

WWA GROUP INC  
Form 10-Q  
May 17, 2013  
**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 **March 31, 2013**.

☐ 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**

**77-0443643**

(State or other jurisdiction of

(I.R.S. Employer

incorporation or organization)

Identification No.)

**700 Lavaca Street, Suite 1400 Austin, Texas 78701**

(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 ☐.

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 May 15, 2013, was 23,841,922.

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**PART I FINANCIAL INFORMATION**

**ITEM 1.**

**FINANCIAL STATEMENTS**

As used herein, the terms WWA Group , we, our, and us 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.

**WWA GROUP, INC.**

**Consolidated Balance Sheets**

**March 31,**

**2013**

**December 31,**

**ASSETS**

**(Unaudited)**

**2012**

Current assets:

Cash

\$

1,185 \$

1,840

Prepaid expenses

-

-

Other current assets

27,760

17,260

Total current assets

28,945

19,100

Goodwill

-

-

**Total Assets**

\$

28,945 \$

19,100

**LIABILITIES AND STOCKHOLDERS' EQUITY**

Current liabilities:

Accounts payables

-

-

Accrued expenses

25,436

18,234

Short Term Debt - Notes Payable

-

-

Total current liabilities

25,436

18,234

Long-term debt

-

-

**Total liabilities**

**25,436**

**18,234**

Stockholders' equity:

Common stock, \$0.001 par value, 50,000,000 shares

authorized; 23,841,922 and 22,591,922 shares, respectively



issued and outstanding

23,842

23,842

Additional paid-in capital

4,472,830

4,472,830

Retained earnings

(4,493,162)

(4,495,806)

Non-controlling interest

-

-

**Total stockholders' equity:**

3,509

866

**TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY**    \$

28,945    \$

19,100

See accompanying condensed notes to consolidated reviewed financial statements.

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**WWA GROUP, INC.**

**Consolidated Statements of Income**

**Three Months ended March 31**

**2013**

**2012**

**(Unaudited)**

**(Unaudited)**

Project Management income

-

56,300

Revenues from sales of equipment

-

-

**Total net revenues**

-

56,300

Direct costs - commissions and services

-

61,186

Direct costs - sales of equipment

-

-

**Gross profit (loss)**

-

(4,886)

Operating expenses:

General, selling and administrative expenses

11,460

58,937

Salaries and wages

-

12,500

**Total operating expenses**

11,460

71,437

**Loss from operations**

(11,460)

(76,323)

Other income (expense):

Interest expense

-

(4,372)

Loss on Equity investment

-

4,000

Interest income

-

-

Other income (expense)

14,105

11,000

**Total other income**

14,105

10,628

**Income(Loss) before income taxes**

2,645

(65,695)

Provision for income taxes

\$

- \$

-

Net Income(Loss) from operations

\$

2,645 \$

(65,695)

Non Controlling Loss

\$

- \$

(23,350)

**Income(Loss) for the period**

\$

2,645 \$

(42,345)

Basic earnings per common share

\$

0.00 \$

(0.002)

Diluted earnings per common share

\$

0.00 \$

(0.00)

Weighted average shares - Basic

23,841,922

22,591,922

Weighted average shares - Diluted

23,841,922

22,591,922

See accompanying condensed notes to consolidated reviewed financial statements.

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**WWA GROUP, INC.**

**Consolidated Statements of Cash Flow**

**Three Months ended March 31**

**2013**

**2012**

**(Unaudited)**

**(Unaudited)**

**Cash flows from operating activities:**

Net income ( loss)

\$

2,645 \$

(42,345)

Adjustments to reconcile net income to net cash

provided by operating activities

(Gain) loss on equity investment

-

-

Changes in operating assets and liabilities:

Decrease (Increase) in:

Prepaid expenses

-

8,333

Other current assets

(10,500)

(6,432)

Increase (decrease) in:

Accounts payable

-

17,404

Accrued liabilities

7,200

(54,644)

Net cash used in operating activities

(655)

(77,684)

**Cash flows from investing activities:**

Decrease in goodwill

-

40,189

Purchase of investment through conversion of note

-

-

Net cash provided by (used in) investing activities

-

40,189

**Cash flows from financing activities:**

Decrease in minority share

-

(36,035)

Payments/Proceeds short-term debt

-

52,399

Net cash provided by (used in) financing activities

-

16,364

Net decrease in cash and cash equivalents

(655)

(21,131)

Cash and cash equivalents at beginning of year

1,840

49,010

**Cash and cash equivalents at end of period**

\$

1,185 \$

27,878

See accompanying condensed notes to consolidated reviewed financial statements.

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**WWA GROUP, INC**

**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

**(Unaudited)**

**March 31, 2013**

**NOTE A ORGANIZATION AND BASIS OF PRESENTATION**

WWA Group, Inc., ( WWA Group ) operated through October 31, 2010 in Jebel Ali, Dubai, United Arab Emirates (U.A.E) under a trade license from the Jebel Ali Free Zone Authority. Operations consisted of auctioning off used and new heavy construction equipment, transportation equipment and marine equipment, the majority of which on a consignment basis. During the year ended December 31, 2011, subsequent to October 31, 2010 WWA Group s operations primarily consisted of focusing on developing its subsidiary, and assisting in the growth of its investment entity.

On October 31, 2010, WWA Group sold its 100% interest in its wholly owned subsidiaries, World Wide and Crown to Seven International Holdings, Ltd. ( Seven ), a Hong Kong based investment company for an assumption by Seven of all the assets and liabilities of the World Wide subject to certain exceptions. The disposition did not affect WWA Group s interest in Asset Forum, LLC., its ownership of proprietary on-line auction software or its equity interest in Infrastructure Developments Corp. ( Infrastructure ).

