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NEVSTAR GAMING & ENTERTAINMENT CORP
Form 10-K
September 13, 2005

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-K

(Mark One)

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934 [FEE REQUIRED]
For the fiscal year ended June 30, 2005

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934 [NO FEE REQUIRED]
For the transition period from to

Commission file number: 0-21071

NEVSTAR GAMING AND ENTERTAINMENT CORPORATION
(Exact name of registrant as specified in its charter)

Nevada 88-0309578
(State or other jurisdiction of (I.R.S. Employer
incorporation or organization) Identification No.)

1900 Avenue of the Stars, Suite 2410, Los Angeles CA 90067
(Address of principal executive offices) (Zip Code)
Registrant's telephone number, including area code: (310) 553-7176
Securities registered pursuant to Section 12(b) of the Act:
None
Securities registered pursuant to Section 12(g) of the Act:
Common Stock - \$.01 par value
(Title of class)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the 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 if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K.

The aggregate market value of the voting stock held by non-affiliates of the registrant on September 8, 2005 was \$101,430 (based on the average bid and asked price of Common Stock in the over-the-counter market on that date).

50,715,008 shares of registrant's Common Stock, \$.01 par value, were outstanding on September 8, 2005.

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NEVSTAR GAMING AND ENTERTAINMENT CORPORATION
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PART I

NEVSTAR GAMING AND ENTERTAINMENT CORPORATION

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Item 1 - Business

General. The Company, a Nevada Corporation, filed a financial report with the Securities and Exchange Commission ("SEC") on Form 10-Q, for the quarter ended March 31, 1999. At that time, the Company owned and operated the Mesquite Star, a hotel and casino in Mesquite, Nevada. The Company filed no further reports with the SEC until September, 2002. The Company has insufficient financial records or supporting documentation to recreate these records for the interim period because those records were lost or destroyed as a result of the foreclosure of the principal asset of the Company, the Mesquite Star Hotel and Casino.

During 2002, the SEC was apprised of the Company's deficiencies, and a report was filed on Form 8-K dated September 30, 2002 summarizing the events which had occurred during the period since its last reporting. No reports on Form 10-K will be filed by the Company for the periods ended June 30, 1999, 2000, 2001, 2002, and the interim period ended November 22, 2002. Certain comparative financial reporting required to be disclosed on this Form 10-K has been omitted because of this lack of Company financial data.

December 1, 1999, the Company filed a voluntary petition for relief under Chapter 11 (the "First Chapter 11 Proceeding") in the United States Bankruptcy Court, District of Nevada (the "Bankruptcy Court"), Case No. 99-19566RCJ. The Company acted as debtor in possession during the First Chapter 11 Proceeding. In part as a result of the objections of certain of the Company's secured creditors and the Bankruptcy Court's belief that the Company could not be successfully reorganized in view of such objections, the Bankruptcy Court dismissed the First Chapter 11 Proceeding on or about March 2, 2000.

On March 3, 2000, Randy Black was appointed by the District Court of Clark County, Nevada as receiver for the Company. On or about March 8, 2000, Black caused the casino to cease all meaningful operations and the casino was closed. The Company has not engaged in business operations since that date. Subsequently, Black acquired the first trust deed on the casino from the bank and he began foreclosure proceedings against the casino. On July 10, 2000, the Company again filed a voluntary petition for relief under Chapter 11 (the "Second Chapter 11 Proceeding") in the Bankruptcy Court, Case No. BK-S-00-15075-LBR. During the Second Chapter 11 Proceeding, the Company acted as debtor in possession. During the course of the Second Chapter 11 Proceeding, the Bankruptcy Court permitted Black to foreclose on the casino, which occurred on November 13, 2000.

In April, 2001, the Company and W/F Investment Corp. ("W/F") submitted to the Bankruptcy Court a plan of reorganization, which was amended from time to time (the "Plan of Reorganization").

On February 20, 2002, the Bankruptcy Court issued an order confirming the Plan of Reorganization.

