

HISTORICAL AUTOGRAPHS USA INC  
Form 10QSB/A  
August 22, 2003

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM 10-QSB/A

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d)  
OF THE SECURITIES AND EXCHANGE ACT OF 1934

For the Quarter ended March 31, 2003

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF  
THE SECURITIES AND EXCHANGE ACT OF 1934

Commission File No. 000-32603

Historical Autographs U.S.A.. Inc.  
(Name of Small Business Issuer in its charter)

Nevada  
(State or other jurisdiction of  
incorporation or organization)

91-1955323  
(I.R.S. Employer  
Identification No.)

516 W. Sprague Ave., WA 99201  
(Address of principal executive offices)

(509) 744-8590  
(Issuer's Telephone Number Including Area Code)

(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   
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State the number of shares outstanding of each of the issuer's classes of common  
equity, as of the latest practical date:

Title of each class of Common Stock	Outstanding at March 31, 2003
-----	-----
Common Stock, \$0.001 par value	610,000

Transitional Small Business Disclosure Format (check one):

Yes  No   
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### PART I

#### ITEM 1. FINANCIAL STATEMENTS

#### HISTORICAL AUTOGRAPHS U.S.A., INC. BALANCE SHEETS

	March 31, 2003 (unaudited)	Dec 31, 2002
	-----	-----
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash	\$ 172	\$ 30
Accounts receivable	-	6,000
Inventory	78,360	72,960
	-----	-----
<b>TOTAL CURRENT ASSETS</b>	<b>78,532</b>	<b>78,990</b>

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TOTAL ASSETS	\$ 78,532	\$ 78,990
	=====	=====
LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES		
Accounts payable	\$ 7,153	\$ 1,200
Commissions payable - related party	660	660
Note payable	500	500
	-----	-----
TOTAL CURRENT LIABILITIES	8,313	2,360
	-----	-----
COMMITMENTS AND CONTINGENCIES		
	-	-
	-----	-----
STOCKHOLDERS' EQUITY		
Preferred stock, 5,000,000 shares authorized, \$0.001 par value; no shares issued and outstanding	-	-
Common stock, 25,000,000 shares authorized, \$0.001 par value; 610,000 issued and outstanding	610	610
Additional paid-in capital	114,390	114,390
Accumulated deficit	(44,781)	(38,370)
	-----	-----
TOTAL STOCKHOLDERS' EQUITY	70,219	76,630
	-----	-----
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	\$ 78,532	\$ 78,990
	=====	=====

See condensed notes to interim financial statements.

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HISTORICAL AUTOGRAPHS U.S.A., INC.  
STATEMENTS OF OPERATIONS (Unaudited)

	Three Months Ended March 31, (unaudited)	
	2003	2002
	-----	-----
SALES	\$ -	\$ 3,500
COST OF GOODS SOLD	-	2,361
	-----	-----
GROSS PROFIT	-	1,139
	-----	-----
EXPENSES		
Marketing	157	120
Rent	900	900
General and administrative	191	218
Legal and accounting	4,343	2,803
Consulting	-	183
Stock transfer and resident agent fees	819	829

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Commissions	-	210
	-----	-----
TOTAL EXPENSES	6,411	5,263
	-----	-----
LOSS FROM OPERATIONS	(6,411)	(4,124)
OTHER EXPENSE		
Interest expense	-	12
	-----	-----
TOTAL OTHER EXPENSE	-	12
	-----	-----
LOSS BEFORE INCOME TAXES	(6,411)	(4,136)
INCOME TAXES	-	-
	-----	-----
NET LOSS	\$ (6,411)	\$ (4,136)
	=====	=====
NET LOSS PER COMMON SHARE, BASIC AND DILUTED	\$ (0.01)	\$ (0.01)
	=====	=====
WEIGHTED AVERAGE NUMBER OF COMMON STOCK SHARES OUTSTANDING, BASIC AND DILUTED	610,000	585,000
	=====	=====

See condensed notes to interim financial statements.

