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VICTORY CAPITAL HOLDINGS CORP
Form 10QSB
September 13, 2004

U. S. Securities and Exchange Commission
Washington, D. C. 20549

FORM 10-QSB

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

For the quarterly period ended June 30, 2004

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

Commission File No. 2-76219-NY

VICTORY CAPITAL HOLDINGS CORPORATION

(Name of Small Business Issuer in its Charter)

NEVADA

87-0564472

(State or Other Jurisdiction of
incorporation or organization)

(I.R.S. Employer I.D. No.)

7860 Mission Center Court, Suite 100
San Diego, California 92108

(Address of Principal Executive Offices)

Issuer's Telephone Number: (866) 570-6992

Indicate by check mark whether the Registrant (1) has filed all reports required
to be filed by Sections 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 such filing
requirements for the past 90 days.

(1) Yes No (2) Yes No

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

Not applicable.

APPLICABLE ONLY TO CORPORATE ISSUERS

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

September 7, 2004

61,866,925 (40,666,667 is held in Treasury)
21,200,258

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PART I - FINANCIAL INFORMATION

Item 1. Financial Statements.

VICTORY CAPITAL HOLDINGS CORPORATION AND SUBSIDIARIES
(A DEVELOPMENT STAGE COMPANY)

CONSOLIDATED FINANCIAL STATEMENTS

JUNE 30, 2004 AND DECEMBER 31, 2003

VICTORY CAPITAL HOLDINGS CORPORATION AND SUBSIDIARIES
(A Development Stage Company)
Consolidated Balance Sheets

ASSETS

| | June 30, 2004 | December 31, 2003 |
|----------------------|----------------------|----------------------|
| | ----- (Unaudited) | ----- |
| CURRENT ASSETS | | |
| Cash | \$ -- | \$ -- |
| | ----- | ----- |
| Total Current Assets | -- | -- |
| | ----- | ----- |
| FIXED ASSETS, NET | 2,153 | 520 |
| | ----- | ----- |
| TOTAL ASSETS | \$ 2,153 | \$ 520 |
| | ===== | ===== |

LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIT)

CURRENT LIABILITIES

| | | |
|-----------------------------------|-----------|-----------|
| Accounts payable | \$ 32,283 | \$ 28,472 |
| Accounts payable - related party | 73,158 | 42,604 |
| Accrued payroll and payroll taxes | 137,792 | 111,956 |
| | ----- | ----- |
| Total Liabilities | 243,233 | 183,032 |
| | ----- | ----- |

STOCKHOLDERS' EQUITY (DEFICIT)

Common stock authorized 100,000,000 shares at

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| | | |
|---|-------------|-----------|
| \$0.001 par value; 21,200,258 and 16,120,258 shares issued and outstanding, respectively | 21,200 | 16,120 |
| Additional paid-in capital | 1,765,363 | 617,493 |
| Deficit accumulated during the development stage | (2,027,643) | (816,125) |
| | ----- | ----- |
| Total Stockholders' Equity (Deficit) | (241,080) | (182,512) |
| | ----- | ----- |
| TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIT) | \$ 2,153 | \$ 520 |
| | ===== | ===== |

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

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VICTORY CAPITAL HOLDINGS CORPORATION AND SUBSIDIARIES
(A Development Stage Company)
Consolidated Statements of Operations
(Unaudited)

| | For the Three Months Ended June 30, | | For the Six Months Ended June 30, | |
|-----------------------------------|---|-----------|---|-----------|
| | 2004 | 2003 | 2004 | 2003 |
| | ----- | ----- | ----- | ----- |
| REVENUES | \$ -- | \$ -- | \$ -- | \$ -- |
| | ----- | ----- | ----- | ----- |
| EXPENSES | | | | |
| Consulting expense | -- | 327,332 | 965,450 | 327,332 |
| Salaries and wages | -- | 20,000 | 144,000 | 20,000 |
| General and administrative | 41,517 | 32,599 | 53,705 | 38,374 |
| | ----- | ----- | ----- | ----- |
| Total Expenses | 41,517 | 379,931 | 1,163,155 | 385,706 |
| | ----- | ----- | ----- | ----- |
| LOSS FROM OPERATIONS | (41,517) | (379,931) | (1,163,155) | (385,706) |
| OTHER INCOME (EXPENSE) | | | | |
| Loss on extinguishment of debt | -- | -- | (48,363) | -- |
| Interest expense | -- | -- | -- | (1,900) |
| | ----- | ----- | ----- | ----- |
| Total Other Income | -- | -- | (48,363) | -- |