On November 22, 2002 the Plan of Reorganization became effective. The Company issued 15,141,674 shares of common stock to holders of unsecured claims; 156,428 shares of common stock to certain administrative claimants and to a previously secured claim holder, and 27,807,219 shares of common stock to the Plan Proponents. The 7,583,687 shares of Common Stock that were previously outstanding were retained by the holders of those shares. There are a total of 50,715,008 shares of common Stock outstanding after the issuance of shares under the Plan of Reorganization. The Plan of Reorganization authorized a reverse split of the Common Stock, which it is anticipated will be implemented concurrently with the Company's acquisition of a business opportunity.

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On September 6, 2005, a final decree was issued by the Bankruptcy Court, formally ending the Bankruptcy proceedings.

The Company does not currently have any operations.

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NEVSTAR GAMING AND ENTERTAINMENT CORPORATION

Employees. The Company had no employees at September 12, 2005. The Company is not a party to any collective bargaining agreements and its employees are not represented by a labor union.

Item 2 - Properties

The Company's principal executive offices are located at 1900 Avenue of the Stars, Suite 2410, Los Angeles, California 90067. The space is provided to the Company without charge by W/F Investment Corp, its secured lender and a member of W/F Nevstar LLC, a principal shareholder of the Company.

Item 3 - Legal Proceedings

The Company is not currently party to any legal proceedings.

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

No matters were submitted to a vote of security holders during the fourth quarter (ending June 30, 2005) of fiscal 2004.

PART II

Item 5 - Market for Registrant's Common Equity and Related Stockholder Matters

The Company's common stock trades on the over-the-counter market under the symbol "NVST". The table below sets forth the high and low bid prices for the Company's common stock. Bids represent inter-dealer prices, without retail mark-up, markdown or commissions, and may not represent actual transactions.

Period -----	High ----	Low ----
Calendar 2004		
1st Quarter.....	.001	.001
2nd Quarter.....	.001	.001
3rd Quarter.....	.001	.001
4th Quarter.....	.001	.001
Calendar 2005		
1st Quarter.....	.001	.001
2nd Quarter.....	.001	.001

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NEVSTAR GAMING AND ENTERTAINMENT CORPORATION

As of September 12, 2005, there were approximately 671 beneficial owners of 50,715,008 outstanding shares of the Company's common stock, held by approximately 671 shareholders of record.

The Company has not paid a dividend on its common stock since inception.

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Item 6 - Selected Financial Data

	Year ended June 30, 2005	Year ended June 30, 2004
Revenues	\$ 0	\$ 0
Net loss	\$ (\$57,618)	\$ (78,612)
Total assets	\$ 0	\$ 0
Long-term debt	\$ 128,857	\$ 161,878
Net loss per share of common stock	(0.00)	(0.00)

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NEVSTAR GAMING AND ENTERTAINMENT CORPORATION SUMMARY OF QUARTERLY OPERATIONS (Unaudited)

	Quarter ended September 30, 2004	Quarter ended December 31, 2004	Quarter ended March 31, 2005	Quarter ended June 30, 2005
Revenues	\$ --	\$ --	\$ --	\$ --
Expenses:				
General and administrative	10,353	3,250	4,871	4,270
Operating loss	(10,353)	(3,250)	(4,871)	(4,270)
Other income	--	--	--	--
Interest expense	8,004	8,440	8,931	9,499
Net income(loss)	(\$18,357)	(\$11,690)	(\$13,802)	(\$13,769)
Net income(loss) per share of common stock	(\$0.00)	(\$0.00)	(\$0.00)	(\$0.00)
Weighted average number of shares outstanding	50,715,008	50,715,008	50,715,008	50,715,008

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NEVSTAR GAMING AND ENTERTAINMENT CORPORATION

Item 7 - Management's Discussion and Analysis of Financial Condition and Results of Operations

SAFE HARBOR STATEMENT UNDER THE PRIVATE SECURITIES LITIGATION REFORM ACT OF 1995.

This Annual Report on Form 10-K includes certain forward-looking statements based upon management's beliefs, as well as assumptions made by and data currently available to management. This information has been, or in the future, may be included in reliance on the "safe harbor" provision of the Private Securities Litigation Reform Act of 1995. These statements are subject to a number of risks and uncertainties including, but not limited to, the following: the ability of the Company to successfully complete the conditions of the Plan of Reorganization; the ability to develop, fund and

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execute an operating plan for the Company; the ability of the Company to have sufficient funds available to pay its liabilities as they come due; the ability of the Company to repay its secured lender, or to renegotiate the terms of its secured debt; and the absence of an active public trading market for the Company's common stock.

