

Amerasia Khan Enterprises Ltd.
Form 10QSB
November 14, 2006

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, DC 20549

FORM 10-QSB

Quarterly Report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

For the quarterly period ended September 30, 2006

Transition Report pursuant to 13 or 15(d) of the Securities Exchange Act of 1934

For the transition period _____ to _____

Commission File Number: 333-130084

Amerasia Khan Enterprises Ltd.

(Exact name of small business issuer as specified in its charter)

Nevada

(State or other jurisdiction of incorporation or organization)

E.I.N. Number Pending

(IRS Employer Identification No.)

353 West 7th Avenue, Vancouver, British Columbia, Canada V5Y 1M2

(Address of principal executive offices)

604-723-6877

(Issuer's telephone number)

(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 Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the issuer 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 whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

State the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date: 9,000,000 common shares as of September 30, 2006.

Transitional Small Business Disclosure Format (check one): Yes No

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PART I - FINANCIAL INFORMATION

Item 1. Financial Statements

Our unaudited financial statements included in this Form 10-QSB are as follows:

<u>F-1</u>	<u>Unaudited Balance Sheet as of September 30, 2006</u>
<u>F-2</u>	<u>Unaudited Statements of Operations for the three and six months ended September 30, 2006 and 2005 and period from April 2, 2004 (Inception) through September 30, 2006</u>
<u>F-3</u>	<u>Unaudited Statements of Cash Flows for the six months ended September 30, 2006 and 2005 and period from April 2, 2004 (Inception) through September 30, 2006</u>
<u>F-4</u>	<u>Notes to Unaudited Financial Statements:</u>

These unaudited financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America for interim financial information and the SEC instructions to Form 10-QSB. In the opinion of management, all adjustments considered necessary for a fair presentation have been included. Operating results for the interim period ended September 30, 2006 are not necessarily indicative of the results that can be expected for the full year.

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AMERASIA KHAN ENTERPRISES LTD.
(A DEVELOPMENT STAGE COMPANY)
BALANCE SHEETS

	September 30, 2006 (unaudited)	March 31, 2006
ASSETS		
Current assets		
Cash	\$ 35,828	\$ 67,460
Accounts receivable, net	3,656	-
Expense advances-related party	2,771	2,771
Prepaid expenses and deposits	-	35,000
Total current assets	42,255	105,231
Rental assets, net	44,121	19,415
TOTAL ASSETS	\$ 86,376	\$ 124,646
LIABILITIES AND STOCKHOLDERS' DEFICIT		
Current liabilities		
Accounts payable and accrued expenses	\$ 6,773	\$ 8,751
Stockholder advances	117,400	117,400
Total current liabilities	124,173	126,151
STOCKHOLDERS' DEFICIT:		
Common stock, \$.001 par value, 50,000,000 shares authorized, 9,000,000 shares issued and outstanding	9,000	9,000
Additional paid in capital	169,753	165,057
Deficit accumulated during the development stage	(216,550)	(175,562)
Total Stockholders' Deficit	(37,797)	(1,505)
TOTAL LIABILITIES AND STOCKHOLDERS' DEFICIT	\$ 86,376	\$ 124,646

See accompanying notes to financial statements.

Table of Contents**AMERASIA KHAN ENTERPRISES LTD.****(A DEVELOPMENT STAGE COMPANY)****STATEMENTS OF OPERATIONS****Three and Six Months Ended September 30, 2006 and 2005
and Period From April 2, 2004 (Inception) through September 30, 2006
(Unaudited)**