On April 14, 2010, Intelspec International, Inc. ( Intelspec ), our former minority owned unconsolidated subsidiary, concluded an agreement with Infrastructure, a publicly traded company, pursuant to which Intelspec became a subsidiary of Infrastructure. WWA Group acquired an approximately 22% interest in Infrastructure as a result of the transaction. In July 2010, WWA Group sold 4,000,000 shares of Infrastructure at a value of \$320,000 reducing WWA Group s investment to 17.75%. Further on November 21, 2011 WWA Group acquired 165,699,842 shares of common stock of Infrastructure on conversion of WWA Group s convertible promissory note. On December 31, 2011 WWA Group owned 63.38% of Infrastructure making it a controlling shareholder of Infrastructure causing the Infrastructure financials to be consolidated with those of WWA Group, Inc. However, as of September 30, 2012 WWA Group s shareholding in Infrastructure has decreased to 29.62% due to certain debt settlements amounting

to a disposition of an aggregate of 67,509,667 IDVC shares. As of March 31, 2013 WWA Group's equity interest in Infrastructure further decreased to 24.75% due to issuance of additional shares by Infrastructure. Since WWA Group is no longer a controlling shareholder, it no longer consolidates its accounts with that of Infrastructure as of March 31, 2013.

WWA Group includes the accounts of (i) its wholly owned subsidiary, Asset Forum LLC.

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 GOING CONCERN**

The accompanying consolidated financial statements have been prepared on a going concern basis, which contemplates the realization of assets and liabilities in the normal course of business. Accordingly, they do not include any adjustments relating to the realization of the carrying value of assets or the amounts and classification of liabilities that might be necessary should WWA Group be unable to continue as a going concern. WWA Group has accumulated losses and working capital and cash flows from operations are negative which raises doubt as to the validity of the going concern assumptions. These financials do not include any adjustments to the carrying value of the assets and liabilities, the reported revenues and expenses and balance sheet classifications used that would be necessary if the going concern assumption were not appropriate; such adjustments could be material.

**WWA GROUP, INC**

**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

**(Unaudited)**

**March 31, 2013**

**NOTE C - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

This summary of significant accounting policies of WWA Group and its subsidiaries is presented to assist in understanding WWA Group's financial statements. The financial statements and notes are representations of WWA Group'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 WWA Group 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, WWA Group 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.

*Cash and Cash Equivalents*

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

As of March 31, 2013, there were no cash and cash equivalents held with a bank as compensating balance against borrowing arrangements.

*Concentration of Credit Risk*

WWA Group's financial instruments that are exposed to concentrations of credit risk consist primarily of

cash and cash equivalents, accounts receivable, and investments. WWA Group's cash and cash equivalents are maintained with high-quality international banks and financial institutions. WWA Group believes no significant concentration of credit risk exists with respect to these cash investments.

WWA Group routinely assesses the financial strength of its customers and provides an allowance for doubtful accounts as necessary. Credit losses have been minimal to date.

*Accounts Receivable and Allowance for Doubtful Accounts*

WWA Group 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.

**WWA GROUP, INC**

**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

**(Unaudited)**

**March 31, 2013**

**NOTE C - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

*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. Gains and losses on depreciable assets retired or sold are recognized in the statement of operations in the year of disposal. All repair and maintenance costs are expensed as incurred.

*Impairment of Long-Lived Assets*

WWA Group reviews long-lived assets such as property, equipment, investments and definite-lived intangibles for impairment annually and whenever events or changes in circumstances indicate that the carrying value of an asset may not be recoverable. As required by Statement FASB Accounting Standard Codification 360, WWA Group uses an estimate of the future undiscounted net cash flows of the related asset or group of assets over their remaining economic useful lives in measuring whether the assets are recoverable. If the carrying amount of an asset exceeds its estimated future cash flows, an impairment charge is recognized for the amount by which the carrying amount exceeds the estimated fair value of the asset. Impairment of long-lived assets is assessed at the lowest levels for which there are identifiable cash flows that are independent of other groups of assets. Assets to be disposed of are reported at the lower of the carrying amount or fair value, less the estimated costs to sell. In addition, depreciation of the asset ceases. During three months period ended March 31, 2013, no significant impairment of long-lived assets was recorded.

*Investment in Equity Interest*

WWA Group has approximately 24.75% shareholding in its equity investment in Infrastructure as of

March 31, 2013. During the year ended December 31, 2010 the company had maintained the accounts under the equity method of accounting whereby WWA Group records its proportionate share of the net income or loss of the equity interest up to June 30, 2010. On November 21, 2011 WWA Group converted its Notes Receivable to equity investment and received 165,699,842 shares and ended up holding 63% shares of Infrastructure. As WWA Group has become a majority share holder as of November 21, 2011 it has consolidated its financials with those of Infrastructure as of December 31, 2011. As of March 31, 2013 WWA group has not consolidated the accounts of Infrastructure due to full impairment of its equity investment in IDVC.

*Investment in Related Party*

WWA Group did not have any investment in related party as of March 31, 2013. Until October 31, 2010 WWA Group accounted for its equity investment in a foreign affiliate using the fair value measurement principles. WWA Group reviews its investments annually for impairment and records permanent impairments as a loss on the income statement.