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| | | | | |
|---|-------------|--------------|----------------|--------------|
| NET LOSS | \$ (41,517) | \$ (379,931) | \$ (1,211,518) | \$ (387,606) |
| BASIC LOSS PER SHARE OF COMMON STOCK | \$ (0.00) | \$ (0.03) | \$ (0.06) | \$ (0.05) |
| WEIGHTED AVERAGE NUMBER OF SHARES OUTSTANDING | 21,200,258 | 11,890,279 | 19,387,291 | 7,280,910 |

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

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VICTORY CAPITAL HOLDINGS CORPORATION AND SUBSIDIARIES
(A Development Stage Company)
Consolidated Statements of Stockholders' Equity (Deficit)

| | Common Stock | | Additional Paid-in Capital | Deficit Accumulated During the Development Stage |
|--|--------------|--------|----------------------------------|--|
| | Shares | Amount | | |
| Balance, January 7, 1982 | -- | \$ -- | \$ -- | \$ -- |
| Common stock issued for cash at \$7.50 per share | 6,000 | 6 | 45,000 | -- |
| Common stock issued for cash at \$0.39 per share | 168,503 | 169 | 65,819 | -- |
| Net loss from inception on January 7, 1982 through December 31, 1982 | -- | -- | -- | (39,597) |
| Balance, December 31, 1982 | 174,503 | 175 | 110,819 | (39,597) |
| Net loss for the year ended December 31, 1983 | -- | -- | -- | (71,397) |
| Balance, December 31, 1983 | 174,503 | 175 | 110,819 | (110,994) |
| Common stock issued for cash at \$25.00 per share | 57 | -- | 1,425 | -- |
| Common stock issued for cash at \$25.00 per share | 3 | -- | 75 | -- |

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| | | | | |
|---|-------------|---------|------------|--------------|
| Common stock issued for cash at \$0.25 per share | 1,580,000 | 1,580 | 38,373 | -- |
| Net loss for the year ended December 31, 1984 | -- | -- | -- | -- |
| Balance, December 31, 1984 | 1,754,563 | 1,755 | 150,692 | (110,994) |
| Retired common stock, | (1,296,132) | (1,297) | -- | -- |
| Net loss for the year ended December 31, 1985 | -- | -- | -- | -- |
| Balance, December 31, 1985 | 458,431 | 458 | 150,692 | (110,994) |
| Net loss for the year ended December 31, 1986 | -- | -- | -- | -- |
| Balance, December 31, 1986 | 458,431 | 458 | 150,692 | (110,994) |
| Net loss for the year ended December 31, 1987 | -- | -- | -- | -- |
| Balance, December 31, 1987 | 458,431 | \$ 458 | \$ 150,692 | \$ (110,994) |

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

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VICTORY CAPITAL HOLDINGS CORPORATION AND SUBSIDIARIES
(A Development Stage Company)
Consolidated Statements of Stockholders' Equity (Deficit) (Continued)

| | Common Stock | | Additional Paid-in Capital | Deficit Accumulated During the Development Stage |
|--|--------------|--------|----------------------------------|--|
| | Shares | Amount | | |
| Balance, December 31, 1987 | 458,431 | \$ 458 | \$ 150,692 | \$ (110,994) |
| Net loss for the year ended December 31, 1988 | -- | -- | -- | -- |
| Balance, December 31, 1988 | 458,431 | 458 | 150,692 | (110,994) |
| Net loss for the year ended December 31, 1989 | -- | -- | -- | -- |