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HISTORICAL AUTOGRAPHS U.S.A., INC.  
STATEMENTS OF CASH FLOWS (Unaudited)

	Three Months Ended March 31, (unaudited)	
	2003	2002
	-----	-----
CASH FLOWS FROM OPERATING ACTIVITIES		
Net loss	\$ (6,411)	\$ (4,136)
Adjustments to reconcile net loss to net cash provided (used) in operating activities:		
Decrease in inventory	(5,400)	2,361
Increase in accounts receivable	6,000	-
Increase (decrease) in accounts payable	5,953	1,705
Increase (decrease) in sales tax payable	-	(1,338)
Increase (decrease) in commissions payable	-	210
	-----	-----
Net cash provided (used) by operating activities	142	(1,198)
	-----	-----
CASH FLOWS FROM INVESTING ACTIVITIES	-	-
	-----	-----
CASH FLOWS FROM FINANCING ACTIVITIES		
Increase (decrease) in loans payable	-	-
Common stock issued for cash	-	-
	-----	-----

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Net cash provided (used) by financing activities	-	-	
	-----	-----	
Change in cash	142	(1,198)	
Cash, beginning of period	30	1,703	
	-----	-----	
Cash, end of period	\$ 172	\$ 505	
	=====	=====	
 SUPPLEMENTAL CASH FLOW DISCLOSURES:			
Interest paid	\$ -	\$ -	
	=====	=====	
Income taxes paid	\$ -	\$ -	
	=====	=====	

See condensed notes to interim financial statements.

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HISTORICAL AUTOGRAPHS U.S.A., INC.  
Notes to Financial Statements  
March 31, 2003

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### NOTE 1 - ORGANIZATION AND DESCRIPTION OF BUSINESS

Historical Autographs U.S.A., Inc. (hereinafter "the Company") was incorporated on February 1, 1999 under the laws of the State of Nevada for the purpose of operating retail outlets for signed memorabilia. The Company maintains a retail business outlet in Spokane, Washington and also offers its products online. The Company's fiscal year-end is December 31.

### NOTE 2 - ACCOUNTING POLICIES

This summary of significant accounting policies of the Company is presented to assist in understanding the financial statements. The financial statements and notes are representations of the Company's management, which is responsible for their integrity and objectivity. These accounting policies conform to accounting principles generally accepted in the United States of America, and have been consistently applied in the preparation of the financial statements.

#### Accounting Method

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The Company's financial statements are prepared using the accrual method of accounting.

#### Use of Estimates

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The process of preparing financial statements in conformity with accounting principles generally accepted in the United States of America requires the use of estimates and assumptions regarding certain types of assets, liabilities, revenues, and expenses. Such estimates primarily relate to unsettled transactions and events as of the date of the financial statements. Accordingly, upon settlement, actual results may differ from estimated amounts. At March 31, 2003, the Company had not participated in consignment or conditional sales; therefore, there are no unsettled transactions related to sales or cost of sales.

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### Fair Value of Financial Instruments

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The carrying amounts for cash, payables and accrued liabilities approximate their fair value.

### Cash and Cash Equivalents

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For purposes of the statement of cash flows, the Company considers all highly liquid debt instruments purchased with a remaining maturity of three months or less to be cash equivalents.

### Derivative Instruments

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The Financial Accounting Standards Board issued Statement of Financial Accounting Standards ("SFAS") No. 133, "Accounting for Derivative Instruments and Hedging Activities," as amended by SFAS No. 137, "Accounting for Derivative Instruments and Hedging Activities - Deferral of the Effective Date of FASB No. 133", and SFAS No. 138, "Accounting for Certain Derivative Instruments and Certain Hedging Activities", which is effective for the Company as of January 1, 2001. These standards establish accounting and reporting standards for derivative instruments, including certain derivative instruments embedded in other contracts, and for hedging activities. They require that an entity recognize all derivatives as either assets or liabilities in the balance sheet and measure those instruments at fair value.

