United States
Securities and Exchange Commission
Washington, DC 20549

FORM 10-QSB

Quarterly Report Under Section 13 or 15(d) of
the Securities Exchange Act of 1934

For the Quarter Ended	Commission File Number
June 30, 2005	333-119234

THE FLOORING ZONE, INC.

(Exact name of registrant as specified in its charter)

NEVADA

(State or other jurisdiction of incorporation or organization)

20-0019425

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

3219 Glynn Avenue, Brunswick, Georgia 31520

(Address of principal executive offices)

(912) 264-0505

(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12 (b) of the Act: None.

Securities registered pursuant to section 12(g) of the Exchange Act: Common, $0.001 par value

Check whether the Issuer 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 report(s), Yes [X] No [ ]

Check whether the Issuer has been subject to such filing requirements for the past 90 days. Yes [X] No [ ]

As of August 8, 2005 we had 38,564,750 shares of our $0.001 par value, common stock outstanding.

THE FLOORING ZONE, INC.
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PART II -- OTHER INFORMATION

PART I FINANCIAL INFORMATION

Item 1. Financial Statements

<TABLE>
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The Flooring Zone, Inc.
Condensed Consolidated Balance Sheet
June 30, 2005
(Unaudited)

ASSETS

Current assets:	
<S>	<C>
Cash	$ 94,726
Accounts receivable, net	148,730
Inventory	520,469
Prepaid expense	8,120

Total current assets	772,045
Property & equipment, net	280,697
Other assets:	
Intangible assets, net	6,425
Deposits	6,031

Total other assets	12,456

TOTAL ASSETS	$ 1,065,198
	===================

See accompanying notes to financial statements

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The Flooring Zone, Inc.
Condensed Consolidated Balance Sheet-[continued]
June 30, 2005
(Unaudited)

LIABILITIES AND STOCKHOLDERS' DEFICIT

Current liabilities:

<S> <C>

Accounts payable	$ 549,959
Line of credit-bank and related party	142,000
Customer deposits	40,851
Accrued liabilities	16,156
Current portion long-term debt	134,179
Total current liabilities	883,145
Long-term liabilities:	
Note payable-related party	113,448
Long-term debt	581,323
Current portion long-term debt	(134,179)
Total long-term liabilities	560,592
Total liabilities	1,443,737
Stockholders' deficit:-Note 2	
Preferred Stock, 10,000,000 shares authorized $.001 par value value: No shares issued and outstanding	-
Common stock, 100,000,000 shares authorized $.001 par value; 38,539,750 shares issued and outstanding	38,540
Additional paid in capital	546,287
Accumulated deficit	(963,366)
Total stockholders' deficit	(378,539)
TOTAL LIABILITIES AND STOCKHOLDERS' DEFICIT	$ 1,065,198

See accompanying notes to financial statements

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The Flooring Zone, Inc.
Condensed Consolidated Statements of Operations
For the three month and six month periods ended June 30, 2005 and 2004
(Unaudited)

	Three months ended June 30, 2005	Three months ended June 30, 2004	Six months ended June 30, 2005	Six months ended June 30, 2004
<S>	<C>	<C>	<C>	<C>
Revenues:				
Sales	$ 926,128	$ 937,535	$ 1,784,681	$ 2,010,763
Licensing Fees	0	9	2,500	5,219
Net revenues	926,128	937,544	1,787,181	2,015,982
Less cost of sales	608,283	624,338	1,090,695	1,227,026
Gross profit	317,845	313,206	696,486	788,956
General and administrative expenses	294,308	307,599	642,555	698,738
Net income (loss) from operations	23,537	5,607	53,931	90,218

Other income (expense):				
Interest expense	(23,039)	(14,860)	(43,765)	(31,029)
Total other income(expense)	(23,039)	(14,860)	(43,765)	(31,029)
Net income (loss) before taxes	498	(9,253)	10,166	59,189
Income taxes	-	-	-	-
Net income (loss)	$ 498	$ (9,253)	$ 10,166	$ 59,189
Income (loss) per share-basic and diluted	$ 0.00	$ (0.01)	$ 0.00	$ 0.00
Weighted average shares outstanding - basic and diluted	38,522,145	38,416,034	38,475,423	38,384,436

