

WWA GROUP INC
Form 10-Q
August 23, 2010

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

(Mark One)

- Quarterly report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 for the quarterly period ended **June 30, 2010**.
- Transition report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 for the transition period from _____ to _____

Commission file number: 000-26927

WWA GROUP, INC.

(Exact name of registrant as specified in its charter)

Nevada

(State or other jurisdiction of
incorporation or organization)

77-0443643

(I.R.S. Employer
Identification No.)

2465 W. 12th St. Suite 2, Tempe, Arizona 85281-6935

(Address of principal executive offices) (Zip Code)

(480) 505-0070

(Registrant's telephone number, including area code)

n/a

(Former name or former address, if changed since last report)

Indicate by check mark whether the registrant: (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: Yes No .

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes No .

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Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company as defined by Rule 12b-2 of the Exchange Act:

Large accelerated filer Accelerated filer Non-accelerated filer Smaller reporting company

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act): Yes No

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date. The number of shares outstanding of the issuer's common stock, \$0.001 par value (the only class of voting stock), at August 23, 2010, was 22,591,922.

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PART I FINANCIAL INFORMATION

ITEM 1.

FINANCIAL STATEMENTS

As used herein, the terms WWA Group , we, our, us, it, and its refer to WWA Group, Inc., a Nevada corporation, unless otherwise indicated. In the opinion of management, the accompanying unaudited financial statements included in this Form 10-Q reflect all adjustments (consisting only of normal recurring accruals) necessary for a fair presentation of the results of operations for the periods presented. The results of operations for the periods presented are not necessarily indicative of the results to be expected for the full year.

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WWA GROUP, INC.
Consolidated Balance Sheets

	Assets	Unaudited June 30, 2010	Audited December 31, 2009
Current assets:			
Cash	\$	4,583,835	\$ 8,636,411
Receivables, net		7,817,356	4,464,014
Advances to suppliers		1,834,537	1,752,852
Inventories		2,906,819	3,543,485
Prepaid expenses		787,205	570,525
Notes receivable		4,173,225	3,989,855
Other current assets		270,265	339,210
Total current assets		22,373,242	23,296,352
Property and equipment, net		5,517,921	5,037,041
Vessel Aqua Conti CWIP		1,389,527	1,372,491
Investment in unconsolidated entity		1,448,419	1,491,866
Investment in related party entity		31,250	31,250
Other assets		400,570	534,093
Total assets	\$	31,160,929	\$ 31,763,093
Liabilities and Stockholders' Equity			
Current liabilities:			
Auction proceeds payable		7,118,823	8,068,708
Accounts payable		4,909,799	1,915,541
Accrued expenses		422,751	463,581
Line of credit		8,817,494	1,0662,448
Short term debt notes payable		4,024,416	3,669,178
Current maturities of long-term debt		79,296	275,607
Total current liabilities		25,372,579	25,055,063
Long-term debt		1,136,270	726,788
Total liabilities		26,508,849	25,781,851

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Stockholders' equity:

Common stock, \$0.001 par value, 50,000,000 shares		
authorized; 22,591,922 shares issued and outstanding	22,592	22,592
Additional paid-in capital	4,449,080	4,449,080
Retained earnings	180,408	1,509,570
Total stockholders' equity:	4,652,080	5,981,242
Total liabilities and stockholders' equity	\$ 31,160,929	\$ 31,763,093

See accompanying condensed notes to consolidated reviewed financial statements.

WWA GROUP, INC.
Consolidated Statements of Income

	Three months ended June 30		Six months ended June 30	
	Unaudited	Unaudited	Unaudited	Unaudited
	2010	2009	2010	2009
Revenues from commissions and services	\$ 1,707,327	\$ 2,906,006	\$ 2,581,956	\$ 4,273,204
Revenues from sales of equipment	9,047,957	5,518,481	13,810,408	10,301,610
Revenues from Ship Charter	165,000	150,000	330,000	300,000
Total revenues	10,920,284	8,574,487	16,722,364	14,874,814
Direct costs - commissions and services	495,132	731,103	857,044	1,222,588
Direct costs - sales of equipment	8,954,809	5,500,309	13,967,241	10,281,257
Gross profit	1,470,343	2,343,075	1,898,080	3,370,969
Operating expenses:				
General and administrative expenses	609,710	766,897	1,232,868	1,511,472
Salaries and wages	381,028	362,738	816,234	786,724
Selling expenses	2,243	37,453	32,821	70,552
Depreciation and amortization expense	213,974	208,196	430,398	417,686
Total operating expenses	1,206,955	1,375,284	2,512,321	2,786,433
Income (loss) from operations	263,388	967,791	(614,241)	584,536
Other income (expense):				
Interest expense	(333,341)	(234,671)	(726,339)	(395,624)
Income on equity investment	(48,330)	(5,207)	(43,447)	(3,300)
Interest income	21,502	43,642	53,023	75,607
Other income (expense)	27,818	20,403	1,842	23,802
Total other income (expense)	(332,351)	(175,833)	(714,921)	(299,515)
Income (loss) before income taxes	(68,964)	791,958	(1,329,163)	285,021
Provision for income taxes	\$ -	\$ -	\$ -	\$ -
Net income (loss)	\$ (68,964)	\$ 791,958	(1,329,163)	\$ 285,021
Basic earnings per common share	\$ 0.00	\$ 0.035	\$ (0.06)	\$ 0.013
Diluted earnings per common share	\$ 0.00	\$ 0.034	\$ (0.06)	\$ 0.012

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Weighted average shares - basic	22,591,922	22,591,922	22,591,922	22,591,922
Weighted average shares - diluted	22,591,922	23,268,895	22,591,922	23,268,895

See accompanying condensed notes to consolidated reviewed financial statements.

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WWA GROUP, INC.

Consolidated Statements of Cash Flow

For six months ended June 30

	2010 Unaudited	2009 Unaudited
Cash flows from operating activities:		
Net income (loss)	\$ (1,329,163)	\$ 285,021
Adjustments to reconcile net income to net cash provided by operating activities		
Depreciation and amortization	430,398	619,717
(Gain) Loss on disposition of assets	27,493	18,655
Loss (Gain) on equity investment	43,447	3,300
Changes in operating assets and liabilities:		
Decrease (Increase) in:		
Accounts receivable	(3,353,342)	6,441,142
Advance to suppliers	(81,685)	(1,011,904)
Inventories	636,666	2,776,649
Prepaid expenses	(216,680)	(452,865)
Other current assets	68,945	(56,683)
Increase (Decrease) in:		
Auction proceeds payable	(949,885)	(9,637,812)
Accounts payable	2,994,258	1,202,283
Accrued liabilities	(40,830)	87,023
Net cash provided by (used in) operating activities	(1,770,379)	274,526
Cash flows from investing activities:		
Purchase of property and equipment	(940,415)	(1,406,817)
(Increase) Decrease in note receivable	(183,370)	50,141
Proceeds from sale of fixed assets	118,131	92,300
Net cash provided by (used in) investing activities	(1,005,654)	(1,264,375)
Cash flows from financing activities:		
Increase (Decrease) in line of credit	(1,844,954)	1,814,928
Payments/Proceeds- long-term debt	213,171	(398,978)
Proceeds from short-term notes payable	355,238	-
Net cash provided by (used in) financing activities	(1,276,544)	1,415,949
Net increase (decrease) in cash and cash equivalents	(4,052,577)	426,100

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Cash and cash equivalents at beginning of year		8,636,411		7,476,689
Cash and cash equivalents at end of period	\$	4,583,835	\$	7,902,789

See accompanying condensed notes to consolidated reviewed financial statements.