**WWA GROUP, INC**

**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

**(Unaudited)**

**March 31, 2013**

**NOTE C - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

*Revenue Recognition*

Revenues from commissions and services consist of revenues earned in WWA Group'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, the equipment is delivered to the buyer, and WWA Group has determined that the auction proceeds are collectible. Revenues from sales of equipment originate from the auctioned sale of equipment inventory owned by WWA Group. WWA Group 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 sales of equipment originate from the auctioned and private sale of equipment inventory owned by the Company. WWA Group recognizes the revenue from such sales when the sale has been invoiced, the equipment has been delivered to the purchaser, and collectability is reasonably assured. All costs of goods sold are accounted for under direct costs.

*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. WWA Group 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 WWA Group's current tax liability and change in deferred income tax assets and liabilities.

Significant judgment is required in evaluating WWA Group's uncertain tax positions and determining its provision for income taxes. WWA Group 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 WWA Group believes that certain positions might be challenged despite its belief that its tax return positions are in accordance with applicable tax laws. WWA Group 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 GROUP, INC**

**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

**(Unaudited)**

**March 31, 2013**

**NOTE C - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

*Share-Based Compensation*

For stock-based awards granted on or after January 1, 2006, WWA Group 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.

Under the 2006 Benefit Plan of WWA Group, Inc., WWA Group may issue stock, or grant options to acquire, up to 2,500,000 shares of WWA Group's common stock to employees or other individuals including consultants or advisors, who render services to WWA Group or our subsidiaries. As of December 31, 2011 1,250,000 registered securities remained available for issuance or grant under the Plan. On June 6, 2012 WWA Group authorize and approve the issuance of 1,250,000 common shares pursuant to the plan valued at \$0.02 a share.

*Foreign Exchange*

WWA Group's reporting currency is the United States dollar. WWA Group's functional currency is also the U.S. Dollar. ( USD ) Transactions denominated in foreign currencies are translated into USD and recorded at the foreign exchange rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies, which are stated at historical cost, are translated into USD at the foreign exchange rates prevailing at the balance sheet date. Realized and unrealized foreign exchange differences arising on translation are recognized in the income statement.

**WWA GROUP, INC**

**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

**(Unaudited)**

**March 31, 2013**

**NOTE C - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

*Fair Value Measurements*

Effective July 1, 2008, WWA Group adopted new fair value accounting guidance. The adoption of the guidance was applied to long-lived assets such as property, equipment, investments and definite-lived intangibles. The guidance defines fair value as the price that would be received from selling an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

When determining the fair value measurements for assets and liabilities required or permitted to be recorded at fair value, WWA Group considers the principal or most advantageous market in which WWA Group would transact business and considers assumptions that market participants would use when pricing the asset or liability, such as inherent risk, transfer restrictions, and risk of nonperformance.

The guidance establishes a fair value hierarchy that requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. A financial instrument's categorization within the fair value hierarchy is based upon the lowest level of input that is significant to the fair value measurement. The guidance establishes three levels of inputs that may be used to measure fair value:

Level 1 Quoted prices in active markets for identical assets or liabilities.

Level 2 Observable inputs other than Level 1 prices such as quoted prices for similar assets or liabilities; quoted prices in markets with insufficient volume or infrequent transactions (less active markets); or model-derived valuations in which all significant inputs are observable or can be derived principally from or corroborated by observable market data for substantially the full term of the assets or liabilities.

Level 3 Unobservable inputs to the valuation methodology those are significant to the measurement of

fair value of assets or liabilities.

All of WWA Group's available-for-sale investments and non-marketable equity securities are subject to a periodic impairment review. Investments are considered to be impaired when a decline in fair value is judged to be other-than-temporary. This determination requires significant judgment. For publicly traded investments, impairment is determined based upon the specific facts and circumstances present at the time, including a review of the closing price over the previous six months, general market conditions and WWA Group's intent and ability to hold the investment for a period of time sufficient to allow for recovery. For non-marketable equity securities, the impairment analysis requires the identification of events or circumstances that would likely have a significant adverse effect on the fair value of the investment, including revenue and earnings trends, overall business prospects and general market conditions in the investee's industry or geographic area. Investments identified as having an indicator of impairment are subject to further analysis to determine if the investment is other-than-temporarily impaired, in which case the investment is written down to its impaired value.

**WWA GROUP, INC**

**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

**(Unaudited)**

**March 31, 2013**

**NOTE C - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

*Income per Common Share*

The computation of basic earnings per common share is based on the weighted average number of shares outstanding during each year. The computation of diluted earnings per common share is based on the weighted average number of shares outstanding during the year, plus the common stock equivalents that would arise from the exercise of stock options and warrants outstanding, using the treasury stock method and the average market price per share during the year. As of March 31, 2013 there were no outstanding common stock equivalents.

*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.

*Recent accounting pronouncements*

In February 2013, the FASB issued guidance on disclosure requirements for items reclassified out of Accumulated Other Comprehensive Income ("AOCI"). This new guidance requires entities to present (either on the face of the income statement or in the notes) the effects on the line items of the income statement for amounts reclassified out of AOCI. The new guidance is effective for us beginning January 1, 2013. We adopted the guidance during the first quarter of 2013 and there was no material impact on our condensed consolidated financial statements.

In July 2012, the FASB issued amendments to the indefinite-lived intangible asset impairment guidance

which provides an option for companies to use a qualitative approach to test indefinite-lived intangible assets for impairment if certain conditions are met. The amendments are effective for annual and interim indefinite-lived intangible asset impairment tests performed for fiscal years beginning after September 15, 2012. We adopted the amended accounting guidance during the first quarter of 2013 and there was no material impact on our condensed consolidated financial statements.

