

Edgar Filing: NEVSTAR GAMING & ENTERTAINMENT CORP - Form 10-K

NEVSTAR GAMING & ENTERTAINMENT CORP  
Form 10-K  
September 25, 2003

SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

FORM 10-K

(Mark One)

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE  
SECURITIES EXCHANGE ACT OF 1934 [FEE REQUIRED]  
For the fiscal year ended December 31, 2002

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE  
SECURITIES EXCHANGE ACT OF 1934 [NO FEE REQUIRED]  
For the transition period from to

Commission file number: 0-21071

NEVSTAR GAMING AND ENTERTAINMENT CORPORATION  
(Exact name of registrant as specified in its charter)

Nevada 88-0309578  
(State or other jurisdiction of (I.R.S. Employer  
incorporation or organization) Identification No.)

1900 Avenue of the Stars, Suite 2410, Los Angeles CA 90067  
(Address of principal executive offices) (Zip Code)  
Registrant's telephone number, including area code: (310) 553-7176  
Securities registered pursuant to Section 12(b) of the Act:  
None  
Securities registered pursuant to Section 12(g) of the Act:  
Common Stock - \$.01 par value  
(Title of class)

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  No

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K.

The aggregate market value of the voting stock held by non-affiliates of the registrant on September 15, 2003 was \$101,430 (based on the average bid and asked price of Common Stock in the over-the-counter market on that date).

50,715,008 shares of registrant's Common Stock, \$.01 par value, were outstanding on September 15, 2003.

2

NEVSTAR GAMING AND ENTERTAINMENT CORPORATION  
CONTENTS

# Edgar Filing: NEVSTAR GAMING & ENTERTAINMENT CORP - Form 10-K

Page

## PART I

Item 1.	BUSINESS	3
Item 2.	PROPERTIES	4
Item 3.	LEGAL PROCEEDINGS	4
Item 4.	SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS	4

## PART II

Item 5.	MARKET FOR REGISTRANT'S COMMON EQUITY AND RELATED STOCKHOLDER MATTERS	4
Item 6.	SELECTED CONSOLIDATED FINANCIAL DATA	5
Item 7.	MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS	7
Item 7a	QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK	8
Item 8.	FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA	9
Item 9.	CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING OR FINANCIAL DISCLOSURES	18

## PART III

Item 10.	DIRECTORS AND EXECUTIVE OFFICERS OF THE REGISTRANT	18
Item 11.	EXECUTIVE COMPENSATION	18
Item 12.	SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT	19
Item 13.	CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS	19
ITEM 14.	CONTROLS AND PROCEDURES	20
Item 15.	EXHIBITS, FINANCIAL STATEMENT SCHEDULES, AND REPORTS ON FORM 8-K	20

3

## PART I

NEVSTAR GAMING AND ENTERTAINMENT CORPORATION

Item 1 - Business

## Edgar Filing: NEVSTAR GAMING & ENTERTAINMENT CORP - Form 10-K

General. The Company, a Nevada Corporation, filed a financial report with the Securities and Exchange Commission ("SEC") on Form 10-Q, for the quarter ended March 31, 1999. At that time, the Company owned and operated the Mesquite Star, a hotel and casino in Mesquite, Nevada. The Company filed no further reports with the SEC until September, 2002. The Company has insufficient financial records or supporting documentation to recreate these records for the interim period because those records were lost or destroyed as a result of the foreclosure of the principal asset of the Company, the Mesquite Star Hotel and Casino.

During 2002, the SEC was apprised of the Company's deficiencies, and a report was filed on Form 8-K dated September 30, 2002 summarizing the events which had occurred during the period since its last reporting. No reports on Form 10-K will be filed by the Company for the periods ended June 30, 1999, 2000, 2001, 2002, and the interim period ended November 22, 2002. Certain comparative financial reporting required to be disclosed on this Form 10-K as been omitted because of this lack of Company financial data.

December 1, 1999, the Company filed a voluntary petition for relief under Chapter 11 (the "First Chapter 11 Proceeding") in the United States Bankruptcy Court, District of Nevada (the "Bankruptcy Court"), Case No. 99-19566RCJ. The Company acted as debtor in possession during the First Chapter 11 Proceeding. In part as a result of the objections of certain of the Company's secured creditors and the Bankruptcy Court's belief that the Company could not be successfully reorganized in view of such objections, the Bankruptcy Court dismissed the First Chapter 11 Proceeding on or about March 2, 2000.

