

Pebble Beach Enterprises  
Form 10QSB  
August 09, 2007

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

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FORM 10-QSB

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**QUARTERLY REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934 For the quarterly period ended June 30, 2007**

**TRANSITION REPORT UNDER SECTION 13 OF 15(d) OF THE EXCHANGE ACT** For the transition period from \_\_\_\_\_ to \_\_\_\_\_

Commission file number **000-51770**

**Pebble Beach Enterprises, INC.**  
a Nevada corporation

1200 Truxtun Avenue #130  
Bakersfield, CA 93301  
(661) 327-0067

I.R.S. Employer I.D. # 87-0733770

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  No

Number of shares of common stock of Pebble Beach Enterprises Inc. outstanding as of July 30, 2007: 40,000,000

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

Transitional Small Business Disclosure Format (Check One): Yes  No

**PART I. FINANCIAL INFORMATION****Item 1. Financial Statements**

PEBBLE BEACH ENTERPRISES, INC  
BALANCE SHEETS  
(unaudited)

	<b>June 30, 2007</b>	<b>December 31, 2006</b>
<b>ASSETS</b>		
Cash	\$ 4,307	\$ 13,837
Accounts Receivable	42	288
Prepaid Income Taxes	-	368
<b>Total Assets</b>	<b>\$ 4,349</b>	<b>\$ 14,493</b>
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
<b>Total Liabilities</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Stockholder's Equity</b>		
Common Stock; \$.001 par value; 75,000,000 shares authorized 40,000,000 issued and outstanding	40,000	40,000
Additional paid-in-capital	(17,625)	(19,953)
Accumulated deficit	(18,026)	(5,554)
<b>Total Stockholders' Equity</b>	<b>4,349</b>	<b>14,493</b>
<b>Total Liabilities and Stockholders' Equity</b>	<b>\$ 4,349</b>	<b>\$ 14,493</b>

PEBBLE BEACH ENTERPRISES, INC  
 STATEMENTS OF OPERATIONS  
 Three and Six Months Ended June 30, 2007 and 2006  
 (unaudited)

	Three Months		Six Months	
	2007	2006	2007	2006
Revenue	\$ 92	\$ 6,340	\$ 338	7,290
<b>Operating Expenses</b>				
General & Administrative	4,336	9,955	12,819	18,589
Interest Expense	-	(8)	-	-
Total Operating Expenses	4,336	9,947	12,819	18,589
Loss before provision (benefit) for income taxes	(4,244)	(3,607)	(12,481)	(11,299)
Provision for income taxes	9	(1,947)	9	(936)
Net Loss	\$ (4,235)	\$ (5,554)	\$ (12,472)	(12,235)
Basic and diluted loss per common share	\$ (0.00)	\$ (0.00)	\$ (0.00)	\$ (0.00)
<b>Basic wighted average common shares outstanding</b>				
	40,000,000	40,000,000	40,000,000	40,000,000

PEBBLE BEACH ENTERPRISES, INC  
 STATEMENTS OF CASH FLOWS  
 Six Months Ended June 30, 2007 and 2006  
 (unaudited)

	2007	2006
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net Loss	\$ (12,472)	\$ (12,235)
Adjustments to reconcile net loss to cash used in operating activities:		
Imputed rent expense	2,328	2,328
Changes in:		
Mineral Rights Held for Sale	-	(2,119)
Accounts Receivable	246	-
Prepaid Taxes	368	(400)
Accrued Expenses	-	(1,990)
<b>NET CASH USED IN OPERATING ACTIVITIES</b>	<b>(9,530)</b>	<b>(14,416)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from note payable to related party	-	2,000
Payments on note payable to related party	-	(2,000)
<b>NET CASH PROVIDED BY FINANCING ACTIVITIES</b>	<b>-</b>	<b>-</b>
<b>NET CHANGE IN CASH</b>	<b>(9,530)</b>	<b>(14,416)</b>
Cash balance, beginning of the period	13,837	19,507
Cash balance, end of the period	\$ 4,307	\$ 5,091
<b>Supplemental Disclosures:</b>		
Taxes paid	-	-
Interest paid	-	-

PEBBLE BEACH ENTERPRISES, INC.  
NOTES TO FINANCIAL STATEMENTS  
(unaudited)