**WWA GROUP, INC**

**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

**(Unaudited)**

**March 31, 2013**

**NOTE D INVESTMENTS**

***Investment in Equity Interest***

In December 2006, WWA Group acquired a 32.5% interest in Power Track Projects, FZE ( PTP ) for a consideration of \$1,786,000. PTP is a Dubai, UAE entity which operates a rock crushing and stone quarry in Ras Al Khaimah, UAE. The ownership interest was increased to approximately 35% in 2007. In October 2008, WWA Group s shares of PTP were exchanged for shares of Intelspec International, Inc ( Intelspec ). The exchange resulted in the WWA Group s ownership of 32% of Intelspec. In December 2009, Intelspec raised additional equity financing through issuance of stock thus resulting in a reduction of WWA Group s ownership interest to 30%. In April 2010 Intelspec was acquired by Infrastructure, setting WWA Group s ownership interest in Infrastructure at 22%. In July 2010, WWA Group sold 4 million shares of Infrastructure at a value of \$320,000 reducing WWA Group s investment to 17.75%.

As of December 31, 2009 WWA Group owned a 30% equity interest in Intelspec International, Inc. WWA Group accounted for its interest in Intelspec using the equity method of accounting whereby WWA Group recorded its proportionate share of the net income or loss attributable to the equity interest. In April 2010 Intelspec was acquired by Infrastructure, a publicly traded company, which acquisition reduced WWA Group's equity interest to 22%. In July 2010, WWA Group sold shares of its common stock in a private transaction, further reducing WWA Group s ownership interest to 18%.

On November 21, 2011 WWA Group converted its Notes Receivable to Infrastructure to equity as a result of which as of December 31, 2011 WWA Group owns approximately 57.6% of common stock of Infrastructure. As WWA Group has become majority shareholder of Infrastructure as of November 21, 2011, the financials of Infrastructure as of March 31, 2012 has been consolidated with WWA Group Inc for reporting purposes.

On June 30, 2012 WWA Group divested itself of 67,509,667 shares of Infrastructure in a series of debt settlement agreements, which settlements decreased WWA Group's equity interest in Infrastructure to 29.62%.

As of December 31, 2012 WWA Group's equity interest in Infrastructure further decreased to 26.99% due to issuance of additional shares by Infrastructure.

As of March 31, 2013 WWA Group's equity interest in Infrastructure further decreased to 24.75%. due to issuance of additional shares by Infrastructure.

**NOTE E   SHORT TERM BORROWINGS AND LINES OF CREDIT**

WWA Group has no short term borrowings from unrelated entities as of March 31, 2013.

**WWA GROUP, INC**

**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

**(Unaudited)**

**March 31, 2013**

**NOTE F STOCK OPTIONS**

Under FASB Accounting Standard Codification 718, WWA Group estimates the fair value of each stock award at the grant date by using the Black-Scholes option pricing model. There were no grants of stock awards during 2011 and in 2010. WWA Group recorded no expense for 2011 and 2010 for the fair value of the stock options granted.

The following weighted average assumptions were used for grants made during the year ended December 31, 2008:

Dividend yield of zero percent for all periods; expected volatility of 58.20% and 63.76%; risk-free interest rates of 2.24% and 3.94% and expected lives of 1.0 and 2.0, respectively.

A summary of the status of WWA Group's stock options as of December 31, 2012 and changes during the years ended December 31, 2011 and 2010 is presented below:

Weighted

Weighted

Number of

Average

Average

Options

Exercise

Grant Date

Price

Fair Value

Outstanding December 31,



2007

576,973

\$ 1.00

\$ 0.23

Granted

100,000

\$ 0.36

\$ 0.17

Expired

-

\$ 0.00

\$ 0.00

Exercised

-

\$ 0.00

\$ 0.00

Outstanding December 31,

676,973

\$ 0.36

\$ 0.17

2008

Exercisable

676,973

\$ 0.36

\$ 0.17

Granted

-

\$ 0.00

\$ 0.00

Exercised

-

\$ 0.00

\$ 0.00

Expired

(676,973)

\$ 0.36

\$ 0.17

Outstanding December 31,

2009 & 2010 and 2011 and

2012

-

\$ 0.00

\$ 0.00

#### **NOTE G RELATED PARTY TRANSACTIONS**

As of March 31, 2013 WWA Group has no related party investments.

#### **NOTE H COMMITMENTS AND CONTINGENCIES**

##### Contingencies

WWA Group may become or is subject to investigations, claims or lawsuits ensuing out of the conduct of its business. WWA Group is currently not aware of any such items, except those discussed below, which it believes could have a material effect on its financial position.



**WWA GROUP, INC**

**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

**(Unaudited)**

**March 31, 2013**

**NOTE I- ACQUISITION**

WWA Group, Inc. announced on July 19, 2012 that it has agreed to acquire all of the issued and outstanding shares of Summit Digital, Inc. ("Summit Digital"), a Michigan-based multi-system operator providing Cable TV, Broadband Internet, voice telephony and related service to a rapidly expanding base of rural, semirural, and gated communities in the American Midwest.

The transaction provides, that the sole shareholder of Summit Digital will exchange one hundred percent (100%) of the issued and outstanding shares of Summit Digital for ninety nine million (99,000,000) shares or eighty percent (80%) of WWA Group and the appointment of two new members to WWA Group's board of directors.

**NOTE J - SUBSEQUENT EVENTS**

WWA Group evaluated its March 31, 2013 financial statements for subsequent events through the date the financial statements were originally issued. Other than the events noted below, WWA Group is not aware of any subsequent events which require recognition or disclosure in the financial statements.

On May 10, 2013, WWA Group's shareholders approved the acquisition of Summit Digital, Inc. as a wholly owned subsidiary.