Actual results may differ materially from those anticipated in any such forward-looking statements. The Company undertakes no obligation to update or revise any forward-looking statements to reflect subsequent events or circumstances.

Overview

The Notes to the Financial Statements are an integral part of Management's Discussion and Analysis of Financial Condition and Results of Operations and should be read in conjunction herewith.

LIQUIDITY AND CAPITAL RESOURCES

The Company has met its obligations through a credit facility consisting of a \$250,000 revolving line of credit issued to the Company by W/F Investment Corp, a shareholder of the Company and a proponent of the Bankruptcy Plan of Reorganization. The Company currently owes \$380,304 plus accrued interest of \$54,187 on this line of credit. There is no assurance that W/F Investment Corp will continue to fund the Company's obligations as they become due, and the Company has no current operations to provide funds, nor does it have sufficient credit-worthiness or unpledged assets to seek other loans.

STOCK OPTIONS

The Company has no stock option plan, and there are currently no stock options outstanding.

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NEVSTAR GAMING AND ENTERTAINMENT CORPORATION

Results of Operations

Fiscal 2005, 2004 and 2003

The Company's Bankruptcy Plan of Reorganization became effective November 22, 2002. On September 6, 2005, a final decree was issued by the Bankruptcy Court, formally ending the Bankruptcy proceedings.

The Company is no longer operating, and will attempt to locate a new business (operating company), and offer itself as a merger vehicle for a company that may desire to go public through a merger rather than through its own public stock offering. The Company's general and administrative expenses consist of legal, accounting, United States Bankruptcy Trustee and stock transfer agent expenses.

Impact of Inflation

The Company currently has no operations. The interest rate on the Company's line of credit is indexed using the prime (reference) rate, which could be affected by inflation.

Foreign Currency Transactions

The Company currently has not operations, and has no exposure to foreign currency exchange rate risk.

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Item 7A - Quantitative and Qualitative Disclosures About Market Risk

The Company owns no financial instruments or other assets, nor has it entered into any contracts or commitments, which would expose it to market risks such as interest rate risk, foreign currency exchange rate risk or commodity price risk as required to be disclosed pursuant to Regulation S-K, Item 305, of the 1934 Securities Exchange Act, as amended.

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NEVSTAR GAMING AND ENTERTAINMENT CORPORATION

Item 8 - Financial Statements and Supplementary Data

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ALL OTHER SCHEDULES FOR WHICH PROVISION IS MADE IN THE APPLICABLE ACCOUNTING REGULATION OF THE SECURITIES AND EXCHANGE COMMISSION ARE NOT REQUIRED UNDER THE RELATED INSTRUCTIONS OR ARE INAPPLICABLE, AND THEREFORE HAVE BEEN OMITTED.

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INDEPENDENT AUDITORS' REPORT

Board of Directors
Nevstar Gaming and Entertainment Corporation

We have audited the accompanying balance sheets of Nevstar Gaming and Entertainment Corporation (the "Company") as of June 30, 2005 and 2004 and the related statements of operations, shareholders' deficit and cash flows for the years ended June 30, 2005 and 2004,

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for the period from November 22, 2002 through June 30, 2003, and for the period from November 22, 2005 through June 30, 2005. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards established by the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Nevstar Gaming and Entertainment Corporation as of June 30, 2005 and June 30, 2004, and the results of its operations and its cash flows for the years ended June 30, 2005 and 2004, for the period from November 22, 2002 through June 30, 2003, and for the period November 22, 2002 through June 30, 2005 in conformity with accounting principles generally accepted in the United States of America.

The accompanying financial statements have been prepared assuming that the Company will continue as a going concern. As discussed in Note 2 to the financial statements, the Company did not generate revenue and is not operating which raise substantial doubt about its ability to continue as a going concern. Management's plans in regard to these matters are described in Note 2. The financial statement does not include any adjustments that might result from the outcome of this uncertainty.