See accompanying notes to financial statements

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The Flooring Zone, Inc.
Condensed Consolidated Statements of Cash Flows
For the six month periods ended June 30, 2005 and 2004
(Unaudited)

	6/30/2005	6/30/2004
CASH FLOWS FROM OPERATING ACTIVITIES		
<S>	<C>	<C>
Net income	$ 10,166	$ 59,189
Adjustments to reconcile net income to net cash used in operating activities:		
Depreciation and amortization	21,245	18,278
Decrease (increase) in accounts receivable	(69)	(7,512)
Decrease (increase) in inventories	(217,295)	(230,346)
Decrease (increase) in prepaid expenses	(8,120)	703
Increase (decrease) in accounts payable	32,400	51,185
Increase (decrease) in accrued liabilities	1,592	(8,776)
Increase (decrease) in customer deposits	5,039	(109,752)
Net cash used in operating activities	(155,042)	(227,031)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property and equipment	(6,748)	(3,265)
Purchase of intangible assets	-	-
Net cash used in investing activities	(6,748)	(3,265)
CASH FLOWS FROM FINANCING ACTIVITIES		
Net borrowing(payments) on line of credit-related party	15,000	74,144
Net borrowing(payments) on long term debt	(70,676)	67,771
Proceeds from the issuance of common stock	222,100	107,500
Net cash provided by financing activities	166,424	249,415
NET INCREASE IN CASH	4,634	19,119

CASH AT BEGINNING OF PERIOD	90,092	55,014
CASH AT END OF PERIOD	$ 94,726	$ 74,133

SUPPLEMENTAL DISCLOSURES

Cash paid for interest	$ 43,765	$ 31,029
Cash paid for income taxes	-	-

See accompanying notes to financial statements

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The Flooring Zone, Inc.
Notes to Condensed Consolidated Financial Statements
June 30, 2005

Note 1 ORGANIZATION AND INTERIM FINANCIAL STATEMENTS

Organization-The Flooring Zone, Inc. (the "Company) is a corporation organized under the laws of the State of Nevada on May 5, 2003. The company's business operations provide for full-service retail floor covering products and services.

Interim financial statements-The accompanying condensed consolidated financial statements are unaudited and have been prepared in accordance with generally accepted accounting principles for interim financial information. Accordingly, they do not include all of the information and footnotes required by accounting principles for complete financial statements generally accepted in the United States of America. In the opinion of management, the accompanying consolidated financial statements contain all adjustments, consisting of normal recurring accruals, necessary for a fair presentation of our financial position as of June 30, 2005. There has not been any change in the significant accounting policies of The Flooring Zone, Inc. for the periods presented. The results of operations for the three months and six months ended June 30, 2005 and 2004 are not necessarily indicative of the results for a full-year period. It is suggested that these unaudited condensed consolidated financial statements be read in conjunction with the consolidated financial statements and the notes thereto included in the Company's Annual Report on Form 10-KSB for the fiscal year ended December 31, 2004 filed with the Securities and Exchange Commission (the "SEC").

Stock based compensation- The Company accounts for stock compensation arrangements under the intrinsic value method outlined in Accounting Principles Board (APB) Opinion No. 25, Accounting for Stock Issued to Employees, (APB Opinion No. 25) and currently intends to continue to do so until it adopts the provisions of Statement of Financial Accounting Standards (SFAS) No. 123R, Share-Based Payment, (SFAS No. 123R). Accordingly, no compensation cost has been recognized for stock compensation arrangements. If the compensation cost for the compensation plans had been determined consistent with SFAS No. 123R, net income and earnings per common share and common share equivalent would have changed to the pro forma amounts indicated below:

	6/30/2005	6/30/2004
Net income, as reported	$10,166	$59,189
Compensation cost under fair value-based accounting method, net of tax	-	-
Net loss, pro forma	10,166	59,189
Net loss per share-basic and diluted:		
As reported	$ 0.00	$ 0.00

Pro forma	$ 0.00	$ 0.00

The Flooring Zone, Inc.
Notes to Condensed Consolidated Financial Statements
June 30, 2005
(Unaudited)

Note 2 COMMON STOCK

The Company's SB-2 Registration statement filed with the Securities and Exchange Commission became effective in January 2005. During the six months ended June 30, 2005 the Company issued 111,050 shares of its common stock at a price of $2.00 per share for a total of $222,100.

