

AMERICAN PETRO-HUNTER INC
Form 10QSB
May 25, 2004

FORM 10-QSB

U.S. SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

(Mark One)

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

For the quarterly period ended: March 31, 2004

Or

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES

EXCHANGE ACT OF 1934

For the transition period from to

Commission file number: 0-22723

AMERICAN PETRO-HUNTER INC.

(Exact name of registrant as specified in its charter)

NEVADA

(State of incorporation)

98-0171619

(IRS Employer ID No.)

Suite 205 – 16055 Fraser Highway

Surrey, British Columbia, Canada V3S 2W9

(Address of principal executive offices) (Zip Code)

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Registrant's telephone number, including area code: (604) 507-2181

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 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. Yes X No

As of May 20, 2004, the Registrant had 6,525,639 shares of Common Stock outstanding.

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

THE REGISTRANT MEETS THE CONDITIONS SET FORTH IN GENERAL INSTRUCTION AND IS THEREFORE FILING THIS FORM WITH THE REDUCED DISCLOSURE FORMAT.

Part I. Financial Information

Item 1. Financial Statements.

AMERICAN PETRO-HUNTER, INC.

Balance Sheet

	3 Months Ended March 31, 2004 (Unaudited)	12 Months Ended Dec. 331, 2003 (Audited)
<u>ASSETS</u>		
Current		
Cash	\$ 9	\$ 64
Accounts receivable	176	58
Pre-paid expenses	16,446	-
	16,631	122
Intangible Assets (Net)	1	1

	\$	16,632	\$	123
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LIABILITIES**Current**

Accounts payable and accrued liabilities	\$	193,764	\$	229,155
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STOCKHOLDERS' DEFICIENCY**Capital Stock****Authorized:** 200,000,000 Common shares, par value \$0.001**Issued and Outstanding:**

March 31, 2004 - 6,525,620 shares

March 31, 2003 - 6,050,620 shares

Deficit

	2,957,424	2,900,424
	(3,134,556)	(3,129,456)
	(177,132)	(229,032)

	\$	16,632	\$	123
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AMERICAN PETRO-HUNTER, INC.**Statement of Loss and Deficit**

(Unaudited)

3 Months Ended March 31

	2004	2003
Expenses		
Administration	\$ (802)	\$ 4,114
Executive Compensation	5,471	7,235
Rent	431	184
	5,100	11,533
Net Loss for the period	(5,100)	(11,533)
Deficit, beginning of period	(3,129,456)	(3,071,804)

Deficit, end of period	\$	(3,134,556)	\$	(3,083,337)
Basic and Diluted Loss per Share	\$	(0.001)	\$	(0.002)
Basic and Diluted Weighted Average Number of Shares Outstanding		6,191,554		5,640,639

AMERICAN PETRO-HUNTER, INC.

Statement of Cash Flows

(Unaudited)

	3 Months Ended March 31,	
	2004	2003
Cash Provided By (Used For) Operating Activities		
Loss from continuing operations	\$ (5,100)	\$ (11,533)
Item Not Affecting Cash		
Stock issued for settlement of services	57,000	25,800
Changes in working capital		
Accounts receivable	(118)	(525)
Accounts payable	(35,931)	(13,815)
Prepaid expenses	(16,446)	-
	(55)	(73)
Decrease in Cash	(55)	(73)
Cash, Beginning of Period	64	8
Cash (bank indebtedness), End of Period	\$ 9	\$ (65)

Supplemental Disclosure on Non-Cash Financing and Investing Activities:

During the period ended December 31, 2004, the company issued 475,000 (March 31, 2003 - 430,000) common shares for non-cash consideration of debt owing to creditors for services rendered to the Company in the amount of \$57,000; (March 31, 2003 - \$25,800).

The foregoing financial statements contain all adjustments considered necessary by management to make the financial statements not misleading.

AMERICAN PETRO-HUNTER INC.

Notes to the financial statements

For the three months ended March 31, 2004

1. BASIS OF PRESENTATION

The accompanying unaudited financial statements have been prepared by the Company pursuant to the rules and regulations of the Securities and Exchange Commission ("SEC") and, in the opinion of management, include all adjustments (consisting of normal recurring accruals) necessary for fair presentation of financial position, results of operations and cash flows for the interim periods. Certain information and footnote disclosures normally included in financial statements prepared in accordance with United States generally accepted accounting principles have been condensed or omitted pursuant to the rules and regulations of the SEC. The Company believes that the disclosures contained herein are adequate to make the information presented not misleading. The statements of operations for the three months ended March 31, 2004 are not necessarily indicative of the results to be expected for the full year. These unaudited financial statements should be read in conjunction with the audited financial statements and accompanying notes included in the Company's 2003 Quarterly Report on Form 10-KSB for the year ended December 31, 2003.

(a) Liquidity

The Company is experiencing illiquidity and has been dependent upon shareholders to provide funds to maintain its activities. At March 31, 2004, the balance of funds loaned by the shareholders amounted to \$33,004, which is included in accounts payable. There are no specific terms of repayment.

(b) Capital Resources

The Company had a working capital deficiency of \$177,133 at March 31, 2004. As noted above, the Company is receiving funding from shareholders.

(c) Results of Operations

For the three-month period ended March 31, 2004, the Company incurred a net loss of \$5,100.