	Three months ended September 30, 2006	Three months ended September 30, 2005	Six months ended September 30, 2006	Six months ended September 30, 2005	Inception through September 30, 2006
Rental revenue	\$ ---	\$ ---	\$ 7,773	\$ 7,548	\$ 15,321
Gown rental expense	-	-	(4,118)	(8,416)	(12,534)
Depreciation	(5,147)	(2,229)	(10,294)	(2,972)	(17,645)
Gross margin	(5,147)	(2,229)	(6,639)	(3,840)	(14,858)
General and administrative expenses:					
Professional fees	7,440	3,200	27,643	14,200	68,363
Compensation	-	-	-	67,600	92,600
Other general and administrative	1,029	-	2,010	5,286	24,576
Total General and Administrative	8,469	3,200	29,653	87,086	185,539
Operating loss	(13,616)	(5,429)	(36,292)	(90,926)	(200,397)
Interest expense	(2,348)	(2,348)	(4,696)	(4,696)	(16,153)
Net loss	\$ (15,964)	\$ (7,777)	\$ (40,988)	\$ (95,622)	\$ (216,550)
Net loss per share:					
Basic and diluted	\$ (0.00)	\$ (0.01)	\$ (0.01)	\$ (0.01)	
Weighted average shares outstanding:					
Basic and diluted	9,000,000	9,000,000	9,000,000	6,866,666	

See accompanying notes to financial statements.

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AMERASIA KHAN ENTERPRISES LTD.
(A DEVELOPMENT STAGE COMPANY)
STATEMENTS OF CASH FLOWS
Six Months Ended September 30, 2006 and 2005
and Period From April 2, 2004 (Inception) through September 30, 2006
(Unaudited)

	Six months ended September 30, 2006	Six months ended September 30, 2005	Inception through September 30, 2006
CASH FLOWS FROM OPERATING ACTIVITIES			
Net loss	\$ (40,988)	\$ (95,622)	\$ (216,550)
Adjustments to reconcile net loss to cash used in operating activities:			
Depreciation	10,294	2,972	17,645
Non-cash management compensation	-	57,600	57,600
Imputed interest on stockholder advances	4,696	4,696	16,153
Change in non-cash working capital items			
Accounts receivable	(3,656)	-	(3,656)
Expense advances-related party	-		(2,771)
Prepaid expenses and deposits	-	(10,000)	-
Accounts payable	(1,978)	(636)	9,173
CASH FLOWS USED IN OPERATING ACTIVITIES	(31,632)	(40,990)	(122,406)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of rental assets	-	(3,500)	(61,766)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from sale of common stock	-	100,000	102,600
Stockholder advances	-	-	117,400
CASH FLOWS PROVIDED BY FINANCING ACTIVITIES	-	100,000	220,000

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NET INCREASE			
(DECREASE) IN CASH	(31,632)	55,510	35,828
Cash, beginning of period	67,460	60,062	-
Cash, end of period	\$ 35,828	\$ 115,572	\$ 35,828

SUPPLEMENTAL CASH
FLOW INFORMATION

Interest paid	\$ -	\$ -	\$ -
Income taxes paid	\$ -	\$ -	\$ -

NON CASH
TRANSACTIONS:

Issuance of stock for debt	\$ -	\$ 2,400	\$ 2,400
Issuance of stock for compensation	\$ -	\$ 57,600	\$ 57,600
Application of deposit to fixed assets	\$ 35,000	\$ -	\$ -

See accompanying notes to financial statements.

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AMERASIA KHAN ENTERPRISES LTD.
(A DEVELOPMENT STAGE COMPANY)
NOTES TO THE FINANCIAL STATEMENTS
(Unaudited)

NOTE 1 - BASIS OF PRESENTATION

The accompanying unaudited interim financial statements of Amerasia Khan Enterprises Ltd. have been prepared in accordance with accounting principles generally accepted in the United States of America and the rules of the Securities and Exchange Commission ("SEC"), and should be read in conjunction with the audited financial statements and notes thereto contained in the Company's registration statement filed with the SEC on Form 10KSB. In the opinion of management, all adjustments, consisting of normal recurring adjustments, necessary for a fair presentation of financial position and the results of operations for the interim periods presented have been reflected herein. The results of operations for interim periods are not necessarily indicative of the results to be expected for the full year. Notes to the financial statements which would substantially duplicate the disclosure contained in the audited financial statements for the most recent fiscal year March 31, 2006 as reported in Form 10KSB, have been omitted.

