

WESTSPHERE ASSET CORP INC
Form 10QSB
November 17, 2005

U.S. 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: September 30, 2005

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(D) OF THE
SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commissions file number 0-32051

WESTSPHERE ASSET CORPORATION, INC.

(Exact name of small business issuer
as specified in its charter)

COLORADO
(State or other jurisdiction
of incorporation or organization)

98-0233968
(IRS Employer
Identification No.)

Edgar Filing: WESTSPHERE ASSET CORP INC - Form 10QSB

2140 Pegasus Way N.E.

Calgary, Alberta Canada T2E 8M5

Telephone (403) 290-0264
(Issuer's telephone number)

NOT APPLICABLE

(Former name, former address and former
fiscal year, if changed since last report)

Check whether the issuer (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

State the number of shares outstanding of each of the issuer's classes of common equity, as of the last practicable date:

1,215,721 shares of Preferred Stock, no par value, as of October 19, 2005.

621,939 shares of Common Stock, no par value, as of October 19, 2005.

Transitional Small Business Disclosure Format
(check one): Yes No

WESTSPHERE ASSET CORPORATION, INC.

INDEX TO THE FORM 10-QSB

For the quarterly period ended September 30, 2005

	PAGE
PART I FINANCIAL INFORMATION	
ITEM 1. CONSOLIDATED FINANCIAL STATEMENTS	
Consolidated Balance Sheets	3
Consolidated Statements of Operations	4
Consolidated Statements of Cash Flows	6
Notes to Financial Statements	7
ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS	8
ITEM 3. CONTROLS AND PROCEDURES	10
Part II OTHER INFORMATION	
ITEM 1. LEGAL PROCEEDINGS	10
ITEM 2. CHANGES IN SECURITIES	10
ITEM 3. DEFAULTS UPON SENIOR SECURITIES	11
ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS	11
ITEM 5. OTHER INFORMATION	11
ITEM 6. EXHIBITS AND REPORTS ON FORM 8-K	11

PART I - FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

WESTSPHERE ASSET CORPORATION, INC.

Consolidated Balance Sheet

ASSETS		September 30, 2005 (Unaudited)		December 31, 2004 (Note 1)
Cash	\$	322,782	\$	184,944

Edgar Filing: WESTSPHERE ASSET CORP INC - Form 10QSB

Accounts receivable	200,359	174,759
Accounts receivable related parties	3,135	4,660
Inventory	362,332	134,629
Prepaid expense and deposit	36,828	55,823
Current portion of mortgage receivable	48,158	46,819
Total current assets	973,594	601,634
Property and equipment, net	329,866	349,059
Intellectual property	293,192	285,631
Mortgage receivable	118,566	174,355
Future tax benefits	7,997	44,648
Total assets	\$ 1,723,215	\$ 1,455,327

LIABILITIES AND STOCKHOLDERS EQUITY

CURRENT LIABILITIES

Accounts payable	\$ 943,012	\$ 430,433
Accounts payable, related parties	67,300	102,195
Total current liabilities	1,010,312	532,628

Shareholder loans	224,454	374,243
Bank loan	85,887	123,252
Convertible debentures	123,773	120,332
Non-current lease obligations	3,465	7,889
Total liabilities	1,447,891	1,158,344

Minority interest in subsidiaries		2,531
-----------------------------------	--	-------

COMMITMENTS AND CONTINGENCIES

STOCKHOLDERS EQUITY

Preferred stock authorized 75,000,000 shares, 1,215,721 shares issued and outstanding at September 30, 2005	1,182,897	
Common stock - authorized 75,000,000 shares, no par value; 621,937 shares issued and outstanding at September 30, 2005 and 1,731,183 at December 31, 2004	569,294	1,685,063
Accumulated other comprehensive income	112,817	122,371
Accumulated deficit	(1,589,684)	(1,512,982)
Total stockholders equity	275,324	294,452
Total liabilities and stockholders equity	\$ 1,723,215	1,455,327

*WESTSPHERE ASSET CORPORATION, INC.**Consolidated Statements of Operations**For the Nine Months Ended September 30,**(Unaudited)*

