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ADVANCED HEALTHCARE TECHNOLOGIES INC
Form 10QSB
September 03, 2003

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

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

FORM 10QSB

FOR THE QUARTER ENDED JUNE 30, 2003
COMMISSION FILE NUMBER 333-51058

Advanced Healthcare Technologies, Inc.
Formally Email Mortgage, Inc.
(Exact name of Registrant as specified in its charter)

Colorado 84-1565820
(State or other jurisdiction of (I.R.S. Employer I.D.)
incorporation or organization)

124 Colts Neck Road,
Farmingdale NJ 07727
Registrant's Telephone Number, including area code
732-938-9672

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 twelve months, and (2) has been
subject to such filing requirements for the past 90 days.

Yes No

Indicate the number of shares outstanding of each of the issuer's
classes of common stock, as of the close of the period covered by this
report: 20,512,625 shares.

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Advanced Healthcare Technologies, Inc.

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Advanced Healthcare Technologies, Inc.
(A Development Stage Company)
Balance Sheet
June 30, 2003
(Unaudited)

ASSETS	

Current assets:	2003

Cash	\$ 93
Advances to affiliated company	5,380

Total current assets	5,473

	\$ 5,473
	=====
STOCKHOLDERS' EQUITY	

Current liabilities:	
Note payable	\$ 37,500
Accrued expenses	37,523

Total current liabilities	75,023
Loans from shareholders	693,964
Stockholders' equity:	
Preferred stock, \$.01 par value, 10,000,000 shares authorized, no shares issued and outstanding	-
Common stock, \$.001 par value,- 100,000,000 shares authorized, 20,512,625 shares issued and outstanding	20,513
Additional paid in capital	1,528,819
(Deficit) accumulated during development stage	(2,312,846)

	(763,514)

	\$ 5,473

=====

See accompanying notes to financial statements.

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Advanced Healthcare Technologies, Inc.
 (A Development Stage Company)
 Statements of Operations
 Three Months Ended June 30, 2003 and 2002
 For the Period From Inception (March 28, 2000) to June 30, 2003
 (Unaudited)

	Three Months Ended June 30,		Period From Inception To June 30,
	2003	2002	2003
	-----	-----	-----
Revenue:			
Loan processing fees	\$ -	\$ 1,100	\$ 4,350
Interest income	-	1,065	3,302
	-----	-----	-----
	-	2,165	7,652
Operating expenses:			
Loan processing costs	-	500	7,050
Professional fees	3,000	1,275	90,526
Consulting services	246,609	-	956,490
Web site design expenses	92	-	23,592
Investor relations costs	6,829	-	659,589
Rent	1,600	475	13,275
Purchased research & development	-	-	525,000
Other expenses	22,798	830	44,976
	-----	-----	-----
	280,928	3,080	2,320,498
	-----	-----	-----
(Loss from operations) and net (loss)	\$ (280,928)	\$ (915)	\$ (2,312,846)
	=====	=====	=====
Per share information:			
Basic and diluted (loss) per common share	\$ (0.02)	\$ (0.00)	\$ (0.18)
	=====	=====	=====
Weighted average shares outstanding	18,645,958	12,507,000	12,846,971
	=====	=====	=====

See accompanying notes to financial statements.

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Advanced Healthcare Technologies, Inc.
 (A Development Stage Company)
 Statements of Cash Flows
 Three Months Ended June 30, 2003 and 2002
 For the Period From Inception (March 28, 2000) to June 30, 2003
 (Unaudited)

