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ADVANCED HEALTHCARE TECHNOLOGIES INC
Form 10QSB
November 19, 2002

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 SEPTEMBER 30, 2002
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:
12,507,000 shares.

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Advanced Healthcare Technologies, Inc.

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Advanced Healthcare Technologies, Inc.
(formerly Email Mortgage, Inc.)
(A Development Stage Company)
Balance Sheet
(Unaudited)

ASSETS

| | September 30 2002 |
|-------------------------------|----------------------|
| | ----- |
| Current assets: | |
| Cash | \$ 106,795 |
| Advance to affiliated company | 27,000 |
| | ----- |
| Total current assets | 133,795 |
| | ----- |
| Total assets | \$ 133,795 |
| | ===== |

LIABILITIES AND STOCKHOLDERS' EQUITY

| | |
|---|----------|
| Current liabilities: | |
| Accounts payable | \$ 1,376 |
| Loans from related parties | 3,055 |
| | ----- |
| Total current liabilities | 4,431 |
| 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, 12,507,000 shares issued and outstanding | 12,507 |

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| | |
|---|------------|
| Additional paid in capital | 246,543 |
| (Deficit) accumulated during development stage | (128,686) |
| | ----- |
| | 129,364 |
| | ----- |
| | \$ 133,795 |
| | ===== |

See accompanying notes to financial statements.

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Advanced Healthcare Technologies, Inc.
(formerly Email Mortgage.com Inc.)
(A Development Stage Company)
Statements of Operations
Three Months and Six Months Ended September 30,
2002 and 2001
For the Period From Inception (March 28, 2000)
to September 30, 2002
(Unaudited)

| | Three Months Ended September 30, | | Six Months Ended September 30, | | Period From Inception To September 30, |
|--|-------------------------------------|------------|-----------------------------------|-------------|--|
| | 2002 | 2001 | 2002 | 2001 | 2002 |
| | ----- | ----- | ----- | ----- | ----- |
| Revenue: | | | | | |
| Loan processing fees | \$ - | \$ 650 | \$ 1,100 | \$ 1,750 | \$ 4,350 |
| Interest income | 588 | - | 1,653 | - | 3,220 |
| | ----- | ----- | ----- | ----- | ----- |
| | 588 | 650 | 2,753 | 1,750 | 7,570 |
| Operating expenses: | | | | | |
| Loan processing costs | - | - | 500 | 400 | 7,050 |
| Professional fees | 13,389 | 1,456 | 14,664 | 9,206 | 71,563 |
| Consulting services | 2,400 | - | 2,400 | - | 12,400 |
| Web site expenses | 125 | - | 125 | - | 23,625 |
| Rent | 475 | 1,300 | 950 | 3,250 | 7,650 |
| Other expenses | 1,328 | - | 2,158 | 8 | 14,968 |
| | ----- | ----- | ----- | ----- | ----- |
| | 17,129 | 2,756 | 20,797 | 12,864 | 137,256 |
| | ----- | ----- | ----- | ----- | ----- |
| (Loss from operations) and net (loss) | \$ (17,129) | \$ (2,106) | \$ (18,044) | \$ (11,114) | \$ (129,686) |
| | ===== | ===== | ===== | ===== | ===== |
| Per share information: | | | | | |
| Basic and diluted (loss) per common share | \$ - | \$ - | \$ - | \$ - | \$ (0.06) |
| | ===== | ===== | ===== | ===== | ===== |
| Weighted average shares outstanding | 11,257,000 | 11,250,000 | 11,257,000 | 11,250,000 | 11,368,400 |
| | ===== | ===== | ===== | ===== | ===== |

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See accompanying notes to financial statements.

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Advanced Healthcare Technologies, Inc.
 (formerly Email Mortgage, Inc.)
 (A Development Stage Company)
 Statements of Cash Flows
 Six Months Ended September 30, 2002 and 2001
 For the Period From Inception (March 28, 2000)
 to September 30, 2002
 (Unaudited)

| | Six Months Ended | | Period From |
|---|------------------|-------------|-----------------------|
| | September 30, | | Inception To |
| | 2002 | 2001 | September 30, 2002 |
| | ----- | | ----- |
| Net income (loss) | \$ (18,044) | \$ (11,114) | \$ (129,686) |
| Adjustments to reconcile net income to net cash provided by operating activities: | | | |
| Services provided for common stock | 900 | - | 5,900 |
| Expenses contributed to capital by shareholder | - | - | 8,500 |
| Changes in assets and liabilities: | | | |
| Increase in accounts payable | 350 | - | 1,376 |
| | ----- | ----- | ----- |
| Total adjustments | 1,250 | - | 15,776 |
| | ----- | ----- | ----- |
| Net cash provided by (used in) operating activities | (16,794) | (11,114) | (113,910) |
| Cash flows from financing activities: | | | |
| Common stock sold for cash | - | - | 253,150 |
| Repayment of related party loans | - | - | (67,745) |
| Advances to shareholder & affiliate | (20,000) | - | (42,000) |
| Repayment of affiliated company advances | - | - | 15,000 |
| Loans from related party | 475 | 10,400 | 62,270 |
| | ----- | ----- | ----- |
| Net cash provided by (used in) financing activities | (19,525) | 10,400 | 220,675 |
| | ----- | ----- | ----- |
| Increase (decrease) in cash and cash equivalents, beginning of period | (36,319) | (714) | 106,765 |
| | ----- | ----- | ----- |
| Cash and cash equivalents, end of period | \$ 143,114 | 969 | - |
| | ----- | ----- | ----- |
| | \$ 106,795 | \$ 255 | \$ 106,765 |
| | ===== | ===== | ===== |

See accompanying notes to financial statements.

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Advances 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, 2002.

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

During August 2002, the Company changed its domicile to the state of Nevada and effected a five share for one share forward stock split. All share and per share information in the foregoing financial statements has been restated to give effect to the stock split.

The Company had an outstanding advance balance due to a related party of \$2,580 and an outstanding advance to an affiliated company of \$27,000 at September 30, 2002.

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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

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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 (\$250,000) and loans from a related party of (\$62,745). 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.

For the six months ended September 30, 2002, we made advances to shareholder and affiliate of \$20,000 and received loans from related party of \$475. As a result, we had net cash used in financing activities of \$19,525 for the six months ended September 30, 2002.

For the six months ended September 30, 2001, we received loans from a related party of \$10,400 resulting in net cash provided by financing activities of \$10,400.

For the six months ended September 30, 2002 and 2001, 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

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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 six months ended September 30, 2002, we received revenue of only \$1,100 from loan processing fees and interest income of \$1,653. We had a net loss of \$17,144 for the six months ended September 30, 2002. Operating expenses for that same period were \$20,797 consisting of loan processing costs of \$500, professional fees of \$14,664, consulting

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services of \$2,400, web site expenses of \$125, rent of \$950 and other expenses of \$2,158.

For the six months ended September 30, 2001, we received revenue of only \$1,750 from loan processing fees. We had a net loss of \$11,114 for the six months ended September 30, 2001. Operating expenses for that same period were \$12,864 consisting of loan processing costs of \$400, professional fees of \$9,206, rent of \$3,250 and other expenses of \$8.

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.

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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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: November 11, 2002

By: /s/ Phillip E. Loori

Phillip E. Loori
President