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WWA GROUP, INC

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2010

Note A Organization

WWA Group, Inc., (the Company) operates in Jebel Ali, Dubai, United Arab Emirates (U.A.E) under a trade license from the Jebel Ali Free Zone Authority. The Company's operations primarily consist of the auctioning of used and new heavy construction equipment, transportation equipment and marine equipment, the majority of which is on a consignment basis. The Company was incorporated in the state of Nevada in November 1996. The Company includes the accounts of WWA Group, its wholly owned subsidiaries, World Wide Auctioneers, Ltd. (World Wide Auctioneers), a company incorporated in the British Virgin Islands on March 20, 2000; Crown Diamond Holdings Ltd, a company incorporated in the British Virgin Islands on January 6, 2004 and its majority owned subsidiary Asset Forum. LLC, a company incorporated in state of Nevada, on January 7, 2010. On April 14, 2010, Intelspec International, Inc. (Intelspec), our minority owned unconsolidated subsidiary, concluded an agreement with Infrastructure Developments Corp. (Infrastructure), a publicly traded company, pursuant to which Intelspec became a subsidiary of Infrastructure. The Company acquired an approximately 22% interest in Infrastructure as a result of the transaction.

On August 8, 2003, the company and World Wide Auctioneers, a wholly owned subsidiary of World Wide Auctioneers USA which is a company incorporated in Nevada, executed a stock exchange agreement, whereby the company agreed to acquire 100% of the issued and outstanding shares of World Wide Auctioneers in exchange for 13,887,447 shares of the Company's common stock. Because the owners of World Wide Auctioneers became the principal shareholders of the Company through the merger, World Wide Auctioneers is considered the acquirer for accounting purposes and this merger is accounted for as a reverse acquisition or recapitalization of World Wide Auctioneers. Subsequent to the merger, the Company changed its name from Novamed, Inc. to WWA Group, Inc.

The consolidated financial statements present the financial position, results of operation, changes in stockholder's equity and cash flows of WWA Group and its subsidiaries. All significant inter-company balances and transactions have been eliminated.

Note B Summary of Significant Accounting Policies

This summary of significant accounting policies of WWA Group and its subsidiaries is presented to assist in understanding the Company's financial statements. The financial statements and notes are representations of the Company's management who is responsible for the integrity and objectivity of the financial statements. These accounting policies conform to generally accepted accounting principles and have been consistently applied in the preparation of the financial statements.

Basis of Presentation

The consolidated financial statements present the financial position, results of operation, changes in stockholder's equity and cash flows of WWA Group and its subsidiaries. All significant inter-company balances and transactions have been eliminated. Investments in entities in which the Company can exercise significant influence, but does not own a majority equity interest or otherwise control, are accounted for using the equity method and are included as investments in equity interests on the consolidated balance sheets. Effective July 1, 2009, the Company adopted the Accounting Standards Codification (the Codification), as issued by the FASB. The Codification became the single source of authoritative generally accepted accounting principles (GAAP) in the U.S.

WWA GROUP, INC

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2010

Note B Summary of Significant Accounting Policies - continued

Cash and Cash Equivalents

The company considers all highly liquid investments purchased with maturity of three months or less to be cash equivalents.

Accounts Receivable and Allowance for Doubtful Accounts

The Company grants credit terms in the normal course of business to its customers. Accounts receivables are stated at the amount management expects to collect from outstanding balances after discounts and bad debts, taking into account credit worthiness of customers and history of collection.

The allowance for doubtful accounts is based on specifically identified amounts that management believes to be uncollectible. If actual collections experience changes, revisions to the allowance may be required. No allowance for doubtful accounts is provided as company is collecting amount without default.

Inventory

Inventories consist of equipment to be sold in auctions and otherwise, stated at the lower of cost or market. The cost is determined by specific identification method. Cost includes purchase price, freight, insurance, duties and other incidental expenses incurred in bringing inventories to their present location and condition. The Company records a reserve if the fair value of inventory is determined to be less than the cost.

Property and Equipment

Property and equipment are stated at cost less depreciation and provision for impairment where appropriate. Depreciation expense is computed using the straight-line method over estimated useful lives of three to five years except for the vessel in which case the estimated useful life is twenty years. All repair and maintenance costs are expensed as incurred.

Dry Docking Costs

The Company's vessel must be periodically dry-docked and pass certain inspections to maintain their operating classification, as mandated by certain maritime regulations. Costs incurred to dry-dock the vessel are deferred and amortized on a straight line basis over the period to the next dry-docking, generally 36 months. As of June 30, 2010, other assets include the unamortized dry-docking costs of approximately \$400,570.

WWA GROUP, INC

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2010

Note B Summary of Significant Accounting Policies (Contd.)

Investment in Unconsolidated Entities

The Company accounts for its approximate 21.08% equity investment in an unconsolidated subsidiary under the equity method of accounting whereby the Company records its proportionate share of the net income or loss of the equity interest. For the quarter ended June 30, 2010 the loss on equity investment amounted to \$48,330.

Investment in Related Party Entity

Investment in related party represents the Company's equity investment in an entity in which one of the Company's directors serves as a director. The Company accounts for its equity investment in a foreign affiliate under the cost method of accounting. The Company reviews its investments annually for impairment and records permanent impairments as a loss on the income statement.

Revenue Recognition

Revenues from commissions and services consist of revenues earned in the Company's capacity as agent for consignors of equipment, incidental interest income, internet and proxy purchase fees, and handling fees on the sale of certain lots. All commission revenue is recognized when the auction sale is complete and the Company has determined that the auction proceeds are collectible. Revenues from sales of equipment originate from the auctioned sale of equipment inventory owned by the Company. The Company recognizes the revenue from such sales when the auction has been completed, the equipment has been delivered to the purchaser, and collectability is reasonably assured. All costs of goods sold are accounted for under direct costs.

Revenues from ship charter are recognized at a fixed daily amount in accordance with the terms of the chartering agreement, similar to a lease, for the use of the cargo vessel by the chartering group.