NOTE 2 - GOING CONCERN

Amerasia Khan Enterprises Ltd. has a deficit accumulated during the development stage of \$216,550 as of September 30, 2006. Amerasia's financial statements are prepared using the generally accepted accounting principles applicable to a going concern, which contemplates the realization of assets and liquidation of liabilities in the normal course of business. However, Amerasia has limited revenue and has not achieved profitable operations. Without realization of additional capital, it would be unlikely for Amerasia to continue as a going concern. Amerasia's management plans on generating cash from public or private debt or equity financing, on an as needed basis, and in the longer term from operating revenues. Amerasia's ability to continue as a going concern is dependent on these additional cash financings, and, ultimately, upon achieving profitable operations.

NOTE 3 - RENTAL ASSETS

Rental assets consist of the following at September 30, 2006 and March 31, 2006.

	September, 2006	March 31 2006
Rental assets	\$ 61,766	\$ 26,766
Accumulated depreciation	(17,645)	(7,351)
	\$ 44,121	\$ 19,415

The rental assets are being depreciated on a straight-line basis over their estimated useful life of three years. Depreciation expense for the six months ended September 30, 2006 and 2005 was \$10,294 and \$2,972, respectively.

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AMERASIA KHAN ENTERPRISES LTD.
(A DEVELOPMENT STAGE COMPANY)
NOTES TO THE FINANCIAL STATEMENTS
(Unaudited)

NOTE 4 - RELATED PARTY TRANSACTIONS

Shareholders of Amerasia have advances due from Amerasia of \$117,400 at September 30, 2006. The advances are non-interest bearing and are due 15 months after receiving notice. As of September 30, 2006 notice has not been given. Amerasia has imputed interest at 8% or \$4,696 and \$2,348 (2005-\$4,696 and \$2,348) for the six and three month periods ended September 30, 2006.

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Item 2. Plan of Operation

Forward-Looking Statements

Certain statements, other than purely historical information, including estimates, projections, statements relating to our business plans, objectives, and expected operating results, and the assumptions upon which those statements are based, are “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995, Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. These forward-looking statements generally are identified by the words “believes,” “project,” “expects,” “anticipates,” “estimates,” “intends,” “strategy,” “plan,” “may,” “will,” “would,” “will be,” “will continue,” “will likely result,” and similar expressions. V such forward-looking statements to be covered by the safe-harbor provisions for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995, and are including this statement for purposes of complying with those safe-harbor provisions. Forward-looking statements are based on current expectations and assumptions that are subject to risks and uncertainties which may cause actual results to differ materially from the forward-looking statements. Our ability to predict results or the actual effect of future plans or strategies is inherently uncertain. Factors which could have a material adverse affect on our operations and future prospects on a consolidated basis include, but are not limited to: changes in economic conditions, legislative/regulatory changes, availability of capital, interest rates, competition, and generally accepted accounting principles. These risks and uncertainties should also be considered in evaluating forward-looking statements and undue reliance should not be placed on such statements. We undertake no obligation to update or revise publicly any forward-looking statements, whether as a result of new information, future events or otherwise. Further information concerning our business, including additional factors that could materially affect our financial results, is included herein and in our other filings with the SEC.

Business Overview

We are in the business of renting and/or selling academic regalia currently in Canada and later plan to move into the United States. We do not intend to launch an aggressive advertising campaign for our products; instead, we intend to focus on building a reputation for our products through a single distribution channel.

In furtherance of this plan, on May 31, 2004, we secured a two year agreement whereby Artona Group, Inc. (“Artona Group”) will solely purchase and/or rent our products from us. Artona Group has been operating in the specialized graduation photography industry for over 20 years and owns one of the largest specialized studios in Western Canada. Artona Group is looking to expand its business into supplying graduation regalia in addition to its photography products. Our arrangement with Artona Group is wholesale-retail in nature. We wholesale our academic products to Artona Group as rented or purchased products, and Artona Group then retails the merchandise to the end-consumer.

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On June 15, 2005, we entered into an extension and modification of our agreement with Artona Group under which Artona Group has agreed to purchase or rent at least 6,000 units of academic regalia from us over the next four years.

Our products are made in China by a company known as Chuang Yuan Garment Accessories Co., Limited (“Chuang”). We believe that we have established a good relationship with our manufacturer and believe that, absent unusual circumstances affecting the supply of materials or the demand on manufacturing time, the supply of regalia will be available according to our needs. We do not currently maintain a long-term purchase contract with our manufacturer and operate principally on a purchase order basis.