Rose, Snyder & Jacobs
A Corporation of Certified Public Accountants

Encino, California
August 17, 2005 except for Note 8, for which the date is September 6, 2005

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NEVSTAR GAMING AND ENTERTAINMENT CORPORATION BALANCE SHEETS

	June 30, 2005	June 30, 2004
ASSETS		
Current Assets	\$ --	\$ --
	-----	-----
Total assets	\$ --	\$ --

LIABILITIES AND SHAREHOLDERS' EQUITY

Current Liabilities

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Accounts payable	\$52,547	\$57,086
Accrued interest	63,058	28,184
Current portion of long-term liabilities - Note 3	42,000	32,000
Credit facility - related party - Note 4	380,304	330,020
	-----	-----
Total current liabilities	\$537,909	\$447,290
Long Term Liabilities		
Pre-petition tax liabilities - net of current portion - Note 3	\$128,857	\$161,858
	-----	-----
Total Liabilities	\$666,766	\$609,148
Shareholders' Equity (deficit)		
Common stock \$.01 par value; 126,396,450 shares authorized; 50,715,008 shares issued and outstanding	507,150	507,150
Accumulated deficit, prior to development stage - Note 6	(1,001,679)	(1,001,679)
Accumulated deficit, during development stage	(172,237)	(114,619)
	-----	-----
Total shareholders' equity (deficit)	(666,766)	(609,148)
	-----	-----
	\$ --	\$ --
	=====	=====

SEE INDEPENDENT AUDITORS' REPORT AND NOTES TO FINANCIAL STATEMENTS.

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NEVSTAR GAMING AND ENTERTAINMENT CORPORATION
STATEMENTS OF OPERATIONS

	For the year ended June 30, 2005	For the year ended June 30, 2004	For the period from November 22, 2002 (Inception of the development stage) to June 30, 2003	For the period from November 22, 2002 (Inception of the development stage) to June 30, 2003
Revenue	\$ -	\$ -	\$ -	\$ -
Expenses				
General and administrative	22,744	50,234	40,240	100,000
	-----	-----	-----	-----
Other income - Note 7	-	-	20,000	-
Interest expense	34,874	28,378	15,767	-
	-----	-----	-----	-----
Net loss	(\$57,618)	(\$78,612)	(\$36,007)	(\$100,000)
	=====	=====	=====	=====
Basic and diluted income				

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(loss) per share:

Loss per share from continuing operations	(\$0.00)	(\$0.00)	(\$0.00)	
	-----	-----	-----	
Net income (loss) per share	(\$0.00)	(\$0.00)	(\$0.00)	
	=====	=====	=====	
 Weighted average shares outstanding	 50,715,008	 50,715,008	 50,715,008	 50

SEE INDEPENDENT AUDITORS' REPORT AND NOTES TO FINANCIAL STATEMENTS.

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NEVSTAR GAMING AND ENTERTAINMENT CORPORATION STATEMENTS OF CASH FLOWS

	For the year ended June 30, 2005	For the year ended June 30, 2004	For the period from November 22, 2003 to (Inception of the development stage) to June 30, 2004
OPERATING ACTIVITIES			
Net loss	\$ (57,618)	(\$78,612)	(\$36,007)
Adjustments to reconcile net(loss) to net cash used in operating activities:			
Changes in assets and liabilities:			
Accounts payable	(4,539)	(910)	(20,050)
Accrued interest	33,453	12,417	15,767
	-----	-----	-----
Net cash used in operating activities	(28,704)	(67,105)	(40,290)
FINANCING ACTIVITIES			
Payments on long-term debt	(21,580)	-	-
Cash provided by long-term debt	50,284	67,105	40,290
	-----	-----	-----
	28,704	67,105	40,290
Net cash for the period	\$0	\$0	\$0
Net cash at beginning of period	0	0	0
	-----	-----	-----
Net cash at end of period	\$0	\$0	\$0
	=====	=====	=====
 Cash payments:			
Interest	\$0	\$16,000	\$0
Taxes	\$0	\$0	\$0

SEE INDEPENDENT AUDITORS' REPORT AND NOTES TO FINANCIAL STATEMENTS.