Revenues from sales of equipment originate from the auctioned and private sale of equipment inventory owned by the Company. The Company recognizes the revenue from such sales when the sale has been invoiced, and collectability is reasonably assured. All costs of goods sold are accounted for under direct costs.

WWA GROUP, INC

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2010

Note B Summary of Significant Accounting Policies (Contd.)

Income Taxes

Deferred income taxes are determined based on the differences between the financial reporting and tax bases of assets and liabilities and are measured using the currently enacted tax rates and laws. The Company records a valuation allowance against particular deferred income tax assets if it is more likely than not that those assets will not be realized. The provision for income taxes comprises the Company's current tax liability and change in deferred income tax assets and liabilities.

Significant judgment is required in evaluating the Company's uncertain tax positions and determining its provision for income taxes. The Company establishes reserves for tax-related uncertainties based on estimates of whether, and the extent to which, additional taxes will be due. These reserves are established when the Company believes that certain positions might be challenged despite its belief that its tax return positions are in accordance with applicable tax laws. The Company adjusts these reserves in light of changing facts and circumstances, such as the closing of a tax audit, new tax legislation, or the change of an estimate. To the extent that the final tax outcome of these matters is different than the amounts recorded, such differences will affect the provision for income taxes in the period in which such determination is made. The provision for income taxes includes the effect of reserve provisions and changes to reserves that are considered appropriate, as well as the related net interest and penalties.

WWA operates in the Jebel Ali Free Zone of Dubai, which is an income tax free zone. Therefore, the profits of WWA are not taxable in Dubai. During the fourth quarter of 2004, the Company determined that undistributed earnings from Dubai will be reinvested in the business indefinitely and that such earnings will not be distributed to the Company. Therefore, in accordance with FASB Accounting Standard Codification, ASC 740-30, *Accounting for Income Taxes - Special Areas*, no U.S income tax provision has been recorded for the undistributed earnings.

Share-Based Compensation

For stock-based awards granted on or after January 1, 2006, the Company records stock-based compensation expense based on the grant date fair value, estimated in accordance with the provisions of ASC 718 and ASC 505-50.

The Company granted no compensatory options to its employees during the quarter ended June 30, 2010.

Use of Estimates

The preparation of the financial statements in conformity with generally accepted accounting principles in United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

WWA GROUP, INC

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2010

Note B Summary of Significant Accounting Policies (Contd.)

Risks Related to Business and Stock

Due to the proximity of Iran, Sudan and Syria to Company's auction site, sales records and statistics on regional spending on used construction equipment, there is reason to believe that some percentage of the equipment sold at the auctions ultimately ended up in Iran, Sudan or Syria. The U.S. State Department or OFAC could impose fines upon the Company or cause it to restrict certain of its sales based on this possibility. Any such action could have a negative impact on the Company's reputation which might decrease shareholder value.

Recent accounting pronouncements

In April 2010, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2010-13, Effect of Denominating the Exercise Price of a Share-Based Payment Award in the Currency of the Market in Which the Underlying Equity Security Trades (ASU 2010-13). ASU 2010-13 addresses the classification of a share-based payment award with an exercise price denominated in the currency of a market in which the underlying equity security trades. FASB Accounting Standards Codification (ASC) Topic 718 was amended to clarify that a share-based payment award with an exercise price denominated in the currency of a market in which a substantial portion of the entity's equity securities trade shall not be considered to contain a market, performance or service condition. Therefore, such an award is not to be classified as a liability if it otherwise qualifies for equity classification. The amendments in ASU 2010-13 are effective for fiscal years, and interim periods within those fiscal years, beginning on or after December 15, 2010, with early application permitted. We do not anticipate that the adoption of this guidance will have a material impact on our financial position and results of operations.

In February 2010, the FASB issued ASU No. 2010-09, Amendments to Certain Recognition and Disclosure Requirements (ASU 2010-09), which amends ASC Topic 855, Subsequent Events. The amendments to ASC Topic 855 do not change existing requirements to evaluate subsequent events, but: (i) defines a SEC Filer, which we are; (ii) removes the definition of a Public Entity; and (iii) for SEC Filers, reverses the requirement to disclose the date through which subsequent events have been evaluated. ASU 2010-09 was effective for us upon issuance. This guidance did not have a material impact on our financial position and results of operations.

In January 2010, the FASB issued ASU No. 2010-06, Improving Disclosures about Fair Value Measurements (ASU 2010-06). ASU 2010-06 requires new disclosures for (i) transfers of assets and liabilities in and out of levels one and two fair value measurements, including a description of the reasons for such transfers and (ii) additional information in the reconciliation for fair value measurements using significant unobservable inputs (level three). This guidance also clarifies existing disclosure requirements including (i) the level of disaggregation used when providing fair value measurement disclosures for each class of assets and liabilities and (ii) the requirement to provide disclosures about the valuation techniques and inputs used to measure fair value for both recurring and nonrecurring fair value measurements for level two and three assets and liabilities. ASU 2010-06 is effective for interim and annual reporting periods beginning after December 15, 2009, except for the disclosures about activity in the roll forward for level three fair value measurements, which is effective for fiscal years beginning after December 15, 2010. The adoption of this guidance has not had a material impact on our financial position and results of operations.

WWA GROUP, INC

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2010

Note B Summary of Significant Accounting Policies (Contd.)

Management believes the impact of other recently issued standards and updates, which are not yet effective, will not have a material impact on the Company's consolidated financial position, results of operations or cash flows upon adoption.

Note C Notes Receivable

Notes Receivable to related party

Notes receivable include \$2,434,002 of advances provided to Infrastructure, the Company's minority owned unconsolidated subsidiary, which is a project management company focused on specialized projects and subcontracts throughout the Middle East, Africa and Asia and which operates a rock crushing and stone quarry in UAE. The notes bear no interest and are payable on demand.

Other note receivables

As of June 30, 2010, advances to the Company's auction associates in Australia, Lebanon and Philippines amount to \$1,244,223 and to Intraglobal Shipping, a shipping associate, of \$495,000. The notes bear no interest and are payable on demand.

Note D Line of Credit

The Company borrows from banks under credit facility by drawing short term cash advances with maturity not exceeding 120 days against shipping documents of good consigned. This borrowing facility is secured by the bank deposits, the vessel owned by the Company and by the personal guarantee of its president and CEO. The borrowings bear interest at between 6.5% and 11.5% per annum. The Company owed \$8,817,494 on these working capital funding lines at June 30, 2010.

Note E Subsequent Events

The Company evaluated its June 30, 2010 financial statements for subsequent events through the date the financial statements were issued. The Company is not aware of any subsequent events which would require recognition or disclosure in the financial statements.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

This *Management's Discussion and Analysis of Financial Condition and Results of Operation* and other parts of this quarterly report contain forward-looking statements that involve risks and uncertainties. Forward-looking statements can be identified by words such as anticipates, expects, believes, plans, predicts, and similar terms. Forward-looking statements are not guarantees of future performance and our actual results may differ significantly from the results discussed in the forward-looking statements. Factors that might cause such differences include but are not limited to those discussed in the subsection entitled *Forward-Looking Statements and Factors That May Affect Future Results and Financial Condition* below. The following discussion should be read in conjunction with our financial statements and notes hereto included in this report. All information presented herein is based on the three and six month periods ended June 30, 2010. Our fiscal year end is December 31.