	Three Months Ended June 30,		Period From Inception To June 30,
	2003	2002	2003
	-----	-----	-----
Net income (loss)	\$ (280,928)	\$ (915)	\$ (2,312,846)
Adjustments to reconcile net income to net cash provided by operating activities:			
Services provided for common stock	215,282	-	771,182
Technology acquired for common stock	-	-	525,000
Expenses contributed to capital by shareholder	-	-	8,500
Services provided for shareholder advances	41,204	-	693,964
Changes in assets and liabilities:			
Increase (decrease) in accounts payable	(8,672)	1,250	-
Increase (decrease) in accrued expenses	(32,477)	-	37,523
	-----	-----	-----
Total adjustments	215,337	1,250	2,036,169
	-----	-----	-----
Net cash provided by (used in) operating activities	(65,591)	335	(276,677)
Cash flows from financing activities:			
Common stock sold for cash	-	-	253,150
Proceeds from note payable	25,000	-	37,500
Repayment of related party loans	-	-	(70,325)
Advances to affiliated company	-	(20,000)	(55,380)
Repayment of advances to affiliated company	28,000	-	50,000
Loans from related party	-	-	61,825
	-----	-----	-----
Net cash provided by (used in) financing activities	53,000	(20,000)	276,770
	-----	-----	-----
Increase (decrease) in cash and cash equivalents, beginning of period	(12,591)	(19,665)	93
	-----	-----	-----
Cash and cash equivalents, end of period	\$ 93	\$ 123,449	\$ 93
	=====	=====	=====

See accompanying notes to financial statements.

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Advanced Healthcare Technologies, Inc.
 Notes to Unaudited Financial Statements

Basis of presentation

The accompanying unaudited financial statements have been prepared in accordance with generally accepted accounting principles for interim financial information and with the instructions incorporated in Regulation SB of the Securities and Exchange Commission. Accordingly, they do not include all of the information and footnotes required by generally accepted accounting principles for complete financial statements. In the opinion of management, all adjustments (consisting of normal recurring adjustments and accruals) considered necessary for a fair presentation have been included.

The results of operations for the periods presented are not necessarily indicative of the results to be expected for the full year. The accompanying financial statements should be read in conjunction with the Company's financial statements for the year ended March 31, 2003.

Basic loss per share was computed using the weighted average number of common shares outstanding.

The Company had an outstanding advance balance due to shareholders of \$699,786 at June 30, 2003.

During the quarter ended June 30, 2003 the Company issued 4,305,625 shares of its common stock for services provided. The shares were valued at \$.05 per share, which represents the fair value of the stock and is based on quoted market prices for the stock on the date the issuances were approved. Two million of the shares issued were to two individuals who are no longer affiliated with the Company and who did not, in the opinion of the Company, provide the services agreed to with the Company. The Company is attempting to recover the shares.

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

Trends and Uncertainties. Demand for Advanced Healthcare products and services will be dependent on, among other things, market acceptance of the Advanced Healthcare's concept, the quality of its services, and general economic conditions, which are cyclical in nature. Inasmuch as a major portion of Advanced Healthcare's activities will be the receipt of revenues from our services, Advanced Healthcare's business operations may be adversely affected by Advanced Healthcare's competitors and prolonged recessionary periods.

Capital and Source of Liquidity. All of the initial working capital has been obtained from the sale of common shares to the current officers, directors and principal shareholder and advances from shareholders of (\$699,786) as of June 30, 2003. We do not have the liquidity to fund our operations and will require additional capital. We currently have little working capital and will rely on further loans to continue operations until completion of the current public offering. Advanced Healthcare's requires these additional loans to expand our current and strategic business plans. We do not have any funding arrangements with any third party or any affiliates.

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For the three months end June 30, 2003, we received the proceeds from a note payable of \$25,000 and proceeds from the repayment of advances to an affiliated company of \$28,000. As a result, net cash provided by financing activities was \$53,000 for the three months ended June 30, 2003.

For the three months ended June 30, 2002, we made advances to an affiliated company of \$20,000 resulting in net cash used in financing activities of \$20,000.

For the three months ended June 30, 2003 and 2003, we did not pursue any investing activities.

On a long-term basis, liquidity is dependent on continuation and expansion of operation and receipt of revenues, additional infusions of capital, and debt financing. Advanced Healthcare believes that additional capital and debt financing in the short term will allow Advanced Healthcare to increase its marketing and sales efforts and thereafter result in increased revenue and greater liquidity in the long term. However, there can be no assurance that Advanced Healthcare will be able to obtain additional equity or debt financing in the future, if at all.

Results of Operations. Since inception, Advanced Healthcare has not received any significant revenues from operations.

For the three months ended June 30, 2003, we received no revenue. We had a net loss of \$280,928 for the three months ended June 30, 2003. Operating expenses for that same period were \$280,928 consisting of professional fees of \$3,000, consulting services of \$246,609, web site expenses of \$92, rent of \$1,600, investor relations costs of \$6,829 and other expenses of \$22,798.

