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YAAK RIVER RESOURCES INC  
Form 10QSB  
May 13, 2004

SECURITIES AND EXCHANGE COMMISSION  
Washington D.C. 20549

FORM 10-QSB

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

For the Quarterly Period ended: March 31, 2004

Commission file number 0-30489

YAAK RIVER RESOURCES, INC.  
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(Exact name of small business issuer as specified in its charter)

Colorado ----- (State or other jurisdiction of or organization)	84-1097796 ----- (I.R.S. Employer incorporation Identification No.)
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423 Baybridge Drive, Sugarland, TX 77478  
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Address of principal executive offices)

(281) 242-7656  
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(Issuer's telephone number)

Check whether the registrant (1) filed all reports required to be filed by Section 13 or 15(d) of the Exchange Act of 1934 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

As of March 31, 2004, 67,308,857 shares of common stock were outstanding.

Transitional Small Business Disclosure Format: Yes  No

PART I--FINANCIAL INFORMATION

Item 1. Financial Statements.

For financial information, please see the financial statements and the notes thereto, attached hereto and incorporated herein by this reference.

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The financial statements have been prepared by Yaak River Resources, Inc. without audit pursuant to the rules and regulations of the Securities and Exchange Commission. Certain information and footnote disclosures normally included in financial statements prepared in accordance with generally accepted accounting principles have been condensed or omitted as allowed by such rules and regulations, and management believes that the disclosures are adequate to make the information presented not misleading. These financial statements include all of the adjustments which, in the opinion of management, are necessary to a fair presentation of financial position and results of operations. All such adjustments are of a normal and recurring nature. These financial statements should be read in conjunction with the audited financial statements at December 31, 2002, included in the Company's Form 10-KSB.

Yaak River Resources, Inc.

Financial Statements  
For the Period Ended March 31, 2004  
(Unaudited)

Michael Johnson & Co., LLC.  
9175 Kenyon Ave., #100  
Denver, CO 80237  
Phone: 303-796-0099  
Fax: 303-796-0137

REPORT ON REVIEW BY INDEPENDENT CERTIFIED PUBLIC ACCOUNTANT

To the Board of Directors  
Yaak River Resources, Inc.  
Casper, Wyoming

We have reviewed the accompanying balance sheet of Yaak River Resources, Inc. as of March 31, 2004 and the related statements of operations and cash flows for the three months periods ended March 31, 2004 and 2003, included in the accompanying Securities and Exchange Commission Form 10-QSB for the period ended March 31, 2004. These financial statements are the responsibility of the Company's management.

We conducted our reviews in accordance with standards established by the American Institute of Certified Public Accountants. A review of interim financial information consists principally of applying analytical procedures to financial data and making inquiries of persons responsible for financial and accounting matters. It is substantially less in scope than an audit conducted in accordance with U.S. generally accepted auditing standards, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Based on our reviews, we are not aware of any material modifications that should be made to the accompanying financial statements for them to be in conformity with U.S. generally accepted accounting principles.

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We have previously audited, in accordance with U.S. generally accepted auditing standards, the balance sheet as of December 31, 2003, and the related statements of operations, stockholders' equity and cash flows for the year then ended (not presented herein). In our report dated March 24, 2004, we expressed an unqualified opinion on those financial statements. In our opinion, the information set forth in the accompanying balance sheet as of March 31, 2004 is fairly stated in all material respects in relation to the balance sheet from which it has been derived.

/s/ Michael Johnson & Co., LLC.  
 Michael Johnson & Co., LLC.  
 Denver, Colorado  
 May 3, 2004

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YAAK RIVER RESOURCES, INC.  
 (A Development Stage Company)  
 BALANCE SHEETS  
 (Unaudited)

	March 31, 2004
ASSETS:	
Current Assets:	
Cash	\$ 504
Total Current Assets	504
Other Assets:	
Investment properties	35,743
Total Other Assets	35,743
 TOTAL ASSETS	 \$ 36,247
 LIABILITIES AND STOCKHOLDERS' EQUITY	
Current Liabilities:	
Accounts payable and accrued expenses	\$ 4,667
Advances from shareholders'	9,500
Total Current Liabilities	14,167
 Stockholders' Equity:	
Preferred stock, \$.0001 par value, 50,000,000 share authorized, issued and outstanding - none	-
Series A - Common stock, \$.0001 par value; 250,000,000	

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shares authorized; issued and outstanding - 67,308,857 shares outstanding, respectively	6,730
Series B - Common stock, \$.0001 par value; 250,000,000 shares authorized; issued and outstanding - none	-
Capital paid-in excess of par value	378,099
Deficit accumulated during the development stage	(362,749)
	-----
Total Stockholders' Equity	22,080
	-----
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	\$ 36,247
	=====

See accountant's review report.

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YAAK RIVER RESOURCES, INC.  
(A Development Stage Company)  
STATEMENTS OF OPERATIONS  
(Unaudited)

	Three Months Ended March 31,		June 1 (Ince Mar 2
	2003	2003	-----
	-----	-----	-----
REVENUES:	\$ -	\$ -	
OPERATING EXPENSES:			
Amortization	-	-	
Bank charges	18	-	
Legal and accounting	-	-	
Director fees	-	-	
Office expenses	-	-	
Stock fees and other costs	1,393	-	
Administration and consulting	-	-	
Mining assessments and fees	-	-	
Bad debt	-	-	
Rent/telephone	-	-	
	-----	-----	-----
Total Operating Expenses	1,411	-	
	-----	-----	-----
Net Loss from Operations	(1,411)	-	
	-----	-----	-----
Other Income and expenses:			
Interest income	-	-	
Interest expense	-	-	
Other	-	-	
	-----	-----	-----
	-	-	-----
	-----	-----	-----

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Net Loss	\$ (1,411)	\$ -	\$
	=====	=====	=====
Weighted average number of shares outstanding	66,308,857	66,308,857	
	=====	=====	
Basic and diluted net loss per share	*	*	
	=====	=====	

\* Less than \$.01

See accountant's review report.