**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 Operations* and other parts of this current report contain forward-looking statements that involve risks and uncertainties.

Forward-looking statements can also 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 thereto included in this current report. Our fiscal year end is December 31.

**Discussion and Analysis**

Our plan of operation over the next twelve months is to become a multi-system operator with the acquisition of Summit Digital that provides cable television, high speed internet and related services to rural communities in the United States. We will require a minimum of \$500,000 dollars in additional debt or equity funding in the next twelve months to pursue our business plan, the majority of which amount will be focused on expanding Summit Digital's business by acquiring existing operations. Such financing is not currently committed and there can be no assurance that such financing will be available within the next twelve months.

***Summit Digital Business Activities and Strategy***

Summit Digital is focused on acquiring existing underutilized cable systems in rural, semi-rural and gated community markets, aggregating them into a single Multi-System Operator structure and creating growth by upgrading management, improving efficiency, cutting costs, and fully exploiting the opportunities presented by bundling multiple services such as basic TV, premium TV, pay-per-view, broadband Internet, and voice telephony. These bundled service packages have become the industry standard in

major urban markets served by major cable providers, but systems in Summit Digital's target market typically lag behind in adopting them, offering a substantial opportunity to increase penetration and per-customer revenue by offering these comprehensive service packages. Summit Digital may at times build new cable systems or wireless infrastructure to serve areas where no infrastructure is in place, but the primary intent is to acquire underutilized existing systems. Summit Digital intends to support and extend these packages by offering wireless data and voice service within its system footprint.

Summit Digital believes that other value-added services delivered through cable infrastructure, such as pay-per-view events, digital video and digital video recording, high-definition TV and interstitial advertising also represent significant potential revenue streams that have not been effectively exploited by its acquisition targets. Compatible services such as provision of wireless internet provide additional potential revenue streams.

Summit Digital intends to take decisive steps to streamline management, improve efficiency, and reduce costs in systems it acquires using the following areas of emphasis:

Any debt that is attached to these systems by the prior ownership will be restructured.

Billing, collection, call center and scheduling services will be centralized, significantly reducing costs for each system.

Head end technicians located at corporate headquarters will direct employees and monitor their performance, standardizing and service practices and quality control.

Theft by potential subscribers who attempt to steal services can have a significant impact on the viability of rural cable systems. Measures to prevent theft will be installed, including regular audits conducted by our own installers as well as independent contractors.

Equipment purchasing will be combined to achieve economies of scale and reduce costs.

Structured management systems stressing continuous documentation, performance evaluation, and action to address weaknesses will be installed, addressing a common management deficiency in small single-system operators.

Many small to medium sized single-system operators of the type common in rural and semi-rural America have not been developed to their full capacity, for two primary reasons.

Many of these systems were overburdened with debt that was incurred on the initial construction of their cable systems. Overly optimistic projections and unrealistic performance expectations not backed up by appropriate technology and management expertise, combined with lack of an established basis for prediction in many markets led system owners to take on excessive debt, which enabled their entry to the business but also left them unable to sustain their business profitably.

The technology that supports the upgraded services that Summit intends to provide has only recently become cost-effective for smaller rural systems. Even with today's superior and less expensive technology, small individual cable systems rarely have the economies of scale or the financing necessary to effectively exploit these technologies. Summit Digital's knowledgeable technical team and ability to combine equipment purchases will provide the knowledge and the leverage with suppliers that are needed to effectively introduce these technologies.

Summit Digital believes, based on extensive interviews and contacts with management at local systems, that the managers and owners of many of these systems are interested in acquisition on favorable terms by an MSO built around the principle of maximizing the potential of these systems. Based on interviews with small system managers, Summit Digital believes that many of these systems can be acquired in exchange for a combination of cash and stock.

Once systems have been acquired, Summit Digital will upgrade them to support broadband Internet and voice telephony and aggressively market these combined services both to existing subscribers and non-subscribers within the system footprint. Existing cash flows, cash flows from acquired systems, and acquisition terms will allow Summit to pay for system upgrades as systems are built out. Summit Digital does not intend to incur debt or sell shares to finance system upgrades.

Summit Digital will add an additional revenue stream to its acquired cable systems through its capacity to insert local advertising, known as interstitials, to cable TV content. Summit Digital has the right to insert local advertising into programming from major networks such as CNN, ESPN, Fox News and many others. This ad insertion is accomplished through an interface between the network and Summit Digital's system, with the network providing cue tones that open time slots for Summit Digital's advertisers.

Again, this is a revenue opportunity not currently exploited by the cable systems Summit Digital seeks to acquire, and upgrading systems to accommodate this form of advertising presents a significant opportunity to generate additional revenue from existing infrastructure.



Summit Digital's business strategy is to acquire systems meeting viability criteria, aggregate them in a multiple system operator format, improve management, reduce costs, and add revenue by aggressively promoting high-value services such as high speed broadband internet and pay-per-view TV and by adding advertising income and wireless services to the system revenue mix. Summit Digital will not surrender controlling interest in systems it acquires and will not incur long-term debt or sell shares to acquire systems or upgrade acquired systems. Summit Digital believes that it can substantially increase both our subscriber base and our revenue per subscriber by following this strategy.

### *Innovation*

Summit Digital actively pursues innovative ways of using existing technology and infrastructure to provide services and build customer and community relationships outside the traditional residential service model. Two initiatives in the 1<sup>st</sup> half of 2012 illustrate this commitment and the results it can bring.