NOTE 1 - BASIS OF PRESENTATION

The accompanying unaudited interim financial statements of Pebble Beach Enterprises, Inc., have been prepared in accordance with accounting principles generally accepted in the United States of America and the rules of the Securities and Exchange Commission, and should be read in conjunction with the audited financial statements and notes thereto contained in PBE's 2006 annual report on Form 10KSB. In the opinion of management, all adjustments, consisting of normal recurring adjustments, necessary for a fair presentation of financial position and the results of operations for the interim periods presented have been reflected herein. The results of operations for interim periods are not necessarily indicative of the results to be expected for the full year. Notes to the financial statements that would substantially duplicate the disclosure contained in the audited financial statements for fiscal year 2006, as reported in the Form 10KSB, have been omitted.

NOTE 2 – GOING CONCERN

As shown in the accompanying financial statements, Pebble Beach Enterprises, Inc. has had recurring net losses and has an accumulated deficit as of June 30, 2007. These conditions raise substantial doubt as to Pebble Beach Enterprises, Inc.'s ability to continue as a going concern. The financial statements do not include any adjustments that might be necessary if Pebble Beach Enterprises, Inc. is unable to continue as a going concern.

## 2. Management Discussion and Analysis

Liquidity and Cash Requirements. As of June 30, 2007, our cash on hand was \$4,307. We anticipate our administrative and other non-real estate investment operational expenses over the next twelve months to be approximately \$25,000, including approximately \$10,000 in accounting and audit expenses. We arrive at a projected cash requirement of \$25,000 over the next year based on the assumptions that a) we will continue to receive our office space rent-free; b) our expenses will be limited to administrative cost; and c) that our auditors' costs will be relatively stable.

In terms of our real estate investment operational expenses, we rely principally on Adavco, Inc., a related party, to loan us money in order to purchase or upgrade real estate. Adavco is a real estate development company which has constructed apartment buildings and custom homes, among other development projects, since its founding in 1982. It had 2005 sales of \$150,000,000. We would be unable to continue operations without loans from Adavco, at least for the next 5-10 transactions. Adavco receives no compensation from us for their loans, outside of 5% annual interest on all monies loaned. We have a verbal agreement with Adavco to continue to receive loans from them as necessary, which we believe to be reliable because the management of Adavco consists of our sole Director and her husband.

Industry Trends. As population in our geographic area of concentration grows, and speculation increases, real estate prices have been increasing rapidly over the past seven years. There is concern among some that prices will begin to rise far less rapidly or even decrease over the next several years, as the high prices cause excessive building of residential and other structures. We do believe prices will rise less rapidly in the future, but do not believe prices will decrease in our area of California. In any event, if prices did decrease, we would enter into more joint venture profit sharing agreements with owners of undeveloped land, which would expose us to less risk since we would not own the land.

Results of Operations. The business model for our first area of operation involves buying a developed piece of land, with or without a structure already built on it, and selling it at a premium.

During the 2<sup>nd</sup> quarter we processed a number of transactions in our document recording division. We anticipate continuing to execute on our plan to make this a profitable division by the end of 2007. We hope that with time we will be able to secure enough new customers to execute on our plan of having 20 recording requests per day by the end of 2007. However, there can be no guarantee that we will be able to secure this many transactions per day due to ever changing market conditions.

Currently we are not purchasing any property due to the extreme market conditions that are occurring at this time. We believe it is much wiser to put this portion of our business plan on hold until prices come down in the overall real estate market. If and when the market does recover, we will initially focus on distressed properties where we can purchase the property at a discount. We feel this is the only way to approach the Real Estate Market with current conditions persisting the way they are.

The business model for our second area of operation, purchasing undeveloped land, brings in revenue in a similar fashion. After we complete due diligence, then purchase the land, and upgrade it, we will re-sell it to a developer, retaining the profit on the sale.

We have not conducted any transactions under this second area of operations to date.

The business model for our third area of operation, consulting work and joint ventures, involves two different revenue streams, one for consulting and one for joint ventures. When we consult for third parties who have already purchased the land, we charge \$90 - \$300 per hour to help facilitate the various issues needed for due diligence and upgrading the land, including securing mineral rights, surface rights, identifying zoning issues, helping to supply a study map and a tract map, contacting construction vendors to improve the site through grading, installing sewer hookups, etc. We were recently contacted by Lenox Homes and Jack Turman who owns a development company to do some

mineral rights research for them. Initially we do not expect this to be a large revenue stream but we are hopeful that over time we can establish some lasting relationships.

