

## Quarterly Report for Period Ending September 30, 2010

# Quasar<sup>®</sup>



### \*\*\*DISCLAIMER\*\*\*

Due to several management changes in the last year, the books and records of this Corporation may not be complete, accurately reflect the financial condition of the Corporation and cannot readily be relied upon as such. Please note that although these financials represent accounting and facts believed to be true at the time, they are subject to changes, corrections, revisions and amendments by the Corporation.

Item 1            Exact name of the issuer and the address of its principal executive offices.

Quasar International Holdings, Inc.  
9300 Normandy Blvd., Suite 502  
Jacksonville, FL 32221  
(904) 378-3251 Phone  
(904) 378-3259 Fax  
[www.quasaraerospaceindustries.com](http://www.quasaraerospaceindustries.com)

\*\*The accompanying summary of significant accounting policies and notes to financial statements are an integral part of these financial statements.\*\*

Item 2 Shares Outstanding

For period ending 9/30/10

	<u># of Shares Authorized</u>	<u># of Shares Outstanding</u>	<u>Public Float</u>	<u>Total # of Shareholders</u>	<u>Total # of Beneficial Shareholders</u>
Common Stock	1,500,000,000	1,499,786,263	0	448	1
Preferred Stock	50,000,000	930 Class A 129,508 Class B	0	2 Class A 12 Class B	0

Item 3 Quarterly Financial Statements

- A. Balance Sheet for period ending 9/30/10 – Attached herein
- B. Income Statement for period ending 9/30/10 – Attached herein
- C. Statement of Cash Flows for period ending 9/30/10 – Attached herein
- D. Statement of Changes in Stockholder’s Equity for period ending 9/30/10 – Attached as Appendix A
- E. Notes to Financial Statements for period ending 9/30/10 – Attached herein

Item 4 Management’s discussion and analysis or plan of operation.

The Board of Directors gave authorization of the name change from Quasar Aerospace Industries, Inc. to Quasar International Holdings, Inc. (“Quasar”). In addition, the corporation has created two new divisions in the automotive and marine industries and expects to close four new acquisitions.

During the next year, Quasar plans to continue with its selective growth strategy. The Company will close the remaining acquisitions that are currently in progress. In the first quarter of 2010, Quasar closed the first two targeted acquisitions. A third acquisition, Corporate Air Repair, LLC, closed in the second quarter of 2010. This acquisition added maintenance capabilities to the growing fleet of aircraft for both Atlantic Aviation, Inc. and its other corporate aircraft. This was not one of the initial four targeted acquisitions. In the third quarter of 2010, the Company closed the acquisition of CET Corporation; however, a decision was made to rescind the acquisition agreement with CET.

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Quasar will continue to evaluate and improve the synergies that result from being under the corporate umbrella. These synergies include centralized purchasing, health care, accounting and legal support, etc. In addition, the Company will continue the development of its VLJ and trainer aircraft, moving toward first flight and the subsequent certification by the FAA. The demand for Atlantic Aviation, Inc.'s flight training program has continued to increase and as a result, Quasar is leasing an additional facility at Craig Airport in Jacksonville. This facility will be shared by Atlantic Aviation, Inc. and Corporate Air Repair, LLC, Quasar's maintenance company, to provide aviation repair services at that airport and as a satellite base for the Part 145 repair station company which we are under contract to acquire. The construction plans for the office/flight school building and the hangar at Herlong Airport are complete and have been released for bid by the company managing the project. Construction has been delayed pending financing.

In June of 2010, Quasar executed and closed loan documents with Newby & Associates, Inc., stating that Newby & Associates shall provide \$110 million in financing secured by the cross collateralization of multiple assets. Due to continued delays in funding, the Company and Mr. Bradley issued a demand for repayment of the initial \$725,000 sent to Newby & Associates for prepaid interest and fees related to the transaction. Newby & Associates agreed to comply and will return all funds. Quasar will no longer have an ongoing relationship with Newby & Associates or its Principal, Shannon Newby, due to fraud and misappropriation of funds. The Company is actively pursuing alternative funding sources and plans to pursue collection actions against Newby & Associates or its Principal.

On September 22, 2010, a new management team was appointed and Dean Bradley stepped down as CEO/President of the Company. Mr. Bradley appointed a new Board of Directors through a written consent in lieu of meeting wherein he exerted his majority voting rights to appoint Jeffrey DiGenova, Joshua Henderson and a person to be named later by Jeffrey Landreth.