On March 3, 2000, Randy Black was appointed by the District Court of Clark County, Nevada as receiver for the Company. On or about March 8, 2000, Black caused the casino to cease all meaningful operations and the casino was closed. The Company has not engaged in business operations since that date. Subsequently, Black acquired the first trust deed on the casino from the bank and he began foreclosure proceedings against the casino. On July 10, 2000, the Company again filed a voluntary petition for relief under Chapter 11 (the "Second Chapter 11 Proceeding") in the Bankruptcy Court, Case No. BK-S-00-15075-LBR. During the Second Chapter 11 Proceeding, the Company acted as debtor in possession. During the course of the Second Chapter 11 Proceeding, the Bankruptcy Court permitted Black to foreclose on the casino, which occurred on November 13, 2000.

In April, 2001, the Company and W/F Investment Corp. ("W/F") submitted to the Bankruptcy Court a plan of reorganization, which was amended from time to time (the "Plan of Reorganization").

On February 20, 2002, the Bankruptcy Court issued an order confirming the Plan of Reorganization.

On November 22, 2002 the Plan of Reorganization became effective. The Company issued 15,141,674 shares of common stock to holders of unsecured claims; 156,428 shares of common stock to certain administrative claimants and to a previously secured claim holder, and 27,807,219 shares of common stock to the Plan Proponents. The 7,583,687 shares of Common Stock that were previously outstanding were retained by the holders of those shares. There are a total of 50,715,008 shares of common Stock outstanding after the issuance of shares under the Plan of Reorganization. The Plan of Reorganization authorized a reverse split of the Common Stock, which it is anticipated will be implemented concurrently with the Company's acquisition of a business opportunity. The Company is in the process of completing the administrative procedures to allow it to formally emerge from the oversight of the Bankruptcy Court.

The Company does not currently have any operations.

Edgar Filing: NEVSTAR GAMING & ENTERTAINMENT CORP - Form 10-K

4

NEVSTAR GAMING AND ENTERTAINMENT CORPORATION

Employees. The Company had no employees at September 15, 2003. The Company is not a party to any collective bargaining agreements and its employees are not represented by a labor union.

Item 2 - Properties

The Company's principal executive offices are located at 1900 Avenue of the Stars, Suite 2410, Los Angeles, California 90067. The space is provided to the Company without charge by W/F Investment Corp, its secured lender and a member of W/F Nevstar LLC, a principal shareholder of the Company.

Item 3 - Legal Proceedings

The Company is not currently party to any legal proceedings.

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

No matters were submitted to a vote of security holders during the fourth quarter (ending June 30, 2003) of fiscal 2002.

PART II

Item 5 - Market for Registrant's Common Equity and Related Stockholder Matters

The Company's common stock trades on the over-the-counter market under the symbol "NVST". The table below sets forth the high and low bid prices for the Company's common stock. Bids represent inter-dealer prices, without retail mark-up, markdown or commissions, and may not represent actual transactions.

Period	High	Low
-----	----	----
2002 4th Quarter.....	.002	.001
2003 1st Quarter.....	.001	.001
2nd Quarter.....	.001	.001

5

NEVSTAR GAMING AND ENTERTAINMENT CORPORATION

As of September 15, 2003, there were approximately 671 beneficial owners of 50,715,008 outstanding shares of the Company's common stock, held by approximately 671 shareholders of record.

The Company has not paid a dividend on its common stock since inception.

Item 6 - Selected Consolidated Financial Data

Period November 22, 2002  
through June 30, 2003

-----

## Edgar Filing: NEVSTAR GAMING & ENTERTAINMENT CORP - Form 10-K

Revenues	\$	0
Net loss		(36,007)
Total assets		0
Long-term debt		456,773
Net loss per share of common stock		(0.00)

6

### NEVSTAR GAMING AND ENTERTAINMENT CORPORATION SUMMARY OF QUARTERLY OPERATIONS (Unaudited)

	Quarter ended December 31, 2002 -----	Quarter ended March 31, 2003 -----	Quarter ended June 30, 2003 -----
Revenues	\$ --	\$ --	\$ --
Expenses:			
General and administrative	13,814 -----	14,629 -----	11,797 -----
Operating loss	(13,814)	(14,629)	(11,797)
Other income	--	--	20,000
Interest expense	-- -----	7,000 -----	8,767 -----
Net income(loss)	(13,814) =====	(21,629) =====	(564) =====
Net income(loss) per share of common stock	(\$0.01)	(\$0.01)	(\$0.01)
Weighted average number of shares outstanding	50,715,008	50,715,008	50,715,008

