



Form 10-Q

City Capital Corp - CTCC

September, 10 2008

Quarterly report [Sections 13 or 15(d)]

Filing Table: Cash Flow Statement

Cash Flow Statement

For the Six Months Ended
June 30,

2008 2007

Cash flows from operating activities		
Net loss	\$ (1,367,835)	\$ (4,514,046)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation and amortization expense	34,077	--
Stock issued for services	389,097	1,775,068
Stock issued for interest expense	50,000	--
Stock issued for accounts payable	11,500	--
Stock issued for officer compensation	500,000	--
Loss on disposition of investment subsidiary	--	64,170
Gain on extinguishment of debt	(879,632)	--
Fair value of debt derivative	245,589	(39,347)
Interest income	--	(1,700)
Change in operating assets and liabilities:		
Decrease in restricted cash - security deposits	4,716	--
Decrease in accounts receivable	771	--
(Increase) in prepaid expense	(471)	--
(Increase) in notes receivable-related party	(40,317)	(1,067,040)
(Increase) in notes receivable	--	(81,204)
(Increase) in deposits	--	(300,000)
Decrease in other assets	719	--
Increase in accounts payable and accrued expense	24,946	101,821
(Decrease) in security deposits	(2,896)	--
Increase in accrued interest	57,829	394,511
Increase in unsecured liability	--	500,000
Net cash used in operating activities	(971,907)	(3,167,767)
Cash flows from investing activities:		
Property purchases	(5,000)	(1,216,232)
Property sales	--	668,838
Net cash used in investment activities	(5,000)	(547,394)
Cash flows from financing activities:		
Stock for cash	--	127,200
Accrued expense-related party	(100,000)	--
Proceeds from notes payable	1,115,000	4,408,678
Payments for notes payable and unsecured liability	(50,308)	(705,636)
Net cash provided by financing activities	964,692	3,830,242
(Decrease) increase in cash	(12,215)	115,081
Cash at beginning of period	45,499	12,026
Cash at end of period	\$ 33,284	\$ 127,107
Supplement disclosure of cash flow information:		
Interest paid	\$ 94,476	\$ 61,843
Income taxes paid	\$ --	\$ --
Non-cash transactions:		
Note receivable and interest income exchanged for accounts payable, accrued expenses and debt	\$ 146,991	\$ 45,988

Redevelopment houses acquired through note receivable - related party	\$ --	\$ 185,913
Notes receivable - related party acquired through note payable	\$ --	\$ 1,184,414
Conversion of notes payable, debentures and accrued interest to common stock	\$ --	\$ 129,563
Stock dividend	\$ --	\$ 746,035
Unsecured liability converted to a note payable	\$ 40,000	\$ --
Reclassification of investment in portfolio companies and prepaid expense to land and retained earnings	\$ --	\$ 1,089,803
Stock receivable from excess shares issued for compensation agreement	\$ 2,115	\$ --
Release of stock payable	\$ 12,023	\$ --