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YAAK RIVER RESOURCES, INC.  
(A Development Stage Company)  
STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY  
(Unaudited)

	Common Stock		Capital Paid	
	Shares	Amount	In Excess of	
	-----	-----	Par Value	-----
Balance - December 31, 2003	67,308,857	\$ 6,730	\$ 378,099	
Net loss for period	-	-	-	
	-----	-----	-----	
Balance - March 31, 2004	67,308,857	6,730	378,099	
	-----	-----	-----	

See accountant's review report.

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YAAK RIVER RESOURCES, INC.  
(A Development Stage Company)  
STATEMENTS OF CASH FLOWS  
(Unaudited)

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	Three Months Ended March 31,	
	2004	2003
	-----	-----
Cash Flows From Operating Activities:		
Net (Loss)	\$ (1,411)	\$ -
Adjustments to reconcile net loss to net cash used in operating activities:		
Amortization and depreciation	-	-
Organization costs	-	-
Stock issued for services	-	-
Changes in assets and liabilities:		
Increase in accounts payable and accrued expenses	(5,304)	-
	-----	-----
Total adjustments	(5,304)	-
	-----	-----
Net Cash Used in Operating Activities	(6,715)	-
	-----	-----
Cash Flow From Investing Activities:		
Exchange of properties - net	-	-
Investment purchase	-	-
	-----	-----
Net Cash Provided By Investing Activities	-	-
	-----	-----
Cash Flow From Financing Activities:		
Proceeds from long-term debt	-	-
Proceeds from advances	5,000	-
Payment of long-term debt	-	-
Issuance of Common Stock	-	-
	-----	-----
Net Cash Provided By Financing Activities	5,000	-
	-----	-----
Increase (Decrease) in Cash	(1,715)	-
Cash and Cash Equivalents - Beginning of period	2,219	754
	-----	-----
Cash and Cash Equivalents - End of period	\$ 504	\$ 754
	=====	=====
Supplemental Cash Flow Information:		
Interest paid	\$ -	\$ -
	=====	=====
Taxes paid	\$ -	\$ -
	=====	=====
Noncash Investing and financing activities:		
In 1999, the Company exchanged properties with a book value of \$182,910 to a related party in lieu of payment of		
	=====	=====
liabilities of \$147,167 and land with book value of \$35,743.	\$ -	\$ -
	=====	=====

See accountant's review report.

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## YAAK RIVER RESOURCES, INC. NOTES TO FINANCIAL STATEMENTS

### 1. Presentation of Interim Information

In the opinion of the management of Yaak River Resources, Inc., the accompanying unaudited financial statements include all normal adjustments considered necessary to present fairly the financial position as of March 31, 2004, and the results of operations and cash flows for the three months ended March 31, 2004 and 2003. Interim results are not necessarily indicative of results for a full year.

The financial statements and notes are presented as permitted by Form 10-QSB, and do not contain certain information included in the Company's audited financial statements and notes for the fiscal year ended December 31, 2003.

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### Item 2. Management's Discussion and Analysis or Plan of Operation

The Company incurred expenses totaling \$1,411 for the three months ending March 31, 2004 compared to \$0 for the same period in 2003. The increase resulted from transfer agent fees paid. The Company generated no revenues in this period as well as for the same period in 2003. The net loss for the three months ending March 31, 2004 was \$(1,411) as compared to no net loss for the same period 2003.

#### Liquidity and Capital Resources

The Company had a net working capital (deficit) at March 31, 2004 of \$(13,663) as compared to a working capital of \$12,252 at March 31, 2003. There were no cash flows provided from operations during the three months ended March 31, 2004.

Cash and cash equivalents at March 31, 2004 were \$504, a decrease of \$2219 from March 31, 2003. During the three-month period ended, March 31, 2004, the Company used \$1,411 net cash in operating activities as compared to none for the same period 2003. This increase of cash used in operations of \$6,715 was as a result of the payment of transfer agent expenses.

We had, at March 31, 2004, working capital of \$504. We anticipate that there will be no cash generated from operations in the current year necessary to fund our current and anticipated cash requirements. We plan to obtain additional financing from equity and debt placements. We have been able to raise capital in a series of equity and debt offerings in the past. While there can be no assurances that we will be able to obtain such additional financing, on terms acceptable to us and at the times required, or at all, we believe that

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sufficient capital can be raised in the foreseeable future.

### Item 3. Controls and Procedures

The management of the Company has evaluated the effectiveness of the issuer's disclosure controls and procedures as of a date within 90 days prior to the filing date of the report (evaluation date) and have concluded that the disclosure controls and procedures are adequate and effective based upon their evaluation as of the evaluation date.

There were no significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of the most recent evaluation of such, including any corrective actions with regard to significant deficiencies and material weaknesses.

## PART II - OTHER INFORMATION

### Item 1. Legal Proceedings

None.

### Item 2. Changes in Securities

None.

### Item 3. Defaults Upon Senior Securities

None.

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

None.

### Item 5. Other Information

None.

### Item 6. Exhibits and Reports on Form 8-K

a. Exhibits: 31 and 32

b. Reports on Form 8-K: None

## SIGNATURES

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

Yaak River Resources, Inc.  
(Registrant)



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Dated: May 12, 2004

By: Blaize N. Kaduru

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Blaize N. Kaduru  
President, Secretary/Treasurer, and  
Director