7

### NEVSTAR GAMING AND ENTERTAINMENT CORPORATION

#### Item 7 - Management's Discussion and Analysis of Financial Condition and Results of Operations

##### SAFE HARBOR STATEMENT UNDER THE PRIVATE SECURITIES LITIGATION REFORM ACT OF 1995.

This Annual Report on Form 10-K includes certain forward-looking statements based upon management's beliefs, as well as assumptions made by and data currently available to management. This information has been, or in the future, may be included in reliance on the "safe harbor" provision of the Private Securities Litigation Reform Act of 1995. These statements are subject to a number of risks and uncertainties including, but not limited to, the following: the ability of the Company to successfully complete the conditions of the Plan of Reorganization; the ability to develop, fund and execute an operating plan for the Company; the ability of the Company to have sufficient funds available to pay its liabilities as they come due; the ability of the Company to repay its secured lender, or to renegotiate the terms of its secured debt; and the absence of an active public trading market for the Company's common stock.

Actual results may differ materially from those anticipated in any such forward-looking statements. The Company undertakes no obligation to update or revise any forward-looking statements to reflect subsequent events or

## Edgar Filing: NEVSTAR GAMING & ENTERTAINMENT CORP - Form 10-K

circumstances.

### Overview

The Notes to the Financial Statements are an integral part of Management's Discussion and Analysis of Financial Condition and Results of Operations and should be read in conjunction herewith.

### LIQUIDITY AND CAPITAL RESOURCES

The Company has met its obligations through a credit facility consisting of a \$250,000 revolving line of credit issued to the Company by W/F Investment Corp, a shareholder of the Company and a proponent of the Bankruptcy Plan of Reorganization. The Company currently owes \$261,915 plus accrued interest on this line of credit. There is no assurance that W/F Investment Corp will continue to fund the Company's obligations as they become due, and the Company has no current operations to provide funds, nor does it have sufficient credit-worthiness or unpledged assets to seek other loans.

### STOCK OPTIONS

The Company has no stock option plan, and there are currently no stock options outstanding.

8

NEVSTAR GAMING AND ENTERTAINMENT CORPORATION

### Results of Operations

#### Fiscal 2002

The Company's Bankruptcy Plan of Reorganization became effective November 22, 2002. The Company is in the process of completing the administrative procedures to allow it to formally emerge from the oversight of the Bankruptcy Court.

The Company is no longer operating, and will attempt to locate a new business (operating company), and offer itself as a merger vehicle for a company that may desire to go public through a merger rather than through its own public stock offering.

#### Impact of Inflation

The Company currently has no operations. The interest rate on the Company's line of credit is indexed using the prime (reference) rate, which could be affected by inflation.

#### Foreign Currency Transactions

The Company currently has not operations, and has no exposure to foreign currency exchange rate risk.

#### Item 7A - Quantitative and Qualitative Disclosures About Market Risk

The Company owns no financial instruments or other assets, nor has it entered into any contracts or commitments, which would expose it to market risks such as interest rate risk, foreign currency exchange rate risk or commodity price risk as required to be disclosed pursuant to Regulation S-K, Item 305, of the 1934 Securities Exchange Act, as amended.

9

NEVSTAR GAMING AND ENTERTAINMENT CORPORATION

# Edgar Filing: NEVSTAR GAMING & ENTERTAINMENT CORP - Form 10-K

## Item 8 - Financial Statements and Supplementary Data

### INDEX TO FINANCIAL STATEMENTS AND SCHEDULES

	Page
Independent Auditors' Report	10
Balance Sheets at November 22, 2002 and June 30, 2003	11
Statement of Operations for Period November 22, 2002 through June 30, 2003	12
Statement of Cash Flows for Period November 22, 2002 through June 30, 2003	13
Statement of Shareholders' Deficit for for Period November 22, 2002 through June 30, 2003	14
Notes to Financial Statements	15

ALL OTHER SCHEDULES FOR WHICH PROVISION IS MADE IN THE APPLICABLE ACCOUNTING REGULATION OF THE SECURITIES AND EXCHANGE COMMISSION ARE NOT REQUIRED UNDER THE RELATED INSTRUCTIONS OR ARE INAPPLICABLE, AND THEREFORE HAVE BEEN OMITTED.