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HISTORICAL AUTOGRAPHS U.S.A., INC.  
Notes to Financial Statements  
March 31, 2003

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### NOTE 2 - ACCOUNTING POLICIES (continued)

#### Derivative Instruments (continued)

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If certain conditions are met, a derivative may be specifically designated as a hedge, the objective of which is to match the timing of gain or loss recognition on the hedging derivative with the recognition of (i) the changes in the fair value of the hedged asset or liability that are attributable to the hedged risk or (ii) the earnings effect of the hedged forecasted transaction. For a derivative not designated as a hedging instrument, the gain or loss is recognized in income in the period of change.

Historically, the Company has not entered into derivative contracts to hedge existing risks or for speculative purposes.

At March 31, 2003, the Company has not engaged in any transactions that would be considered derivative instruments or hedging activities.

### Inventories

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Inventories are accounted for using the specific identification method, and stated at the lower of cost or market, with market representing the lower of replacement cost or estimated net realizable value. The Company has no insurance coverage on its inventory.

The Company has no inventory on consignment at March 31, 2003. In the future, if the Company consigns inventory, it will retain title and will insure the inventory until the inventory is sold, returned, lost, stolen, damaged, or destroyed.

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### Basic and Diluted Earnings Per Share

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Basic net income (loss) per share is computed using the weighted average number of common shares outstanding. Diluted net income (loss) per share is the same as basic net income (loss) per share as there are no common stock equivalents outstanding.

### Revenue and Cost Recognition.

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Revenues from retail sales are recognized at the time the products are delivered.

Although the Company does not provide a written warranty on its items sold, the Company will refund the purchase price paid to any customer in those instances when an item sold is proven to be non-authentic. In a majority of instances, the Company receives a certificate of authenticity for documents (items) purchased from its vendors and is reasonably assured as to the provenance of its products. Since inception, the Company has made no refunds for the sale of any non-authentic items nor has the Company received any claims or notice of prospective claims relating to such items. Accordingly, the Company has not established a reserve against forgery or nonauthenticity.

If a product proves not to be authentic, a full refund is given to the purchaser and a charge against sales and related costs is recorded.

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HISTORICAL AUTOGRAPHS U.S.A., INC.  
Notes to Financial Statements  
March 31, 2003

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### NOTE 2 - ACCOUNTING POLICIES (continued)

#### Advertising Costs

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Advertising costs, including costs for direct mailings, are expensed when incurred.

#### Compensated Absences

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The Company does not offer paid vacation or personal time to its employees. Accordingly, there is no related accrual of expenses.

#### Provision for Taxes

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Income taxes are provided based upon the liability method of accounting pursuant to SFAS No. 109 "Accounting for Income Taxes." Under this approach, deferred income taxes are recorded to reflect the tax consequences on future years of differences between the tax basis of assets and liabilities and their financial reporting amounts at each year end. A valuation allowance is recorded against deferred tax assets if management does not believe the Company has met the "more likely than not" standard imposed by SFAS No. 109 to allow recognition of such an asset.

At March 31, 2003, the Company had net deferred tax assets of approximately \$7,000 principally arising from net operating loss carryforwards for income tax purposes. As management of the Company cannot determine that it is more likely than not that the Company will realize the benefit of the net deferred tax asset, a valuation allowance equal to the net deferred tax asset has been established at March 31, 2003.

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At March 31, 2003, the Company had net operating loss carryforwards of approximately \$44,000 which expire in the years 2019 through 2023.

### Going Concern

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The accompanying financial statements have been prepared assuming that the Company will continue as a going concern. For the three months ended March 31, 2003, the Company has a net loss of \$6,411, an accumulated deficit of \$44,781 and limited cash resources. These conditions raise substantial doubt about the Company's ability to continue as a going concern. The future of the Company is dependent upon its ability to obtain financing and upon future profitable operations from the commercial success of its retail venture. Management's plans are to seek additional capital through sales of the Company's stock.