Mr. Bradley's 70% voting rights, by way of Series A Preferred shares, will be placed in a Voting Trust to be managed and overseen by a Trustee. The following officers were appointed: Jeffrey DiGenova as Chief Executive Officer and President, Joshua Henderson as Vice President and Chief Operating Officer, and Tracy Rose as Corporate Secretary. The officers have agreed to join the board and serve as officers with their new responsibilities to assist the company in connection with the completion of fund raising, the finalization and closing of the Company's various investments and acquisitions, and with the organization and administration of the holding company and its subsidiaries.

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Quasar plans to secure a controlling 51% interest in the for-profit company, Mineseeker Overseas Operations, Ltd. ([www.mineseeker.com](http://www.mineseeker.com)). Quasar is not involved with the not-for-profit Mineseeker Foundation ([www.mineseeker.org](http://www.mineseeker.org)). As of July 30, 2010, Quasar and its former CEO, Dean Bradley, have invested more than \$1.8M in Mineseeker.

The Company is anticipating growth in each of its subsidiaries to exceed 20% per year for the next two calendar years. Dean Bradley, Chairman of the Board, is hopeful that all of these goals will be met, and is looking forward to building share value based on the completion of these efforts.

Item 5            Legal proceedings.

The company is not involved in any legal proceedings.

Item 6            Defaults upon senior securities.

Not Applicable

Item 7            Other Information

There is no other information relevant to this report.

Item 8            Exhibits

None

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Item 9            Certifications

June 6, 2011

I, Joshua Henderson, certify that:

1. I have reviewed this Quarterly Report of Quasar International Holdings, Inc.;
2. Based on my knowledge, this disclosure statement does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this disclosure statement; and
3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, fairly present in all material respects the financial condition, results of operation and cash flows of the issuer as of, and for, the periods presented in this disclosure statement.

/s/ Joshua Henderson - Scanned copy of signature page is attached as Appendix B

Joshua Henderson  
Chief Operating Officer

Quasar International Holdings, Inc.  
Balance Sheet for Period Ending September 30, 2010

**ASSETS**

**Current Assets**

**Checking/Savings**

Petty Cash	16.91
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Total Checking/Savings	16.91
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**Other Current Assets**

**Loan Receivables**

Atlantic Aviation	88,231.18
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CET Racing	-250.00
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Chicago	400,000.00
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Corporate Air Repair	9,500.00
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Quasar Aircraft Company	791,276.26
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Quasar Marine	12,135.38
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Tigerfish USA	10,287.97
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Total Loan Receivables	1,311,180.79
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Total Other Current Assets	1,311,180.79
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Total Current Assets	1,311,197.70
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**Fixed Assets**

**Fixed Assets**

Computer Equipment	4,025.62
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New Building Construction	87,907.26
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Office Equipment	13,418.06
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Office furniture	6,441.38
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Software	700.00
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Total Fixed Assets	112,492.32
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Total Fixed Assets	112,492.32
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TOTAL ASSETS	1,423,690.02
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\*\*The accompanying summary of significant accounting policies and notes to financial statements are an integral part of these financial statements.\*\*

## LIABILITIES & EQUITY

### Liabilities

#### Current Liabilities

##### Accounts Payable

Accounts Payable	<u>2,500.00</u>
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<b>Total Accounts Payable</b>	2,500.00
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##### Other Current Liabilities

Copytronics lease payment	3,365.83
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Payroll Liabilities	8,147.90
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##### Notes Payable

Apex	160,000.00
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Dean Bradley	1,454,604.16
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Machiavelli	<u>100,000.00</u>
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<b>Total Notes Payable</b>	<u>1,714,604.16</u>
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<b>Total Other Current Liabilities</b>	<u>1,726,117.89</u>
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<b>Total Current Liabilities</b>	<u>1,728,617.89</u>
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<b>Total Liabilities</b>	1,728,617.89
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### Equity

#### Quasar Equity

Common Stock	1,390,400.00
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Preferred Stock	25,000.00
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Treasury Stock	<u>-390,885.23</u>
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<b>Total Quasar Equity</b>	1,024,514.77
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Retained Earnings	-552,668.77
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Net Income	<u>-776,773.87</u>
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<b>Total Equity</b>	<u>-304,927.87</u>
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<b>TOTAL LIABILITIES &amp; EQUITY</b>	<u><u>1,423,690.02</u></u>
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Quasar International Holdings, Inc.  
Income Statement for Period Ending September 30, 2010  
(July through September)