Note 3 INVENTORY

Inventories are stated at lower of cost or market and consist of the following:

	6/30/05
Flooring material	520,469
Total	$ 520,469

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

This discussion summarizes the significant factors affecting our consolidated operating results, financial condition, liquidity and capital resources during the three and six months ended June 30, 2005 and 2004. This discussion should be read in conjunction with the financial statements and financial statement footnotes included in this registration statement.

Forward-Looking Statements

Certain statements of our expectations contained herein, including, but not limited to statements regarding sales growth, new stores, increases in comparable store sales, commodity price inflation and deflation, and capital expenditures constitute "forward-looking statements." Such statements are based on currently available operating, financial and competitive information and are subject to various risks and uncertainties that could cause actual results to differ materially from our historical experience and our present expectations. These risks and uncertainties include but are not limited to, fluctuations in and the overall condition of the U.S. economy, stability of costs and availability of sourcing channels, conditions affecting new store development, our ability to implement new technologies and processes, our ability to attract, train, and retain highly-qualified associates, unanticipated weather conditions and the impact of competition and regulatory and litigation matters. Undue reliance should not be placed on such forward-looking statements, as such statements speak only as of the date on which they are made.

General

The Flooring Zone, Inc. is a Nevada corporation organized on May 5, 2003, to operate full service retail floorcovering stores. We have a wholly-owned subsidairy, The Flooring Zone of Georgia, Inc. The Georgia corporation was formed in 2000, by the founders of The Flooring Zone, Inc., and was established to develop our business concept in the retail floorcovering industry. Through our subsidiary we operate a total of three retail stores. We have stores in Brunswick and St. Mary's, Georgia and one in Yulee, Florida. We also maintain administrative offices and warehouse facilities in Brunswick, Georgia. We are currently conducting a registered offering to raise capital to expand our operations and store locations in the southeastern United States.

Results of Operations

For the six months ended June 30, 2005 and 2004

While we enjoyed net income during the first six months of 2005, our revenues and net income during that period, however, were lower compared to the same six month period 2004.

Revenues

We generate revenue primarily from the sale of flooring products. We sell flooring products to two groups - retail customers and contractors. Retail customers generally pay higher prices for products than contractors. Typically, about 70% of our product sales are to retail customers and 30% of our product sales are to contractors.

Despite average retail product prices being approximately 10% higher, during the six months ended June 30, 2005 compared to the same six month period of 2004, we realized a decrease in net revenue of 11% to $1,787,181. This decrease in revenue in the first six months of 2005 was primarily the result of an unusually successful first fiscal quarter of 2004, when we provided flooring products for a large condominium complex and a local hospital. While overall revenue decreased 11%, we believe that, exclusive of the condominium project and the hospital, our revenue from product sales in the first six months of 2005 was consistent with revenues from the first six months of 2004.

As noted above, our revenues are affected by consumer confidence. Based on sales during the first six months, we believe consumer confidence in the communities where we operate continues to be strong. We anticipate revenues at our current stores to remain constant or even slightly higher during the remainder of 2005. We anticipate that our planned expansion into more and larger markets will increase product sales and revenue from operations. We believe the revenues we can earn from one store in the larger markets we are targeting will be equivalent to the revenue we earn in the three stores we currently have.

Gross Profit

Our gross profit is directly affected by our costs of sales. Cost of sales includes all direct costs of floor coverings, materials used in installation and installation labor. As with revenues, our cost of sales and gross profit are directly affected by changes in the percentage of products sold to retail customers versus contractors. As discussed above, the prices we can charge contractors are lower than the prices we can charge retail customers,

therefore, our profit margin on product sales to retail customers is greater. Moreover, we typically also realize profit from the sale of materials used in installation and from the costs charged for installation labor to retail customers. Conversely, contractors typically use their own subcontractors to install the floor covering products they purchase. These subcontractors provide the materials used in installation and the installation labor.