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| | | | | |
|--|-----------|----------|------------|--------------|
| Balance, December 31, 1989 | 458,431 | 458 | 150,692 | (110,994) |
| Net loss for the year ended December 31, 1990 | -- | -- | -- | -- |
| Balance, December 31, 1990 | 458,431 | 458 | 150,692 | (110,994) |
| Net loss for the year ended December 31, 1991 | -- | -- | -- | -- |
| Balance, December 31, 1991 | 458,431 | 458 | 150,692 | (110,994) |
| Net loss for the year ended December 31, 1992 | -- | -- | -- | -- |
| Balance, December 31, 1992 | 458,431 | 458 | 150,692 | (110,994) |
| Net loss for the year ended December 31, 1993 | -- | -- | -- | -- |
| Balance, December 31, 1993 | 458,431 | 458 | 150,692 | (110,994) |
| Canceled common stock | (316,000) | (316) | -- | -- |
| Net loss for the year ended December 31, 1994 | -- | -- | -- | (6,656) |
| Balance, December 31, 1994 | 142,431 | 142 | 150,692 | (117,650) |
| Common stock issued for services at \$0.001 per share | 2,357,895 | 2,358 | -- | -- |
| Net loss for the year ended December 31, 1995 | -- | -- | -- | (49,097) |
| Balance, December 31, 1995 | 2,500,326 | \$ 2,500 | \$ 150,692 | \$ (166,747) |

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

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VICTORY CAPITAL HOLDINGS CORPORATION AND SUBSIDIARIES
(A Development Stage Company)
Consolidated Statements of Stockholders' Equity (Deficit) (Continued)

| Common Stock | | Additional Paid-in Capital | Deficit Accumulated During the Development Stage |
|--------------|--------|----------------------------------|--|
| Shares | Amount | | |
| ----- | ----- | ----- | ----- |

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| | | | | |
|--|-----------|----------|------------|--------------|
| Balance, December 31, 1995 | 2,500,326 | \$ 2,500 | \$ 150,692 | \$ (166,747) |
| Common stock issued for services at \$0.001 per share | 120,000 | 120 | -- | -- |
| Net loss for the year ended December 31, 1996 | -- | -- | -- | (1,681) |
| Balance, December 31, 1996 | 2,620,326 | 2,620 | 150,692 | (168,428) |
| Net loss for the year ended December 31, 1997 | -- | -- | -- | (3,517) |
| Balance, December 31, 1997 | 2,620,326 | 2,620 | 150,692 | (171,945) |
| Net loss for the year ended December 31, 1998 | -- | -- | -- | (2,479) |
| Balance, December 31, 1998 | 2,620,326 | 2,620 | 150,692 | (174,424) |
| Net loss for the year ended December 31, 1999 | -- | -- | -- | (6,307) |
| Balance, December 31, 1999 | 2,620,326 | 2,620 | 150,692 | (180,731) |
| Net loss for the year ended December 31, 2000 | -- | -- | -- | (9,011) |
| Balance, December 31, 2000 | 2,620,326 | 2,620 | 150,692 | (189,742) |
| Net loss for the year ended December 31, 2001 | -- | -- | -- | (19,461) |
| Balance, December 31, 2001 | 2,620,326 | 2,620 | 150,692 | (209,203) |
| Contributed capital for rent and officer compensation | -- | -- | 1,950 | -- |
| Net loss for the year ended December 31, 2002 | -- | -- | -- | (13,960) |
| Balance, December 31, 2002 | 2,620,326 | 2,620 | 152,642 | (223,163) |
| Contributed capital for rent and officer compensation | -- | -- | 488 | -- |
| Capital contributed by shareholders through forgiveness of accounts payable and interest | -- | -- | 77,415 | -- |
| Balance forward | 2,620,326 | \$ 2,620 | \$ 230,545 | \$ (223,163) |