10

### INDEPENDENT AUDITORS' REPORT

Board of Directors  
Nevstar Gaming and Entertainment Corporation

We have audited the accompanying balance sheets of Nevstar Gaming and Entertainment Corporation (the "Company") as of November 22, 2002 and June 30, 2003, and the related statements of operations, shareholders' deficit and cash flows for the period from November 22, 2002 through June 30, 2003. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in

## Edgar Filing: NEVSTAR GAMING & ENTERTAINMENT CORP - Form 10-K

all material respects, the financial position of Nevstar Gaming and Entertainment Corporation as of November 22, 2002 and June 30, 2003, and the results of its operations and its cash flows for the period from November 22, 2002 through June 30, 2003 in conformity with accounting principles generally accepted in the United States of America.

The accompanying financial statements have been prepared assuming that the Company will continue as a going concern. As discussed in Note 2 to the financial statements, the Company did not generate revenue and is not operating which raise substantial doubt about its ability to continue as a going concern. Management's plans in regard to these matters are described in Note 2. The financial statement does not include any adjustments that might result from the outcome of this uncertainty.

Rose, Snyder & Jacobs  
A Corporation of Certified Public Accountants

Encino, California  
September 10, 2003

11

### NEVSTAR GAMING AND ENTERTAINMENT CORPORATION BALANCE SHEETS June 30, 2003 and November 22, 2002

	June 30, 2003	November 22 2002
ASSETS		
Current Assets	\$ --	\$ --
	-----	-----
Total assets	\$ --	\$ --
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current Liabilities		
Accounts payable	\$57,996	\$78,046
Accrued interest - Note	15,767	--
	-----	-----
Total current liabilities	\$73,763	\$78,046
Long Term Liabilities		
Pre-petition tax liabilities - Note 3	\$194,858	\$194,858
Long-term credit facility-related party - Note 4	261,915	\$221,625
	-----	-----
Total Liabilities	\$530,536	\$494,529
Shareholders' Equity (deficit)		
Common stock \$.01 par value; 126,396,450 shares authorized; 50,715,008 shares issued		



Edgar Filing: NEVSTAR GAMING & ENTERTAINMENT CORP - Form 10-K

and outstanding	507,150	507,150
Accumulated deficit, prior to development stage - Note 6	(1,001,679)	(1,001,679)
Accumulated deficit, development stage	(36,007)	-
	-----	-----
Total shareholders' equity (deficit)	(530,536)	(494,529)
	-----	-----
	\$ --	\$ --
	=====	=====

SEE INDEPENDENT AUDITORS' REPORT AND NOTES TO FINANCIAL STATEMENTS.

12

NEVSTAR GAMING AND ENTERTAINMENT CORPORATION  
STATEMENT OF OPERATIONS  
For the period from November 22, 2002 through June 30, 2003

Revenues	
Revenues	\$ -
Expenses	
General and administrative	40,240
	-----
Other income - Note 7	20,000
Interest expense	15,767
	-----
Net loss	(\$36,007)
	=====
Basic and diluted income (loss) per share:	
Loss from continuing operations	(\$0.00)
	-----
Net income (loss)	(\$0.00)
	=====
Weighted average shares outstanding	50,715,008

SEE INDEPENDENT AUDITORS' REPORT AND NOTES TO FINANCIAL STATEMENTS.

13

CAMERA PLATFORMS INTERNATIONAL, INC.  
STATEMENT OF CASH FLOWS  
For the period from November 22, 2002 through June 30, 2003

OPERATING ACTIVITIES	
Net loss	(\$ 36,007)
Adjustments to reconcile net income (loss) to net cash used in operating activities:	

Edgar Filing: NEVSTAR GAMING & ENTERTAINMENT CORP - Form 10-K

Changes in assets and liabilities:	
Accounts payable	(20,050)
Accrued interest	15,767
	-----
Net cash used in operating activities	(40,290)
FINANCING ACTIVITIES	
Cash provided by long-term debt	40,290
	-----
Net cash for the period	0
Net cash at beginning of period	0
	-----
Net cash at end of period	\$ 0
	=====

SEE INDEPENDENT AUDITORS' REPORT AND NOTES TO FINANCIAL STATEMENTS.

14

NEVSTAR GAMING AND ENTERTAINMENT CORPORATION  
STATEMENT OF SHAREHOLDERS' EQUITY  
For the period November 22, 2002 through June 30, 2003

	Number of Shares	Common Stock	Accumulated Deficit, prior to development stage	Accumulated Deficit development stage
Balance at November 22, 2002	50,715,008	\$507,150	\$(1,001,679)	\$ ---
Net loss for the year	--	--	--	\$(36,007)
	-----	-----	-----	-----
Balance at June 30, 2003	50,715,008	\$507,150	\$(1,001,679)	\$(36,007)

SEE INDEPENDENT AUDITORS' REPORT AND NOTES TO FINANCIAL STATEMENTS.