Discussion and Analysis

WWA Group's business strategy is to (i) increase cash flow through increased operating efficiencies from our primary auction site, (ii) continue to utilize lower cost venues including on-line auctions and smaller equipment auctions at smaller sites, (iii) further develop its non-auctioneering operations, (iv) acquire synergistic businesses, and (v) reduce administrative and other expenses.

Our growth model will continue to employ lower cost auction methods, such as on-line auctions, video auctions, and transportation equipment only auctions, all of which can be held on a more frequent basis than the major equipment auctions. While smaller in size, these auctions will not interfere with or detract from major equipment auctions. We will also plan to continue to expand internationally. New auction yards in the U.S. as well as managed sites in Lebanon and Philippines exposes us to a wider customer base and provides physical support for equipment that can be sold on-line. We also continue to develop our relationship with Trident International, a U.S. military contractor, and other military contractors in order to manage more disposal auctions like those we managed this year in Doha, Qatar.

Much of our planned expansion is tied to the results achieved by Infrastructure Developments, Inc. (Infrastructure) which public company acquired Intelspec International, Inc. (Intelspec) on April 14, 2010 as a wholly owned subsidiary. We acquired an approximately 22% interest in Infrastructure as a result of the transaction. Infrastructure is a project management company focused on specialized projects in the Middle East, Africa and Asia. Recent projects have included management of the construction of training facilities in Thailand and Cambodia for the U.S. Navy and a limestone removal project in Ras Al Khaimah, U.A.E. The exchange of our interest in Intelspec for that in Infrastructure is anticipated to return realizable value on our investment.

Our business development strategy is prone to significant risks and uncertainties which can have an immediate impact on efforts to generate positive net cash flow and deter future prospects for expansion. Our financial condition and results of operations depend primarily on the volume of industrial equipment auctioned, the prices we obtain at auction for such equipment, and the commission rates we can attract from the consignor. Industrial equipment prices historically have been volatile and are likely to continue to be volatile in the future, and the commission rates in our primary market are subject to competition. This price volatility and commission rate pressure can immediately affect our available cash flow which can in turn impact the availability of net cash flow for future capital expenditures. WWA Group's long term success will depend on its ability to increase the size of auctions and optimize commissions and auction prices. Should we be unable to increase gross auction sales and obtain competitive pricing at auction then we can expect a reduction in revenue which will affect our results of operations.

Results of Operations

During the period from January 1, 2010 through June 30, 2010, WWA Group (i) conducted three major un-reserved auctions for industrial equipment and three one-day car auctions from its auction site located in the Jebel Ali Free Trade Zone, Dubai, United Arab Emirates, (ii) chartered its vessel known as the M/V Iron Butterfly, (iii) bought and sold equipment for its own account, (iv) formed a majority interest in Asset Forum LLC, an Arizona based company that provides an international listing service that matches sellers with buyers for a broad range of assets.

Net Income (Loss)

Net loss for the six months ended June 30, 2010, increased to \$1,329,163 as compared to net income of \$285,021 for the six months period ended June 30, 2009. The loss for the three months ended June 30, 2010 is \$68,964 as compared to net income of \$791,958 for the three months period ended June 30, 2009. The transition to net losses over the comparative periods can be primarily attributed to losses from the sale of owned equipment in the current periods and an increase in interest expense. WWA Group expects that it will return to net income over the next twelve months based on our expectations of:

- Increasing gross sales volume at our physical auctions sales and on-line auctions;
- Increasing commissions and service revenue as a percentage of gross auction sales;
- Increasing gross profit margins on owned equipment sales;
- Decreasing interest expense; and
- Addition of other income from our investment in Intelspec.

Some of the above expectations are already being realized and are controllable by management. Other expectations are more speculative and subject to market conditions. We can offer no assurance that WWA Group will be successful in achieving net income in 2010.

Revenue

Revenue for the three months ended June 30, 2010 was \$10,920,284 as compared to revenue of \$8,574,487 for the three months ended June 30, 2009, an increase of 27%. Revenue for the six months ended June 30, 2010 increased to \$16,722,364 from \$14,874,814 for the six months ended June 30, 2009, an increase of 12%. The increase in revenues over the comparative three and six months can be primarily attributed to a increase in the sale of owned equipment from \$10,301,610 during the six months ended June 30, 2009 to \$13,810,408 during the six months ended June 30, 2010, an increase of 34% and to a increase in revenue from ship charter during the six months ended June 30, 2010 that increased 10% to \$330,000 from \$300,000 during the six months ended June 30, 2009.

We expect continued growth in the marketplace and increased gross auction revenue in 2010 over 2009. The last two auctions in December 2009 and first three auctions of 2010 are indicative of an ongoing trend towards larger auctions. We have also been able to increase our lines of credit and other facilities needed to increase the volume of equipment sales for our own account. The market prices for equipment have now stabilized at lower levels and we can now expect better gross margins on increased volume of sales activity.

Gross Profit

Gross profit for the three months ended June 30, 2010 was \$1,470,343 as compared to gross profit of \$2,343,075 for the three months ended June 30, 2009, a decrease of 37%. Gross profit for the six months ended June 30, 2010 was \$1,898,080 as compared to a gross profit of \$3,370,969 for the six months ended June 30, 2009, a decrease of 44%. The decrease in gross profit over the comparative three and six month periods can be primarily attributed to a decrease in gross profit of our trading activity to almost 1% during the 6 months period ended June 30, 2010. Gross profit on commissions and services decreased to 67% during the six month period ended June 30, 2010 as compared to 71% during the period ended June 30, 2009.

WWA Group expects gross profit margins on sales of equipment to rise to around 15% to 20% in the future, but this percentage figure will decline with any significant increase in owned equipment trading volume. We do not seek to be a significant seller in the auctions we conduct, and we do not expect the percentage of owned equipment for sale at our auctions to exceed 10% of the gross auction volume. However, we expect to continue to increase total auction sale volumes as well as increase sales of owned equipment in on-line auctions and in private sales. We will also purchase equipment in the form of guaranteed net proceeds to assist customers and increase auction volume.

The gross profit percentage may vary greatly from period to period depending on the equipment WWA Group determines to purchase. We will continue to seek to purchase equipment that we believe will sell for a gross profit, without compromising the integrity of the consignment auction business.