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NEVSTAR GAMING AND ENTERTAINMENT CORPORATION
STATEMENT OF SHAREHOLDERS' EQUITY

	Number of Shares	Common Stock	Accumulated Deficit, prior to development stage	Accumulated Deficit development stage	Total Shareholders' Deficit
Balance at November 22, 2002	50,715,008	\$507,150	\$ (1,001,679)	\$ ---	\$ (494,529)
Net loss for the year ended June 30, 2003	--	--	--	(36,007)	(36,007)
Balance at June 30, 2003	50,715,008	507,150	(1,001,679)	(36,007)	(530,536)
Net loss for the year ended June 30, 2004	--	--	--	(78,612)	(78,612)
Balance at June 30, 2004	50,715,008	507,150	(1,001,679)	(114,619)	(609,148)
Net loss for the year ended June 30, 2005	--	--	--	(57,618)	(57,618)
Balance at June 30, 2005	50,715,008	\$507,150	\$1,001,679)	\$ (172,237)	(666,766)

SEE INDEPENDENT AUDITORS' REPORT AND NOTES TO FINANCIAL STATEMENTS.

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NEVSTAR GAMING AND ENTERTAINMENT CORP
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2005

1. ORGANIZATION, INTERMIN EVENTS AND BANKRUPTCY PROCEEDINGS

The Company, a Nevada Corporation, filed its last financial report to the Securities and Exchange Commission on Form 10-Q, for the quarter ended March 31, 1999. At that time, the Company owned and operated the Mesquite Star, a hotel and casino in Mesquite, Nevada.

December 1, 1999, the Company filed a voluntary petition for relief under Chapter 11 (the "First Chapter 11 Proceeding") in the United States Bankruptcy Court, District of Nevada (the "Bankruptcy Court"), Case No. 99-19566RCJ. The Company acted as debtor in possession during the First Chapter 11 Proceeding. In part as a result of the objections of certain of the Company's secured creditors and the Bankruptcy Court's belief that the Company could not be successfully reorganized in view of such objections, the Bankruptcy Court dismissed the First Chapter 11 Proceeding on or about March 2, 2000.

On March 3, 2000, Randy Black was appointed by the District Court of Clark County, Nevada as receiver for the Company. On or about March 8, 2000, Black caused the casino to cease all meaningful operations and the casino

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was closed. The Company has not engaged in business operations since that date. Subsequently, Black acquired the first trust deed on the casino from the bank and he began foreclosure proceedings against the casino. On July 10, 2000, the Company again filed a voluntary petition for relief under Chapter 11 (the "Second Chapter 11 Proceeding") in the Bankruptcy Court, Case No. BK-S-00-15075-LBR. During the Second Chapter 11 Proceeding, the Company acted as debtor in possession. During the course of the Second Chapter 11 Proceeding, the Bankruptcy Court permitted Black to foreclose on the casino, which occurred on November 13, 2000.

In April, 2001, the Company and W/F Investment Corp. ("W/F") submitted to the Bankruptcy Court a plan of reorganization, which was amended from time to time (the "Plan of Reorganization").

On February 20, 2002, the Bankruptcy Court issued an order confirming the Plan of Reorganization.

On November 22, 2002 the Plan of Reorganization became effective. The Company issued 15,141,674 shares of common stock to holders of unsecured claims; 156,428 shares of common stock to certain administrative claimants and to a previously secured claim, and 27,807,219 shares of common stock to the Plan Proponents. The 7,583,687 shares of Common Stock that were previously outstanding were retained by the holders of those shares. There are a total of 50,715,008 shares of common Stock outstanding after the issuance of shares under the Plan of Reorganization.

On September 6, 2005, the Bankruptcy Court issued its final decree, allowing the Company to formally emerge from Bankruptcy proceedings. (See Note 8.)

The Company does not currently have any operations.

Note 2 - Going Concern and Summary of Significant Accounting Policies

Going Concern

The accompanying financial statement has been prepared on a going concern basis, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business. The Company does not generate any revenue, and has a net capital deficiency. These factors among others may indicate that the Company will be unable to continue as a going concern for a reasonable period of time. The Company currently funds its disbursements by a line of credit from one of its Plan Proponents.

The financial statements do not include any adjustments relating to the recoverability of assets and classification of liabilities that might be necessary should the Company be unable to continue as a going concern.