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

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VICTORY CAPITAL HOLDINGS CORPORATION AND SUBSIDIARIES
(A Development Stage Company)
Consolidated Statements of Stockholders' Equity (Deficit) (Continued)

| | Common Stock | | Additional Paid-in Capital | Deficit Accumulated During the Development Stage |
|---|--------------|----------|----------------------------------|--|
| | Shares | Amount | | |
| Balance forward | 2,620,326 | \$ 2,620 | \$ 230,545 | \$ (223,163) |
| Common stock issued for services at \$0.025 per share | 13,389,932 | 13,390 | 321,358 | -- |
| Common stock issued for services at \$0.61 per share | 100,000 | 100 | 60,900 | -- |
| Common stock issued for services at \$0.47 per share | 10,000 | 10 | 4,690 | -- |
| Net loss for the year ended December 31, 2003 | -- | -- | -- | (592,962) |
| Balance, December 31, 2003 | 16,120,258 | 16,120 | 617,493 | (816,125) |
| Common stock issued for services at \$0.16 per share (unaudited) | 1,000,000 | 1,000 | 159,000 | -- |
| Common stock issued for services at \$0.17 per share (unaudited) | 1,800,000 | 1,800 | 304,200 | -- |
| Common stock issue for services at \$0.165 per share (unaudited) | 800,000 | 800 | 131,200 | -- |
| Common stock issued for services at \$0.215 per share (unaudited) | 30,000 | 30 | 6,420 | -- |
| Common stock issued for debt at \$0.45 per share (unaudited) | 150,000 | 150 | 67,350 | -- |
| Common stock issued for services at \$0.40 per share (unaudited) | 300,000 | 300 | 119,700 | -- |
| Common stock issued for services at \$0.34 per share (unaudited) | 700,000 | 700 | 237,300 | -- |
| Common stock issued for services at \$0.41 per share (unaudited) | 300,000 | 300 | 122,700 | -- |

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| | | | | |
|---|------------|-----------|--------------|----------------|
| Net loss for the three months ended June 30, 2004 (unaudited) | -- | -- | -- | (1,211,518) |
| | ----- | ----- | ----- | ----- |
| Balance, June 30, 2004 (unaudited) | 21,200,258 | \$ 21,200 | \$ 1,765,363 | \$ (2,027,643) |
| | ===== | ===== | ===== | ===== |

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

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VICTORY CAPITAL HOLDINGS CORPORATION AND SUBSIDIARIES
(A Development Stage Company)
Consolidated Statements of Cash Flows
(Unaudited)

| | For the Six Months Ended June 30, | | From Inception on January 7, 1982 Through June 30, |
|---|---|--------------|--|
| | 2004 | 2003 | 2004 |
| | ----- | ----- | ----- |
| CASH FLOWS FROM OPERATING ACTIVITIES: | | | |
| Net loss | \$ (1,211,518) | \$ (387,606) | \$ (2,027,643) |
| Adjustments to reconcile net loss to net cash used by operating activities: | | | |
| Depreciation | 60 | 30 | 140 |
| Loss on extinguishment of debt | 48,363 | -- | 48,363 |
| Stock issued for services | 1,085,450 | 327,332 | 1,488,436 |
| Contributed capital for rent and officer compensation | -- | 488 | 2,438 |
| Increase in accounts payable and accounts payable - related party | 53,502 | 42,756 | 205,994 |
| Increase to accrued liabilities | 25,836 | 17,600 | 133,792 |
| | ----- | ----- | ----- |
| Net Cash Used by Operating Activities | 1,693 | 600 | (148,480) |
| | ----- | ----- | ----- |
| CASH FLOWS FROM INVESTING ACTIVITIES: | | | |
| Purchase of fixed assets | (1,693) | (600) | (2,293) |
| | ----- | ----- | ----- |
| Net Cash Used by Investing Activities | (1,693) | (600) | (2,293) |
| | ----- | ----- | ----- |
| CASH FLOWS FROM FINANCING ACTIVITIES: | | | |
| Issuance of common stock for cash | -- | -- | 150,773 |
| | ----- | ----- | ----- |