Operating Expenses

Operating expenses for the three months ended June 30, 2010, decreased to \$1,206,955 from \$1,375,284 for the three months ended June 30, 2009, a decrease of 12%, mainly due to a decrease in general, administrative and selling expenses. Operating expenses for the six months ended June 30, 2010 were \$2,512,321 as compared to expenses of \$2,786,433 for the six months ended June 30, 2009, a decrease of 10%. The decrease in expenses over the comparative six months period can be attributed to a decrease in general and administrative expenses which decreased from \$1,511,472 in the six months ended June 30, 2009 to \$1,232,868 in the six months ended June 30, 2010. The major components of general and administrative expenses are professional fees, rent expense, travel and entertainment, representation expense, insurance, bank charges, and maintenance expenses. Salaries and wages for the three months ended June 30, 2010 and 2009 were \$381,028 and \$362,738 respectively. We expect to keep salaries and wages at present level for next 6 months. Selling expenses for the three months ended June 30, 2010 and 2009 were \$2,243 and \$37,453 respectively.

WWA Group anticipates that general and administrative expenses will remain relatively constant during 2010, although there can be no assurance that our general and administrative and other operating expenses will not increase in future periods.

Depreciation and amortization expenses increased to \$213,974 from \$208,196 over the comparable three month period ended June 30, 2010 and 2009. Depreciation and amortization expenses for the six months ended June 30, 2010 increased to \$430,398 as compared to \$417,686 for six months ended June 30, 2009. Depreciation and amortization expenses are expected to continue to increase as WWA Group acquires additional assets including the construction of new offices and the assembly of a permanent auction yard at our Jebel Ali facility.

Other Income (Expense)

Interest expenses for the three months ended June 30, 2010, increased to \$333,341 from \$234,671 for the three months ended June 30, 2009. The loss on our equity investment increased to \$48,330 from \$5,207 and interest income decreased to \$21,502 from \$43,642 over the comparative periods.

Interest expenses for the six months ended June 30, 2010, increased to \$726,339 from \$395,624 for the three months ended June 30, 2009. The loss on our equity investment increased to \$43,447 from \$3,300 and interest income decreased to \$53,023 from \$75,607 over the comparative periods.

Income Tax Expense (Benefit)

The Jebel Ali Free Zone is an income tax free zone. Therefore, the profits of World Wide Auctioneers, Ltd. are not taxable in Dubai. WWA Group has determined that undistributed earnings from Dubai will be reinvested in the business indefinitely and that such earnings will not be distributed to the U.S. parent. Therefore, in accordance with APB Opinion No. 23, *Accounting for Income Taxes - Special Areas*, no income tax provision has been recorded for the undistributed earnings. If, in the future, Worldwide Auctioneers, Ltd. distributes such earnings to the U.S. parent, the earnings will be taxable at the applicable U.S. tax rates.

Impact of Inflation

WWA Group has been subject to a substantial increase in yard and staff housing expenses over the last two years, due to the demand for housing and land within the Jebel Ali Free Zone. The general market costs have now settled down, and we have agreements in place to stabilize our rental costs in the future. However, operating cost in the U.A.E. have not declined relative to other international market, our fixed land rental rate is now above market as the result of decrease in demand for land in the Jebel Free Zone, and other local governmental fees have seen recent increase due to budget concerns. We do not believe that we can offset above market operating costs in the near term by increasing revenue and improving operating efficiencies in the U.A.E. while equipment prices, commission and service revenue, are on the decline.

Liquidity and Capital Resources

We had a working capital deficit of \$2,999,336 as of June 30, 2010. Our current assets were \$22,373,243, which included of \$4,583,835 in cash, \$7,817,356 in receivables, \$1,834,537 in advances to suppliers, \$2,906,819 in inventories, and \$4,173,225 in notes receivable. Our total assets were \$31,160,929, which included property and equipment, our Aqua Conti desalination barge, and investments. Our current liabilities totaled \$25,372,579, which included \$8,817,494 on our line of credit. Our total liabilities were \$26,508,849. Our total stockholders equity at June 30, 2010 was \$4,652,080.

Cash flows used in operating activities for the six months ended June 30, 2010, were \$1,770,379 as compared to \$274,526 cash flows provided by operating activities for six months ended June 30, 2009. The transition from cash flow provided by operating activities to cash flow used in operating activities in the current six month period ended June 30, 2010 is primarily attributable to the significant increase in accounts receivable and decrease in auction proceeds payable. We expect to generate cash from operations in 2010 with a transition to net income as well as a decrease in inventories and receivable.

Cash flows used in investing activities for the six months ended June 30, 2010 were \$1,005,654 as compared to cash flow used in investing activities \$1,264,376 for the six months ended June 30, 2009. Cash flow used in investing activities in the six months ended June 30, 2010 can be attributed to the construction of auction facility in our U.A.E. yard and to a lesser extent an increase in notes receivable. During the period WWA Group disposed of assets totaling \$118,131.

Cash flows used in financing activities were \$1,276,544 for the six months ended June 30, 2010 as compared to cash flow provided by financing activities \$1,415,950 for the six months ended June 30, 2009. The cash flows used in financing activities relates to a decrease in bank lines of credit of \$1,844,954.

The board of directors, at its own discretion, may issue stock or grant options under the 2006 Benefit Plan to employees and other individuals, including consultants or advisors, who render services to WWA Group or its subsidiaries, provided that the services rendered are not in connection with the offer or sale of securities in a capital-raising transaction. No options remain outstanding under the benefit plan at June 30, 2010.

We do not believe that WWA Group has sufficient current assets to meet its current liabilities due to negative working capital of \$2,999,336 as of June 30, 2010. Historically, WWA Group has funded its cash needs from a combination of operations, increases in payables, sales of its common stock, and debt transactions. Since we are currently unable to consistently realize net cash flows from operating activities, we may need to seek financing to avoid delays in the payment of accounts payable or auction proceeds payable, which delays could negatively impact our ability to attract and retain consignors for future auctions. Prospective sources of funding could include shareholder loans, equity sales or loans from other sources though no assurance can be given that such sources would be available or that any commitment of support has been forthcoming.

WWA Group does not intend to pay cash dividends in the foreseeable future.

WWA Group had no commitments for future capital expenditures that were material at June 30, 2010, except a \$2 million commitment for the ongoing construction of a 45,000 square foot office/arena/shop building at the Jebel Ali auction site in Dubai, United Arab Emirates.

WWA Group has no defined benefit plan or contractual commitment with any of its officers or directors.

WWA Group has no current plans for the purchase or sale of any plant or equipment.

WWA Group has no current plans to make any changes in the number of employees.

Off Balance Sheet Arrangements

As of June 30, 2010, WWA Group has no significant off-balance sheet arrangements that have or are reasonably likely to have a current or future effect on our financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, capital expenditures, or capital resources that is material to stockholders.

Critical Accounting Policies

In Note B to the audited consolidated financial statements for the year ended December 31, 2009 and 2008 filed on Form 10-K with the Securities and Exchange Commission, we discuss those accounting policies that are considered to be significant in determining the results of operations and its financial position. We believe that the accounting principles utilized by it conform to accounting principles generally accepted in the United States of America.