Gross profit during the first six months of 2005, was $696,486, 12% lower than the $788,956 gross profits realized during the first six months of 2004. During the first six month of 2005, we realized an 11% decrease in net revenue. We also realized an 11% decrease in cost of sales during that period. Cost of sales as a percentage of net revenues, however, remained constant during the 2005 and 2004 periods. Until such time as we are able to expand our operations into additional markets, we anticipate gross profit to remain consistent with the prior year results or to increase modestly.

General and Administrative Expenses

Comparison of the six months ended June 30, 2005 and 2004

General and administrative expenses for the six months ended June 30, 2005, decreased $56,183, or 8% to $642,555 compared to the six months ended June 30, 2004, and as a percentage of sales revenue remained almost flat during the six months ended June 30, 2005 and 2004. During the six months ended June 30, 2005 and 2004, general and administrative costs consisted of:

	Six Months Ended June 30, 2005	Six Months Ended June 30, 2004
Salaries & benefits costs	$ 250,146	$ 311,078
Advertising & display costs	49,436	46,941
Occupancy costs & utilities	150,992	148,837
Legal & accounting costs	35,808	32,471
Other	156,173	159,411
	$ 642,555	$ 698,738

The 20% reduction in salaries and benefits costs in the six months ended June 30, 2005 compared to 2004 is largely the result of a reduction in our work force as we have made a concerted effort to consolidate certain job functions. We do not anticipate significant increases in staffing needs until we have raised sufficient capital to expand our operations.

During the six months ended June 30, 2005 we increased our advertising and display costs by 5% compared to the same period of 2004. This increase in advertising is largely attributable to our efforts to increase product sales and our efforts to inform investors of our ongoing public offering. We anticipate advertising costs to remain fairly consistent with those incurred during the first six months of 2005 until we expand to new markets.

Occupancy costs and utilities during the six months ended June 30, 2005 compared to the same period of 2004, remained relatively flat, increasing by less than 1.4%. We expect these costs to remain constant until we expand our operations.

Legal and accounting costs increased 10.3% to $35,808 during the six month period ended June 30, 2005 compared to the six month period ended June 30, 2004. We anticipate legal and accounting costs to continue at levels consistent with or higher than the amounts incurred in the first six months of 2005 as we begin to incur legal and accounting costs in connection with our ongoing public reporting obligations.

Other costs remained relatively constant decreasing only 2% during the six months ended June 30, 2005 compared to June 30, 2004. We anticipate other expenses to remain fairly flat until we expand and add additional Company owned stores to our network.

Net Income

Our net income in the six months ended June 30, 2005 was $10,166 compared to $59,189 in during the first six months of 2004. This 83% decrease in net income during the first six months of 2005 is primarily the result of decreased sales volume compared to the first six months of 2004 as the Company completed a number of unusually large jobs during the first six months of 2004.

Comparison of the three months ended June 30, 2005 and 2004.

During the three months ended June 30, 2005, we realized net income compared to a net loss during the three months ended June 30,2004.

Revenues

Despite average retail product prices being approximately 10% higher, in the three months ended June 30, 2005 compared to the same three month period of 2004, net revenue remained relatively constant decreasing only 1%. This decrease in revenue in the first fiscal quarter 2005 was primarily the result of an unusually successful second fiscal quarter of 2004, when we provided flooring products for a large condominium complex and a hospital, combined with the fact that we shifted our spring private sales event from March to April in 2005. While overall revenue decreased 20%, we believe that, exclusive of the condominium project and the hospital and the timing of our spring private sale, our revenue from product sales in the second quarter 2005 was consistent with revenues from the second quarter of 2004.

Gross Profit

Gross profit during the second fiscal quarter of 2005, was $317,845, essentially unchanged from the $313,206 gross profit realized during the second fiscal quarter of 2004, as net revenue and cost of sales each decreased by 1% during the second fiscal quarter of 2005. Until such time as we are able to expand our operations into additional markets, we anticipate gross profits to remain consistent with the prior year results or to increase modestly.