15

NEVSTAR GAMING AND ENTERTAINMENT CORP  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2003

1. ORGANIZATION, INTERMIN EVENTS AND BANKRUPTCY PROCEEDINGS

The Company, a Nevada Corporation, filed its last financial report to the Securities and Exchange Commission on Form 10-Q, for the quarter ended March 31, 1999. At that time, the Company owned and operated the Mesquite Star, a hotel and casino in Mesquite, Nevada.

December 1, 1999, the Company filed a voluntary petition for relief under Chapter 11 (the "First Chapter 11 Proceeding") in the United States Bankruptcy Court, District of Nevada (the "Bankruptcy Court"), Case No.

## Edgar Filing: NEVSTAR GAMING & ENTERTAINMENT CORP - Form 10-K

99-19566RCJ. The Company acted as debtor in possession during the First Chapter 11 Proceeding. In part as a result of the objections of certain of the Company's secured creditors and the Bankruptcy Court's belief that the Company could not be successfully reorganized in view of such objections, the Bankruptcy Court dismissed the First Chapter 11 Proceeding on or about March 2, 2000.

On March 3, 2000, Randy Black was appointed by the District Court of Clark County, Nevada as receiver for the Company. On or about March 8, 2000, Black caused the casino to cease all meaningful operations and the casino was closed. The Company has not engaged in business operations since that date. Subsequently, Black acquired the first trust deed on the casino from the bank and he began foreclosure proceedings against the casino. On July 10, 2000, the Company again filed a voluntary petition for relief under Chapter 11 (the "Second Chapter 11 Proceeding") in the Bankruptcy Court, Case No. BK-S-00-15075-LBR. During the Second Chapter 11 Proceeding, the Company acted as debtor in possession. During the course of the Second Chapter 11 Proceeding, the Bankruptcy Court permitted Black to foreclose on the casino, which occurred on November 13, 2000.

In April, 2001, the Company and W/F Investment Corp. ("W/F") submitted to the Bankruptcy Court a plan of reorganization, which was amended from time to time (the "Plan of Reorganization").

On February 20, 2002, the Bankruptcy Court issued an order confirming the Plan of Reorganization.

On November 22, 2002 the Plan of Reorganization became effective. The Company issued 15,141,674 shares of common stock to holders of unsecured claims; 156,428 shares of common stock to certain administrative claimants and to a previously secured claim, and 27,807,219 shares of common stock to the Plan Proponents. The 7,583,687 shares of Common Stock that were previously outstanding were retained by the holders of those shares. There are a total of 50,715,008 shares of common Stock outstanding after the issuance of shares under the Plan of Reorganization.

The Company is in the process of completing the administrative procedures to allow it to formally emerge from the oversight of the Bankruptcy Court.

The Company does not currently have any operations.

### Note 2 - Going Concern and Summary of Significant Accounting Policies

#### Going Concern

The accompanying financial statement has been prepared on a going concern basis, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business. The Company does not generate any revenue, and has a net capital deficiency. These factors among others may indicate that the Company will be unable to continue as a going concern for a reasonable period of time. The Company currently funds its disbursements by a line of credit from one of its Plan Proponents.

The financial statement does not include any adjustments relating to the recoverability of assets and classification of liabilities that might be necessary should the Company be unable to continue as a going concern.

The Company is no longer operating, and will attempt to locate a new business (operating company) and offer itself as a merger vehicle for a company that may desire to go public through a merger rather than through its own public stock offering.

See independent auditors' report.

16

NEVSTAR GAMING AND ENTERTAINMENT CORPORATION  
 NOTES TO FINANCIAL STATEMENTS  
 JUNE 30, 2003

Note 2 - Going Concern and Summary of Significant Accounting Policies  
 (Continued)

Accounting for Reorganization

The Company applied Financial Accounting Standards No. 15 ("Accounting for Debtors and Creditors for Troubled Debt Restructuring") for its emergence from Bankruptcy. The Company also adopted the Fresh Start Reporting (see Note 6).

Use of estimates

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts and disclosures reported in the accompanying financial statements. Significant estimates made in preparing these financial statements include the value of shares of common stock issued to the unsecured creditors in accordance with the Plan of Reorganization. Management uses its knowledge and expertise in making these estimates. Actual results could differ from those estimates.