The preparation of financial statements requires management to make significant estimates and judgments that affect the reported amounts of assets, liabilities, revenues and expenses. By their nature, these judgments are subject to an inherent degree of uncertainty. On an on-going basis, WWA Group evaluates its estimates, including those related to bad debts, inventories, intangible assets, warranty obligations, product liability, revenue, and income taxes. WWA Group bases its estimates on historical experience and other facts and circumstances that are believed to be reasonable, and the results form the basis for making judgments about the carrying value of assets and liabilities. The actual results may differ from these estimates under different assumptions or conditions. With respect to revenue recognition, WWA Group applies the following critical accounting policies in the preparation of its financial statements

Revenue Recognition

Auction Revenues earned in WWA Group's capacity as agent for consignors of equipment are comprised mainly of auction commissions in the form of flat selling fees or fixed or sliding percentages of the gross auction sale price of any consigned equipment. The majority of auction commissions are earned as a fixed rate of the gross selling price. Auction revenues also include any preparation, shipping, clearing, transport and handling charges and fees applicable to certain items of consigned equipment; incidental interest income; buyers' commission applicable on certain sales of items. All revenue is recognized when the auction sale is complete and we have determined that the auction proceeds are collectible.

Trading revenues are defined as gross proceeds on sales of WWA Group owned or underwritten inventory sold at auction or privately. All costs of goods sold are accounted for under direct costs. Trading revenue can be earned and direct costs can be incurred when WWA Group guarantees a certain net level of proceeds to a consignor. This type of revenue includes a percentage of proceeds in excess of the guaranteed amount. If actual auction proceeds are less than the guaranteed amount, WWA Group can incur a net loss on the sale. Therefore, sales of equipment on a guarantee contracts are to be treated the same as inventory for accounting purposes. Our exposure from these guarantee contracts can vary over each guarantee contract. Losses, if any, resulting from guarantee contracts are recorded in the period in which the relevant auction is held.

Ship chartering revenues are contractual in nature and similar to a lease. WWA Group charters its cargo vessel to a freight forwarding company on a flat monthly fee until the end of 2009. The shipping company is responsible for all of the fuel, repairs, maintenance, salaries and all administrative costs and cargo related costs, and the risks of receipt and delivery of the cargo. WWA Group recognizes its ship charter revenues ratably over the term of the charter contract.

Forward Looking Statements and Factors That May Affect Future Results and Financial Condition

The statements contained in the section titled *Management's Discussion and Analysis of Financial Condition and Results of Operations* and elsewhere in this current report, are forward looking statements. Forward looking statements reflect our current expectations and beliefs regarding our future results of operations, performance, and achievements. These statements are subject to risks and uncertainties and are based upon assumptions and beliefs that may or may not materialize. These statements include, but are not limited to, statements concerning:

- our anticipated financial performance;
- the sufficiency of existing capital resources;
- our ability to fund cash requirements for future operations;
- uncertainties related to the growth of our business and the acceptance of our products and services;
- our ability to achieve and maintain an adequate customer base to generate sufficient revenues to maintain and expand operations;
- the volatility of the stock market and;
- general economic conditions.

We wish to caution readers that our operating results are subject to various risks and uncertainties that could cause our actual results to differ materially from those discussed or anticipated; including the factors set forth in the section entitled *Risk Factors* included elsewhere in this report. We also wish to advise readers not to place any undue reliance on the forward looking statements contained in this report, which reflect our beliefs and expectations only as of the date of this report. We assume no obligation to update or revise these forward looking statements to reflect new events or circumstances or any changes in our beliefs or expectations, other than as required by law.

Recent Accounting Pronouncements

Please see Note B to our consolidated financial statements included herein for recent accounting pronouncements.

Stock-Based Compensation

We have adopted Accounting Standards Codification Topic (ASC) 718, formerly SFAS No. 123 (revised 2004) (SFAS No. 123R), Share-Based Payment, which addresses the accounting for stock-based payment transactions in which an enterprise receives employee services in exchange for (a) equity instruments of the enterprise or (b) liabilities that are based on the fair value of the enterprise's equity instruments or that may be settled by the issuance of such equity instruments.

We account for equity instruments issued in exchange for the receipt of goods or services from other than employees in accordance with ASC 505. Costs are measured at the estimated fair market value of the consideration received or the estimated fair value of the equity instruments issued, whichever is more reliably measurable. The value of equity instruments issued for consideration other than employee services is determined on the earliest of a performance commitment or completion of performance by the provider of goods or services.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Not required.

ITEM 4T.

CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

In connection with the preparation of this report on Form 10-Q, an evaluation was carried out by WWA Group's management, with the participation of the chief executive officer and the chief financial officer, of the effectiveness of WWA Group's disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934 (Exchange Act)). Disclosure controls and procedures are designed to ensure that information required to be disclosed in reports filed or submitted under the Exchange Act is recorded, processed, summarized, and reported within the time periods specified in the Commission's rules and forms and that such information is accumulated and communicated to management, including the chief executive officer and the chief financial officer, to allow timely decisions regarding required disclosures.

Based on that evaluation, WWA Group's management concluded, as of the end of the period covered by this report, that WWA Group's disclosure controls and procedures were effective in recording, processing, summarizing, and reporting information required to be disclosed, within the time periods specified in the Commission's rules and forms, and that such information was accumulated and communicated to management, including the chief executive officer and the chief financial officer, to allow timely decisions regarding required disclosures.

Changes in Internal Control over Financial Reporting

There have been no changes in internal control over financial reporting (as defined in Rule 13a-15(f) of the Exchange Act) during the period ended June 30, 2010, that materially affected, or are reasonably likely to materially affect, WWA Group's internal control over financial reporting.

PART II OTHER INFORMATION

ITEM 1.

LEGAL PROCEEDINGS

On August 5, 2009 WWA Group, Inc. received a Pre-Penalty Notice (Notice) from the Office of Foreign Assets Control (OFAC). The Notice was issued based on OFAC's belief that WWA Group has engaged in certain transactions prohibited by Executive Order(s) and or Regulations promulgated pursuant to the International Emergency Economic Powers Act, 50 U.S.C. §§ 1701 *et seq.* in connection with the facilitation of auction related services to Iran and Sudan. The perceived violations have caused OFAC to propose a civil monetary penalty of \$4,665,600 be imposed on WWA Group subject to adjustment based on evidence presented in response to the Notice. The Notice process permits us to contact OFAC by telephone to initiate settlement discussions or otherwise provide a written response to the perceived violations within the permitted 30 day notice period prior to the issuance of a Penalty Notice. WWA Group has provided a written response to OFAC that presents evidence to negate the perception that it has operated in contravention of the laws of the U.S. and is now awaiting OFAC's response.

ITEM 1A.

