cancellation of indebtedness	18,965	12,119
Unrealized Gain from change in derivative liabilities	725,994	-
Interest	(237,085)	(21)
Income (Loss) from continuing operations before income taxes	42,767	(344,848)
Income taxes (benefit) (note 8)	--	--
Income (loss) from continuing operations	42,767	(344,848)
LOSS from discontinued operations	--	(13,660)
(Benefit from) provisions for income taxes	--	--
Total discontinued operations	--	(13,660)
Net Income (Loss)	$ 42,767	$ (358,508)
Preferred C stock dividends-deemed	--	(405,400)

Net income (loss) available to common stockholders	$ 42,767	$ (763,908)
Basic and Diluted income (loss) per common shares		
Income (loss) from continuing operations, after preferred dividends	$ --	$ --
Income (Loss) from discontinued operations	--	--
NET INCOME (LOSS) PER SHARE AVAILABLE TO COMMON STOCKHOLDERS	$ --	$ --
Weighted average basic and diluted common shares	13,239,250,258	582,151,883

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

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SEAMLESS CORPORATION
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE THREE MONTHS ENDED SEPTEMBER 30,
(unaudited)

	2009	2008
Cash flows used in operating activities		
Net income (loss) from continuing operations	$ 42,767	$ (344,848)
Depreciation and amortization	229	12,073
Non cash interest expenses	18,471	--
Amortization of Debt Discount	218,614	--
Unrealized loss from change in derivative liabilities	(725,994)	--
Non cash financing fee	8,000	--
Cancellation of indebtedness	(12,119)	(12,119)
Issuance of common stock for services	--	10,000
Settlement Fee	2,560	--
Changes in operating assets and liabilities		
Other current assets	--	2,300
Accounts payable	227,439	(63,641)
Other current liabilities	--	(54,858)
Payable to officer	87,641	51,154
Restricted cash - Escrow	--	75,000
Net cash provided by (used in) operating activities	(157,709)	(399,939)
Cash flows from financing activities		
Proceeds from sale of common stock	--	28,416
Proceeds from sale of preferred A stock	--	100,000
Proceeds from sale of preferred C stock	--	296,744
Proceeds from Loans Payable	160,000	--
Bank overdraft	--	(2,930)
Net cash provided by financing activities	160,000	422,230

Increase (decrease) in cash	2,291	22,291
Cash at beginning of period	1,460	--
Cash at end of period	$ 3,751	$ 22,291

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

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SEAMLESS CORPORATION
SUPPLEMENTAL DISCLOSURES OF CASH FLOWS
FOR THE THREE MONTHS ENDED SEPTEMBER 30,
(unaudited)

	2009	2008
Cash paid for:		
Interest	$ --	$ 2
Noncash investing, and financing activities		
Common stock issued for conversion of preferred C stock	$ 471,060	-
Common stock issued for conversion of preferred A stock	$ --	$ 1,206,50
Of preferred C stock	$ --	$ 50,00
Preferred A stock issued for conversion of preferred C stock	$ --	$ 50,00
Deemed dividends recorded for Preferred C stock	$ --	$ 405,40

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

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SEAMLESS CORPORATION
F/K/A SEAMLESS WI-FI INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED)

NOTE 1: ORGANIZATION AND OPERATIONS

Prior to December 31, 1997, Seamless Corporation ("The Company") formerly known as Seamless Wi-Fi, Inc. "the Company" was in the food product manufacturing business and formerly known as International Food and Beverage, Inc. In November 1998, new stockholders bought majority control from the previous Chief Executive Officer through a private transaction. Immediately thereafter, the former CEO resigned and the new stockholders assumed the executive management positions. In December 1998, after new management was in place, a decision was made to change the Company's principal line of business from manufacturing to high technology. The Company changed its name from International Food & Beverage, Inc. to Internet Business's International, Inc., and reincorporated the Company on December 8, 1998 in the state of Nevada. During April of 1999, the Company announced the opening of its first e-commerce site and engaged in the development, operation and marketing of a number of commercial web sites. The Company's subsidiaries consisted of: Lending on Line (providing real estate loans and equipment leasing), Internet Service Provider (providing national Internet access dial-up service, wireless high speed Internet, and Internet web design and hosting), E. Commerce (providing Auction sites), and Direct Marketing (providing direct marketing of long distance phone service, computers with Internet access, and Internet web design hosting). The Company ceased operations during the fiscal year ended June 30, 2003. During the fiscal year ended June 30, 2004, the Company changed its name to Alpha Wireless Broadband, Inc, and started a wireless operation through it's wholly owned subsidiary Skyy-Fi, Inc a Nevada Corporation. Skyy-Fi began providing access to the Internet, by installing equipment in locations such as hotels and coffee shops for use by their patrons for a fee or free basis. As of June 30, 2008, Skyy-Fi closed the internet service and tech support for these locations.

In January 2005, the Company acquired the assets of Seamless P2P, LLC and contributed these assets to its 80% owned subsidiary Seamless Peer to Peer, Inc., which is a developer and provider of a patent pending software program Phenom Encryption Software that encrypts Wi-Fi transmissions based upon RSA's government certified 256 bit AES encryption coupled with RSA's Public Key Infrastructure flexible telecom data and voice transport solutions.

In May 2005, the Company changed its name from Alpha Wireless Broadband, Inc. to Seamless Wi-Fi, Inc, which was approved by the Board of Directors and its subsidiary from Skyy-Fi, Inc. to Seamless Skyy-Fi, Inc.

