

[As adopted in Release No. 34-32231, April 28, 1993, 58 F.R. 26509]

U.S. Securities and Exchange Commission

Washington, D.C. 20549

Form 10-QSB

(Mark One)

QUARTERLY REPORT UNDER SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended: March 31, 1997

TRANSITION REPORT UNDER SECTION 13 OR 15(d) OF THE
EXCHANGE ACT

For the transition period from to
Commission file number 33-20111

Eat at Joe's Ltd.
(Exact name of small business issuer as
specified in its charter)

Delaware 75-2636283
(State or other jurisdiction (IRS Employer
of incorporation or organization) Identification No.)
P.O. Box 500, Yonkers, New York, 10704
(Address of principal executive offices)

(914) 725-2700
Issuer's telephone number

(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 No X

APPLICABLE ONLY TO ISSUERS INVOLVED IN BANKRUPTCY
PROCEEDING DURING THE PRECEDING FIVE YEARS

Check whether the registrant filed all documents and reports required
to be filed by Section 12, 13 or 15(d) of the Exchange Act after the
distribution of securities under a plan confirmed by a court.
Yes No

APPLICABLE ONLY TO CORPORATE ISSUERS

State the number of shares outstanding of each of the issuer's classes
of common equity, as of the latest practical date:
April 16, 1997 12,528,428

Transitional Small Business Disclosure Format (check one).
Yes ; No x

PART I - FINANCIAL INFORMATION

Item 1. Financial Statements

EAT AT JOE'S LTD.
(A Development Stage Company)
BALANCE SHEETS

| | (Unaudited) | |
|---|-------------------|----------------------|
| | March 31, 1997 | December 31, 1996 |
| Assets: | | |
| Current Assets: | | |
| Cash and Cash Equivalents | \$ 376,635 | \$ 34,972 |
| Prepaid Expense | 3,050 | 3,975 |
| Deposits | - | 25,000 |
| Total Current Assets | 379,685 | 63,947 |
| Property and Equipment: | | |
| Office Equipment | 1,000 | - |
| Leasehold Improvements | 12,495 | - |
| Net Property and Equipment | 13,495 | - |
| Other Assets: | | |
| Security Deposits | 10,991 | - |
| Organization Costs | 8,857 | - |
| Deferred Development Costs | 196,214 | - |
| Total Other Assets | 216,062 | - |
| Total Assets | \$ 609,242 | \$ 63,947 |
| Liabilities: | | |
| Accounts Payable | \$ 18,900 | \$ 7,235 |
| Accrued Liabilities | 8,445 | - |
| Loans from Stockholders | 14,000 | - |
| Total Liabilities | 41,345 | 7,235 |
| Stockholders' Equity: | | |
| Preferred Stock - \$.0001 par value, 10,000,000 shares authorized; none issued and outstanding | | |
| Common Stock - \$.0001 par value, 50,000,000 shares authorized, 12,228,428 and 6,328,428 issued and outstanding, respectively. | 1,223 | 633 |
| Additional paid-In Capital | 1,001,690 | 452,243 |
| Contributed Capital | 672,659 | 672,659 |
| Deficit Accumulated During the Development Stage | (1,107,675) | (1,068,823) |
| Total Stockholders' Equity | 567,897 | 56,712 |
| Total Liabilities and Stockholders' Equity | \$ 609,242 | \$ 63,947 |

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

EAT AT JOE'S LTD.
(A Development Stage Company)
STATEMENTS OF OPERATIONS
(Unaudited)

| | For the Three Months Ended March 31, 1997 | | 1996 | Cumulative Since Inception of Development Stage |
|--------------------------------------|---|----------|----------|---|
| Revenues: | \$ | - | \$ | - |
| Expenses: | | 38,858 | 10,000 | 58,390 |
| Net Income (Loss) From Operations | | (38,858) | (10,000) | (58,390) |
| Other Income (Expense) Net | | 6 | - | 16,857 |

| | | | |
|--------------------------------------|-------------|-------------|----------------|
| <i>Income (Loss) From Operations</i> | | | |
| <i>Before Income Taxes</i> | (38,852) | (10,000) | (41,533) |
| <i>Provision For (Benefit From)</i> | | | |
| <i>Income Taxes</i> | - | - | - |
| <i>Discontinued Operations, Net</i> | - | - | (1,066,142) |
| | | | |
| <i>Net Loss</i> | \$ (38,852) | \$ (10,000) | \$ (1,107,675) |
| | | | |
| <i>Net Loss Per Common Share</i> | \$ - | \$ (.13) | |
| | | | |
| <i>Weighted Average Shares</i> | | | |
| <i>Outstanding</i> | 11,857,317 | 78,428 | |