General and Administrative Expenses

For the three months ended June 30, 2005 and 2004

General and administrative expenses for the three months ended June 30, 2005, decreased $13,291, or 4% to $294,308 compared to the three months ended June 30, 2004. As a percentage of sales revenue general and administrative expenses decrease to 32% during the quarter ended June 30, 2005, compared to 33% during the quarter ended March 31, 2004. During the three months ended June 30, 2005 and 2004, general and administrative costs consisted of:

	Three Months Ended June 30, 2005	Three Months Ended June 30, 2004
Salaries & benefits costs	$ 120,265	$ 145,150
Advertising & display costs	28,086	15,478
Occupancy costs & utilities	73,872	72,799
Legal & accounting costs	8,308	7,518
Other	63,777	66,654
	$ 294,308	$ 307,599

The 17% reduction in salaries and benefits costs in the quarter ended June 30, 2005 compared to the quarter ended June 30, 2004 is largely the result of a reduction in our administrative work force as we have made a concerted effort to control costs through the consolidation of certain job functions. We do not anticipate significant increases in staffing needs until we have raised sufficient capital to expand our operations.

During the three months ended June 30, 2005 we increased our advertising and display costs by 81% compared to the same period of 2004 in an effort to increase sales and in connection with our public offering. We anticipate advertising costs to remain fairly consistent with those incurred during the second quarter 2005 until we expand to new markets.

Occupancy costs and utilities during the second quarter 2005 compared to the same quarter 2004, remained relatively flat, increasing by less than 1.5%. We expect these costs to remain constant until we expand our operations.

Legal and accounting costs increased 10.5% during the three months ended June 30, 2005 compared to the three months ended June 30, 2004. We anticipate legal and accounting costs to continue at levels consistent with or higher than the second quarter 2005 as we begin to incur legal and accounting costs in connection with our ongoing public reporting obligations.

Other costs were relatively unchanged during the quarters ended June 30, 2005 and 2004 decreasing 4.3% in the second quarter of the current year.. We anticipate other expenses to remain relatively constant until we expand and add additional Company owned stores to our network.

Net Income

Our net income in the second quarter 2005 was $498 compared to a net loss of $9,253 in the second quarter 2004. This change from a net loss to net income during the first quarter 2005 is primarily the result of decreased cost of sales and general and administrative expenses, only being partially offset by slightly lower sales volume and increased interest expense compared to the first quarter 2004.

Liquidity and Capital Resources

Our capital resources have consisted of revenues from operations, funds raised through the sale of our common stock and debt. On January 31, 2005 our SB-2 registration statement was declared effective by the Securities and Exchange Commission and we commenced selling shares of our common stock at $2.00 per share. As of August 8, 2005, we have raised $272,100. We anticipate our capital resources in the upcoming twelve months will likewise consist primarily of revenues from operations, funds raised in financing activities and debt.

During the first six months of 2005 and 2004 cash was primarily used to fund operations. See below for additional discussion and analysis of cash flow.

	Six Months Ended	
	June 30, 2005	June 30, 2004
Net cash used in operating activities	$ (155,042)	$ (227,031)
Net cash used in investing activities	$ (6,748)	$ (3,265)
Net cash provided by financing activities	$ 166,424	$ 249,415
NET INCREASE (DECREASE) IN CASH	$ 4,624	$ 19,119

As discussed herein, during the six months ended June 30, 2005 compared to the six months ended June 30, 2004 product sales decreased leading to a reduction in net income of $49,023 to $10,166. During the first six months of 2005 inventory has increased $217,295. As we have increased our marketing to try and increase sales. Accounts payable have also increased by $32,400 as we have had less income from operations to resolve accounts payable. Net cash used in operating activities during the six months ended June 30, 2005, was 32% lower than net cash used in operating activities during the six months ended June 31, 2004. This decrease in cash used in operating activities during the six months ended quarter 2005, was largely the result of significantly higher customer deposits.