In December 2005, the Company started a hosting company Seamless Internet offering Seamless clients a high-security hosting facility.

In July 2008, the Company changed the name of its subsidiary, Seamless Skyy-Fi, Inc. to Seamless Tek Labs, Inc. The Company's subsidiary, Seamless Peer 2 Peer Inc. became a subsidiary of Seamless Tek Labs, Inc. Both Tek Labs and Peer 2 Peer concentrate on software development.

In July 2008, the Company started a marketing company, Seamless Sales, LLC for all of the products the Company and its subsidiaries produce.

In July 2008, the Company changed its name from Seamless Wi-Fi, Inc. to Seamless Corporation which was approved by the Board of Directors. The Company now concentrates on production of the S-Gen a Pocket Personal Computer, the SNBK-1 a Mini Note Book, and MP3-4 players.

In July 2008 Seamless discontinued its operations of providing Wi-Fi to hospitality providers. The incomes from those operations were from fees paid by the hotels and businesses and the cost associated from those operations include customer support and providing Internet Bandwidth. Therefore the Assets, Liabilities, Income and Expenses associated with those operations are delineated on the financials statements.

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

BASIS OF PRESENTATION AND PRINCIPLES OF CONSOLIDATION

The financial statements include the accounts of the Company and its wholly owned subsidiaries and majority-owned subsidiary. They have been prepared in conformity with (i) accounting principles generally accepted in the United States of America; and (ii) the rules and regulations of the United States Securities and Exchange Commission. All significant intercompany accounts and transactions between the Company and its subsidiaries have been eliminated in consolidation.

UNAUDITED FINANCIAL STATEMENTS

The accompanying unaudited consolidated financial statements of Seamless Corporation. and its Subsidiaries (the Company) have been prepared in accordance with accounting principles generally accepted in the United States of America for interim financial information, pursuant to the rules and regulations of the Securities and Exchange Commission. The results f or the periods indicated are unaudited, but reflect all adjustments (consisting only of normally recurring adjustments) which management considers necessary for a fair presentation of operating results.

The operating results for the three-month period ended September 30, 2009 are not necessarily indicative of the results that may be expected for the year ended June 30, 2010. These unaudited consolidated financial statements should be read in conjunction with the consolidated financial statements and footnotes thereto included in the Company's Annual Report on Form 10-K for the year ended June 30, 2009.

RECLASSIFICATIONS

Certain reclassifications have been made in the 2009 financial statements to conform to the 2008 presentation. These reclassifications did not have any effect on net income (loss) or shareholders' equity.

USE OF ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Significant estimates include allowances for doubtful accounts and notes and mortgage loans receivable. Actual results could differ from those estimates.

CASH AND CASH EQUIVALENTS

The Company considers all short-term, highly liquid investments with an original maturity date of three months or less to be cash equivalents.

ACCOUNTS RECEIVABLE

Accounts receivable are judged as to collectibility by management and an allowance for bad debts has not been established.

PROPERTY AND EQUIPMENT

Property and equipment is stated at cost and depreciated using the straight-line method over the estimated useful life of the assets, which is generally three to five years for computers and computer related equipment and five to seven years for furniture and other non-computer equipment. Leasehold improvements are amortized using the straight-line method over the shorter of their estimated useful lives or the term of the lease, ranging from one to five years.

INVENTORY

Inventory is valued at lower of cost (first-in, first out method) or market.

PROPRIETARY SOFTWARE IN DEVELOPMENT

In accordance with SFAS No. 86, accounting for the Cost of Computer Software to be Sold, Leased, or Otherwise Marketed Software ("FAS 86") (CODIFIED WITHIN ASC 985.20, SOFTWARE INDUSTRY COSTS OF SOFTWARE TO BE SOLD, LEASED OR MARKETED), the Company has capitalized certain computer software development costs upon the establishment of technological feasibility. Technological feasibility is considered to have occurred upon completion of a detailed program design which has been confirmed by documenting and tracing the detailed program design to product specifications. Amortization is provided based on the greater of the ratios that current gross revenues for a product bear to the total of current and anticipated future gross revenues for that product. The estimated useful life for the straight-line method is determined to be 2 to 5 years. For the quarters ended September 30, 2009 and September 30, 2008, there was no amortization for the capitalized costs.

REVENUE RECOGNITION

Sales are recognized upon shipment of goods to customers. Amounts billed related to shipping and handling are included in net sales.

ADVERTISING EXPENSE

All advertising costs are expensed when incurred. Advertising costs were $161,100 and $66,157 for the years ended September 30, 2009 and 2008, respectively.

CONCENTRATION OF CREDIT RISK

The Company is subject to credit risk through trade receivables. Sales through its website are generally billed to the customer's credit card, thus reducing the credit risk. The Company routinely assesses the financial strength of significant customers and this assessment, combined with the large number and geographic diversity of its customers, limits the Company's concentration of risk with respect to trade accounts receivable.

INCOME TAXES

The Company accounts for income taxes under the asset and liability approach of reporting for income taxes. Deferred taxes are recorded based upon the tax impact of items affecting financial reporting and tax filings in different periods. A valuation allowance is provided against net deferred tax assets where the Company determines realization is not currently judged to be more likely than not. The Company and its 80% of more owned U.S. subsidiaries file a consolidated federal income tax return.

