

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

FORM 10-QSB

(Mark One)

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

For the quarterly period ended September 30, 1997.

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: 022307

NAVA LEISURE USA, INC.  
(Exact name of registrant as specified in charter)

IDAHO  
84-1368850

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State or other jurisdiction of  
(I.R.S. Employer I.D. No.)  
incorporation or organization

253 Ontario #1, P.O. Box 3303, Park City, Utah  
84060  
(Address of principal executive offices)  
(Zip Code)

Issuer's telephone number, including area code: (801) 649-  
5060

Securities registered pursuant to section 12(b) of the  
Act:

Title of each class  
Name of each exchange on which registered

None N/A

Securities registered pursuant to section 12(g) of the Act:

Title of each class  
Name of each exchange on which registered

Common stock, par value \$0.0005 None

Check whether the Issuer (1) filed all reports required  
to be filed by section 13 or 15(d) of the Exchange Act  
during the past 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. (1) Yes  No  (2) Yes  No

The Company has 3,000,025 shares of its common stock  
outstanding, of which 599,258 shares are held by  
nonaffiliates.

Item 1 - FINANCIAL STATEMENTS

The unaudited financial statements of the Company are  
set forth immediately following the signature page to this  
form 10-QSB.

Item 2 - MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL  
CONDITION AND RESULTS OF OPERATIONS

The Company is considered a development stage company  
with no assets or capital and with no operations or income  
since approximately 1988. The costs and expenses associated  
with the preparation and filing of this registration  
statement and other operations of the Company have been paid  
for by shareholders of the Company, specifically H. D.  
Williams. It is anticipated that the Company will require  
only nominal capital to maintain the corporate viability of

the Company and necessary funds will most likely be provided by the Company's existing shareholders or its officers and directors in the immediate future. However, unless the Company is able to facilitate an acquisition of or merger with an operating business or is able to obtain significant outside financing, there is substantial doubt about its ability to continue as a going concern.

During the next twelve months, the Company will actively seek out and investigate possible business opportunities with the intent to acquire or merge with one or more business ventures. Because the Company lacks funds, it may be necessary for the officers and directors to either advance funds to the Company or to accrue expenses until such time as a successful business consolidation can be made. Management intends to hold expenses to a minimum and to obtain services on a contingency basis when possible. Further, the Company's directors will forego any compensation until such time as an acquisition or merger can be accomplished and will strive to have the business opportunity provide their remuneration. However, if the Company engages outside advisors or consultants in its search for business opportunities, it may be necessary for the Company to attempt to raise additional funds. As of the date hereof, the Company has not made any arrangements or definitive agreements to use outside advisors or consultants or to raise any capital. In the event the Company does need to raise capital most likely the only method available to the Company would be the private sale of its securities. Because of the nature of the Company as a development stage company, it is unlikely that it could make a public sale of securities or be able to borrow any significant sum from either a commercial or private lender. There can be no assurance that the Company will be able to obtain additional funding when and if needed, or that such funding, if available, can be obtained on terms acceptable to the Company.

The Company does not intend to use any employees, with the possible exception of part-time clerical assistance on an as-needed basis. Outside advisors or consultants will be used only if they can be obtained for minimal cost or on a deferred payment basis. Management is confident that it will be able to operate in this manner and to continue its search for business opportunities during the next twelve months.

Item 6 - EXHIBITS AND REPORTS ON FORM 8-K

a. Exhibits: No exhibits are included herein.

b. Reports on Form 8-K: No reports on Form 8-K were filed during the quarter.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, this report has been signed below by the following person on behalf of the Registrant and in the capacities and on the dates indicated:

NAVA LEISURE USA, INC.  
(Registrant)

By: \_\_\_ /s/ J. Rockwell

Smith  
Date: November 20, 1997  
President and  
Principal Executive Officer

J. ROCKWELL SMITH,  
Director,

INDEPENDENT AUDITORS' REPORT

Board of Directors  
Nava Leisure USA, Inc.

The accompanying balance sheet of Nava Leisure USA, Inc. (a development stage company) as of September 30, 1997 and the related statements of operations, stockholders' equity and cash flows for the three months ended September 30, 1997 and 1996 and from inception on April 1, 1964 through September 30, 1997 were not audited by us and, accordingly, we do not express an opinion on them. The accompanying balance sheet as of June 30, 1997 was audited by us and we expressed an unqualified opinion on it in our report dated July 31, 1997.

Jones, Jensen & Company  
Salt Lake City, Utah  
October 28, 1997

NAVA LEISURE USA, INC.  
(A Development Stage Company)

FINANCIAL STATEMENTS

September 30, 1997 and June 30, 1997

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The accompanying notes are an integral part of these financial statements.