We used $6,748 net cash in investing activities to acquire equipment during the first six months of 2005, compared to $3,265 during the first six months of 2004.

Net cash provided from financing activities was $166,424 during the six months ended June 30, 2005 compared to $249,415 during the six months ended June 30, 2004, a 33% decrease. During the six months ended June 30, 2005 we repaid $70,676 in long term debt compared to borrowing $67,771 during the first six

months of 2004. Also during the first quarter 2005, we raised $222,100 from the sale of our common stock in a public offering compared to funds raised in private sales of our common stock totaling $107,500 during the six months ended June 30, 2004.

At June 30, 2005 and 2004, we had cash on hand of $94,726 and $74,133, respectively.

Summary of Material Contractual Commitments

The following table lists our significant commitments as of June 30, 2005.

<TABLE>
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	Payments Due by Fiscal Year					
Contractual Commitments	Total	2005	2006	2007	2008	Thereafter
<S>	<C>	<C>	<C>	<C>	<C>	<C>
Note Payable-Related Party	113,448	18,403	47,414	47,631	--	--
Notes Payable	557,478	62,214	44,373	47,344	50,515	353,032
Capital Leases	23,846	5,339	10,473	8,034	--	--
Operating Leases	753,323	97,133	199,534	149,388	152,170	155,098

TOTAL	$1,448,095	$183,089	$301,794	$252,397	$202,685	$508,130

</TABLE>

Off-Balance Sheet Financing Arrangements

As of June 30, 2005 and 2004, we had no off-balance sheet financing arrangements.

Critical Accounting Policies

Revenue Recognition

We recognize revenues in accordance with the Securities and Exchange Commission, Staff Accounting Bulletin (SAB) number 104, "Revenue Recognition in Financial Statements." SAB 104 clarifies application of U. S. generally accepted accounting principles to revenue transactions. Accordingly, revenue is recognized when an order has been received, the price is fixed and determinable, the order is shipped and installed, collection is reasonably assured and we have no significant obligations remaining. Licensing fees are royalties paid to us for licensing the use of the name The Flooring Zone. The royalties range from 1-2% of the licensee's commercial sales volume.

We record accounts receivable for sales which have been delivered but for which money has not been collected. An allowance for doubtful accounts is provided for accounts deemed potentially uncollectible based on analysis and aging of accounts. For customer purchases or deposits paid in advance, we record a liability until products are shipped or installed.

Merchandise Inventory

We record inventory at the lower of cost or market, cost being determined on a first-in, first-out method. We do not believe our merchandise inventories are subject to significant risk of obsolescence in the near-term, and we have the ability to adjust purchasing practices based on anticipated sales trends and general economic conditions.

Vendor Funds

We receive funds from vendors in the normal course of business for purchase-volume-related rebates. Our accounting treatment for these vendor-provided funds is consistent with Emerging Issues Task Force (EITF) 02-16 "Accounting by a Customer (Including a Reseller) for Certain Consideration Received From a Vendor." Under EITF 02-16, purchase volume rebates should be treated as a reduction of inventory cost, unless they represent a reimbursement of specific, incremental and identifiable costs incurred by the customer to sell the vendor's product. The purchase volume rebates that we receive do not meet the specific, incremental and identifiable criteria in EITF 02-16. Therefore, they are treated as a reduction in the cost of inventory and we recognize these funds as a reduction of cost of sales when the inventory is sold.

Recently Issued Accounting Pronouncements

In December 2004, the FASB issued SFAS No. 123R, Share-based Payment. This standard is a revision of SFAS No. 123, Accounting for Stock-Based Compensation, and supersedes Accounting Principles Board Opinion No. 25, Accounting for Stock Issued to Employees, and its related implementation guidance. SFAS No. 123R requires the measurement of the cost of employees services received in exchange for an award of the entity's equity instruments based on the grant-date fair value of the award. The cost will be recognized over the period during which an employee is required to provide service in exchange for the award. No compensation cost is recognized for equity instruments for which employees do not render service. The Company will adopt SFAS No. 123R on December 15, 2005, which will require stock-based compensation expense to be recognized against earnings for the portion of outstanding unvested awards, based on the grant date fair value of those awards calculated using a Black-Scholes pricing model under SFAS 123 for pro forma disclosure. The Company is currently evaluating to what extent the entity's equity instruments will be used in the future for employees services and the transition provisions of this standard; therefore, the impact to the Company's financial statements of the adoption of SFAS No. 123R cannot be predicted with certainty.