Our President and Director, Mr. Johnny Lee, works with Chuang on the design features of our academic regalia and inspects the fabrics and finished goods prior to their shipment to North America. While Mr. Johnny Lee does not have any technical or engineering experience in fabric design or quality control, his presence in China acting as a liaison between us and our manufacturer greatly ensures that at our products are made to our needs and specifications.

In early April 2006, we received our second shipment of graduation regalia from Chuang, a portion of which was rented to Artona Group for the 2006 graduation season. In order to improve the quality of our products, we had Chuang treat our graduation regalia with “Nanoproc,” a nanotechnology treatment that provides the following benefits to the manufactured materials:

- Water, Oil and Liquid Repellency
 - Wrinkle Resistance
 - Anti-Bacteria
 - Anti-static
 - Odor Reduction
- Maintain Air Permeability

In the two shipments we have received from our manufacturer, we have not encountered any major delays or problems in dealing with Artona Group, nor did we receive any negative feedback from Artona Group as to the quality of our products. This does not imply, however, that we will not face any problems in our future endeavors. If Artona Group does not continue ordering our products or if we are unable to find alternative outlets in which to introduce our products to the consuming public, our business will fail.

Future orders may proceed in like manner to that described above, or we may sell academic regalia as contemplated under the agreement. Our decision to sell the academic regalia as opposed to renting the merchandise is dependent upon Artona Group’s ability to find an end consumer and achieve a profit margin that will mutually benefit us and Artona Group.

Our Marketing Strategy For The Next 12 Months

Our company will focus on developing brand recognition by marketing our products to photography studios and/or photographers that already have a strong and stable market penetration, and partnering with these businesses in order to strengthen our market hold.

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In the first year of operations, we entered into an Agreement with Artona Group through which we hope to generate greater interest and product awareness. Following the pilot year of operations, we began identifying other comparable companies that possess working relationships with high schools in order to distribute our products for the upcoming graduation seasons, and to engage in distribution of our academic regalia throughout other Canadian provinces and into the US. We have been concentrating our marketing efforts in a joint effort with Artona Group and hope to establish agreements with several entities for future shipments in these areas. In furtherance of this design, we have been in discussions with the following photography companies and have shown them our product line. We have not established any additional contracts to date, but we expect to engage in additional discussions as the graduation season draws closer:

- Tom Wensel, Huntington Photography, Huntington, Texas
- Stan Fejnas, Josephs Photography, New Jersey and Missouri
 - Hal Wagner, Wagner Photography, St. Louis, Missouri
- Elizabeth Hockmeyer, Hockmeyer Studios, Boston, Massachusetts
 - Lance Kimura, House of Photography, Honolulu, Hawaii
 - Brad Kramer, Grads Photography, Phoenix, Arizona
- Donnie Rubenack, Donette Studios, Bellingham, Washington
- John Stickney, Boyd Anderson Studios, Santee, California

We plan to seek these and other customers who have a long-standing history of reputation and service within their business community, and who we think might purchase and/or rent academic regalia as a value-added service to their existing business. Once we are established in the marketplace for service and quality, we may then decide to approach academic institutions and students directly as purchasers of regalia. Our vision is to market quality, yet affordable academic regalia.

Promotional strategies include, but are not limited to:

- Branding of product to directly identify and build loyalty among distributors and end users of the product;
- Marketing collateral development for use by customers and other parties acting as distributors of regalia;
- Affiliation with Canadian and US professional photography and digital associations to provide a medium for identifying potential distributors;
- Participation in trade shows related to the regalia, photography and digital imaging industries to provide a venue for identifying potential distributors. Research will be conducted to identify trade shows where the target markets participate directly; and
- Anticipated creation of a website that will promote regalia products, solicit e-commerce, supervise supply chain management and manage distributor relations.