For the three months ended June 30, 2003, we received revenue of only \$1,100 from loan processing fees and interest income of \$1,065. We had a net loss of \$915 for the three months ended June 30, 2002. Operating expenses for that same period were \$3,080 consisting of loan processing costs of \$500, professional fees of \$1,275, rent of \$475, investor relations costs of \$475 and other expenses of \$830.

Plan of Operation. Advanced Healthcare is in the development stage and has not conducted any significant operations to date or received significant operating revenues. We will not need to conduct any research and development regarding our business plan.

During the quarter ended June 30, 2003, Advanced Healthcare issued 4,305,625 common shares for services provided. Two million of the common shares issued were to two individuals who are no longer affiliated with Advanced Healthcare and who did not, in the opinion of Advanced Healthcare, provide the services agreed to. Advanced Healthcare is attempting to recover the common shares.

We do not expect to purchase any plant or significant equipment.

Advanced Healthcare may experience problems; delays, expenses, and difficulties sometimes encountered by an enterprise in Advanced Healthcare's stage of development, many of which are beyond Advanced Healthcare's control. These include, but are not limited to, unanticipated problems relating to the development of the system, manufacturing costs, production and marketing problems, additional costs and expenses that may exceed current estimates, and competition.

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Controls and Procedures. The Chief Executive Officer and the Chief Financial Officer of the Company have made an evaluation of the disclosure controls and procedures relating to the quarterly report on Form 10QSB for the period ended June 30, 2003 as filed with the Securities and Exchange Commission and have judged such controls and procedures to be effective as of June 30, 2003 (the evaluation date).

There have not been any significant changes in the internal controls of the Company or other factors that could significantly affect internal controls relating to the Company since the evaluation date.

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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 hereunto duly authorized.

Date: June 30, 2003

By:/s/Daniel Motsinger

Daniel Motsinger
Interim Chairman, Chief Executive
Officer and President

CERTIFICATIONS

I, Daniel Motsinger, certify that:

1. I have reviewed this quarterly report on Form 10QSB of Advanced Healthcare Technologies, Inc.
2. Based on my knowledge, the annual report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this annual report;
3. Based on my knowledge, the financial statements, and other financial information included in this annual report, fairly present, in all material respects, the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this annual report;
4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-14 and 15d-14) for the registrant and we have:

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(a) designed such disclosure controls and procedures to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this annual report is being prepared;

(b) evaluated the effectiveness of the registrant's disclosure controls and procedures as of a date within 90 days prior to the filing date of this annual report (the "Evaluation Date"); and

(c) presented in this annual report our conclusions about the effectiveness of the disclosure controls and procedures based on our evaluation as of the Evaluation Date;

5. The registrant's other certifying officers and I have disclosed, based on our 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 weaknesses in internal controls; and

(b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls; and

(6) The registrant's other certifying officers and I have indicated in this annual report whether or not there were significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of our most recent evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

Date: September 3, 2003

/s/Daniel Motsinger

Daniel Motsinger
Chief Executive Officer

CERTIFICATIONS

I, Daniel Starczewski, certify that:

1. I have reviewed this quarterly report on Form 10QSB of Advanced Healthcare Technologies, Inc.

2. Based on my knowledge, the annual report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this annual report;

3. Based on my knowledge, the financial statements, and other financial information included in this annual report, fairly present, in all material respects, the financial condition, results of

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operations and cash flows of the registrant as of, and for, the periods presented in this annual report;

4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-14 and 15d-14) for the registrant and we have:

(a) designed such disclosure controls and procedures to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this annual report is being prepared;

(b) evaluated the effectiveness of the registrant's disclosure controls and procedures as of a date within 90 days prior to the filing date of this annual report (the "Evaluation Date"); and

(c) presented in this annual report our conclusions about the effectiveness of the disclosure controls and procedures based on our evaluation as of the Evaluation Date;

5. The registrant's other certifying officers and I have disclosed, based on our 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 weaknesses in internal controls; and

(b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls; and

(6) The registrant's other certifying officers and I have indicated in this annual report whether or not there were significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of our most recent evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

Date: September 3, 2003

/s/Daniel Starczewski

Daniel Starczewski
Chief Financial Officer