Income Taxes

The Company utilizes the liability method to account for income taxes. Under this method, deferred taxes and liabilities are determined based on differences between financial reporting and tax bases of assets and liabilities and are measured using the enacted rates and laws expected to apply when the differences are expected to reverse.

Note 3 - Pre-petition Tax Liabilities

Pre-petition tax liabilities consist of \$194,858 payable to the Nevada Department of Taxation and the Nevada Gaming Authority. Pursuant to the Bankruptcy Code and stipulations entered into between the parties and the Company, the amounts will be paid in full, plus interest at 5% in quarterly payments commencing January, 2004 and ending September, 2009. Payments due on these liabilities during the next five years are as follows:

Fiscal Year Ending June 30,	
-----	
2003	\$ -
2004	\$ 16,000
2005	\$ 32,000
2006	\$ 32,000
2007	\$ 32,000

## Edgar Filing: NEVSTAR GAMING & ENTERTAINMENT CORP - Form 10-K

### Note 4 - Long Term Credit Facility, Related Party

The credit facility consists of \$261,915 outstanding on a \$250,000 revolving line of credit issued to the Company by W/F Investment Corp, a shareholder of the Company and a proponent of the Bankruptcy Plan of Reorganization. The line of credit has been used to pay the Company's obligations, including the bankruptcy related allowed administrative expenses, accounting, legal and related expenses. The line of credit bears interest at prime plus 2%, payable monthly. It is due no earlier than October 31, 2003 and no later than October 31, 2007. Accrued interest on the credit facility totalled \$9,771 as of June 30, 2003.

See independent auditors' report.

17

NEVSTAR GAMING AND ENTERTAINMENT CORPORATION  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2003

### Note 5 - Income Taxes

At June 30, 2003 the Company had net operating loss carryforwards of approximately \$19 million for federal tax purposes, which expire from 2012 to 2015. Because of statutory ownership changes, the amount of net operating losses which may be utilized in future years may be subject to significant annual limitations. At June 30, 2003, total deferred tax assets, consisting principally of net operating loss carry forwards, amounted to approximately \$6.5 million. For financial reporting purposes, a valuation allowance has been recognized in an amount equal to such deferred tax assets due to the uncertainty surrounding their ultimate realization.

### Note 6 - Fresh Start Reporting

In accordance with its Plan of Reorganization, the Company converted unsecured liabilities amounting to approximately \$18,300,000 to 15,167,674 shares of its common stock. The Company also issued 156,428 shares of its common stock in payment of administrative claims totaling approximately \$20,000, and 27,807,219 shares of its common stock to its Plan Proponents. The shares issued were valued at \$0.01 per share, generating a gain on debt forgiveness of approximately \$18,000,000. The amount of accumulated deficit prior to the reclassification in accordance with Fresh Start Reporting amounted to approximately \$19,000,000. Management estimated the fair value of the shares issued at par value, based on the fact that no cash flows are expected in the foreseeable future. The balance of accumulated deficit after the adjustment required by the Fresh Start Reporting represents the "Excess Reorganization Value", which was impaired due to the fact that no cash flows are expected in the foreseeable future.

### Note 7 - Other Income

On October 12, 2001, the Company entered into a settlement agreement with certain former creditors of the Company by which, among other conditions of mutual release, the creditors were to pay the Company \$35,000 on the Effective Date of the Plan of Reorganization. The Company received the funds, net of \$15,000 paid to a former director and a party to the agreement, in June, 2003 and recorded the receipt as Other Income.

See independent auditors' report.

18

# Edgar Filing: NEVSTAR GAMING & ENTERTAINMENT CORP - Form 10-K

## NEVSTAR GAMING AND ENTERTAINMENT CORPORATION

### Item 9 - Changes In and Disagreements with Accountants on Accounting or Financial Disclosure

As reported on Form 8-K dated December 3, 2002, on November 25, 2002 the Company engaged Rose, Snyder & Jacobs ("Rose Snyder") as the Company's independent auditors and for other independent accounting and tax-related services on an ongoing basis, to replace the firm of Piercy Bowler Taylor & Kern, who were dismissed as auditors of the Company. Piercy Bowler Taylor & Kern were engaged on March 18, 2002 and did not issue any reports on the Company's financial statements. In connection with the audit of the Company's financial statements during the interim period of Bowler Taylor and Kern's engagement, there were no disagreements with Piercy Bowler Taylor and Kern on any matter of accounting principles or practice, financial statement disclosure, or auditing scope or procedures.