The financial statements do not include any adjustments relating to the recoverability and classification of recorded assets, or the amounts and classification of liabilities that might be necessary in the event the Company cannot continue in existence.

### Accounting Pronouncements

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In June 2002, the Financial Accounting Standards Board (hereinafter "FASB") issued Statement of Financial Accounting Standards No. 146, "Accounting for Costs Associated with Exit or Disposal Activities" (hereinafter "SFAS No. 146"). SFAS No. 146 addresses significant issues regarding the recognition, measurement, and reporting of costs associated with exit and disposal activities, including restructuring activities. SFAS No. 146 also addresses recognition of certain costs related to terminating a contract that is not a capital lease, costs to consolidate facilities or

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HISTORICAL AUTOGRAPHS U.S.A., INC.  
Notes to Financial Statements  
March 31, 2003  
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### NOTE 2 - ACCOUNTING POLICIES (continued)

#### Accounting Pronouncements (continued)

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relocate employees, and termination benefits provided to employees that are involuntarily terminated under the terms of a one-time benefit arrangement that is not an ongoing benefit arrangement or an individual deferred-compensation contract. SFAS No. 146 was issued in June 2002 and is effective for activities after December 31, 2002. There has been no impact on the Company's financial position or results of operations from adopting SFAS No. 146.

In April 2002, the FASB issued Statement of Financial Accounting Standards No. 145, "Rescission of FASB Statements No. 44, 4 and 64, Amendment of FASB Statement No. 13, and Technical Corrections" (hereinafter "SFAS No. 145"), which updates, clarifies and simplifies existing accounting pronouncements. SFAS No. 4, which required all gains and losses from the extinguishment of debt to be aggregated and, if material, classified as an extraordinary item, net of related tax effect was rescinded. As a result, SFAS No. 64, which amended SFAS No. 4, was rescinded, as it was no longer necessary. SFAS No. 44, Accounting for Intangible Assets of Motor Carriers, established the accounting requirements for the effects of transition to the provisions of the Motor Carrier Act of 1980. Since the transition has been completed, SFAS No. 44 is no longer necessary and has been rescinded. SFAS No. 145 amended SFAS No. 13 to eliminate an inconsistency between the required accounting for sale-leaseback transactions



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and the required accounting for certain lease modifications that have economic effects that are similar to sale-leaseback transactions. The Company adopted SFAS No. 145 and does not believe that the pronouncement will have an effect on the financial statements of the Company as it has not entered into any of the aforementioned transactions.

In October 2001, the FASB issued SFAS No. 144, "Accounting for the Impairment or Disposal of Long-Lived Assets" (hereinafter "SFAS No. 144"). SFAS No. 144 replaces SFAS No. 121, "Accounting for the Impairment of Long-Lived Assets and for Long-Lived Assets to Be Disposed Of." This standard establishes a single accounting model for long-lived assets to be disposed of by sale, including discontinued operations. SFAS No. 144 requires that these long-lived assets be measured at the lower of carrying amount or fair value less cost to sell, whether reported in continuing operations or discontinued operations. This statement is effective beginning for fiscal years after December 15, 2001, with earlier application encouraged. The Company adopted SFAS No. 144 and the adoption has no effect on the financial statements of the Company at December 31, 2003.

In October 2001, the FASB issued Statement of Accounting Financial Standards No. 143, "Accounting for Asset Retirement Obligations" (hereinafter "SFAS No. 143"). SFAS No. 143 establishes guidelines related to the retirement of tangible long-lived assets of the Company and the associated retirement costs. This statement requires that the fair value of a liability for an asset retirement obligation be recognized in the period in which it is incurred if a reasonable estimate of fair value can be made. The associated asset retirement costs are capitalized as part of the carrying amount of the long-lived assets. This statement is effective for financial statements issued for the fiscal years beginning after June 15, 2002 and with earlier application encouraged.