In November 2004, the FASB issued SFAS No. 151, Inventory Costs, an amendment of ARB No. 43, Chapter 4, Inventory Pricing, to clarify that for abnormal amounts of idle facility expense, freight, handling costs, and wasted material (spoilage), should be expensed as incurred and not included in overhead. In addition, this Statement requires the allocation of fixed production overheads to the costs of conversion be based on the normal capacity of the production facilities. The provisions in SFAS No. 151 are effective for inventory costs incurred during fiscal years beginning after June 15, 2005. The Company is currently assessing the impact of SFAS no. 151 on its consolidated financial statements.

In December 2004, the FASB issued Staff Position No. FAS 109-1, Application of FASB Statement No. 109, Accounting for Income Taxes, to the tax Deduction on Qualified Production Activities Provided by the American Jobs Creation Act of 2004 (the "Act") that provides a tax deduction on qualified production activities. Accordingly FASB indicated that this deduction should be accounted for as a special deduction in accordance with FASB Statement No. 109. The Company will comply with the provisions of FSP 109-1 effective January 1, 2005, and does not believe that the adoption of this FASB Staff Position will have a material impact on the Company's financial statements.

Item 3. Controls and Procedures

Our principal executive officers and our principal financial officer (the "Certifying Officers") are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e). Such officers have concluded (based upon their evaluations of these controls and procedures as of the end of the period covered by this report) that the Company's disclosure controls and procedures are effective to ensure that information required to be disclosed by it in this report is accumulated and communicated to management, including the Certifying Officers as appropriate, to allow timely decisions regarding required disclosure.

The Certifying Officers have also indicated that there were no significant changes in the Company's internal controls over financial reporting or other factors that could significantly affect such controls subsequent to the date of their evaluation, and there were no significant deficiencies and material weaknesses.

Management, including the Certifying Officers, does not expect that the Company's disclosure controls or its internal controls will prevent all error and all fraud. A control system, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. In addition, the design of a control system must reflect the fact that 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 that all control issues and instances of fraud, if any, within a company have been detected. These inherent limitations include the realities that judgments in decision-making can be faulty, and that 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 control. The design of any systems of controls is also based in part upon certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions. Because of these inherent limitations in a cost-effective control system, misstatements due to error or fraud may occur and may not be detected.

PART II - OTHER INFORMATION

Item 2. Changes in Securities

No instruments defining the rights of the holders of any class of registered securities have been materially modified, limited or qualified during the quarter ended June 30, 2005.

During the quarter, we sold no shares that were not registered under the Securities Act of 1933.

We are currently undertaking a public offering of a maximum of 10,000,000 shares of our common stock at a price of $2.00 per share, for an aggregate offering of up to $20,000,000. This public offering was registered with the Securities and Exchange Commission pursuant to an SB-2 registration statement. Our SB-2 registration statement was declared effective by the Securities and Exchange Commission on January 31, 2005 and we commenced our public offering at that time. The commission file number assigned to this registration statement is 333-119234.

As of August 8, 2005, we had sold 136,050 common shares raising $272,100.

Currently the offering is self underwritten and is being sold by our officers and directors, so no underwriting discounts and commissions, finders' fees or expenses have been paid.

In accordance with the use of proceeds set forth in the registration statement, as of June 30, 2005, approximately $198,850 has been used to reduce outstanding debt obligations of the Company. Of the $198,850, approximately $29,000 was paid to reduce amounts owed on a line of credit extended to us by Michael Carroll and a note payable to Michael Carroll. Mr. Carroll is an officer and director of the Company.

Item 6. Exhibits and Reports on Form 8-K

(A) Reports on Form 8-K

None.