	2005	2004
Revenue -		
Equipment and supplies	\$ 351,416	\$ 296,970
Residual and interchange income	2,693,002	1,945,470
Other	66,187	59,193
Total revenue	3,110,605	2,301,633
Cost of sales -		
Equipment and supplies	298,953	281,432
Residual and interchange costs	1,613,437	1,063,256
Commissions	4,314	7,647
Other	119,579	14,395
Total cost of sales	2,036,283	1,366,730
Gross profit	1,074,322	934,903
Administrative expenses -		
Depreciation and amortization	72,573	74,139
Consulting fees	118,485	81,383
Legal and accounting fees	46,346	43,952
Salaries and benefits	466,152	411,705
Travel, delivery and vehicle expenses	97,340	71,694
Other	390,789	270,456
Total administrative expenses	1,191,685	953,329
Income (loss) from operations	(117,363)	(18,426)
Other income & expense -		

Edgar Filing: WESTSPHERE ASSET CORP INC - Form 10QSB

Interest income	7,931	12,316
Interest expense	(35,211)	(47,951)
Gain on asset sales	67,942	
Net income (loss) before income taxes	(76,701)	(54,061)
Provision for income taxes		
Net income (loss)	\$ (76,701)	\$ (54,061)
Net income per common share	\$ (.07)	\$ (.04)
Weighted number of shares outstanding	1,152,310	1,548,251
Other comprehensive income:		
Net income (loss)	\$ (76,701)	\$ (104,109)
Foreign currency translation adjustment	(9,554)	125,145
Total comprehensive income	\$ (86,255)	\$ 21,036

WESTSPHERE ASSET CORPORATION, INC.

Consolidated Statements of Operations

For the Three Month ended September 30,

(Unaudited)

	2005	2004
Revenue -		
Equipment and supplies	\$ 105,239	\$ 120,352
Residual and interchange income	1,034,534	783,478
Other	29,288	18,668
Total revenue	1,169,061	922,498
Cost of sales -		
Equipment and supplies	76,286	129,145
Residual and interchange costs	646,650	433,679
Commissions	1,605	1,228
Other	43,534	7,185

Edgar Filing: WESTSPHERE ASSET CORP INC - Form 10QSB

Total cost of sales	768,075	571,237
Gross profit	400,986	351,261
Administrative expenses -		
Depreciation and amortization	25,102	26,839
Consulting fees	38,455	30,695
Legal and accounting fees	3,345	9,388
Salaries and benefits	164,315	137,219
Travel, delivery and vehicle expenses	26,039	26,111
Other	98,348	83,004
Total administrative expenses	355,604	313,256
Income (loss) from operations	45,382	38,005
Other income & expense -		
Interest income	2,465	3,968
Interest expense	(13,587)	(16,175)
Gain on asset sales		
Net income (loss) before income taxes	34,260	25,798
Provision for income taxes		
Net income (loss)	\$ 34,260	\$ 25,798
Net income per common share	\$.07	\$.02
Weighted number of shares outstanding	554,687	1,613,925

WESTSPHERE ASSET CORPORATION, INC.

*Consolidated Statement of Cash Flows**For the Nine Months Ended September 30,**(Unaudited)*

	2005	2004
Cash flows from operating activities:		
Net (loss) from operations	\$ (76,701)	\$ (54,061)
Reconciling adjustments -		
Common shares issued for expenses		7,313
Depreciation and amortization	73,284	74,139
Gain on sale of assets	(72,184)	
Other non-cash transactions	2,434	4,502
Changes in operating assets and liabilities		
Accounts receivable	(39,031)	94,898
Inventory	(217,797)	(18,608)
Prepaid expenses and other	20,035	(20,381)
Accounts payable and accrued liabilities	500,645	44,618
Net cash provided by (used for) operations	190,685	132,420
Cash flows from investing activities:		
Purchase of equipment	(49,881)	(101,975)
Disposal of equipment	12,722	44,788
Collection on loans receivable	59,132	53,728
Net cash provided by (used for) investing activities	21,973	(3,459)
Cash flows from financing activities:		
Exercise of options	43,609	
Issuance of debt		20,602
Repayment of debt	(90,480)	(48,455)
Net cash provided by financing activities	(46,871)	(27,853)
Foreign currency translation adjustment	(27,949)	(13,805)
Net change in cash and cash equivalents	137,837	87,303
Cash and cash equivalents at beginning of period	184,944	91,398

Edgar Filing: WESTSPHERE ASSET CORP INC - Form 10QSB

Cash and cash equivalents at end of period	\$ 322,781	\$ 178,700
Supplemental schedule of cash flow information		
Interest paid in cash	\$ 12,845	\$ 11,358
Income taxes paid in cash	\$	\$
Non-cash investing and financing activities:		
Stock issued for interest in subsidiary		140,625
Stock issued to satisfy debt	17,244	11,977

WESTSPHERE ASSET CORPORATION, INC.