EARNINGS (LOSS) PER SHARE ("EPS")

Basic EPS is computed by dividing income (loss) by the weighted average number of common shares outstanding for the period. Diluted EPS is computed giving effect to all dilutive potential common shares that were outstanding during the period. Dilutive potential common shares consist of incremental shares issuable upon conversion of preferred stock outstanding. At September 30, 2009, Series A Preferred shares are convertible to 6,184,030,000 common shares and Series C Preferred shares are convertible to 13,809,400,000 common shares. Because the convertible preferred shares have an anti-dilutive effect, there is no difference between basic and diluted earnings per share. There were also 975,000 stock options outstanding that were not included in the basic EPS calculations as their effect would have been anti-dilutive to basic EPS.

FAIR VALUE MEASUREMENT

On July 1, 2008, the Company adopted the provisions of Statement of Financial Accounting Standards ("SFAS") No. 157, (CODIFIED WITHIN ACCOUNTING STANDARDS CODIFICATION (ASC) 820, FAIR VALUE MEASUREMENTS AND DISCLOSURES) "FAIR VALUE MEASUREMENTS" as required for financial assets and liabilities. The adoption of SFAS No. 157 had no material impact on the Company's financial position, results of operations or cash flows during the quarter ended September 30, 2009. SFAS No. 157 was effective July 1, 2008 for financial assets and liabilities and was effective July 1, 2009 for non-financial assets and liabilities. The standard provides guidance for establishing a frame work for measuring fair values of assets and liabilities. Under the standard, fair value refers to the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (i.e. an exit price). The standard clarifies the principle that fair value should be based on the assumptions or inputs market participants would use when pricing the asset or liability.

In support of this principle, the accounting standard establishes a three level hierarchy for fair value measurements based on the quality or transparency of inputs used to measure the fair value of an asset or liability at the measurement date.

The three levels are defined as follows:

O Level 1 (the highest priority) -- inputs to the valuation methodology are quoted market prices (unadjusted) for identical financial assets or liabilities in active markets.

O Level 2 -- inputs to the valuation methodology include quoted market prices for similar assets and liabilities in active markets, and inputs that are observable for an asset or liability, either directly or indirectly, for substantially the full term of a financial instrument.

O Level 3 (the lowest priority) -- inputs to the valuation methodology are unobservable and significant to the fair value measurement. These inputs reflect management's own assumptions about the assumptions a market participant would use in pricing a financial instrument.

A financial instrument's categorization within the valuation hierarchy is based upon the lowest level or priority of input that is significant to the fair value measurement of the financial asset or liability.

The Company's only financial assets or liabilities subject to the accounting standard are its conversion feature liability on its convertible debt. Following is a description of the valuation methodologies used to determine the fair value of the Company's financial a ssets including the general classification of such instruments pursuant to the valuation hierarchy

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FAIR VALUE MEASUREMENTS AT REPORTING DATE USING

Description	September 30, 2009	Quoted Prices in Activ Markets for Identical Ass (Level 1)

Conversion feature liability-convertible debt	$ 878,453	$ 878,453

NEW ACCOUNTING PRONOUNCEMENTS

In June 2009, the Financial Accounting Standards Board ("FASB") issued Statement of Financial Accounting Standard ("SFAS") No. 168, THE FASB ACCOUNTING STANDARDS CODIFICATION AND THE HIERARCHY OF GENERALLY ACCEPTED ACCOUNTING PRINCIPLES, A REPLACEMENT OF FASB STATEMENT NO. 162. This statement modifies the Generally Accepted Accounting Principles ("GAAP") hierarchy by establishing only two levels of GAAP: authoritative and nonauthoritative accounting literature. Effective September 2009, the FASB Accounting Standards Codification ("ASC"), also known collectively as the "Codification," is considered the single source of authoritative U.S. accounting and reporting standards, except for additional authoritative rules and interpretive releases issued by the SEC. Nonauthoritative guidance and literature would include, among other things, FASB Concepts Statements, American Institute of Certified Public Accountants Issue Papers and Technical Practice Aids and accounting textbooks. The Codification was developed to organize GAAP pronouncements by topic so that users can more easily access authoritative accounting guidance. It is organized by topic, subtopic, section, and paragraph, each of which is identified by a numerical designation. This statement applies beginning in the quarter ended September 30, 2009. All accounting references have been updated, and therefore SFAS references have been replaced with ASC references.

NOTE 3: OPERATIONS AND LIQUIDITY

The accompanying financial statements have been prepared in conformity with generally accepted accounting principles, which contemplate continuation of the company as a going concern. The Company has experienced significant losses in recent years. At September 30, 2009 the Company had an accumulated deficit of $28,498,616.

The Company is actively pursuing additional equity financing through discussions with investment bankers and private investors. There can be no assurance the Company will be successful in its effort to secure additional equity financing. The Company's ability to continue as a going concern is contingent upon its ability to secure financing and attain profitable operations. The financial statements do not include any adjustment to reflect the possible future effects on the recoverability and classification of assets or the amounts and classification of liabilities that may result from the possible inability of the Company to continue as a going concern.

NOTE 4: INVENTORY

Inventory consists of parts and materials held by a manufacturer in China. The Company transferred the ownership of the inventory in the amount of $150,000 to Kelly's Inc. according to the settlement agreement with them in the second quarter of year 2009.