Summit Digital is in the process of installing a sophisticated CCTV monitoring system for the community of McBain, Michigan, allowing continuous surveillance of key commercial and road areas. A web-based backbone permits data storage by Summit Digital as well as monitoring by the State Police. The system is designed to facilitate rapid response in emergencies and to provide vital evidence and understanding in criminal and other incidents. Summit Digital is compensated by an installation fee and will receive a long term monthly fee for managing the system. Similar systems will be offered to other municipalities within Summit Digital's service footprint.

Summit Digital recently installed a web-based system for a major dairy farm, allowing the farm operators to continuously monitor operations and provide remote control for their robotic milkers. Agricultural operations in the rural American Midwest are becoming increasingly sophisticated and there is enormous scope for leveraging Summit Digital's existing technology and infrastructure to increase efficiency and create opportunity for Summit Digital and for its clients. Summit Digital will continue to explore innovative ways to supply needed services to individual,

business, industrial and local government customers, using the full scope of opportunities provided by available technology.

*Wireless Internet*

Use of wireless internet services is exploding in the US, driven by rapidly expanding sales of smartphones, tablets, and other mobile devices. Cisco Systems estimates that mobile traffic will expand from 0.6 exabytes/month in 2011 to 1.2 exabytes/month in 2012 and will reach 6.3 exabytes/month in 2015. Cable operators across the US have recognized that the cable business and the WiFi business have close synergies and that WiFi represents a considerable opportunity for cable companies. The synergy is based on a number of elements:

As the amount of data transferred over wireless networks expands, the critical need for backhaul services the link between wireless broadcast points and the internet backbone becomes increasingly critical. Cable infrastructure is ideally suited to providing these services, enabling cable companies that also manage wireless sites to support their own backhaul needs instead of paying for them, as non-cable operators must.

The ability of cable companies to use existing infrastructure for backhaul also drastically reduces the expense of acquiring rights of way: Dan Rice, vice president of access network technology for CableLabs, estimates that as much of 70% of the expense of establishing an outdoor WiFi infrastructure can be in civil costs such as real estate and permitting, expenses that are substantially lower for companies that already have infrastructure in place. These cost advantages make it possible for cable companies to compete aggressively on wireless service pricing while retaining high margins.

Wireless technology also provides an option that can supersede wired to reach hard-to-wire areas or as an option to homes in which the installed coaxial cable falls short. These are significant features in Summit Digital's target market.

Wireless services can bring in subscribers solely interested in wireless access. More important, it can drive a quadruple play option in which Summit Digital can offer a single-bill package combining TV, home broadband, voice communications, and wireless access. Carl Weinschenk of *Broadband Technology Report* has commented that WiFi will end up being the technology that enables the [cable] industry to fill the gaping hole in its arsenal: A comprehensive mobile voice and data service .

Summit Digital intends to pursue opportunities in this promising sector as an integral part of its expansion plan.

#### *Subscriber Base*

Summit Digital currently serves 1,296 subscribers in the States of Oklahoma and Michigan, with an average monthly billing of approximately \$69,000. At the end of the first quarter of 2012, Summit Digital served 686 subscribers in the States of Oklahoma and Michigan, with monthly billing of approximately \$33,000.

#### *Proposed Expansion*

Summit Digital is aggressively pursuing expansion opportunities:

Summit Digital has been granted a franchise and is building a new cable System in McBain

Michigan, which is expected to be completed by the end of 2012. Summit Digital will be initially providing cable TV, broadband Internet, and telephone services passing 550 homes and an industrial complex containing several industries with substantial potential for expansion.

Summit Digital has targeted 5 towers in northern Michigan for installation of wireless broadband technology. These installations will serve up to 2500 residents within Summit Digital's current service footprint.

Summit Digital is pursuing the proposed acquisition of additional cable systems in the Fort Wayne, Indiana area from New Wave Communications.

Summit Digital is negotiating for the purchase of several systems in Michigan from Michigan Cable Partners Inc.

Summit Digital hopes to complete these negotiations and close the acquisitions by early 2013 though there is no assurance that all or any of these acquisitions will be completed.

Summit Digital is targeting 100,000 total subscribers within three years, which it believes is a conservative estimate of potential, provided that adequate financing can be obtained. Per-subscriber billing in the systems Summit Digital has targeted, typically based only on cable TV services, is under \$50/month. Summit Digital intends to increase this to a level close to the national average of \$128/month.

*Acquisition Criteria*

Summit Digital's acquisition strategy relies on careful assessment of acquisition candidates by a management team with extensive experience in the cable industry.

Many of the systems available for acquisition carry significant debt burdens. Summit Digital will only go through with acquisitions if owners and/or creditors are willing to restructure debt.

Typically this involves an exchange of debt and equity, with owners/creditors exchanging debt for stock. Since these individuals are in the business, they understand the inherent viability and potential of Summit Digital's business model, and these offers have so far met a generally positive reception.

Summit Digital focuses on areas that offer potential for aggregating multiple systems in physically adjacent territory, maximizing the potential of existing infrastructure.

Summit Digital targets areas with existing unserved demand for broadband Internet. Typically this means acquiring systems that do not offer broadband Internet at the time of acquisition, offering potential for immediate increase in subscribers and per-subscriber billing by adding broadband Internet to the service package and aggressively promoting it.

Economic viability of acquisition candidates is evaluated by Summit Digital's management team, which has extensive experience in the cable business. In some cases the team may prefer to negotiate directly with creditors or a bankruptcy court; in others the system is deemed non-viable and the acquisition is abandoned.

Markets must be assessed for growth potential. Some rural markets are economically stagnant with a decreasing population that will not support growth in our industry. Acquisitions in these areas will not be pursued.