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The business model for our fourth area of operation is our newest. It involves record retrieval and recordation of documents at the Hall of Records and Superior Court for Kern County. It's a high margin business that, once developed, can be very lucrative. We are currently in talks to become the sole Kern County representative for several potential customers. The record retrieval market potential is huge, as there are numerous companies across the United States that promote themselves to attorneys and other professionals as able to retrieve records in any county in the United States. By having our offices centrally located (adjacent to the various court houses and County Hall of Records), we have a significantly larger profit margin on work provided because there is virtually no traveling time or expense. By contrast most of our competitors are small operations that work out of their house, thus incurring travel expenses as well as time constraints.

Description of Property.

Our principal office is a dedicated office building at 1200 Truxtun Ave., Suite 130, in Bakersfield, California.

We do not own real estate at the current time.

Plant and Significant Equipment. We do not expect any purchase of any plant or significant equipment assets in the next 12 months.

Number of Employees. Our current number of employees is zero. We do not expect a significant change in the number of employees in the next 12 months.

Security Ownership of Certain Beneficial Owners and Management.

We have only one class of securities – our Common Stock.

The following represents the security ownership of the only person who owns more than five percent of our outstanding Common Stock:

Annette Davis	38,054,331 shares	95.1% of common stock
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Financing Plans. We will continue to rely on loans from Adavco, Inc. to complete brokerage transactions. At this time, there is nothing signed by Adavco Inc. to guarantee that such funds will be made available.

OFF BALANCE SHEET ARRANGEMENTS

We have no off balance sheet arrangements.



**Item 3. Controls and Procedures.**

It is Management's responsibility for establishing and maintaining adequate internal control over financial reporting for Pebble Beach Enterprises. It is the President's ultimate responsibility to ensure the Company maintains disclosure controls and procedures designed to provide reasonable assurance that material information, both financial and non-financial, and other information required under the securities laws to be disclosed is identified and communicated to senior management on a timely basis. The Company's disclosure controls and procedures include mandatory communication of material events, management review of monthly, quarterly and annual results and an established system of internal controls.

As of June 30 2007, management of the Company, including the President, conducted an evaluation of the effectiveness of the design and operation of the Company's disclosure controls and procedures with respect to the information generated for use in this Quarterly Report. Based upon and as of the date of that evaluation, the President and Treasurer have concluded the Company's disclosure controls were effective to provide reasonable assurance that information required to be disclosed in the reports that the Company files or submits under the relevant securities laws is recorded, processed, summarized and reported within the time periods specified in the Commission's rules and forms. There have been no changes in the Company's internal control over financial reporting during the period ended June 30, 2007, that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

It should be noted that while the Company's management, including the President, believes the Company's disclosure controls and procedures provide a reasonable level of assurance, they do not expect that the Company's disclosure controls and procedures or internal control over financial reporting will prevent all errors and all fraud. A control system, no matter how well conceived or operated, can provide only reasonable, not absolute, assurance the objectives of the control system are met. Further, the design of a control system must reflect the fact 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 all control issues and instances of fraud, if any, have been detected. These inherent limitations include the realities that judgments in decision-making can be faulty, and 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 controls. The design of any system of controls is based in part upon certain assumptions about the likelihood of future events, and there can be no assurance any design will succeed in achieving its stated goals under all potential future conditions; over time, controls may become inadequate because of changes in conditions, or the degree of compliance with the policies or procedures may deteriorate. Because of the inherent limitations in a cost-effective control system, misstatements due to errors or fraud may occur and not be detected.

**Other Information**

**Item 4. Exhibits**

Index of Exhibits

1. 31.1 Certification of Director pursuant to Exchange Act Rules 13a-14(a) and 15d-14(a), adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
2. 31.2 Certification of Treasurer pursuant to Exchange Act Rules 13a-14(a) and 15d-14(a), adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
3. 32.1 Certification of Director pursuant to 18 U.S.C. Section 1350, adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
4. 32.2 Certification of Treasurer pursuant to 18 U.S.C. Section 1350, adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

**SIGNATURES**

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

**Pebble Beach Enterprises, INC**

Date August 1, 2007

By: /s/ Annette Davis  
Annette Davis  
Director

Date August 1, 2007

By: /s/ Lesa Hashim  
Les Hashim  
Treasurer