RISK FACTORS

WWA Group's operations and securities are subject to a number of risks. Below we have identified and discussed the material risks that we are likely to face. Should any of the following risks occur, they will adversely affect our operations, business, financial condition and/or operating results as well as the future trading price and/or the value of our securities.

Risks Related to WWA Group's Business***Sales of equipment from our auctions may have ultimately ended up in Iran, Sudan or Syria.***

Due to the proximity of Iran, Sudan and Syria to our auction site, sales records, and statistics on regional spending for used construction equipment, there is reason to believe that some percentage of the equipment sold at our auctions prior to May 2007 may have ultimately ended up in Iran, Sudan or Syria. Although we have never sold equipment to Iran, Sudan or Syria, countries which the U.S. State Department and OFAC have identified as state sponsors of terrorism, and we have never made any effort to attract consignors or bidders from any country recognized as a state sponsor of terrorism, it is possible that some equipment purchased at our auctions was sold to persons or entities that re-exported such equipment to these countries, particularly to Iran. Our records indicate as follows:

Sales between March 2001 and May 2007 to persons or entities with addresses in countries deemed State Sponsors of Terrorism by the U.S.***State Department and OFAC***

<i>Address of registered bidder</i>		<i>Sales</i>	<i>Percentage of total sales*</i>
Iran	\$	7,300,000	1.40 %
Sudan	\$	1,847,950	0.37 %
Syria	\$	202,300	0.03 %
TOTAL	\$	9,350,250	1.8 %

* Total gross auction sales and private sales by WWA Group were approximately \$519,600,000 between 2001 and May of 2007

Our records indicate that approximately 1.8% of our total gross auction sales and private sales were to persons or entities with address in Iran, Sudan or Syria between March 2001 and May 2007. We do not believe that this percentage of sales had any impact on our operations, reputation or on shareholder value. However, despite the fact that WWA Group has no knowledge of delivery of equipment purchased at its auctions to Iran, Sudan or Syria, OFAC has proposed that a fine of \$4,665,600 be imposed on WWA Group. Although WWA group is in the process of negating the basis for the proposed fine the imposition of such a penalty would have a negative on WWA Group's reputation and could diminish WWA Group's ability to continue as a going concern.

A significant percentage of corporate control lies in the hands of one shareholder.

Asia8, Inc. owns and controls voting power over nearly 32% of WWA Group's issued and outstanding stock. The concentration of such a large percentage of our stock in the hands of one shareholder may have a disproportionate effect on the voting power of minority shareholders on any and all matters presented to WWA Group's shareholders.

Our chief executive officer does not offer his undivided attention to WWA Group due to his dual responsibilities.

Our chief executive officer does not offer his undivided attention to our business as he also serves as the chief executive officer of Asia8, Inc. His responsibilities cause him to divide his time between the two entities. The division of time however does not necessarily indicate a division of interests since Asia8, Inc., owns approximately 32% of the outstanding shares of WWA Group. Nonetheless, his dual responsibilities may compromise WWA Group's ability to successfully conduct its business operations.

WWA Group competes with a much larger and better-financed corporation.

We compete with numerous auction companies throughout the world, but the Gulf region is our primary market. The used equipment auction market in the Gulf region has only two significant participants, us and Ritchie Brothers Auctioneers, Inc. (RBA). RBA, the world's largest un-reserved equipment auctioneer, has reported over \$3.5 billion in gross auction sales for 2008 from 193 auctions around the world, and holds a dominant position in certain geographic locations. While RBA is still much larger and much better-financed than us, we have gradually increased our market share in Dubai and have effectively outperformed RBA in terms of market share since 2004.

WWA Group is dependent upon key personnel.

WWA Group's performance and operating results are substantially dependent on the continued service and performance of our officers and directors. We intend to hire additional technical, sales, managerial and other personnel as we move forward with our business model. Competition for such personnel is intense, and there can be no assurance that we can retain our key sales employees, or that we will be able to attract or retain highly qualified sales and managerial personnel in the future. The loss of the services of any of our key employees or the inability to attract and retain the necessary personnel could have a material adverse effect upon our business, financial condition, operating results, and cash flows.

WWA Group depends on the growth of our customer base and increased business from our current customers.

WWA Group's success is substantially dependent on the continued growth of our customer base. If we fail to increase our customer base, our business and operating results will be negatively affected. Our ability to attract new customers will depend on a variety of factors, including the reliability, security, scalability and cost-effectiveness of our services, as well as our ability to effectively market our services. Further, if we fail to generate repeat business from current customers, our operating results will suffer.

Our business is subject to governmental regulations.

International, national and local standards set by governmental regulatory authorities set the regulations by which products are certified across respective territories. Further, climate change legislation and greenhouse gas regulation is becoming increasingly ubiquitous. The products that we intend to distribute are subject to such regulation in addition to national, state and local taxation. Although we believe that we can successfully distribute our products within current governmental regulations it is possible that regulatory changes could negatively impact our operations and cause us to diminish or cease operations.

Climate change legislation or regulations restricting emissions of greenhouse gases could result in increased operating costs related to reducing the emission of the green house gases.

On December 15, 2009, the U.S. Environmental Protection Agency (EPA) officially published its findings that emissions of carbon dioxide, methane and other greenhouse gases present an endangerment to human health and the environment because emissions of such gases are contributing to warming of the Earth's atmosphere and other climatic changes. These findings by the EPA allow the agency to proceed with the adoption and implementation of regulations that would restrict emissions of greenhouse gases under existing provisions of the federal Clean Air Act. In late September 2009, the EPA had proposed two sets of regulations in anticipation of finalizing its findings that would require a reduction in emissions of greenhouse gases from motor vehicles and that could also lead to the imposition of greenhouse gas emission limitations in Clean Air Act permits for certain stationary sources. In addition, on September 22, 2009, the EPA issued a final rule requiring the reporting of greenhouse gas emissions from specified large greenhouse gas emission sources in the United States beginning in 2011 for emissions occurring in 2010. The adoption and implementation of any regulations over greenhouse gases could require us to incur costs to reduce emissions of greenhouse gases that may be associated with our operations.

Risks Related to WWA Group's Stock

The market for our stock is limited and our stock price may be volatile.

The market for our common stock has been limited due to low trading volume and the small number of brokerage firms acting as market makers. Because of the limitations of our market and volatility of the market price of our stock, investors may face difficulties in selling shares at attractive prices when they want to. The average daily trading volume for our stock has varied significantly from week to week and from month to month, and the trading volume often varies widely from day to day.

We incur significant expenses as a result of the Sarbanes-Oxley Act of 2002, which expenses may continue to negatively impact our financial performance.

We incur significant legal, accounting and other expenses as a result of the Sarbanes-Oxley Act of 2002, as well as related rules implemented by the Commission, which control the corporate governance practices of public companies. Compliance with these laws, rules and regulations, including compliance with Section 404 of the Sarbanes-Oxley Act of 2002, as discussed in the following risk factor, has substantially increased our expenses, including legal and accounting costs, and made some activities more time-consuming and costly.