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HISTORICAL AUTOGRAPHS U.S.A., INC.  
Notes to Financial Statements  
March 31, 2003

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### NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Accounting Pronouncements (continued)

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The Company adopted SFAS No. 143 and its adoption has no effect on the financial statements of the Company at December 31, 2003, as the Company has no long-lived assets.

In June 2001, the FASB issued Statement of Accounting Financial Standards No. 141, "Business Combinations" (hereinafter "SFAS No. 141"), and Statement of Accounting Financial Standards No. 142, "Goodwill and Other Intangible Assets" (hereinafter "SFAS No. 142"). SFAS No. 141 provides for the elimination of the pooling-of-interests method of accounting for business combinations with an acquisition date of July 1, 2001 or later. SFAS No. 142 prohibits the amortization of goodwill and other intangible assets with indefinite lives and requires periodic reassessment of the underlying value of such assets for impairment. SFAS No. 142 is effective for fiscal years beginning after December 15, 2001. An early adoption provision exists for companies with fiscal years beginning after March 15, 2001. The Company has adopted SFAS No. 142. Application of the nonamortization provision of SFAS No. 142 will have no effect on the Company's financial statements as the Company does not currently have amortizable assets.

In September 2000, the FASB issued Statement of Accounting Financial Standards No. 140 "Accounting for Transfers and Servicing of Financial Assets and

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Extinguishment of Liabilities" (hereinafter "SFAS No. 140"). This statement provides accounting and reporting standards for transfers and servicing of financial assets and extinguishment of liabilities and also provides consistent standards for distinguishing transfers of financial assets that are sales from transfers that are secured borrowings. SFAS No. 140 is effective for recognition and reclassification of collateral and for disclosures relating to securitization transactions and collateral for fiscal years ending after December 15, 2000, and is effective for transfers and servicing of financial assets and extinguishments of liabilities occurring after March 31, 2001. The adoption of this standard does not have a material effect on the Company's results of operations or financial position.

### NOTE 3 - PREFERRED AND COMMON STOCK

The Company has 5,000,000 shares of preferred stock authorized and none issued. The Company has 25,000,000 shares of common stock authorized. Upon incorporation, the Company issued 500,000 shares of common stock to officers and directors for \$5,000 in cash. During 1999, the Company issued 67,900 shares of common stock for cash at \$1.00 per share and 17,100 shares at \$1.00 per share for subscriptions receivable, which were paid in January of 2000.

During 2002, the Company issued 25,000 shares of common stock for cash at \$1.00 per share.

All shares of preferred and common stock are non-assessable and non-cumulative. The common stock has no preemptive rights.

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HISTORICAL AUTOGRAPHS U.S.A., INC.  
Notes to Financial Statements  
March 31, 2003  
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### NOTE 4 - STOCK OPTION PLAN

The Company's board of directors approved the adoption of the "2001 Non-Qualified Stock Option and Stock Appreciation Rights Plan" by unanimous consent on March 5, 2001. This plan was initiated to encourage and enable officers, directors, consultants, advisors and other key employees of the Company to acquire and retain a proprietary interest in the Company by ownership of its common stock. A total of 1,000,000 of the authorized shares of the Company's common stock may be subject to, or issued pursuant to the terms of the plan. No options have been issued under the plan as of March 31, 2003.

### NOTE 5 - COMMITMENTS AND CONTINGENCIES

#### Rental Agreement

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The Company has a month-to-month rental agreement for office space in Spokane, Washington. The minimum monthly rent is \$300. Rent expense for the three months ended March 31, 2003 was \$900.

#### Concentration

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As of March 31, 2003, the Company had \$78,360 of its total assets of \$78,532 invested in inventory.

### NOTE 6 - RELATED PARTY TRANSACTIONS

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The occasional usage of used computer equipment, provided to the Company by the Company's officers at no charge, is considered immaterial for financial reporting purposes.