### PART III

### Item 10 - Directors and Executive Officers of the Registrant

The Company's by-laws provide for the number of Directors of the Company to be fixed from time to time by resolution of the Board. The Board has not made a resolution determining the allowed number of Directors. Directors are elected at each Annual Meeting of Shareholders to serve thereafter until their successors have been duly elected and qualified.

The following table provides certain information as of September 15, 2003 for each director and executive officer of the Company:

Name	Age	Position with the Company
William O. Fleischman	58	Chairman of the Board, Chief Executive and Chief Financial Officer
Douglas Hrdlicka	60	Director, Secretary

William O. Fleischman has been an officer and director since November 22, 2002. Mr. Fleischman, in his individual capacity or through W/F Investment Corp and its affiliates, has substantial experience investing in and managing companies. Mr. Fleischman is also an attorney officed in Century City.

Mr. Hrdlicka has been an officer and director since November 22, 2002. Mr. Hrdlicka has substantial experience in the operations and management of companies in the service industry with a strong background in marketing and advertising. For the past ten years, he has been involved in turn-around strategies in some of the country's largest beverage distribution networks.

None of the officers or directors of the Company is related to any other officer or director of the Company. Officers are appointed by the Board of Directors and serve at the pleasure of the Board of Directors or until they resign. At present two officers of W/F Investment Corp, the Company's secured lender and a principal shareholder of the Company, serve on the Company's Board of Directors.

# Edgar Filing: NEVSTAR GAMING & ENTERTAINMENT CORP - Form 10-K

19

## NEVSTAR GAMING AND ENTERTAINMENT CORPORATION

### COMPLIANCE WITH SECTION 16(a)

Section 16(a) of the Securities Exchange Act of 1934, as amended, requires the Company's executive officers and directors and persons who own more than 10% of a registered class of the Company's equity securities to file with the Securities and Exchange Commission initial statements of beneficial ownership, reports of changes in ownership and annual reports concerning their ownership of common stock and other equity securities of the Company, on Forms 3, 4 and 5 respectively. Executive officers, directors and greater than 10% shareholders are required by Commission regulations to furnish the Company with copies of all Section 16(a) reports they file. To the best of the Company's knowledge (based solely upon a review of the Forms 3, 4, and 5 filed), no officer, director or 10% beneficial shareholder failed to file on a timely basis any reports required by Section 16(a) of the Securities Exchange Act of 1934, as amended.

### Item 11 - Executive Compensation

#### Compensation of Directors and Executive Officers

The Executive Officers and Directors of the Company received no compensation during fiscal 2000, 2001 and 2002.

### Item 12 - Security Ownership of Certain Beneficial Owners and Management Security Ownership of Certain Beneficial Owners

The following table sets forth information with respect (1) to those persons known by the Company to own beneficially more than 5% of the Company's common stock as of September 15, 2003 and (2) shares of the Company's outstanding common stock which are owned beneficially by each director and nominee and the aggregate number of shares owned beneficially by all directors, nominees and officers as a group as of September 15, 2003.

Name and Address of Beneficial Owner	Amount and Nature of Beneficial Ownership	Percent of Class
William O. Fleischman 1900 Avenue of the Stars, Suite 2410 Los Angeles, CA 90067 Director, Chief Executive and Chief Financial Officer	27,807,219 (1)	54.83%
All officers and directors as a group (2 persons)	27,807,219	54.83%

(1) Consists of 27,807,219 shares of common stock owned by W/F Nevstar LLC. W/F Investment Corp, of which Mr. Fleischman is a 93% shareholder, owns 77% of W/F Nevstar LLC.

## Edgar Filing: NEVSTAR GAMING & ENTERTAINMENT CORP - Form 10-K

### Item 13 - Certain Relationships and Related Transactions

Two directors of the Company, Mr. William O. Fleischman and Mr. Douglas Hdrlicka, are principals and officers and directors of W/F Investment Corp, the Company's secured lender and a member of W/F Nevstar LLC, a principal shareholder of the Company.

20

#### NEVSTAR GAMING AND ENTERTAINMENT CORPORATION

### Item 14 - Controls and Procedures

#### (a) Evaluation of Disclosure Controls and Procedures

Disclosure controls and procedures are designed to ensure that information required to be disclosed in the reports filed or submitted under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed in the reports filed under the Exchange Act is accumulated and communicated to management, to allow timely decisions regarding required disclosures.