(B) Exhibits. The following exhibits are included as part of this report:

Exhibit 31.1	Certification of Principal Executive Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
Exhibit 31.2	Certification of Principal Financial Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
Exhibit 32.1	Certification of Principal Executive Officer Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
Exhibit 32.2	Certification of Principal Executive Officer Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this to be signed on its behalf by the undersigned thereunto duly authorized.

THE FLOORING ZONE, INC.

August 15, 2005 /s/ Jimmy Lee

Jimmy Lee, Chief Executive Officer

August 15, 2005 /s/ Michael Carroll

Michael Carroll, Chief Financial Officer

EXHIBIT 31.1

CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER
Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

I, Jimmy Lee, certify that:

(1) I have reviewed this Quarterly Report on Form 10-QSB of The Flooring Zone, Inc. (the "Company");

(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 Company as of, and for, the periods presented in this Quarterly Report;

(4) The Company's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the Company and have:

(a) Designed such disclosure controls and procedures or caused such disclosure controls and procedures to be designed under our supervision to ensure that material information relating to the Company, including its consolidated subsidiary, is made known to us by others within those entities, particularly during the period in which this quarterly report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the Company's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures as of the end of the period covered by this Quarterly Report based on such evaluation; and

(d) Disclosed in this Quarterly Report any change in the Company's internal controls over financial reporting that occurred during the Company's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the Company's internal controls over financial reporting; and

(5) The Company's other certifying officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Company's auditors and the audit committee of the Company's board of directors (or persons fulfilling the equivalent function):

(a) All significant deficiencies and material weaknesses in the design or operation of internal controls over financial reporting which are reasonably likely to adversely affect the Company's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the Company's internal controls over financial reporting.

Date: August 12, 2005 By: /s/ Jimmy Lee

Jimmy Lee, Principal Executive Officer

EXHIBIT 31.2

CERTIFICATION OF PRINCIPAL FINANCIAL OFFICER
Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

I, Michael Carroll, certify that:

(1) I have reviewed this Quarterly Report on Form 10-QSB of The Flooring Zone, Inc. (the "Company");

(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 Company as of, and for, the periods presented in this Quarterly Report;

(4) The Company's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the Company and have:

(a) Designed such disclosure controls and procedures or caused such disclosure controls and procedures to be designed under our supervision to ensure that material information relating to the Company, including its consolidated subsidiary, is made known to us by others within those entities, particularly during the period in which this quarterly report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the Company's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures as of the end of the period covered by this Quarterly Report based on such evaluation; and

(d) Disclosed in this Quarterly Report any change in the Company's internal controls over financial reporting that occurred during the Company's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the Company's internal controls over financial reporting; and

(5) The Company's other certifying officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Company's auditors and the audit committee of the Company's board of directors (or persons fulfilling the equivalent function):

(a) All significant deficiencies and material weaknesses in the design or operation of internal controls over financial reporting which are reasonably likely to adversely affect the Company's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the Company's internal controls over financial reporting.

Date: August 12, 2005 By: /s/ Michael Carroll

Michael Carroll,
Principal Financial Officer

EXHIBIT 32.1

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

In connection with the Quarterly Report of The Flooring Zone, Inc. on Form 10-QSB for the quarter ended June 30, 2005, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), the undersigned, Jimmy Lee, Principal Executive Officer of the Company, certify, pursuant to 18 U.S.C. ss.1350, as adopted pursuant to ss. 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of section 13 (a) or 15 (d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and result of operations of the Company.

Date: August 12, 2005 /s/ Jimmy Lee

Jimmy Lee, Principal Executive Officer

EXHIBIT 32.2

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

In connection with the Quarterly Report of The Flooring Zone, Inc. on Form 10-QSB for the quarter ended June 30, 2005, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), the undersigned, Michael Carroll, Principal Financial Officer of the Company, certify, pursuant to 18 U.S.C. ss.1350, as adopted pursuant to ss. 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of section 13 (a) or 15 (d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and result of operations of the Company.

Date: August 12, 2005

/s/ Michael Carroll

Michael Carroll,
Principal Financial Officer