The Company pays a 3% commission on every sale to both of the Company's two officers. Commissions unpaid, but accrued, are unsecured, payable upon demand and non-interest bearing.

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### ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS.

#### Overview

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Historical Autographs U.S.A., Inc. was organized as a Nevada Corporation on February 1, 1999. The original Articles of Incorporation authorize the issuance of thirty million (30,000,000) shares of stock, including twenty five million (25,000,000) shares of common stock at par value \$0.001 per share and five million (5,000,000) shares of Preferred stock at par value \$0.001 per share. As of March 31, 2003 and the date of this report, the Company has six hundred ten thousand shares (610,000) shares of its \$0.001 par value common voting stock issued and outstanding.

The Company is an e-Commerce firm engaged in the business of acquiring and marketing historical documents such as letters, photographs and signatures of governmental, political and military figures, inventors, Nobel Prize winners, significant physicians, scientists, explorers, aviators and astronauts, entertainers, musicians, composers, authors, artists, clergymen, judges, lawyers, and well-known athletes, among others.

The Company's executive offices are located at 516 W. Sprague Ave., Spokane, WA 99201 and its telephone and facsimile numbers are (509) 744-8590 and (509) 623-0121, respectively.

(a) Plan of Operation:

#### FORWARD-LOOKING STATEMENTS

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The securities of the Company are speculative and involve a high degree of risk, including, but not necessarily limited to, the factors affecting operating results described in the Form 10KSB which includes audited financial statements for the year ended December 31, 2002. The statements which are not historical facts contained in this report, including statements containing words such as "believes," "expects," "intends," "estimates," "anticipates," or similar expressions, are "forward looking statements" (as defined in the Private Securities Litigation Reform Act of 1995) that involve risks and uncertainties.

The foregoing and subsequent discussion contains certain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934, which are intended to be covered by the safe harbors created thereby. These forward-looking statements include the plans and objectives of management for future operations, including plans and objectives relating to the possible further capitalization and future acquisitions of telecommunications, computer related or other cash flow business. The forward-looking statements included herein are based on current expectations that involve numerous risks and

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uncertainties. Assumptions relating to the foregoing involve judgments with respect to, among other things, future economic, competitive and market conditions and future business decisions, all of which are difficult or impossible to predict accurately and many of which are beyond the control of the Company. Although the Company believes that the assumptions underlying the forward-looking statements are reasonable, any of the assumptions could be inaccurate and, therefore, there can be no assurance that the forward-looking statements included in this Form 10-QSB will prove to be accurate. In light of the significant uncertainties inherent in the forward-looking statements included herein, the inclusion of such information should not be regarded as a representation by the Company or any other person that the objectives and plans of the Company will be achieved.

The Company has a limited operational history and from inception (February 1999) has generated limited revenues. The Company has financed its operations during its initial operational stage from the sale of its common stock.

### Current Status and Operations

-----

Historical Autographs U.S.A., Inc. is in its initial operational stage as an e-Commerce based company engaged in the business of acquiring and marketing historical documents such as letters, photographs and signatures of governmental, political and military figures, inventors, Nobel Prize winners, significant physicians, scientists, explorers, aviators and astronauts, entertainers, musicians, composers, authors, artists, clergymen, judges, lawyers, and well-known athletes, among others. Our document inventory currently consists of approximately 30 different documents, with an inventory cost of \$78,360 at March 31, 2003, including photographs and signatures of entertainers, letters, documents and signatures of political figures, letters and signatures of scientists and signatures of historic sports figures. The Company purchases documents principally at auctions, from private collectors, dealers in historical documents, estates and various individuals who are not collectors but are in possession of documents.

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These avenues of supply are likely to continue to be the Company's main sources of inventory. Retail sales of documents are primarily facilitated through our web site: <http://www.historical-autographs.com>.