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| | | | |
|---|--------------|------------|--------------|
| Net Cash Provided by Financing Activities | -- | -- | 150,773 |
| | | | |
| NET DECREASE IN CASH | -- | -- | -- |
| CASH AT BEGINNING OF PERIOD | -- | -- | -- |
| | | | |
| CASH AT END OF PERIOD | \$ -- | \$ -- | \$ -- |
| | | | |
| CASH PAID FOR: | | | |
| Interest | \$ -- | \$ -- | \$ -- |
| Income taxes | \$ -- | \$ -- | \$ -- |
| SCHEDULE OF NON CASH FINANCING ACTIVITIES | | | |
| Stock issued for services | \$ 1,085,450 | \$ 334,748 | \$ 1,488,436 |
| Contributed capital for rent and officer compensation | \$ -- | \$ 488 | \$ 2,438 |
| Contributed capital by shareholders | \$ -- | \$ -- | \$ 77,415 |

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

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VICTORY CAPITAL HOLDINGS CORPORATION AND SUBSIDIARIES
(A Development Stage Company)
Notes to the Consolidated Financial Statements
June 30, 2004 and December 31, 2003

NOTE 1 - CONSOLIDATED FINANCIAL STATEMENTS

The accompanying consolidated financial statements have been prepared by the Company without audit. In the opinion of management, all adjustments (which include only normal recurring adjustments) necessary to present fairly the financial position, results of operations and cash flows at June 30, 2004 and 2003 and for all periods presented have been made.

Certain information and footnote disclosures normally included in financial statements prepared in accordance with accounting principles generally accepted in the United States of America have been condensed or omitted. It is suggested that these consolidated financial statements be read in conjunction with the consolidated financial statements and notes thereto included in the Company's December 31, 2003 audited consolidated financial statements. The results of operations for the period ended June 30, 2004 is not necessarily indicative of the operating results for the full year.

NOTE 2 - GOING CONCERN

The Company's consolidated financial statements are prepared using

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accounting principles generally accepted in the United States of America applicable to a going concern which contemplates the realization of assets and liquidation of liabilities in the normal course of business. The Company has not yet established an ongoing source of revenues sufficient to cover its operating costs and allow it to continue as a going concern. The ability of the Company to continue as a going concern is dependent on the Company obtaining adequate capital to fund operating losses until it becomes profitable. If the Company is unable to obtain adequate capital, it could be forced to cease operations.

In order to continue as a going concern, develop a reliable source of revenues, and achieve a profitable level of operations the Company will need, among other things, additional capital resources. Management's plans to continue as a going concern include seeking opportunities to merge with an existing operating company. In the interim, the shareholders of the Company will cover all operating expenses. Management cannot provide any assurances that the Company will be successful in accomplishing any of its plans.

The ability of the Company to continue as a going concern is dependent upon its ability to successfully accomplish the plans described in the preceding paragraph and eventually secure other sources of financing and attain profitable operations. The accompanying consolidated financial statements do not include any adjustments that might be necessary if the Company is unable to continue as a going concern.

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

Plan of Operation.

Our Company has launched 3 unique service products and is now managing several marketing programs designed to increase our existing subscriber base for our OnDemand and Global Card products. During our 2nd Quarter, OnDemand enrolled 3 nationally recognized corporate accounts, which represent a 3rd quarter rollout of over 75,000 customers in North America. Our average Monthly Subscription Revenue (MSR) represents \$13.97 yet we anticipate increasing our MSR with the launch of our VoIP (Voice over Internet Protocol) UnityVoice product, set to launch 3rd Quarter. It is our goal to complete the roll-out of these corporate customers by December 31, 2004.

Our Company's plan of operation for the next quarter is to continue executing the business plans of our subsidiary Companies in the following sectors: (a) Technology, (On Demand Communications Corp.) (b) Finance, (Global Card, Inc.) and Media. Victory's business objective is to increase net operating income and net asset value by focusing its efforts and assets in companies and industries with high potential for growth, equity appreciation and overall return. The Company is principally engaged in the formation of subsidiary companies to operate in emerging markets, and incubating them from their initial stages to maturity and independence.

Item 3. Controls and Procedures.

(a) Evaluation of Disclosure Controls and Procedures

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Victory Capital Holdings Corporation's President and Secretary/Treasurer have evaluated the company's disclosure controls and procedures as of September 07, 2004, and they concluded that these controls and procedures are effective.