The Company is no longer operating, and will attempt to locate a new business (operating company) and offer itself as a merger vehicle for a company that may desire to go public through a merger rather than through its own public stock offering.

See independent auditors' report.

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JUNE 30, 2005

Note 2 - Going Concern and Summary of Significant Accounting Policies (Continued)

Accounting for Reorganization

The Company applied Financial Accounting Standards No. 15 ("Accounting for Debtors and Creditors for Troubled Debt Restructuring") for its emergence from Bankruptcy. The Company also adopted the Fresh Start Reporting (see Note 6).

Use of estimates

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts and disclosures reported in the accompanying financial statements. Significant estimates made in preparing these financial statements include the value of shares of common stock issued to the unsecured creditors in accordance with the Plan of Reorganization. Management uses its knowledge and expertise in making these estimates. Actual results could differ from those estimates.

Income Taxes

The Company utilizes the liability method to account for income taxes. Under this method, deferred taxes and liabilities are determined based on differences between financial reporting and tax bases of assets and liabilities and are measured using the enacted rates and laws expected to apply when the differences are expected to reverse.

Reclassifications

Certain numbers from 2004 have been reclassified to conform to the current year presentation.

Note 3 - Pre-petition Tax Liabilities

Pre-petition tax liabilities consist of \$170,857, plus \$8,871 of accrued interest to the Nevada Department of Taxation and the Nevada Gaming Authority. Pursuant to the Bankruptcy Code and stipulations entered into between the parties and the Company, the amounts will be paid in full, plus interest at 5% in quarterly payments commencing January, 2004 and ending September, 2009. Payments of principal due on these liabilities during the next five years are as follows:

Fiscal Year Ending June 30,

2006	\$42,000
2007	\$32,000
2008	\$32,000
2009	\$64,857

Note 4 - Long Term Credit Facility, Related Party

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The credit facility consists of \$380,304 outstanding on a \$250,000 revolving line of credit issued to the Company by W/F Investment Corp, a shareholder of the Company and a proponent of the Bankruptcy Plan of Reorganization. The line of credit has been used to pay the Company's obligations, including the bankruptcy related allowed administrative expenses, accounting, legal and related expenses. The line of credit bears interest at prime plus 2%, payable monthly. It is due October 31, 2007. Accrued interest on the credit facility totalled \$54,187 as of June 30, 2004.

The Company exceeded its credit limit and is in default in the interest payments due under the agreement. Because the lender has the right, due to the existence of these defaults, to call its loan, the balance outstanding is presented as current.

See independent auditors' report.

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NEVSTAR GAMING AND ENTERTAINMENT CORPORATION NOTES TO FINANCIAL STATEMENTS JUNE 30, 2004

Note 5 - Income Taxes

The Company's net operating loss carryforwards have not been determined, and because of statutory ownership changes, the amount of net operating losses which may be utilized in future years may be subject to significant annual limitations. For financial reporting purposes, a valuation allowance has been recognized in an amount equal to estimate of deferred tax assets due to the uncertainty surrounding their ultimate realization. The Company has not filed federal income tax returns since 1998.

Note 6 - Fresh Start Reporting

In accordance with its Plan of Reorganization, the Company converted unsecured liabilities amounting to approximately \$18,300,000 to 15,167,674 shares of its common stock. The Company also issued 156,428 shares of its common stock in payment of administrative claims totaling approximately \$20,000, and 27,807,219 shares of its common stock to its Plan Proponents. The shares issued were valued at \$0.01 per share, generating a gain on debt forgiveness of approximately \$18,000,000. The amount of accumulated deficit prior to the reclassification in accordance with Fresh Start Reporting amounted to approximately \$19,000,000. Management estimated the fair value of the shares issued at par value, based on the fact that no cash flows are expected in the foreseeable future. The balance of accumulated deficit after the adjustment required by the Fresh Start Reporting represents the "Excess Reorganization Value", which was impaired due to the fact that no cash flows are expected in the foreseeable future.

Note 7 - Other Income

On October 12, 2001, the Company entered into a settlement agreement with certain former creditors of the Company by which, among other conditions of mutual release, the creditors were to pay the Company \$35,000 on the Effective Date of the Plan of Reorganization. The Company received the funds, net of \$15,000 paid to a former director and a party to the agreement, in June, 2003 and recorded the receipt as Other Income.