Our internal controls over financial reporting may not be considered effective in the future, which could result in a loss of investor confidence in our financial reports and in turn have an adverse effect on our stock price.

Pursuant to Section 404 of the Sarbanes-Oxley Act of 2002 we are required to furnish a report by our management on our internal controls over financial reporting. Such report must contain, among other matters, an assessment of the effectiveness of our internal controls over financial reporting as of the end of the year, including a statement as to whether or not our internal controls over financial reporting are effective. This assessment must include disclosure of any material weaknesses in our internal controls over financial reporting identified by management. If we are unable to continue to assert that our internal controls are effective, our investors could lose confidence in the accuracy and completeness of our financial reports, which in turn could cause our stock price to decline.

WWA Group does not pay dividends.

WWA Group does not pay dividends. We have not paid any dividends since inception and have no intention of paying any dividends in the foreseeable future. Any future dividends would be at the discretion of our board of directors and would depend on, among other things, future earnings, our operating and financial condition, our capital requirements, and general business conditions. Therefore, shareholders should not expect any type of cash flow from their investment.

WWA Group may require additional capital funding.

There can be no guarantee that we will not require additional funds, either through additional equity offerings or debt placements, in order to expand our operations. Such additional capital may result in dilution to our current shareholders. Further, our ability to meet short-term and long-term financial commitments will depend on future cash. There can be no assurance that future income will generate sufficient funds to enable us to meet our financial commitments.

If the market price of our common stock declines as the selling security holders sell their stock, selling security holders or others may be encouraged to engage in short selling, depressing the market price.

The significant downward pressure on the price of the common stock as the selling security holders sell material amounts of common stock could encourage short sales by the selling security holders or others. Short selling is the selling of a security that the seller does not own, or any sale that is completed by the delivery of a security borrowed by the seller. Short sellers assume that they will be able to buy the stock at a lower amount than the price at which they sold it short. Significant short selling of a company's stock creates an incentive for market participants to reduce the value of that company's common stock. If a significant market for short selling our common stock develops, the market price of our common stock could be significantly depressed.

WWA Group's common stock is currently deemed to be penny stock, which makes it more difficult for investors to sell their shares.

WWA Group's common stock is and will be subject to the penny stock rules adopted under section 15(g) of the Exchange Act. The penny stock rules apply to companies whose common stock is not listed on the NASDAQ Stock Market or other national securities exchange and trades at less than \$5.00 per share or that have tangible net worth of less than \$5,000,000 (\$2,000,000 if the company has been operating for three or more years). These rules require, among other things, that brokers who trade penny stock to persons other than established customers complete certain documentation, make suitability inquiries of investors and provide investors with certain information concerning trading in the security, including a risk disclosure document and quote information under certain circumstances. Many brokers have decided not to trade penny stocks because of the requirements of the penny stock rules and, as a result, the number of broker-dealers willing to act as market makers in such securities is limited. If WWA Group remains subject to the penny stock rules for any significant period, it could have an adverse effect on the market, if any, for WWA Group's securities. If WWA Group's securities are subject to the penny stock rules, investors will find it more difficult to dispose of WWA Group's securities.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

None.

ITEM 3. DEFAULTS ON SENIOR SECURITIES

None.

ITEM 4.

(REMOVED AND RESERVED)

Removed and reserved.

ITEM 5.

OTHER INFORMATION

None.

ITEM 6.

EXHIBITS

Exhibits required to be attached by Item 601 of Regulation S-K are listed in the Index to Exhibits on page 27 of this Form 10-Q, and are incorporated herein by this reference.

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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, thereunto duly authorized.

WWA Group, Inc.

Date

/s/ Eric Montandon By: Eric Montandon Its: Chief Executive Officer

August 23, 2010

/s/ Digamber Naswa By: Digamber Naswa

August 23, 2010

Its: Chief Financial Officer and Principal Accounting Officer

EXHIBITS

<i>Exhibit</i>	<i>Description</i>
3(i) (a)*	Articles of Incorporation of WWA Group (Conceptual Technologies, Inc.) filed with the Nevada Secretary of State on November 26, 1996 (incorporated herein by reference from the Form SB-2 filed with the Commission on December 26, 2007).
3(i) (b)*	Certificate of Amendment of the Articles of Incorporation of WWA Group (Conceptual Technologies, Inc.) filed with the Nevada Secretary of State on August 29, 1997 (incorporated herein by reference from the Form SB-2 filed with the Commission on December 26, 2007).
3(i) (c)*	Certificate of Amendment of the Articles of Incorporation of WWA Group (NovaMed Inc.) filed with the Nevada Secretary of State on May 8, 1998 (incorporated herein by reference from the Form SB-2 filed with the Commission on December 26, 2007).
3(i) (d)*	Certificate of Amendment to the Articles of Incorporation of WWA Group filed with the Nevada Secretary of State on September 25, 2003 (incorporated herein by reference from the Form SB-2 filed with the Commission on December 26, 2007).
3 (ii)*	Bylaws of WWA Group adopted on November 12, 1996 (incorporated herein by reference from the Form SB-2 filed with the Commission on December 26, 2007).
10 (i)*	Stock Exchange Agreement between WWA Group and World Wide Auctioneers, Inc. dated August 5, 2003 (incorporated herein by reference from the Form 8-K filed with the Commission on August 25, 2003).
10 (ii)*	Purchase Agreement between World Wide Auctioneers, Ltd., Geoffrey Greenless and Crown Diamond Holdings, Inc. dated June 30, 2006 (incorporated herein by reference from the Form 8-K filed with the Commission on July 19, 2006).
10 (iii)*	Share Purchase Agreement between World Wide Auctioneers, Ltd. and Steven Edward Rogers dated December 20, 2006 (incorporated herein by reference from the Form 8-K filed with the Commission on February 15, 2007).
14 *	Code of Ethics adopted March 28, 2004 (incorporated herein by reference from the Form 10-KSB filed with the Commission on March 30, 2005).
21 *	Subsidiaries of WWA Group (incorporated herein by reference from the Form 10-K filed with the Commission on April 10, 2008).
<u>31 (a)</u>	Certification of the Chief Executive Officer pursuant to Rule 13a-14 of the Securities and Exchange Act of 1934, as amended, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
<u>31 (b)</u>	Certification of the Chief Financial Officer pursuant to Rule 13a-14 of the Securities and Exchange Act of 1934, as amended, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
<u>32 (a)</u>	Certification of the Chief Executive Officer pursuant to 18 U.S.C. Section 1350 as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
<u>32 (b)</u>	Certification of the Chief Executive Officer pursuant to 18 U.S.C. Section 1350 as

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adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

* Incorporated by reference from previous filings of WWA Group.