NOTE 5: PROPERTY AND EQUIPMENT, AT COST

Property and equipment consists of the following:

	June 30	
	2009	2008

Machinery and Equipment	$ 53,390	$ 53,390
Technology	2,076,704	2,076,704
Tooling	0	0
	2,130,094	2,130,094
Less: Accumulated Depreciation	52,992	52,763
	2,077,102	2,227,036

Estimated useful life for machinery and equipment is 5 years. The production for technology is not completed and the estimated useful life is not determined yet.

Depreciation expense for the year ended September 30, 2009 and 2008 was $229 and $12,073 respectively.

No amortization has been taken on tooling and technology as the production of inventory has not commenced as of September 30, 2009.

$44,611 of fixed assets and $28,743 of depreciation were written off for a loss of $15,868.

The Company transferred the ownership of the tooling in the amount of $128,500 to Kelly's Inc. according to the settlement agreement with them in the second quarter of year 2009.

NOTE 6: RELATED PARTY TRANSACTIONS

The Company had the following loans and advances to related parties:

September 30, 2008

		Loan/Advance Balance	Allowance for uncollectible loans/advances	Balance Net
Carbon Jungle, Inc.	(A)	243,332	243,332	0
DLR Funding	(B)	900,153	--	900,153
1st Global Financial Service	(C, D)	1,442,847	--	1,442,847
	Total	$ 2,586,332	$ 243,332	$ 2,343,000

A. The President of the Company was a Director of this company; the Secretary of the Company was an officer of this company.
B. The President of the Company was a stockholder and director of this company. The Secretary of the Company was an officer and stockholder of this company.
C. The President of the Company was a stockholder and director of this

company. The Secretary of the Company was an officer and stockholder of this company. A director of 1st Global was paid $10,000 per month by the Company, which was recorded as a loan receivable by the Company.

D. The President of the Company was an officer of this company.

During the quarter ended September 30, 2008, the Company wrote off $100,000 against DLR Funding's loan as uncollectible. During the quarter ended December 31, 2008, the Company wrote off $1,442,847 against 1st Global Financial Service's loan and $900,152 against DLR Funding's loan as uncollectible. At June 30, 2008 Carbon Jungle's loan of $243,332 was fully reserved and during the quarter ended December 2008, the notes receivable and the allowance were both removed. At September 30, 2009, there was no note receivable from related parties.

The above interest at annual rates ranged from 6% to 12%. The Company recorded interest income on the above for the year ended June 30, 2008 in the amount of $317,380. As all of the notes receivable and the accrued interest receivable were written off in the second quarter of the year 2009, the interest income was not recorded for the quarter ended September 30, 2009. During the quarter ended December 31, 2008, the Company wrote off the accrued interest receivable of $553,512. At September 30, 2009, there was no accrued interest receivable.

The total of notes receivable and accrued interest, in the amount of $2,996,512 is classified as current assets of discontinued operations at June 30, 2008.

During the year ended June 30, 2008, Reda Family Trust converted 10,000 preferred stock shares into 100,000,000 shares of common stock. The trust owned 44% of total common stock shares as of June 30, 2008.

Al Reda, the Company's Chief Executive Officer, Chief Financial officer and a member of the Board of Directors, is a trustee of the trust.

The Company issued 858,298 shares of Preferred D stock to AR Corp. in June 2009 in exchange for the officer loan in the amount of $339,149. The Company's chief executive officer and the director of the board is a majority shareholder of AR Corp.

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NOTE 7: STOCKHOLDER EQUITY

The Company filed a certificate of designation with the Nevada Secretary of State on June 25, 2009. According to the certificate of designation, the Company is authorized to issue 19,989,800,000 shares of common stock, par value $0.001 per share, 2,000,000 shares of convertible Series A Preferred Stock, par value $0.001 per share, 1,000,000 shares of convertible Series B Preferred Stock, par value $0.001 per share, and 3,000,000 shares of convertible Series C Preferred Stock, par value $0.001 per share, and 4,000,000 shares of convertible Series D Preferred Stock, par value $0.001 per share.

The Board of Directors has the authority to issue such shares of common and/or preferred stock in one or more series, with the designation, number, full or limited voting powers, or the denial of voting powers, preferences and relative, participating, optional, and other special rights and the qualifications, limitations, restrictions, and other distinguishing characteristics as shall be stated in the resolution or resolutions.

The Board of Directors has adopted the following resolutions regarding the preferred stock.

LIQUIDATION RIGHTS. In the event of any liquidation, dissolution or winding up of the corporation, after setting apart or paying in full the preferential amounts due to holders of senior capital stock, if any, the holders of Series "A" "B" "C" "D" Preferred Stock and parity capital stock, if any, shall be entitled to receive, prior and in preference to any distribution of any of the assets of surplus funds of the corporation to the holders of junior capital stock, including Common Stock, an amount equal to approximately $1.98 per share.

DIVIDENDS. The Preferred Stock shall not be entitled to receive any dividends.

CONVERSION RIGHTS. Each share of Series "A" Preferred Stock shall be convertible, at the option of the holder, into 10,000 fully paid and non-assessable shares of the Company's Common Stock. Each share of Series "B" Preferred Stock shall be convertible, at the option of the holder, into 1,000 fully paid and non-assessable shares of the Company's Common Stock. Each share of Series "C" Preferred Stock shall be convertible at the option of the holder, based upon the following formula. One Share of "C" Preferred Stock shall convert into One Dollar worth of fully paid and non-assessable shares of the Company's Common Stock based upon the most recent 10 day average closing price effective the date of receipt of the conversion request. Each share of Series "D" shall have no conversion rights.