Administration expenses for the three-month period amounted to a recovery of \$802 compared to expenses of \$4,114 in the same period of 2003 due to an increase in foreign exchange gains.

2. RELATED PARTY TRANSACTIONS

During the three month period ended March 31, 2004:

- (i) The Company paid \$5,471 (2003 - \$7,235) for management fees to a director.
 - (ii) A total of \$1,731 (2003 - \$3,244) was paid to a company owned by a director of the Company for accounting fees, office services and rent.
 - (iii) Accounts payable includes \$7,846 (2003 - \$10,792) payable to a director and a company owned by a director.
 - (iv) The Company issued 385,000 (2003 - 390,000) common shares at a value of \$46,200 (2003 - \$23,400) to two directors of the Company for services rendered to the Company.
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Part II - Other Information

Item 1. Legal Proceedings

None

Item 2. Changes in Securities

During the period ended March 31, 2004, the Company issued 475,000 common shares for non-cash consideration of debt owing for services provided to the Company in the amount of \$57,000.

Item 3. Default Upon Senior Securities

There are no defaults to report.

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

None.

Item 5. Other Information.

None

Item 6. Exhibits and Reports on Form 8-K

31.1	Rule 13a-14a/15d-14(a) Certification of Chief Executive Officer
31.2	Rule 13a-14a/15d-14(a) Certification of Chief Financial Officer
32.1	Section 1350 Certification of Chief Executive Officer
32.2	Section 1350 Certification of Chief Financial Officer

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.

AMERICAN PETRO-HUNTER INC.

Dated: May 20, 2004

/s/ Patrick A. McGowan

Patrick A. McGowan, President

/s/ Peter G. Rook-Green

Peter G. Rook-Green, Chief Financial Officer

Exhibit 31.1

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Pursuant to the requirements of Rule 13a-14 of the Securities Exchange Act of 1934, as amended, provides the following certification.

I, Patrick A. McGowan, President, CEO and Director of American Petro-Hunter, Inc. ("Company"), certify that:

1. I have reviewed this quarterly report on Form 10-QSB of American Petro-Hunter, Inc.;
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 other directors and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f) for the small business issuer and have:
 - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under my supervision, to ensure that material information relating to American Petro-Hunter, Inc., including its consolidated subsidiaries, is made known to us by other within those entities, particularly during the period in which this report is being prepared;
 - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under my supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statement for external purposes in accordance with generally accepted accounting principles.
 - c. Evaluated the effectiveness of the small business issuer'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 report on such evaluation;; and
 - d. Disclosed in this report any change in American Petro-Hunter, Inc.'s internal control over financial reporting that occurred during American Petro-Hunter's fourth fiscal quarter that has materially affected, or is reasonably likely to materially affect, American Petro-Hunter's internal control over financial reporting; and
5. The other directors and I have disclosed, based on my most recent evaluation of internal control over financial reporting, to the Company's auditors and the audit committee of our board of directors (or persons performing the equivalent functions):
 - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Company's ability to record, process, summarize and report financial data; and
 - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the Company's internal control over financial reporting; and

Date: May 20, 2004

/s/ Patrick McGowan

Patrick McGowan, President and Director

Exhibit 31.2

Pursuant to the requirements of Rule 13a-14 of the Securities Exchange Act of 1934, as amended, provides the following certification.

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I, Peter Rook-Green, Secretary, CFO and Director of American Petro-Hunter, Inc. ("Company"), certify that:

1. I have reviewed this quarterly report on Form 10-QSB of American Petro-Hunter, Inc.;
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 other directors and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f) for the small business issuer and have:
 - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under my supervision, to ensure that material information relating to American Petro-Hunter, Inc., including its consolidated subsidiaries, is made known to us by other within those entities, particularly during the period in which this report is being prepared;
 - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under my supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statement for external purposes in accordance with generally accepted accounting principles.
 - c. Evaluated the effectiveness of the small business issuer'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 report on such evaluation;; and
 - d. Disclosed in this report any change in American Petro-Hunter, Inc.'s internal control over financial reporting that occurred during American Petro-Hunter's fourth fiscal quarter that has materially affected, or is reasonably likely to materially affect, American Petro-Hunter's internal control over financial reporting; and
5. The other directors and I have disclosed, based on my most recent evaluation of internal control over financial reporting, to the Company's auditors and the audit committee of our board of directors (or persons performing the equivalent functions):
 - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Company's ability to record, process, summarize and report financial data; and
 - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the Company's internal control over financial reporting; and

Date: May 20, 2004

/s/ Peter Rook-Green

Peter Rook-Green, Secretary, CFO and Director

Exhibit 32.1

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

In connection with the Quarterly Report of American Petro-Hunter, Inc. on Form 10-QSB for the year ending March 31, 2004, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Patrick McGowan, President and Director of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to the best of my knowledge and belief: (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.

/s/ Patrick McGowan

Patrick McGowan

President and Director

May 20, 2004

Exhibit 32.2

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

In connection with the Quarterly Report of American Petro-Hunter, Inc. on Form 10-QSB for the year ending March 31, 2004, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Peter Rook-Green, Secretary, CFO and Director of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to the best of my knowledge and belief: (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.

/s/ Peter Rook-Green

Peter Rook-Green

Secretary, CFO and Director

May 20, 2004