Marketing efforts principally target individuals who appreciate or collect antiques, paintings, lithographs, other works of art and collectibles, but who may not be aware of the availability of historical documents for purchase. In addition, autograph and document collectors, consignment to auction houses, interior decorators, interior designers, private clients and corporations are being targeted as these groups may have an appreciation for historical documents displayed in aesthetically pleasing presentations. The Company's primary marketing strategy is a direct sales approach via an internet retail site. Upon accessing the site, interested parties are able to read about the Company, browse the majority of inventory items and place orders.

From inception the Company has had minimal operations and limited revenues. From inception the Company accumulated an operating deficit (unaudited) of \$44,781. For the quarter ended March 31, 2003, the Company had a net loss of \$6,411 with zero revenues. As of March 31, 2003, the Company had cash of \$172 and resale inventories of \$78,360 for total assets of \$78,532.

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Management believes that the Company could, potentially, experience negative operating cash flow for the foreseeable future as a result of significant increased spending on advertising, augmentation of inventory, etc. If the Company needs to raise additional capital in order to fund expansion, develop new or enhanced services or products, respond to competitive pressures or acquire complementary products, businesses or technologies, additional funds may be raised through the issuance of equity or convertible debt securities. If equity or convertible debt securities are issued, the percentage ownership of our stockholders will be reduced, stockholders may experience additional dilution and such securities may have rights, preferences or privileges senior to those of the Company's common stock. The Company does not currently have any contractual restrictions on our ability to incur debt. Accordingly, the Company could incur significant amounts of debt to finance its operations. Any such indebtedness could contain covenants that would restrict our operations. There can be no assurance that additional financing will be available on terms favorable to the Company, or at all. If adequate funds are not available or are not available on acceptable terms, the Company may not be able to continue in business, or to a lesser extent not be able to take advantage of acquisition opportunities, develop or enhance services or products or respond to competitive pressures.

Management believes that our future growth and success will depend on our ability to find additional products and suppliers whose documents will be sold over the Internet, and to find customers for these products. Management plans to continually evaluate potential products to determine what additional products or enhancements may be required in order to be competitive in the Internet marketplace.

Due to our limited operating history, our financial statements are not indicative of anticipated revenues that may be attained or expenditures that may be incurred by the Company in future periods. Our ability to achieve profitable operations is subject to the validity of our assumptions and risk factors within the industry and pertaining to the Company.

### LIQUIDITY AND CAPITAL RESOURCES

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Historical Autographs U.S.A., Inc. has limited assets. As of March 31, 2003, our assets consisted of cash of \$172 and resale inventories of \$78,360 for total assets of \$78,532. Our officers own the computer equipment the Company utilizes. Current liabilities totaled \$8,313, with available working capital at \$70,219. The Company has had minimal operations and limited revenues. From inception the Company accumulated an operating deficit of \$44,781. For the three months ended March 31, 2003, the Company had a net loss of \$6,411 on zero gross revenues. Management believes that its current capital will cover our anticipated capital needs until approximately December 31, 2003.

Management currently anticipates that cash flow from operations will increase in the long-term as the Company increases its sales and marketing activities. However, management also anticipates that our operating expenses will increase in the long-term as a result of the increase in sales and marketing activities as well as general and administrative activities. To the extent that available funds from operations are insufficient to fund the Company's activities, the Company may need to raise additional funds through public and private financing. No assurance can be given that additional financing will be available or that, if available, can be obtained on terms favorable to the Company and its stockholders. Failure to obtain such financing could delay or prevent our planned expansion, which could adversely affect our business, financial condition and results of operations. If additional capital is raised through the sale of additional equity or convertible securities, dilution to the Company's stockholders could occur. For the quarter ending March 31, 2003, the Company reported a net loss of \$6,411 on zero revenues compared to sales of \$3,500, a

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gross profit of \$1,139 and a net loss of \$4,136 in the quarter ended March 31, 2002. The Company

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incurred operating expenses of \$6,411 in the quarter ended March 31, 2003, a decrease of \$1,148 from the quarter ending March 31, 2002, when the Company incurred similar expenses totaling \$5,263. The major difference in the two periods being attributable to increased legal and accounting costs. The Company's Quarter ended March 31, 2003 financial statements reflect adjustments and nonrecurring cost items and are not indicative of anticipated revenues which may be attained or expenditures which may be incurred by the Company in future periods.