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Financing, Liquidity and Capital Resources

There is no historical financial information about us upon which to base an evaluation of our performance as a corporation involved in the business of academic regalia. We are a development stage corporation and have not generated any significant revenue to date from our activities. In order to meet our long-term needs, we must raise cash from other sources or successfully generate enough revenue to stay in business. Notwithstanding, in the short-term, various shareholders have made loans to us, and we believe this infusion of capital will allow us to remain operational in the next twelve months. We had a working capital deficit of \$81,918 as of September 30, 2006. However, a large portion of the liabilities that contribute to our working capital deficient comes from the shareholder loans, which are payable with 15 months notice. Thus, we believe current cash reserves are sufficient for the next twelve months. We also believe our cash reserves are sufficient to pay for the legal and accounting expenses of complying with our obligations as a reporting issuer under the Securities Exchange Act of 1934. Accordingly, we believe we will not be required to raise additional capital during the next twelve months.

We currently do not, and will not, generate significant revenue from activities, and to date have relied on the sale of equity and related party loans for cash required for our activities. We have no external sources of liquidity in the form of credit lines from banks. No investment banking agreements are in place and there is no guarantee that we will be able to raise capital in the future should that become necessary. We have not attained profitable operations and are dependent upon obtaining financing to complete our business plan. For these reasons, our auditors have stated in their report that they have substantial doubt about our ability to continue as a going concern.

Should our market share increase and it is economically feasible to continue operating, we will attempt to raise additional money through a subsequent private placement, public offering or through loans. We have discussed this matter with our officers and directors, however, our officers and directors are unwilling to make any commitments to loan us any additional money if and when the need arises. At the present time, we have not made any arrangements to raise additional cash. If we need additional cash and cannot raise it we will either be required to suspend activities until we do raise the cash, or cease activity entirely.

Employees

We do not intend to hire any employees at this time, nor do we intend to do so in the next twelve months. Aside from the Management Services Agreement established with Mr. Johnny Lee, which at this present time is suspended, our officers and directors of our company serve without compensation.

Research and Development

We do not currently have a formal research and development effort but we plan to continue to develop new products.

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Results of Operations for the three and six months ended September 30, 2006 and 2005

We have not earned significant revenues since our inception in April 2, 2004.

We incurred operating losses in the amount of \$13,616 for the three months ended September 30, 2006, compared to operating losses of \$5,429 for same period ended September 30, 2005.

We incurred operating losses in the amount of \$36,292 for the six months ended September 30, 2006, compared to operating losses of \$90,926 for same period ended September 30, 2005.

We incurred a net loss of \$15,964 for the three months ended September 30, 2006, compared with a net loss of \$7,777 for same period ended September 30, 2005. We incurred a net loss of \$40,988 for the six months ended September 30, 2006, compared with a net loss of \$95,622 for same period ended September 30, 2005. Our losses for the three and six months ended September 30, 2006 and 2005 are mostly attributable to operating expenses.

Off Balance Sheet Arrangements

As of September 30, 2006, there were no off balance sheet arrangements.

Going Concern

We have incurred a net loss of \$216,550 for the period from inception on April 2, 2004 to September 30, 2006. We have limited revenue and have not achieved profitable operations. Without realization of additional capital, it would be unlikely for us to continue as a going concern. Our management plans on raising cash from public or private debt or equity financing, on an as needed basis and in the longer term, revenues from the development of planned operations. Our ability to continue as a going concern is dependent on these additional cash financings, and, ultimately, upon achieving profitable operations through the development of operations.

Critical Accounting Policies

In December 2001, the SEC requested that all registrants list their most “critical accounting polices” in the Management Discussion and Analysis. The SEC indicated that a “critical accounting policy” is one which is both important to the portrayal of a company’s financial condition and results, and requires management’s most difficult, subjective or complex judgments, often as a result of the need to make estimates about the effect of matters that are inherently uncertain. We believe that the following accounting policies fit this definition.

Our discussion and analysis of financial condition and results of operations, including the discussion on liquidity and capital resources, are based upon our financial statements, which have been prepared in accordance with accounting principles generally accepted in the United States. The preparation of these financial statements requires us to make estimates and judgments that affect the reported amounts of assets, liabilities, revenues and expenses, and related disclosure of

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contingent assets and liabilities. On an ongoing basis, management re-evaluates its estimates and judgments.

The going concern basis of presentation assumes we will continue in operation throughout the next fiscal year and into the foreseeable future and will be able to realize its assets and discharge its liabilities and commitments in the normal course of business. Certain conditions, discussed below, currently exist which raise substantial doubt upon the validity of this assumption. The financial statements do not include any adjustments that might result from the outcome of the uncertainty.