(b) Changes in Internal Controls

There are no significant changes in internal controls or in other factors that could significantly affect these controls subsequent to September 07, 2004.

PART II - OTHER INFORMATION

Item 1. Legal Proceedings.

The Company was a named defendant in an unlawful detainer action filed in Los Angeles County, California. During the 2nd Quarter the Company's legal representation entered final settlement and the matter has been dismissed with prejudice.

Item 2. Changes in Securities.

None; not applicable.

Item 3. Defaults Upon Senior Securities.

None; not applicable.

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

None; not applicable.

Item 5. Other Information.

On November 17, 2003 the Company relieved Jersey Transfer and Trust Company of the duties as the Company's Transfer Agent and engaged Mellon Investor Services to fill these duties and responsibilities.

Harold Gregg, the Company's Chairman and Interim CEO, owns 0% of the Company's common stock, is eligible under the Performance Agreement dated January 1, 2004, which is valid through December 31, 2004, to be issued 10% of the Company's common stock at a .10 share price. These shares will be issued in the event that the business plan referenced above in item 2. is either met or exceeded.

Mr. Gregg, also serves as General Counsel for Ascot Investments, Inc., which holds 4.0% of the Company's common stock. In addition, Mr. Gregg serves as General Counsel of Ascot Aviations, Inc. and CTSO, Inc., which both hold 4.0% of the Company's common stock. Mr. Gregg currently holds a seat on the Board of Directors of Ascot Investments, Inc. Both Ascot Aviations, Inc. and CTSO, Inc. are portfolio holdings of Ascot Investments, Inc.

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Item 6. Exhibits and Reports on Form 8-K.

(a) Exhibits.

None.

(b) Reports on Form 8-K.

None.

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.

Victory Capital Holdings Corporation
fka New Environmental Technologies Corporation

Date: 09/10/04

By: /s/Harold Gregg

Harold Gregg
Director and CEO
Secretary and Treasurer

CERTIFICATION PURSUANT TO
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Harold Gregg, President of Victory Capital Holdings Corporation, (the "Registrant"), certify that:

1. I have reviewed this Annual Report on Form 10-QSB ("the Annual Report") of the Registrant;
2. Based on my knowledge, this Annual Report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this Annual Report;
3. Based on my knowledge, the financial statements, and other financial information included in this Annual Report, fairly present in all material respects the financial condition, results of operations and cash flows of the Registrant as of, and for, the periods presented in this Annual Report;
4. The Registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-14 and 15d-14) for the Registrant and we have:
 - a) designed such disclosure controls and procedures to ensure that material information relating to the Registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this Annual Report is being prepared;
 - b) evaluated the effectiveness of the Registrant's disclosure controls and procedures as of a date within 90 days prior to the filing date of this Annual Report (the "Evaluation Date"); and

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- c) presented in this Annual Report our conclusions about the effectiveness of the disclosure controls and procedures based on our evaluation as of the Evaluation Date;
5. The Registrant's other certifying officer and I have disclosed, based on our most recent evaluation, to the Registrant's auditors and the audit committee of Registrant's Board of Directors (or persons performing the equivalent function);
- a) all significant deficiencies in the design or operation of internal controls which could adversely affect the Registrant's ability to record, process, summarize and report financial data and have identified for the Registrant's auditors any material weaknesses in internal controls; and
 - b) any fraud, whether or not material, that involves management or other employees who have a significant role in the Registrant's internal controls; and
6. The Registrant's other certifying officer and I have indicated in this Annual Report whether or not there were significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of our most recent evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

Dated: September 10, 2004

Signature: /s/ Harold Gregg

Harold Gregg
President

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

I, Harold Gregg, certify that:

- 1. I have reviewed this quarterly report on Form 10-QSB of Victory Capital Holdings Corporation fka New Environmental Technologies Corporation. The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- 2. Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this quarterly report.
- 3. Based on my knowledge, the financial statements, and other financial information included in this quarterly report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this quarterly report. Date: September 10, 2004

/s/ Harold Gregg

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Harold Gregg
Chairman of the Board and Treasurer
(principal executive officer)
(principal financial officer)