Notes to Financial Statements

September 30, 2005 and 2004

(Unaudited)

Note 1 Financial Statements

The accompanying consolidated financial statements included herein have been prepared by Westsphere Asset Corporation, Inc. (the Company) without audit, pursuant to the rules and regulations of the Securities and Exchange Commission for reporting on Form 10-QSB. Certain information and footnote disclosure normally included in the financial statements prepared in accordance with generally accepted accounting principles have been condensed or

omitted as allowed by such rules and regulations, and Westsphere Asset Corporation, Inc. believes that the disclosures are adequate to make the information presented not misleading. It is suggested that these financial statements be read in conjunction with the December 31, 2004 audited financial statements and the accompanying notes thereto contained in the Annual Report on Form 10-KSB filed with the Securities and Exchange Commission. While management believes the procedures followed in preparing these financial statements are reasonable, the accuracy of the amounts are in some respects dependent upon the facts that will exist, and procedures that will be accomplished by Westsphere Asset Corporation, Inc. later in the year. The results of operations for the interim periods are not necessarily indicative of the results of operations for the full year. In management's opinion all adjustments necessary for a fair presentation of the Company's financial statements are reflected in the interim periods included.

Note 2 Common Stock

During the three months ended June 30, 2005, the company received \$45,000 for the exercise of options to purchase 37,500 shares of common stock.

During the three month ended September 30, 2005, the Company exchanged 68,975 shares of stock in payment of accounts payable, valued at the fair value of the stock on the date exchanged.

ITEM 2.

MANAGEMENT'S DISCUSSION AND ANALYSIS OR PLAN OF OPERATION.

Current Corporate Structure September 30, 2005

WESTSPHERE ASSET CORPORATION, INC.

Subsidiaries CDN

Subsidiaries CDN

Subsidiaries US

Vencash Capital Corporation

100%

Active

Trac POS Processing Inc.

56%

Active

Vencash Financial

Systems Inc. (US)

100%

Inactive

Westsphere Systems Inc.

100%

Active

Cash Direct Financial Services Ltd.

100%

Active

E Debit International Inc.

100%

Inactive

105725 Alberta Ltd.

o/a Personal Financial Solutions

51% owned by Cash Direct Financial

Services Ltd .

Active

Westsphere POS Services Ltd

100%

Active

Kan-Can Resorts Ltd.

99%

Active

Westsphere Capital Group Ltd.

100%

Active

Active = with business activity

Inactive = no business activity

Plan of Operations

During the three (3) month period of operations ended September 30, 2005, Westsphere and its subsidiaries generated a net income from operations of \$34,260, while a net income from operations of \$25,798 was realized for the same period from the previous year. The total revenue earned during the third quarter of year 2005 increased by \$246,563 to \$1,169,061 from total revenue earned during the same period from the previous year of \$922,498. This increase in revenue was primarily due to increase in residual and interchange income. The increase in residual and interchange income was due to increase in placement of ATMs.

Westsphere's gross margin during the third quarter of year 2005 decreased to 34.30% from gross margin during the same period from the previous year of 38.08%. Most of such decrease was caused by a decrease in gross margin of residual and interchange income which was primarily due to a reduction in profit for the new placement program.

Other cost of sales also increased from the period of year 2004 of \$7,185 to \$43,534 during the third quarter of year 2005, which was due to increase in costs for the new placement program such as freight, telephone line for ATM, and installation. Westsphere's total administrative expenses for the third quarter of year 2005 increased by \$42,348 to \$355,604 from the previous year of \$313,256. Most of such increase was caused by an increase in salaries and benefits from previous year 2004 of \$137,219 to \$164,315 during the third quarter of year 2005 which was primarily due to hiring two staffs for IT department, two staffs for Service department, one receptionist and one junior accountant.

WestspHERE and its subsidiaries currently generate sufficient cash flow to cover all of its consolidated operating expenses.