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

EAT AT JOE'S LTD.
(A Development Stage Company)
STATEMENTS OF CASH FLOWS
(Unaudited)

| | <i>For the Three Months Ended March 31, 1997</i> | <i>Cumulative Since Inception of Development Stage 1996</i> | |
|--|--|---|----------------|
| <i>CASH FLOWS FROM OPERATING ACTIVITIES:</i> | | | |
| <i>Net loss for the period</i> | \$ (38,852) | \$ (10,000) | \$ (1,107,675) |
| <i>Adjustments to Reconcile net loss to net cash provided by operating activities</i> | | | |
| <i>Loss from foreclosure and abandonment of assets and related liabilities</i> | - | - | 568,330 |
| <i>Depreciation</i> | - | - | 111,181 |
| <i>Payment of organization costs</i> | (8,657) | - | (14,901) |
| <i>Amortization of organization costs</i> | - | - | 6,244 |
| <i>(Increase) decrease in prepaid expense</i> | 925 | - | (3,050) |
| <i>(Increase) decrease in deposits</i> | 14,009 | - | (10,991) |
| <i>Increase in accounts payable</i> | 11,665 | 10,000 | 18,900 |
| <i>Increase in accrued expenses</i> | 8,445 | - | 8,445 |
| <i>Decrease in accrued interest payable</i> | - | - | 8,707 |
| <i>Contributed capital for operating costs</i> | - | - | 350 |
| | | | |
| <i>Net Cash Used in Operating</i> | | | |

| | | | |
|--|----------|---|-----------|
| Activities: | (12,465) | - | (414,460) |
| Cash Flows From Investing | | | |
| Activities: | | | |
| Principal collected on notes receivable | - | - | 199,727 |
| Payment of Deferred Development Costs | (46,377) | - | (46,377) |
| Purchase of property and equipment | (13,495) | - | (79,156) |
| Proceeds from sale of property and equipment | - | - | 18,369 |
| Net Cash Provided by Investing | | | |
| Activities: | (59,872) | - | 92,563 |

EAT AT JOE'S LTD.
(A Development Stage Company)
STATEMENTS OF CASH FLOWS (Continued)
(Unaudited)
(Continued)

| | Cumulative | | |
|--|----------------------|------|-------------|
| | for the Three Months | | Since |
| | Ended March 31, | | Inception |
| | 1997 | 1996 | of |
| | | | Development |
| | | | Stage |
| Cash Flows From Financing | | | |
| Activities: | | | |
| Issuance of common stock | 400,000 | - | 726,676 |
| Payments on long-term debt | - | - | (36,307) |
| Advances to (from) majority stockholder | 14,000 | - | 8,163 |
| Net Cash Used in Financing | | | |
| Activities | 414,000 | - | 698,532 |
| Increase in Cash | 341,663 | - | 376,635 |
| Cash at Beginning of Period | 34,972 | - | - |
| Cash at End of Period | \$376,635 | \$ - | \$376,635 |
| Supplemental Disclosure of | | | |
| Interest and Income Taxes Paid | | | |
| Interest paid for the period | \$ - | \$ - | \$ 23,547 |
| Income taxes paid for the period | \$ - | \$ - | \$ - |
| Supplemental Disclosure of | | | |
| Non-cash Investing and | | | |
| Financing Activities | | | |
| Contribution of assets and assumption of liabilities, net, from majority stockholder | \$ - | \$ - | \$672,659 |
| Mining equipment acquired with issuance of common stock | \$ - | \$ - | \$251,200 |
| Deferred development costs acquired with issuance of common stock | \$149,837 | \$ - | \$149,837 |
| Organization costs acquired with issuance of common Stock | \$ 200 | \$ - | \$ 200 |

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

EAT AT JOE'S LTD.
(A Development Stage Company)
NOTES TO FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED MARCH 31, 1997
(Unaudited)

1. Interim Reporting

The accompanying unaudited financial statements have been prepared in accordance with generally accepted accounting principles and with Form 10-QSB requirements. Accordingly, they do not include all of the information and footnotes required by generally accepted accounting principles for complete financial statements. In the opinion of management, all adjustments considered necessary for a fair presentation have been included. Operating results for the three month period ended March 31, 1997, are not necessarily indicative of the results that may be expected for the year ended December 31, 1997. For further information, refer to the financial statements and footnotes thereto included in the Company's annual report on Form 10-KSB for the year ended December 31, 1996.