Within the 90 days prior to this report, the Company carried out an evaluation under the supervision and with the participation of the Company's management, including the Company's Chief Executive Officer and Chief Financial Officer, of the effectiveness of the design and operation of the Company's disclosure controls and procedures. Based upon and as of the date of that evaluation, the Company's Chief Executive Officer and Chief Financial Officer concluded that the Company's disclosure controls and procedures are effective to ensure that the information required to be disclosed in the reports the Company files and submits under the Exchange Act is recorded, processed, summarized, and reported as and when required.

#### (b) Changes in Internal Controls

There were no changes in the Company's internal controls or in other factors that could have significantly affected those controls subsequent to the date of the Company's most recent evaluation.

### Item 15 - Exhibits, Financial Statement Schedules, and Reports on Form 8-K

#### (a) The financial statements and financial statement schedules filed as part of this report are listed on the Index to Financial Statements and Schedules on page 6.

#### Exhibits

2.1 (5) Second Amended Plan of Reorganization dated as of April 17, 2000  
99.1 Certification Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

#### (b) Reports on Form 8-K

The Company filed no reports on Form 8-K during the quarter ended June 30, 2003.



Edgar Filing: NEVSTAR GAMING & ENTERTAINMENT CORP - Form 10-K

(c) Exhibits

All exhibits required by Item 601 of Regulation S-K have been filed.

(d) Financial Statement Schedules

All other financial statement schedules which are required by the regulations of the Securities and Exchange Commission are either inapplicable or are included as part of Item 8 herein.

21

NEVSTAR GAMING AND ENTERTAINMENT CORPORATION

SIGNATURES

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

Dated: September 15, 2003

NEVSTAR GAMING AND ENTERTAINMENT CORP

By: S/William O. Fleischman  
William O. Fleischman  
Chief Executive Officer

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed by the following officers and directors of Camera Platforms International, Inc., on behalf of the Company, in the capacities and in the dates indicated.

September 15, 2003 Chairman of the Board, Chief Executive and  
Chief Financial Officer  
By: S/William O. Fleischman  
William O. Flieschman

September 15, 2003 Director and Secretary  
By: S/Douglas Hrdlicka  
Douglas Hrdlicka

22

CERTIFICATIONS

I, William O. Fleischman, certify that:

1. I have reviewed this annual report on Form 10-K of Nevstar Gaming and Entertainment Corporation;
2. Based on my knowledge, this annual report does not contain any untrue statement of a material fact necessary to make the statements made, in light of 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

## Edgar Filing: NEVSTAR GAMING & ENTERTAINMENT CORP - Form 10-K

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

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-14 and 15d-14) for the registrant and we have:
  - a. designed such disclosure controls and procedures to ensure that material information relating to the registrant is made known to us by others within the entity, 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 officer and I have disclosed, based on our most recent evaluation, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent function):
  - a. all significant deficiencies in the design or operation of internal controls which could adversely affect the registrant's ability to record, process, summarize and report financial data and have identified for the registrant's auditors any material weaknesses in internal controls; and
  - b. any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls; and

23

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

September 15, 2003

By: /s/ William O. Fleischman

\_\_\_\_\_  
William O. Fleischman  
Chairman of the Board, and  
Chief Executive and  
Chief Financial Officer

24

### CERTIFICATIONS

I, Douglas Hrdlicka, certify that:

1. I have reviewed this annual report on Form 10-K of Nevstar Gaming and Entertainment Corporation;

## Edgar Filing: NEVSTAR GAMING & ENTERTAINMENT CORP - Form 10-K

2. Based on my knowledge, this annual report does not contain any untrue statement of a material fact necessary to make the statements made, in light of circumstances under which such statements were made, not misleading with respect to the period covered by this annual report;
3. Based on my knowledge, the financial statements, and other financial information included in this annual report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this annual report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-14 and 15d-14) for the registrant and we have:
  - a. designed such disclosure controls and procedures to ensure that material information relating to the registrant is made known to us by others within the entity, 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 our conclusions about the effectiveness of the disclosure controls and procedures based on our evaluation as of the Evaluation Date;
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent function):
  - a. all significant deficiencies in the design or operation of internal controls which could adversely affect the registrant's ability to record, process, summarize and report financial data and have identified for the registrant's auditors any material weaknesses in internal controls; and
  - b. any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls; and

25

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

September 15, 2003

By: /s/Douglas Hrdlicka

---

Douglas Hrdlicka  
Secretary