**Ordinary Income/Expense**

**Expense**

Legal	1,620.00
Accounting	1,544.25
Automotive	33.66
Aircraft Lease Payment	595.00
Bank Service Charges	453.31
Computer and Internet Expenses	420.37
Consulting Fees	1,700.00
Dues and Subscriptions	1,818.68
Employee Relations	168.79
Fees	18.54
Janitorial Service	425.00
Licenses & Permits	125.00
Meals and Entertainment	-343.73
<b>Office Expense</b>	
Postage	185.37
Office Expense - Other	<u>4,535.92</u>
<b>Total Office Expense</b>	4,721.29
<b>Payroll</b>	
Payroll	915.52
Payroll Expense	63,894.60
Payroll Taxes	3,914.64
Suta	0.00
Payroll Fees	<u>1,675.55</u>
<b>Total Payroll</b>	70,400.31
<b>Professional Fees</b>	
Jim Rice	5,000.00
Dan Vaughn	<u>0.00</u>
<b>Total Professional Fees</b>	5,000.00
<b>Rent Expense</b>	
Rent - 1548 The Greens Way	5,910.57
Rent Expense - Other	<u>1,338.85</u>
<b>Total Rent Expense</b>	7,249.42

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<b>Telephone Expense</b>	
Sharholder Conference	1,058.67
Telephone Expense - Other	<u>1,193.69</u>
<b>Total Telephone Expense</b>	<u>2,252.36</u>
<b>Travel Expense</b>	
Flights	4,761.50
Lodging	6,747.06
Meal & Ent	<u>-4,200.98</u>
<b>Total Travel Expense</b>	<u>7,307.58</u>
<b>Utilities</b>	
Utilities - PVB	<u>1,445.55</u>
<b>Total Utilities</b>	<u>1,445.55</u>
<b>Total Expense</b>	<u>106,955.38</u>
<b>Net Ordinary Income</b>	<u>-</u> <u>106,955.38</u>
<b>Net Income</b>	<u>-</u> <u><u>106,955.38</u></u>

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Quasar International Holdings, Inc.  
Statement of Cash Flows for Period Ending September 30, 2010  
(July through September)

<b>OPERATING ACTIVITIES</b>	
Net Income	106,955.38
Adjustments to reconcile Net Income to net cash provided by operations:	
Loan Receivables:Atlantic Aviation	-31.68
Loan Receivables:CET Racing	22,306.38
Loan Receivables:Corporate Air Repair	-1,000.00
Loan Receivables:Mineseekers	219,607.69
Loan Receivables:Quasar Aircraft Company	-9,000.00
Loan Receivables:Quasar Marine	969.44
Loan Receivables:Tigerfish USA	-420.76
Accounts Payable	-10,105.75
Copytronics lease payment	-253.74
Payroll Liabilities	3,361.36
Notes Payable:Apex	30,000.00
Notes Payable:Dean Bradley	179,060.48
Net cash provided by Operating Activities	<u>-30,582.92</u>
<b>INVESTING ACTIVITIES</b>	
Fixed Assets:New Building Construction	15.00
Net cash provided by Investing Activities	<u>15.00</u>
Net cash increase for period	-30,567.92
Cash at beginning of period	<u>30,584.83</u>
Cash at end of period	<u><u>16.91</u></u>

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Quasar Aerospace Industries, Inc.  
Notes to Financial Statements for Period Ending September 30, 2010

NOTE 1 ORGANIZATION

Quasar Aerospace Industries, Inc. (Corporation) is an integrated aviation /aerospace corporation which has been created to pursue an innovative and highly synergistic business strategy. The Corporation was incorporated in Colorado in 2009.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The preparation of financial statements in conformity with generally accepted accounting principles (“GAAP”) requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

NOTE 3 FINANCIAL CONDITION OF THE CORPORATION

Due to several management changes in the last year the books and records of this Corporation may not be complete, accurately reflect the financial condition of the Corporation and cannot readily be relied on as such. Please note that although these financials represent accounting and facts believed to be true at this time it is subject to changes, corrections, revisions and amendments by the Corporation.

You are cautioned that such statements are subject to a multitude of uncertainties that could cause future circumstances, events, or results to differ materially from those projected in the financial statements as a result of various factors. You should consider these factors in evaluating the financial statements included herein, and not place undue reliance on such statements.

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