In order to grow WestspHERE's businesses of ATM machines, financing/leasing and POS machines, WestspHERE is dependent upon a lease program provided by our major ATM supplier and concurrently dependent upon a private placements, loans and/or joint venture arrangements. WestspHERE's profit is expected to be generated by the surcharges collected from ATM machines, the sale of ATM machines, sale of POS machines and the collection of finance/lease charges.

To this date 904 sites are being processed by Open Solutions and Calypso.

Changes in Financial Position

During the nine (9) month period ended September 30, 2005, WestspHERE's total assets increased to \$1,723,215 from \$1,455,327 as at December 31, 2004. This increase is primarily due to an increase in Cash and inventory. The increase in inventory is caused by the purchase of inventory for resale/lease and upgrade kits for ATMs.

As of September 30, 2005, WestspHERE's current liabilities totaled \$1,010,312 and consisted of accounts payable of \$382,491 to suppliers for the purchase of ATM machines and POS machines, \$203,341 due for return of surcharge and interchange fees, \$48,643 due for unearned revenue, \$308,537 due for office expense, equipment leases, and various other general fees and charges, and accounts payable to related parties for \$67,300 due for officers and directors bonuses payable from year 2002. Long-term liabilities as at September 30, 2005 consist of \$123,773 in convertible debentures, \$224,454 in shareholders loan, a bank loan in the amount of \$85,887 and non-current lease obligations of \$3,465.

Shareholders' equity as of September 30, 2005 was \$275,324, inclusive of an accumulated loss from operations of \$1,589,684, as compared to shareholders equity of \$294,452 as of December 31, 2004. The decrease in shareholders equity was due primarily to an increase in accumulated deficit of \$76,702. The decrease is partially offset against the issuance of 68,975 new common stocks valued at \$17,244 for debt settlement on accounts payable. Total issued and outstanding share capital as of the period ended September 30, 2005 was 1,772,132 common shares as compared to a total of 1,731,183 common shares as of December 31, 2004.

Liquidity and Capital Resources

Summary of Working Capital and Stockholders' Equity

As of September 30, 2005, the Company had working capital of negative \$36,718 and Stockholders' Equity of \$275,324 compared with working capital of \$69,006 and Stockholders' Equity of \$294,452 as of December 31, 2004. The Company's working capital has decreased principally as a result of an increase in accounts payable from \$430,433 to \$943,012, a decrease in mortgage receivable of \$55,789, decrease in future tax benefits of \$36,651, an increase in inventory by \$227,703, and an increase in cash of \$137,838. There are no demands of repayment of accounts payable to related parties of \$67,300 due to officers and directors bonuses payable from year 2002. Stockholders' Equity decreased as a result of the increased in accumulated deficit of \$76,702 and partially offset against the issuance of 68,975 new common stocks valued at \$17,244 for debt settlement on accounts payable.

Financing activities during the nine months period resulted in the use of net cash of negative \$46,871, which was caused by the repayment of \$90,480 in debt and the issuance of new common stocks in the amount of \$43,609. The Company's consolidated operations provided \$190,685 in net cash, compared to the use of net cash in the amount of \$132,420 during the same period from the previous year. This increase in cash flow from operations was the result of an increase in accounts payable of \$500,645, a gain on sale of assets of \$72,184, and partially offset against an increase in inventory of \$217,797.

Liquidity

The Company anticipates it has sufficient funds over the next twelve months to meet its operation needs. The Company as of November 14, 2005 has \$168,387 in cash and will not have to raise additional funds to meet its operational needs for the next twelve months. However, the Company intends to raise \$1 million to fund its plans for growth of its subsidiaries. Such amount would allow Vencash Capital to purchase and place an additional 330 automated teller machines. The Company has not yet made any determination whether it will attempt to obtain equity or debt financing or any other terms, which will be dependent on a variety of factors. As of the filing of this report, the Company has sufficient funds to meet its existing revenue shortfall for the funding of its consolidated operations. The Company anticipates revenues generated from its sales of equipments and supplies and residual and interchange income will greatly reduce the requirement for additional funding; however, we cannot be certain the Company will be successful in achieving revenues from those operations.

Off-Balance Sheet Arrangements

The Company does not have any off-balance sheet arrangements.