Note 8 - Subsequent Event

On September 6, 2005, the United States Bankruptcy Court, District of Nevada, issued a final decree in the Company's bankruptcy case, formally

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recognizing the reorganization of the debtor and removing the Company from the oversight of the Bankruptcy Court.

See independent auditors' report.

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NEVSTAR GAMING AND ENTERTAINMENT CORPORATION

Item 9 - Changes In and Disagreements with Accountants on Accounting or Financial Disclosure

As reported on Form 8-K dated December 3, 2002, on November 25, 2002 the Company engaged Rose, Snyder & Jacobs ("Rose Snyder") as the Company's independent auditors and for other independent accounting and tax-related services on an ongoing basis, to replace the firm of Piercy Bowler Taylor & Kern, who were dismissed as auditors of the Company. Piercy Bowler Taylor & Kern were engaged on March 18, 2002 and did not issue any reports on the Company's financial statements. In connection with the audit of the Company's financial statements during the interim period of Piercy Bowler Taylor and Kern's engagement, there were no disagreements with Piercy Bowler Taylor and Kern on any matter of accounting principles or practice, financial statement disclosure, or auditing scope or procedures.

Item 9A. Controls and Procedures

(a) Evaluation of Disclosure Controls and Procedures

Under the supervision and with the participation of our management, including our principal executive officer and principal financial officer, we conducted an evaluation of our disclosure controls and procedures, as such term is defined under Rule 13a-15(e) promulgated under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), as of December 31, 2004. Based on this evaluation, our principal executive officer and principal financial officer concluded that our disclosure controls and procedures are effective in alerting them on a timely basis to material information relating to our Company required to be included in our reports filed or submitted under the Exchange Act.

(b) Changes in Internal Controls

There were no significant changes (including corrective actions with regard to significant deficiencies or material weaknesses) in our internal controls over financial reporting that occurred during the fourth quarter of fiscal 2004 that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

PART III

Item 10 - Directors and Executive Officers of the Registrant

The Company's by-laws provide for the number of Directors of the Company to be fixed from time to time by resolution of the Board. The Board has not made a resolution determining the allowed number of Directors. Directors are elected at each Annual Meeting of Shareholders to serve thereafter until their successors have been duly elected and qualified.

The following table provides certain information as of September 13, 2004 for each director and executive officer of the Company:

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Name	Age	Position with the Company
William O. Fleischman	59	Chairman of the Board, Chief Executive and Chief Financial Officer
Douglas Hrdlicka	61	Director, Secretary

William O. Fleischman has been an officer and director since November 22, 2002. Mr. Fleischman, in his individual capacity or through W/F Investment Corp and its affiliates, has substantial experience investing in and managing companies. Mr. Fleischman is also an attorney officed in Century City.

Mr. Hrdlicka has been an officer and director since November 22, 2002. Mr. Hrdlicka has substantial experience in the operations and management of companies in the service industry with a strong background in marketing and advertising. For the past ten years, he has been involved in turn-around strategies in some of the country's largest beverage distribution networks.

None of the officers or directors of the Company is related to any other officer or director of the Company. Officers are appointed by the Board of Directors and serve at the pleasure of the Board of Directors or until they resign. At present two officers of W/F Investment Corp, the Company's secured lender and a principal shareholder of the Company, serve on the Company's Board of Directors.

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NEVSTAR GAMING AND ENTERTAINMENT CORPORATION

COMPLIANCE WITH SECTION 16(a)

Section 16(a) of the Securities Exchange Act of 1934, as amended, requires the Company's executive officers and directors and persons who own more than 10% of a registered class of the Company's equity securities to file with the Securities and Exchange Commission initial statements of beneficial ownership, reports of changes in ownership and annual reports concerning their ownership of common stock and other equity securities of the Company, on Forms 3, 4 and 5 respectively. Executive officers, directors and greater than 10% shareholders are required by Commission regulations to furnish the Company with copies of all Section 16(a) reports they file. To the best of the Company's knowledge (based solely upon a review of the Forms 3, 4, and 5 filed), no officer, director or 10% beneficial shareholder failed to file on a timely basis any reports required by Section 16(a) of the Securities Exchange Act of 1934, as amended.