NAVA LEISURE USA, INC.  
(A Development Stage Company)  
Balance Sheets

ASSETS

	September 30, 1997	(unaudited)	June 30, 1997
CURRENT ASSETS			
Cash	\$	-	\$ -
Total Current Assets			
TOTAL ASSETS	\$	-	\$ -

LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIT)

CURRENT LIABILITIES

Accounts payable	\$	4,555	\$ 3,507
Total Current Liabilities	\$	4,555	\$ 3,507

STOCKHOLDERS' EQUITY (DEFICIT)

Preferred stock, 5,000,000 shares authorized at \$0.001 par value: Series A preferred stock, 1,100,000 shares authorized, -0- shares issued and outstanding		-	-
- Series B preferred stock, 100,000 shares authorized at \$1.00 par value; -0- shares issued and outstanding		-	-
- Common stock, 50,000,000 shares authorized at \$0.0005 par value; 3,000,025 shares issued and outstanding		1,500	1,500
Capital in excess of par value		21,645	21,238
Deficit accumulated during the development stage		( 27,700 )	(26,245 )
Total Stockholders' Equity (Deficit)		( 4,555 )	(3,507 )
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIT)	\$	-	\$ -

NAVA LEISURE USA, INC.  
(A Development Stage Company)  
Statements of Operations  
(Unaudited)

	For the Three Months Ended September 30,		From Inception On April 1, 1964 Through September 30,
	1997	1996	1997
REVENUE	\$ -	\$ -	\$ -
EXPENSES	-	-	-
OPERATING LOSS	-	-	-
LOSS ON DISCONTINUED OPERATIONS	(1,455 )	-	(27,700 )
NET LOSS	\$ (1,455)	\$ -	\$ (27,700 )
NET LOSS PER SHARE	\$ (0.00)		\$ (0.00 )
WEIGHTED AVERAGE NUMBER OF SHARES OUTSTANDING	3,000,025		3,000,025

NAVA LEISURE USA, INC.  
(A Development Stage Company)  
Statements of Stockholders' Equity (Deficit)

	Shares	Common Stock Amount	Capital in Excess of Par Value	Deficit Accumulated During the Development Stage
Balance, April 1, 1965 -		\$ -	\$ -	\$ -
Issuance of common stock for cash from inception on April 1, 1965 through June 30, 1993 at approximately \$0.0036 per share	3,000,025	1,500	9,250	-
Contribution of capital through payment of expenses by shareholder	-	-	500	-
Net loss from inception on April 1, 1964 through June 30, 1993	-	-	-	(13,110 )
Balance, June 30, 1993	3,000,025	1,500	9,750	(13,110 )
Contribution of capital through payment of expenses by shareholder	-	-	1,405	-
Net loss for the year ended June 30, 1994	-	-	-	(2,169 )
Balance, June 30, 1994	3,000,025	1,500	11,155	(15,279 )
Contribution of capital through payment of expenses by shareholder	-	-	2,027	-
Net loss for the year ended June 30, 1995	-	-	-	(1,602 )
Balance, June 30, 1995	3,000,025	\$ 1,500	\$13,182	\$ (16,881 )

NAVA LEISURE USA, INC.  
(A Development Stage Company)  
Statements of Stockholders' Equity (Deficit) (Continued)

	Common Stock Shares	Amount	Capital in Excess of Par Value	Deficit Accumulated During the Development Stage
Balance, June 30, 1995	3,000,025	\$ 1,500	\$13,182	\$ (16,881 )
Contribution of capital through payment of expenses by shareholder	-	-	653	-
Net loss for the year ended June 30, 1996	-	-	-	(1,554 )
Balance, June 30, 1996	3,000,025	1,500	13,835	(18,435 )
Contribution of capital through payment of expenses by shareholder	-	-	7,403	-
Net loss for the year ended June 30, 1997	-	-	-	(7,810 )
Balance, June 30, 1997	3,000,025	1,500	21,238	(26,245 )
Contribution of capital through payment of expenses by shareholder (unaudited)	-	-	407	-
Net loss for the three months ended September 30, 1997 (unaudited)	-	-	-	( 1,455 )
Balance, September 30, 1997 (unaudited)	3,000,025	\$ 1,500	\$ 21,645	\$ (27,700 )



NAVA LEISURE USA, INC.  
(A Development Stage Company)  
Statements of Cash Flows  
(Unaudited)

	For the Three Months Ended September 30,		From Inception On April 1, 1964 Through September 30,
	1997	1996	1997
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Net loss	\$ (1,455 )	\$ -	\$ (27,700 )
Adjustments to reconcile net loss to cash used by operating activities:			
Expenses paid by shareholder	407	-	12,395
Increase (decrease) in accounts payable	1,048	-	4,555
 Net Cash Provided (Used) by Operating Activities	 -	 -	 (10,750 )
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
	-	-	-
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Proceeds from issuance of common stock	-	-	10,750
 Net Cash Provided (Used) by Financing Activities	 -	 -	 10,750
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>			
	-	-	-
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD</b>			
	-	-	-
<b>CASH AND CASH EQUIVALENTS AT END OF PERIOD</b>			
	\$ -	\$ -	\$ -

NAVA LEISURE USA, INC.  
(A Development Stage Company)  
Statements of Cash Flows (Continued)  
(Unaudited)

	For the Three Months Ended September 30,		From Inception On April 1, 1964 Through September 30, 1997
	1997	1996	
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION			
Interest paid	\$ -	\$ -	\$ -
Income taxes paid	\$ -	\$ -	\$ -

NOTE 1 - CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

The accompanying consolidated financial statements have been prepared by the Company without audit. In the opinion of management, all adjustments (which include only normal recurring adjustments) necessary to present fairly the financial position, results of operations and cash flows at September 30, 1997 and for all periods presented have been made.

Certain information and footnote disclosures normally included in consolidated financial statements prepared in accordance with general accepted accounting principles have been condensed or omitted. It is suggested that these condensed consolidated financial statements be read in conjunction with the financial statements and notes thereto included in the Company's June 30, 1997 audited consolidated financial statements. The results of operations for the periods ended September 30, 1997 and 1996 are not necessarily indicative of the operating results for the full year.