WWA Group's business development strategy is prone to significant risks and uncertainties which are having an immediate impact on its efforts to realize net cash flow. Should WWA Group be unable to generate income or reduce expenses to the point where it can meet operating expenses through debt or equity financing, which can in no way be assured, WWA Group's ability to continue its business

operations will remain in jeopardy.

### **Results of Operations**

During the year three month period ended March 31, 2013, WWA Group (i) continued to lend management assistance on a temporary basis to World Wide Auctioneers (Dubai); (iv) marketed Wing House units; (v) called a special shareholders meeting to consider the a share exchange agreement with Summit Digital; and (vi) satisfied continuous public disclosure requirements. Subsequent to period end, on May 10, 2013, the shareholders of WWA Group approved the acquisition of Summit Digital, Inc. as a wholly owned subsidiary.

The results of operations for the three months ended March 31, 2013 and 2012 present WWA Group and (i) its wholly owned subsidiary, Asset Forum LLC, a company founded by WWA Group in the state of Nevada on January 7, 2010, and (ii) Infrastructure Development Corp. ( Infrastructure ) on a consolidated basis as of March 31, 2012.

***Net Income/Loss***

Net income for the period ended March 31, 2013 was \$2,645 from a net loss of \$42,345 for the three month period ended March 31, 2012. The transition to net income from net loss over the comparative periods can be attributed to the decrease in general and administrative expenses and the increase in other income. WWA Group anticipates that it will that it will return to net losses in future periods with the acquisition of Summit Digital as general and administrative expenses are expected to increase.

***Revenue***

Revenue for the period ended March 31, 2013 was zero as compared to \$56,300 for the period ended March 31, 2012. The decrease to zero in the current three month period is due to WWA Group's inability to sell Wing Houses. However, WWA Group anticipates returning to revenue producing activities in the second quarter of this year with the acquisition of Summit Digital.

***Gross Profit***

Gross loss for the period ended March 31, 2013 was zero as compared to \$4,886 for the period ended March 31, 2012. The decrease in gross loss to zero over the comparative periods can be attributed the lack of sales in the current period. Gross profit is anticipated in future periods with a return to revenue producing activities.

***Operating Expenses***

Operating expenses for the period ended March 31, 2013 are \$11,460 as against \$76,323 for the period ended March 31, 2012. The decrease in operating expenses over the comparative periods reflects the transition from consolidation to non-consolidation with the activities of Infrastructure in the current three month period. WWA Group expects that operating expenses will increase in future periods on consolidating the activities of Summit Digital.

***Other Income/Expenses***

Other income for the period ended March 31, 2013 increased to \$14,105 as compared to other income of \$10,628 for the period ended March 31, 2012. Other income can be attributed to management income from World Wide Auctioneers (Dubai) and on account of refund of excess professional and consultation

charges.

***Income Tax Expense (Benefit)***

WWA Group has a prospective income tax benefit resulting from a net operating loss carry-forward and start up costs that will offset any future operating profit.

***Liquidity and Capital Resources***

We had a working capital surplus of \$3,509 as of March 31, 2013. At March 31, 2013, our current and total assets were \$28,945, which consisted of \$1,185 in cash and \$27,760 in other current assets. Our current and total liabilities were \$25,436, which consisted of accrued expenses. Our total stockholders equity at March 31, 2013 was \$3,509.



Cash flow used in operating activities for the period ended March 31, 2013 was \$655 as compared to \$77,684 for the period ended March 31, 2012. The change in cash flow used in operating activities between the periods can be attributed to the transition to net income over the comparative periods, the increase in accounts payable offset by the decrease in current assets. We expect to continue to use cash flows in operating activities for the balance of 2013.

Cash flow provided by investing activities for the period ended March 31, 2013 was zero as compared to \$40,189 for the period ended March 31, 2012. Net cash flow provided by investing activities in the prior three month period is attributed to a decrease in the goodwill associated with Infrastructure. We expect to use cash flows in investing activities going forward in as we develop additional business opportunities associated with Summit Digital.

Cash flow provided by financing activities was zero for the period ended March 31, 2013 as compared to \$16,364 of cash flow used in financing activities for the period ended March 31, 2012. Cash flow provided by financing operations in the prior three month period can be attributed to an increase in a short term note offset by a decrease in minority share. We expect to generate cash flows from financing activities in the near term as the fulfillment of Summit Digital's business plan will require debt or equity financing.

Our current assets are insufficient to conduct business over the next twelve (12) months. We will have to seek at least \$50,000 in debt or equity financing over the next twelve months to maintain operations and expect that additional amount of \$500,000 in connection with the acquisition of Summit Digital. WWA Group has no current commitments or arrangements with respect to, or immediate sources of this required funding. Further, no assurances can be given that funding is available. Our shareholders are the most likely source of new funding in the form of loans or equity placements though none have made any commitment for future investment and we have no agreement formal or otherwise. Our inability to obtain sufficient funding will have a material adverse affect on our ability to generate revenue and our ability to continue operations.

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 March 31, 2013.

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

WWA Group had no lines of credit or other bank financing arrangements as of March 31, 2013.

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 March 31, 2013, 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.

***Future Financings***

We anticipate continuing to rely on debt or equity sales of our shares of common stock in order to continue to fund our business operations. There is no assurance that we will achieve any additional sales of our equity securities or arrange for debt or other financing to fund our plan of operations.