VOTING RIGHTS. The holders of shares of Preferred Stock "A" "B" "C" shall NOT be entitled to vote on any matters considered and voted upon by the corporation's Common Stock. Preferred Stock "D" with voting rights as follows. One share of Series of "D" will be equivalent to voting 10,000 shares of common stock.

MANDATORY REDEMPTION. There shall be no mandatory redemption for preferred stocks.

STOCK ISSUANCE

During the fiscal year ended June 30, 2009, the following securities were issued:

10,000,000 shares of common stock were issued for consulting services and $10,000 was recorded as such.

251,819 shares of Series A Preferred Stock were converted to 2,518,190,000 shares of common stock.

748,000 shares of Series C Preferred Stock were converted into 7,480,000,000 shares of common stock.

100,000 shares of Series C Preferred Stock were converted into 10,000,000 share of common stock and 9,000 shares of Series A Preferred Stock.

320,000 shares of Series D Preferred Stock were issued for $320 to Alpha Blue Inc. in lieu of 320,000 shares of Series A Preferred Stock that was owed to Alpha Blue in consideration of $208,489 paid for the Series A Preferred Stock.

80,000 shares of Series D Preferred Stock were issued to MAKR Inc. in lieu of 80,000 shares of Series C Preferred Stock that was owed to MAKR in consideration of $106,544 paid for the Series C Preferred Stock.

28,550 shares of Series D Preferred Stock were issued to Omega Inc. in lieu of 285,500,000 shares of Common Stock that was owed to Omega in consideration of $28,350 paid for the Common Stock.

858,298 shares of Series D Preferred Stock were issued to AR Corporation to settle an officer loan payable of $339,149. The loan payable was money due to Al Reda, the majority shareholder of AR Corporation.

168,910 shares of series A Preferred were issued to Omega LLC for $129,150.

MAKR's stock subscription was $800,000 at June 30, 2008 and the payment of the $296,744 was received in the quarter ended September 30, 2008. At September 30, 2008 the remaining $97,856 was receivable and $405,400 was recorded as deemed dividend during the quarter ended September 30, 2008.

Antigua LLC paid $100,000 for 500,000 shares of the Series A Preferred Stock which was issued in the year ended June 30, 2008.

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During the quarter ended September 30, 2009, the following securities were issued:

200,000,000 shares of common stock were purchased from Adobe Oil for $20,000 and subsequently retired.

100,000,000 shares of common stock were converted into 20,000 shares of Series D Preferred Stock which are to be issued in the second quarter of fiscal year end 2010.

471,060 shares of Series C Preferred Stock were converted into 4,710,600,000 shares of common stock.

STOCK OPTION

During the year ended June 30, 2008, Dettman Group LLC was granted an option to purchase 975,000 shares of common stock at a strike price of $0.01 as a consulting fee. The option was evaluated using the Black Scholes option pricing model to be worth $268,418. The Black Scholes input variables were as follows:

Volatility: 100%
Risk free rate: 1.965%
Term: 1.5 years
Exercise price: $0.01
Stock price: $0.285
Dividend yield: $-0-

Beneficial Conversion-Deemed Dividend

As a result of the issuance of series A preferred convertible stock, the Company recorded a "Deemed Dividend" in the amount of $405,400. The deemed dividend is the result of the conversion price, at issuance, being less than the common stock market price, at issuance, since the preferred stock was immediately convertible. This is considered a "beneficial conversion feature" and is shown as a deemed dividend on the statement of operations for the year ended June 30, 2009.

NOTE 8: INCOME TAXES

No provision for income taxes has been recorded in the accompanying financial statements as a result of the Company's net operating losses. The Company has unused tax loss carry forwards of approximately $28,000,000 and $20,000,000 at September 30, 2009 and September 30, 2008 respectively to offset future taxable income. Such carry forwards expire in the years beginning 2021. The deferred tax asset recorded by the Company as a result of these tax loss carry forwards is approximately $9,500,000 and $7,000,000 at September 30, 2009 and 2008 respectively. The Company has reduced the deferred tax asset resulting from its tax loss carry forwards by a valuation allowance of an equal amount as the realization of the deferred tax asset is uncertain.

NOTE 9: COMMENTS AND CONTINGENCIES

LEASE

The Company entered into lease agreements for an office space which expires on August 31, 2010 and a server co-location facility which expires on November 2, 2010. The Company rents additional office space in Nevada, on a month to month basis. Rent expense under these leases for the quarters ended September 30, 2009 and 2008 were $21,137 and $43,351, respectively. The annual minimum future lease payments required under the Company's operating leases are as follows.

June 30, 2010	$164,645
June 30, 2011	18,265
Total	$182,910

LEGAL PROCEEDINGS

The Company is a party to the following legal proceedings:

GLOBALIST V. INTERNET BUSINESS'S INTERNATIONAL, INC. ET AL

In July 2003, Globalist sued the Company and was awarded a judgment plus interest in the amount of approximately $301,000. The Company appealed the Court's decision and the award amount. In February 2005 the Company reached a settlement agreement with Globalist. However, Globalist later rejected the settlement agreement and an appeal was filed in the second quarter with the appellate court by the Company seeking confirmation of the settlement agreement. The current liability in the amount of $361,054 reflects the current liability of discontinued operations in the accompanying financial statements.