2. Purchase of Subsidiaries

On February 14, 1997 the shareholders of the Company approved an agreement whereby 5,500,000 shares of the Company's common stock was exchanged for a 100% interest in E.A.J. Holding Corporation, Inc. ("Holding"), a Delaware corporation. Holding, which was organized on February 14, 1997, had total assets with a historical cost value of \$150,037, consisting of the Eat at Joe's trade mark, business plan, graphics, illustrations/renderings, corporate brochure and website with a historical value of \$149,837, organization costs of \$200 and no liabilities on the date of the exchange.

During March, 1997 Holding acquired 100% of the issued and outstanding stock of E.A.J.: PHL, Airport Inc. ("PHL Airport"), a Pennsylvania corporation organized August 19, 1996 for \$25,000. At the time of the acquisition PHL Airport had assets with a historical cost value of \$37,500, consisting of developmental costs and organizational costs and liabilities of \$12,500.

These transactions have been accounted for as a reorganization of ownership interests between related parties as if it were a "Pooling of Interests." Accordingly, assets and liabilities are reflected at their historical values. Shareholders' equity has been restated to reflect shares exchanged in the reorganization as outstanding as of January 1, 1997, and income and expenses have been presented since January 1, 1997.

EAT AT JOE'S LTD.
(A Development Stage Company)
NOTES TO FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED MARCH 31, 1997
(Unaudited)
(Continued)

Item 2. Management's Discussion and Analysis or Plan of Operation.

General - This discussion should be read in conjunction with Management's Discussion and Analysis or Plan of Operations in the Company's annual report on Form 10-KSB for the year ended December 31, 1996.

Results of Operations - From March 1, 1990 to December 12, 1995 the Company was an inactive corporation. On December 12, 1995 the Company was reactivated and for the three months ended March 31, 1997 the Company continued to be a development stage company and has not begun principal operations.

Plan of Operations - With the acquisition of E.A.J.:PHL Airport, Inc. the Company has commenced the first stage of the implementation of its business plan whereby it intends to open and operate theme restaurants styled in an "American Diner" atmosphere.

Liquidity and Capital Resources - The Company intends to seek an acquisition of a larger and potentially more profitable business. The Company intends to focus on opportunities to acquire new products or technologies in development as well as those currently being operated, including a complete operating business that has demonstrated long-term growth potential, strong marketing presence, and the basis for continuing profitability. The Company has not identified any specific target or possible acquisition. As the Company pursues its acquisition program, it will incur costs for ongoing general and administrative expenses as well as for identifying, investigating, and negotiating a possible acquisition.

In order to complete any acquisition, the Company may be required to supplement its available cash and other liquid assets with proceeds from borrowings, the sale of additional securities, or other sources. There can be no assurance that any such required additional funding will be available or, if available, that it can be obtained on terms favorable to the Company.

On April 16, 1997 300,000 warrants were exercised with the \$300,000 becoming available for operating capital of the Company.

PART II - OTHER INFORMATION

Item 1. Legal Proceedings

None.

Item 2. Changes in Securities

None.

Item 3. Defaults Upon Senior Securities

None.

Item 4. Submission of Matters to a Vote of Security Holders.

On February 14, 1997 the Shareholders approved the acquisition of E.A.J. Holding Corporation, Inc. (A newly organized Delaware corporation) for the issuance of 5,500,000 shares of the Company's common stock.

Item 5. Other Information

None.

Item 6. Exhibits and Reports on Form 8-K

The Company did not file a report on Form 8-K during the three months ended March 31, 1997.

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.

*EAT AT JOE'S LTD.
(Registrant)*

DATE: *May 5, 1997*

By: */s/
Joe Fiore
Chief Executive Officer, & Director
(Principal financial and
Accounting Officer)*