***Critical Accounting Policies***

In Note B to the audited consolidated financial statements for the years ended December 31, 2012 and 2011 included in WWA Group's Form 10-K, we discuss those accounting policies that are considered to be significant in determining the results of operations and our financial position. We believe that the accounting principles utilized by us 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, we evaluate our estimates, including those related to bad debts, inventories, intangible assets, warranty obligations, product liability, revenue, and income taxes. We base our 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, we apply the following critical accounting policies in the preparation of its financial statements

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

The statements contained in the section titled *Results of Operations* and *Description of Business*, with the exception of historical facts, are forward looking statements. A safe-harbor provision may not be applicable to the forward-looking statements made in this current report. 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 subsidiaries businesses and the acceptance of their products and services;

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 is required by law.

***Going Concern***

WWA Group's auditors have expressed an opinion as to its ability to continue as a going concern as a result of recurring losses from operations. WWA Group's ability to continue as a going concern is subject to its ability to realize a profit from operations and /or obtain funding from outside sources. Management's plan to address WWA Group's ability to continue as a going concern includes obtaining funding from the private placement of debt or equity and realizing revenues from additional business opportunities. Management believes that it will be able to obtain funding to enable WWA Group to continue as a going concern through the methods discussed above, though there can be no assurances that such methods will prove successful.

***Recent Accounting Pronouncements***

Please see Note C to our consolidated financial statements for recent accounting pronouncements.

***Stock-Based Compensation***

We have adopted Accounting Standards Codification Topic (ASC) 718, 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 4.**

**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 management, with the participation of the chief executive officer and the chief financial officer, of the effectiveness of the Company'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 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 Controls over Financial Reporting***

During the period ended March 31, 2013, there has been no change in internal control over financial reporting that has materially affected, or is reasonably likely to materially affect our internal control over financial reporting.

## **PART II OTHER INFORMATION**

### **ITEM 1.**

#### **LEGAL PROCEEDINGS**

None.

### **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**

***WWA Group has a history of uncertainty about continuing as a going concern.***

WWA Group's audits for the periods ended December 31, 2012 and 2011 expressed substantial doubt as to its ability to continue as a going concern due to recurring losses from operations. Unless WWA Group is able to overcome our dependence on successive financings and generate net revenue from operations, its ability to continue as a going concern will be in jeopardy.

***Our chief executive officer does not offer his undivided attention to WWA Group due to his varied 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 and Infrastructure. His responsibilities cause him to divide his time between these entities. The division of time however does not necessarily indicate a division of interests since Asia8 and Infrastructure work with WWA Group in marketing Wing Houses. Nonetheless, his varied responsibilities may compromise WWA Group's ability to successfully conduct its business operations.

***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 employees, or that we will be able to attract or retain highly qualified 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.

***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.

## **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.

### ***WWA Group will require additional capital funding.***

WWA Group will require additional funds in the form of additional equity offerings or debt placements, to maintain 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.

*The elimination of monetary liability against our directors, officers and employees under Nevada law and the existence of indemnification rights for our directors, officers and employees may result in substantial expenditures by the WWA Group and may discourage lawsuits against our directors, officers and employees.*

Our certificate of incorporation contains a specific provision that eliminates the liability of directors for monetary damages to WWA Group and its stockholders; further, WWA Group is prepared to give such indemnification to its directors and officers to the extent provided by Nevada law. WWA Group may also have contractual indemnification obligations under its employment agreements with its executive officers. The foregoing indemnification obligations could result in WWA Group incurring substantial expenditures to cover the cost of settlement or damage awards against directors and officers, which WWA Group may be unable to recoup. These provisions and resultant costs may also discourage WWA Group from bringing a lawsuit against directors and officers for breaches of their fiduciary duties and may similarly discourage the filing of derivative litigation by WWA Group's stockholders against WWA Group's directors and officers even though such actions, if successful, might otherwise benefit WWA Group and its stockholders.

**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 31 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

May 15, 2013

By: Eric Montandon

Its: Chief Executive Officer

/s/ Digamber Naswa

May 15, 2013

By: Digamber Naswa

Its: Chief Financial Officer and Principal Accounting Officer

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## INDEX TO EXHIBITS

### *Exhibit*

### *Description*

#### 3.1.1\*

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).

#### 3.1.2\*

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).

#### 3.1.3\*

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).

#### 3.1.4\*

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).

#### 3.2\*

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).

#### 10.1\*

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).

#### 10.2\*

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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).

10.3\*

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).

10.4\*

Share Purchase Agreement by and between WWA Group and Seven International Holdings, Ltd., dated effective October 31, 2010 (incorporated herein by reference from the Form 8-K filed with the Commission on November 12, 2010).

10.5\*

Share Exchange Agreement between Summit Digital Holdings, Inc., Summit Digital, Inc. and WWA Group dated effective July 12, 2012 (incorporated herein by reference from the Form 8-K filed with the Commission on July 17, 2012).

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/A filed with the Commission on November 14, 2011).

### 31.1

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.

### 31.2

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.



32.1

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.

32.2

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.

101. INS

XBRL Instance Document

101. PRE

XBRL Taxonomy Extension Presentation Linkbase

101. LAB

XBRL Taxonomy Extension Label Linkbase

101. DEF

XBRL Taxonomy Extension Label Linkbase

101. CAL

XBRL Taxonomy Extension Label Linkbase

101. SCH

XBRL Taxonomy Extension Schema

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Incorporated by reference from previous filings of the Company.

Pursuant to Rule 406T of Regulation S-T, these interactive data files are deemed furnished and not filed or part of a registration statement or prospectus for purposes of Section 11 or 12 of the Securities Act of 1933, or deemed furnished and not filed for purposes of Section 18 of the Securities and Exchange Act of 1934, and otherwise is not subject to liability under these sections.