EMPLOYMENT CONTRACT

The Company has an employment contract with their Chief Executive Officer, Albert Reda that calls for a base salary of $300,000 for the year ended June 30, 2008 and thereafter, a base salary of $25,000 a month from July 2007 until its expiration date in June 2012. In the event that the company becomes profitable according to generally accepted accounting principles, the employee's monthly salary shall be increased to $30,000 for the remainder of the employment term. In addition, the contract includes a bonus that will be determined by the company's Board of Directors.

LOANS PAYABLE

Loans Payable includes the balances due, after amortization for discounts, on the Convertible Instruments as discussed in Note 10 and the following notes:

$90,000 Note Payable, due November 12, 2010, 10% annual interest.
$18,000 Note Payable, due on demand, no stated interest.

NOTE 10: CONVERTIBLE INSTRUMENTS

The Company issued the following convertible instruments:

$260,000 Senior Secured Convertible Promissory Note, Due February 11, 2010

This Note carries interest at 10% per annum, payable monthly. This Note is convertible into common stock at the holder's option at a conversion price of the lesser of: (a) $.0001 and (b) sixty percent (60%) of the average of the three (3) lowest closing bid prices for the ten (10) trading days immediately preceding the conversion date. This note is secured by a first priority security interest in certain assets of the Company.

Convertible Promissory Notes

$50,000, due December 9, 2009
$100,000, due October 14, 2009
$150,000, due August 19, 2009
$100,000, due July 15, 2009
$309,760, due June 21, 2010
$60,000, due June 30, 2010

These Convertible Promissory Notes carries interest at 7% per annum and are convertible into common stock as follows: Unpaid principal and accrued but unpaid interest divided by the lesser of (a) $5.00 or (b) the product of 50% discount to market times 10,000.

The conversion feature embedded within all of the above Notes has been classified as a derivative liability and has been fair valued using the Black Scholes option pricing model at June 30, 2009 and September 30, 2009 in accordance with ASC 815 "Derivatives and Hedging". The conversion feature has been classified as a derivative liability, with the corresponding change in value reported in the statement of operations, because the conversion option of each note could potentially require the issuance of an unlimited number of common shares as a result of the conversion.

The fair value of the conversion option ("options") was $878,453 at September 30, 2009. The options were originally valued at $1,704,707 at issuance. However, since the value of the options at issuance exceeded the face amount of the debt, the Company recognized a loss of $826,254 as a result of the issuance of these Notes. The gain on the change in value related to these options was $725,994 for the year ended September 30, 2009.

As a result of the issuance of all these Notes, the Company recorded a discount on the Convertible Debt of $969,760. The discount was amortized to interest expense during the quarter ended September 30, 2009 in the amount of $618,554.

The following assumptions were used in the Black Scholes calculation of the fair value of the conversion feature liabilities:

Volatility: 401%;
Risk free rate: 0.2% to 2.2%;
Term: ranges from 1 month to 1 year
Exercise price: ranges from $0.00005 to $0.000925
Stock price: ranges from $0.0001 to $0.00025
Dividend yield: $-0-

Number of common shares convertible into: ranges from 108,108,108 to 3,097,600,

NOTE 11: PREFERRED STOCK LIABILITY

The company issued Preferred A stock ("A") and Preferred C stock ("C"). Both issues of stock are convertible into common stock. The A stock is convertible into 10,000 shares of common stock for each share of A stock. Pursuant to ASC 815 "Derivatives and Hedging", the value of A stock that is convertible into common stock is reflected as a liability at September 30, 2009 of $618,403. The C stock is convertible into common stock based on the number of outstanding C shares outstanding. At September 30, 2009, there were 1,380,940 shares of C stock outstanding. The C stock is convertible into $1,380,940 worth of common stock at September 30, 2009. Therefore, 13,809,400,000 shares of common stock would have to be issued (based on the common stock price of $.0001 at September 30, 2009). Since the C stock could result in an unlimited number of common shares issued, the C stock has been shown as a liability of $1,380,940 in the balance sheet at September 30, 2009.

NOTE 12: SUBSEQUENT EVENTS

On October 2, 2009, the Company, approved the issuance of a warrant to purchase shares of common stock in the Company by Ayuda Equity Funding, LLC or its registered assigns. The warrant allows for the purchase of up to One Billion Five Hundred Million (1,500,000,000) shares at $0.0001 per share, subject to adjustment, expiring on October 2, 2014.

On November 16, 2009, the Company executed a Senior Secured Convertible Promissory Note (Senior Note) in the amount of $90,000. The Senior Note bears interest at 10%, is convertible into common shares of the Company at $0.0001 per share, subject to adjustment.

The Company has evaluated subsequent events through November 20, 2009 when the financial statements were available to be issued.

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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 our financial statements, including the notes thereto, appearing elsewhere in this Report.

FORWARD-LOOKING STATEMENTS

The following information contains certain forward-looking statements of our management. Forward-looking statements are statements that estimate the happening of future events and are not based on historical fact. Forward-looking statements may be identified by the use of forward-looking terminology, such as "may," "could," "expect," "estimate," "anticipate," "plan," "predict," "probable," "possible," "should," "continue," or similar terms, variations of those terms or the negative of those terms. The forward-looking statements specified in the following information have been compiled by our management on the basis of assumptions made by management and considered by management to be reasonable. Our future operating results, however, are impossible to predict and no representation, guaranty, or warranty is to be inferred from those forward-looking statements.