Item 11 - Executive Compensation

Compensation of Directors and Executive Officers

The Executive Officers and Directors of the Company received no compensation during fiscal 2002, 2003 and 2004.

Item 12 - Security Ownership of Certain Beneficial Owners and Management Security Ownership of Certain Beneficial Owners

The following table sets forth information with respect (1) to those persons known by the Company to own beneficially more than 5% of the Company's common

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stock as of September 12, 2005 and (2) shares of the Company's outstanding common stock which are owned beneficially by each director and nominee and the aggregate number of shares owned beneficially by all directors, nominees and officers as a group as of September 12, 2005.

Name and Address of Beneficial Owner	Amount and Nature of Beneficial Ownership	Percent of Class
William O. Fleischman 1900 Avenue of the Stars, Suite 2410 Los Angeles, CA 90067 Director, Chief Executive and Chief Financial Officer	27,807,219 (1)	54.83%
All officers and directors as a group (2 persons)	27,807,219	54.83%

(1) Consists of 27,807,219 shares of common stock owned by W/F Nevstar LLC. W/F Investment Corp, of which Mr. Fleischman is a 93% shareholder, owns 77% of W/F Nevstar LLC.

Item 13 - Certain Relationships and Related Transactions

Two directors of the Company, Mr. William O. Fleischman and Mr. Douglas Hdrlicka, are principals and officers and directors of W/F Investment Corp, the Company's secured lender and a member of W/F Nevstar LLC, a principal shareholder of the Company.

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NEVSTAR GAMING AND ENTERTAINMENT CORPORATION

Item 14 - Principal Accountant Fees and Services

(1) Audit Fees - The aggregate fees billed for each of the last two fiscal years for professional services rendered Rose, Snyder & Jacobs, the Company's principal accountant, for the audit of the Company's annual financial statements and review of the financials statements included in the Company's Form 10-Q are as follows:

Accounting Firm	Billings for the Fiscal Year Ended June 30, 2004	Billings for the Fiscal Year Ended June 30, 2004
Rose, Snyder & Jacobs	\$15,500	\$14,500

(2) Audit-Related Fees - No other Audit-Related fees were billed in the last two fiscal years.

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- (3) Tax Fees - No tax fees were billed in the last two fiscal years.
- (4) All Other Fees - No other fees were billed in the last two fiscal years.
- (5) Prior the engagement of Rose, Snyder & Jacobs as the Company's independent auditors, the Company's Board of Directors, acting as the Audit Committee, approved the engagement and determined that Rose, Snyder & Jacobs was qualified and independent in both fact and appearance. The Board of Directors conducted a review of fees and compensation arrangements, prior or current business relationships and other services performed by Rose, Snyder & Jacobs for the Company in making this determination.

Item 15 - Exhibits, Financial Statement Schedules, and Reports on Form 8-K

- (a) The financial statements and financial statement schedules filed as part of this report are listed on the Index to Financial Statements and Schedules on page 6.

Exhibits

2.1 (5) Second Amended Plan of Reorganization dated as of April 17, 2000
99.1 Certification Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

- (b) Reports on Form 8-K

The Company filed no reports on Form 8-K during the quarter ended June 30, 2005.

- (c) Exhibits

All exhibits required by Item 601 of Regulation S-K have been filed.

- (d) Financial Statement Schedules

All other financial statement schedules which are required by the regulations of the Securities and Exchange Commission are either inapplicable or are included as part of Item 8 herein.

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NEVSTAR GAMING AND ENTERTAINMENT CORPORATION

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the Company has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Dated: September 12, 2005

NEVSTAR GAMING AND ENTERTAINMENT CORP

By: S/William O. Fleischman
William O. Fleischman
Chief Executive Officer

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Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed by the following officers and directors of Nevstar Gaming & Entertainment Corp., on behalf of the Company, in the capacities and in the dates indicated.

September 8, 2005
Chairman of the Board, Chief Executive and
Chief Financial Officer
By: /s/William O. Fleischman
William O. Flieschman

Septebmer 8, 2005
Director and Secretary
By: /s/Douglas Hrdlicka
Douglas Hrdlicka