We recognize revenue when persuasive evidence of an arrangement exists, delivery has occurred, the sales price is fixed or determinable and collectibility is probable. These criteria are generally met at the time the gown rental service is complete and for product sales generally at the time product is shipped. Shipping and handling costs are included in cost of good sold.

We purchase and own the rental assets consisting of gowns, caps and other miscellaneous items. The rental assets are rented to Artona Group which in-turn will rent the items to various customers. Our agreement with Artona Group sets our revenue from Artona Group rentals as a percent of Artona Group's profits from rentals. We are to receive 50% of net profits for rentals in British Columbia and 40% of net profits for rentals outside of British Columbia. The net profit will be calculated as total rental income less any direct cost such as cleaning, labor, repairs or delivery. Artona Group will invoice and collect from their rental customers as well as pay any direct cost. If a situation should arise where direct cost exceeds rental income, we have agreed to reimburse Artona Group 100% of the overage. Artona Group will notify us of our portion of profits or cost overage upon the completion of the rental process. We will keep track of how many assets are given to Artona Group for rental as a way to track expected revenues based on estimates. We will record revenue and related cost at the time they are notified by Artona Group of their amount of profits to be received. Not until that point will the revenue or cost be fixed or determinable or reasonably collectible.

Recently Issued Accounting Pronouncements

We do not expect the adoption of recently issued accounting pronouncements to have a significant impact on our results of operations, financial position or cash flow.

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Item 3. Controls and Procedures

We carried out an evaluation of the effectiveness of the design and operation of our disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) as of September 30, 2006. This evaluation was carried out under the supervision and with the participation of our Chief Executive Officer, Mr. Johnny Lee, and our Chief Financial Officer, Mr. David Ho. Based upon that evaluation, our Chief Executive Officer and Chief Financial Officer concluded that, as of September 30, 2006, our disclosure controls and procedures are effective. There have been no changes in our internal controls over financial reporting during the quarter ended September 30, 2006.

Disclosure controls and procedures are controls and other procedures that are designed to ensure that information required to be disclosed in our reports filed or submitted under the Exchange Act are 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 our reports filed under the Exchange Act is accumulated and communicated to management, including our Chief Executive Officer and Chief Financial Officer, to allow timely decisions regarding required disclosure.

Limitations on the Effectiveness of Internal Controls

Our management does not expect that our disclosure controls and procedures or our internal control over financial reporting will necessarily prevent all fraud and material error. Our disclosure controls and procedures are designed to provide reasonable assurance of achieving our objectives and our Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures are effective at that reasonable assurance level. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, within the Company have been detected. These inherent limitations include the realities that judgments in decision-making can be faulty, and that breakdowns can occur because of simple error or mistake. Additionally, controls can be circumvented by the individual acts of some persons, by collusion of two or more people, or by management override of the internal control. The design of any system of controls also is based in part upon certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions. Over time, control may become inadequate because of changes in conditions, or the degree of compliance with the policies or procedures may deteriorate.

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PART II - OTHER INFORMATION

Item 1. Legal Proceedings

We are not a party to any pending legal proceeding. We are not aware of any pending legal proceeding to which any of our officers, directors, or any beneficial holders of 5% or more of our voting securities are adverse to us or have a material interest adverse to us.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

None

Item 3. Defaults upon Senior Securities

None

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

No matters have been submitted to our security holders for a vote, through the solicitation of proxies or otherwise, during the quarterly period ended September 30, 2006.

Item 5. Other Information

None

Item 6. Exhibits

Exhibit Description of Exhibit

Number

- | | |
|-------------|--|
| <u>31.1</u> | <u>Certification of Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002</u> |
| <u>31.2</u> | <u>Certification of Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002</u> |
| <u>32.1</u> | <u>Certification of Chief Executive Officer and Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002</u> |

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SIGNATURES

In accordance with the requirements of the Securities and Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Amerasia Khan Enterprises Ltd.

Date: November 14, 2006

By: /s/ Johnny Lee

Johnny Lee

Title: **Chief Executive Officer and Director**