OVERVIEW

Seamless Corporation has one operating subsidiary: Seamless Sales LLC which incorporates the TEK Labs, and TEK Ware. TEK Labs develops security software for accessing the Internet with a patent pending software program for Secure Internet browsing (S-SIB) and Secure Internet video conferencing Phenom(R) that encrypts Internet communications and provides flexible telecom data and voice transport solutions, TEK Ware manufactures the patented ultra mobile personal computer named the S-Gen a mini-notebook the SNBK-1, a 10 inch, 120 G. HD, 1G RAM with OS Windows XP home edition and Seamless Sales LLC which sells the products and software programs developed by Seamless Sales subsidiaries. The evolution of from a Wi-Fi provider to a hardware manufacture and software developer began during the last quarter of this fiscal year ended June 30, 2008 and was completed during the first quarter of fiscal year ending June 30, 2009. Seamless Sales eCommerce activities started May of 2009 in association with Amazon on the new Seamless Sales eCommerce website (www.seamlesssale.com). The Amazon (www.amazon.com) partnership allowed Seamless to offer additional products that it currently does not carry

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RESULTS OF OPERATIONS

The following table sets forth, for the periods indicated, our selected financial information:

	Three Months Ended September 30, 2009 (Unaudited)	Three Months Ended September 30, 2008 (Unaudited)
Revenues	$ --	$ 498
Cost of Revenues	27,170	5,449
(Gross Loss)	(27,170)	(4,951)
Expenses	437,938	351,995
Loss from continuing Operations Before interest and other items	(465,108)	(356,946)
Other Income	18,965	12,119
Loss from continuing operations before income taxes	$ 42,767	$ (344,848)
Income taxes (note 8)	--	--
Loss for continuing operations	42,767	(344,848)
Income (loss) for discontinued Operations	$ --	(13,660)
Net Income (Loss)	$ 42,767	$ (358,508)
Preferred C stock dividends-deemed	$ --	$ (405,400)
Net Income (Net Loss)	$ 42,767	$ (763,908)

THREE MONTHS ENDED SEPTEMBER 30, 2009 (UNAUDITED) COMPARED TO THREE MONTHS ENDED SEPTEMBER 30, 2008 (UNAUDITED)

REVENUES

Revenues for the three months ended September 30, 2009 is not compared to revenue from discontinued operations of providing Wi-Fi at hotels and hospitality locations.

COST OF REVENUES

The cost of revenues for the three months ended September 30, 2009 was $27,170 compared to $5,449 for the three months ended September 30, 2008, a increase of 497%. The increase in cost of revenue was the website upgrades and improvement transactional software upgrades for the eCommerce website.

OPERATING EXPENSES

Operating expenses increased by approximately 24% from $437,938 for the three months ended September 30, 2009 compared to $351,995 for the three months ended September 30, 2008. This increase in operating expenses was a result of transition to an eCommerce company increase and marketing for the new products corresponding period.

OTHER INCOME

DEBT FORGIVENESS: for the three months ended September 30, 2009 of $18,965 as compared To $12,119 for the same period in 2008. Debt forgiveness are accounts payable from prior operations that were not paid within the prescribed time as required by law and we now have to report that debt as income and reduce accounts payable owed by the Company. The increase in the debt forgiveness is due to the fact additional aged payables were written off during this quarter and are not indicative of further debt forgiveness available to the Company in the future.

DERIVATIVE INCOME: The Company also recorded unrealized gain from change in derivative liabilities of $725,994. Derivative income primarily reflects the impact of the change in value of the underlying market indices for the Company.

AMORTIZATION OF DEBT DISCOUNT: The Company also recorded $218,614 interest expense due to the amortization of unamortized debt discount and expense on outstanding long-term debt. Amounts charged to amortized debt discount shall be so kept to support the debt discount and expense on each class and series of debt.

NET INCOME/LOSS FROM CONTINUING OPERATIONS

The Company recorded a net income due to "OTHER INCOME" of $42,767 from continuing operations for the three months ended September 30, 2009 as compared to a net loss of $(344,848) for the three months ended September 30, 2008. The net income recorded is not indicative future operations which is primarily from unrealized gain from a change in derivate liabilities.

LIQUIDITY AND CAPITAL RESOURCES

Cash and cash equivalents from continuing operations of $ 0 for the three months ended September 30, 2009 is a decrease compared to $22,291 cash for and 2008 respectively. The decrease in cash and cash equivalents is due to reduced funding for the Company

Net cash used by continuing operating activities was $(157,709) and $(399,939) for September 30, 2009 and 2008, respectively. This reduction in the negative Net cash used is due to the increase in accounts payable..

As a result of the Company's in net operation losses, our working capital deficiency has increased. We have funded our losses through loans secured by preferred stock or by the purchase of preferred stock. Repayments of certain loans occurred by the lender taking possession of the collateral. We anticipate these losses to continue through 2010.

We have a working capital deficiency of $(5,890,403) as of September 30, 2009 compared to a working capital deficiency of $(6,384,456)as of June 30, 2009. The reduction in the working capital deficiency is due the reduction in preferred stock liability and convertible debt liability which was offset in part by an increase in loans payable. We expect the working capital deficient to remain constant within its current range till the company has sales.