The Company's independent public accountants have included explanatory paragraphs in their reports on the Company's financial statements for the years ended December 31, 2002 and 2001, which express substantial doubt about the Company's ability to continue as a going concern. As discussed in Footnote 2 to the Company's financial statements, included with the Company's Form 10-KSB, the Company has suffered recurring losses from operations and accumulated deficit that raises substantial doubt about its ability to continue as a going concern.

### ITEM 3. CONTROLS AND PROCEDURES

Within 90 days prior to the date of filing of this amended report on Form 10-QSB, we carried out an evaluation, under supervision and with the participation of our management, including our CEO and CFO, of the effectiveness of the design and operation of our disclosure controls and procedures pursuant to Exchange Act Rule 13a-14. Based upon that evaluation, our CEO and CFO concluded that our disclosure controls and procedures are effective in timely alerting them to material information relating to us required to be included in our periodic SEC filings. Subsequent to the date of that evaluation, there have been no changes in internal controls or in other factors that could significantly affect internal controls, nor were any corrective actions required with regard to significant deficiencies and material weaknesses.

## PART II

### ITEM 1. LEGAL PROCEEDINGS

No non-course of business or other material legal proceedings, to which the Company is a party or to which the property of the Company is subject, is pending or is known by the Company to be contemplated.

### ITEM 2. CHANGE IN SECURITIES. NONE

### ITEM 3. Defaults Upon Senior Securities. NONE

### ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS.

On March 28, 2003 the Company held its annual meeting of shareholders for the purpose of electing two directors to serve until the next annual meeting of shareholders. At the meeting the following persons were elected by a majority of the votes cast at the election: Cindy Swank and Scott Wetzell.

### ITEM 5. OTHER INFORMATION: NONE

### ITEM 6. EXHIBITS AND REPORTS ON FORM 8-K

(a) Exhibits

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99.5 Certification Pursuant to Sarbanes-Oxley Act of 2002

(b) The Company filed the following reports on Form 8-K:

None.

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SIGNATURES

Pursuant to the requirements of the Section 13 or 15(d) of the Securities Exchange Act of 1934, the Company has duly caused this report signed on its behalf by the Undersigned, thereunto duly authorized.

HISTORICAL AUTOGRAPHS U.S.A. INC.

Date: August 21, 2003 By: /s/ Cindy Swank  
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Cindy Swank, Chief Financial Officer

Date: August 21, 2003 By: /s/ Cindy Swank  
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Cindy Swank, Chief Executive Officer

Date: August 21, 2003 By: /s/ Scott Wetzel  
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Scott Wetzel, Secretary

CERTIFICATIONS

I, Cindy Swank, certify that:

1. I have reviewed this amended report on Form 10-QSB of Historical Autographs U.S.A., Inc.;
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 in order 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. I am responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-14 and 15d-14) for the Registrant and 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 me by others within those entities, particularly during the period in which this annual report is being prepared;

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- b. evaluated the effectiveness of the Registrant's disclosure controls and procedures as of a date within ninety (90) days of the filing date of this annual report (the "Evaluation Date"); and
  - c. presented in this annual report my conclusions about the effectiveness of the disclosure controls and procedures based on our evaluation as of the Evaluation Date;
5. I have disclosed, based on my most recent evaluation, to the Registrant's auditors and the Audit Committee of the 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 weakness in internal controls; 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; and

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6. 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: August 21, 2003

s/Cindy Swank

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Cindy Swank, Chief Executive Officer  
And Chief Financial Officer

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