As shown in the accompanying financial statements, we have incurred an accumulated deficit of $(28,517,088) and a working capital deficiency of approximately $(5,890,403) as of September 30, 2009. Our ability to continue as a going concern is dependent on obtaining additional capital and financing and operating at a profitable level. We intend to seek additional capital either through debt or equity offerings and to increase sales volume and operating margins to achieve profitability.

We will consider both the public and private sale of securities and/or debt instruments for expansion of our operations if such expansion would benefit our overall growth and income objectives. Should sales growth not materialize, we may look to these public and private sources of financing. There can be no assurance, however, that we can obtain sufficient capital on acceptable terms, if at all. Under such conditions, failure to obtain such capital likely would at a minimum negatively impact our ability to timely meet our business objectives.

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NET OPERATING LOSS CARRY FORWARD

No provision for income taxes has been recorded in the accompanying financial statements as a result of the Company's net operating losses. The Company has unused tax loss carry forwards of approximately $28,000,000 and $20,000,000 at September 30, 2009 and September 30, 2008 respectively to offset future taxable income. Such carry forwards expire in the years beginning 2021. The deferred tax asset recorded by the Company as a result of these tax loss carry forwards is approximately $9,500,000 and $7,000,000 at September 30, 2009 and 2008 respectively. The Company has reduced the deferred tax asset resulting from its tax loss carry forwards by a valuation allowance of an equal amount as the realization of the deferred tax asset is uncertain.

OFF BALANCE SHEET ARRANGEMENTS

We have not entered into any off balance sheet arrangements that have, or are reasonably likely to have a current or future effect on our financial condition, changes in financial condition, revenues or expenses, result of operations, liquidity, capital expenditure, or capital resources which would be considered material to investors.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

N/A

Item 4T. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

Under the supervision and with the participation of our management, including our Chief Executive Officer and Chief Financial Officer, we evaluated the effectiveness of the design and operation of our disclosure controls and procedures (as defined In Rule 13a- 15(e) and 15d-15e under the Securities Exchange Act of 1934 (the "Exchange Act") as of the end of the period covered by this Quarterly Report on Form 10-Q. Based upon that evaluation, our Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures as of the end of the period covered by this report were not effective such that the information required to be disclosed by us in the reports filed under the Securities Exchange Act of 1934 is (i) recorded, processed, summarized and reported within the time periods specified in SEC's rules and forms and (ii) accumulated and communicated to our management to allow timely decisions regarding disclosure. A controls system cannot provide absolute assurance however, that the effectiveness of the controls system are met and no evaluation of controls can provide absolute assurance that all control issues and instances of fraud if any, within a company have been detected.

Management has determined that, as of Sept, 30, 2009, there were material weaknesses in both the design and effectiveness of our internal control over financial reporting. Management has assessed these deficiencies and determined that there were weaknesses in the Company's internal control over financial reporting. As a result of our assessment that material weaknesses in our internal control over financial reporting existed as of Sept. 30, 2009, management has concluded that our internal control over financial reporting was not effective as of Sept. 30, 2009. A material weakness is a deficiency, or a combination of deficiencies, in internal control over financial reporting such that there is a reasonable possibility that a material misstatement of our annual or interim financial statements will not be prevented or detected on a timely basis.

The deficiencies in our internal controls over financial reporting and our disclosure controls and procedures are related to limited financial backgrounds of our management and a lack of segregation of duties due to the size of our accounting department. When our financial position improves, we intend to hire additional personnel to remedy such deficiencies.

Changes in internal control

Our management, with the participation our Chief Executive Officer and Chief Financial Officer, performed and evaluation as to whether any change in our internal controls over financial reporting occurred during the Sept. 30 Quarter ended 2009. Based on that evaluation, our Chief Executive officer and Chief Financial Officer concluded that no change occurred in the Company's internal controls over financial reporting during the Quarter ended Sept. 30, 2009 that has materially affected, or is reasonably likely to materially affect, the Company's internal controls over financial reporting.

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PART II - OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

In July 2003, Globalist sued the Company and was awarded a judgment plus interest in the amount of approximately $301,000. The Company appealed the Court's decision and the award amount. In February 2005 the Company reached a settlement agreement with Globalist. However, Globalist later rejected the settlement agreement and an appeal was filed in the second quarter with the appellate court by the Company seeking confirmation of the settlement agreement. The current liability in the amount of $361,054 reflects the current liability of discontinued operations in the accompanying financial statements.

To the best knowledge of management, there are no other legal proceedings pending or threatened against 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

None.

ITEM 5. OTHER INFORMATION

None.

ITEM 6. EXHIBITS

The following Exhibits are filed herein:

No.	Title
31.1	Certification of Chief Executive Officer Pursuant to the Securities Exchange Act of 1934, Rules 13a-14 and 15d-14, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
31.2	Certification of Chief Financial Officer Pursuant to the Securities Exchange Act of 1934, Rules 13a-14 and 15d-14, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
32	Certification Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

SIGNATURES

In accordance with the Exchange Act, the registrant caused this report to be signed on its behalf by the undersigned, duly authorized.

DATED: November 20, 2009

SEAMLESS CORPORTION

/s/ Albert Reda

By: Albert Reda

Its: Chief Executive Officer and
Chief Financial Officer
(Principal Executive Officer,
Principal Financial Officer and
Principal Accounting Officer)