ITEM 3. CONTROLS AND PROCEDURES

The Company's Chief Executive Officer, Mr. Douglas Mac Donald, and its Chief Financial Officer, Mr. Kim Law, have implemented the Company's disclosure controls and procedures to ensure that material information relating to

the Company is made known to Mr. Mac Donald and Mr. Law. These executive officers have evaluated the effectiveness of the Company's disclosure controls and procedures as of September 30, 2005 (the Evaluation Date).

Based on such evaluation, Messrs. Mac Donald and Law have concluded that, as of the Evaluation Date, the Company's disclosure controls and procedures are effective in alerting them on a timely basis to material information relating to the Company that is required to be included in our reports filed or submitted under the Securities Exchange Act of 1934. Moreover, there were no significant changes in internal controls or in other factors that have materially affected or are reasonably likely to materially affect the Company s internal controls over financial reporting.

PART II - OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

There are no changes since the filing of the 10K on December 31, 2004.

ITEM 2. CHANGES IN SECURITIES

On February 23, 2005, the Company issued additional 37,500 common stocks valued at \$45,000 to three directors whom exercise their stock options. Of these shares, 15,000 shares were issued to Dr. L.R. (Roy) Queen, a director and shareholder of Westsphere, 15,000 shares were issued to Bernd Reuscher, a director and shareholder of Westsphere, and 7,500 shares were issued to Jack Thomson, a director and shareholder of Westsphere.

On September 30, 2005, the Company issued additional 68,975 common stocks valued at \$17,244 to three related companies that are owned by three directors for debt settlement on accounts payable. Of these shares, 11,496 shares were issued to 797320 Alberta Ltd., 45,983 shares were issued to 989939 Alberta Ltd., and 11,496 shares were issued to Transual Trade.

Each of the foregoing issuances of securities was exempt from registration due to the exemption found in Regulation S promulgated by the Securities and Exchange Commission under the Securities Act of 1933. These sales were offshore transactions since all of the offerees were not in the United States and the purchasers were outside the United States at the time of the purchase. Moreover, there were no directed selling efforts of any kind made in the United

States neither by us nor by any affiliate or any person acting on our behalf in connection with any of these offerings. All offering materials and documents used in connection with the offers and sales of the securities included statements to the effect that the securities have not been registered under the Securities Act of 1933 and may not be offered or sold in the United States or to U.S. persons unless the securities are registered under the Act or an exemption there from is available and that no hedging transactions involving those securities may not be conducted unless in compliance with the Act. Each purchaser under Regulation S certified that it is not a U.S. person and is not acquiring the securities for the account or benefit of any U.S. person and agreed to resell such securities only in accordance with the provisions of Regulation S, pursuant to registration under the Act or pursuant to an available exemption from registration. The shares sold are restricted securities and the certificates representing these shares have been affixed with a standard restrictive legend, which states that the securities cannot be sold without registration under the Securities Act of 1933 or an exemption there from and we are required to refuse to register any transfer that does not comply with such requirements.

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

See Exhibit Index below.

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.

WESTSPHERE ASSET CORPORATION, INC.

By: /s/ Douglas MacDonald

Name: Douglas MacDonald

Title:

President

Date:

November 15, 2005

By: /s/ Kim Law

Name: Kim Law

Title:

Principal Financial Officer and Accounting Officer

Date:

November 15, 2005

Exhibit Number	Description	Reference
3.1(i)	Articles of Incorporation filed and all amendments thereto filed with the Secretary of the State of Colorado July 21, 1998	Incorporated by reference to the Exhibits filed with the Registrant's Annual Report on Form 10-KSB for the period ended December 31, 2000
3(i)(a)	By-Laws of Westsphere Asset Corporation, Inc.	Incorporated by reference to the Exhibits filed with the Registrant's Annual Report on Form 10-KSB for the period ended December 31, 2000
3(i)(b)	By-Laws of Vencash Capital Corporation	Incorporated by reference to the Exhibits filed with the Registrant's Annual Report on Form 10-KSB for the period ended December 31, 2000
4	Specimen Stock Certificate	Incorporated by reference to the Exhibits filed with the Registrant's Annual Report on Form 10-KSB for the period ended December 31, 2000
10.1	Agreement dated December, 1998 by and between Westsphere Asset Corporation, Inc. and 3 Ocean Investment Corporation	Incorporated by reference to the Exhibits filed with the Registrant's Annual Report on Form 10-KSB for the period ended December 31, 2000
10.2	Share Exchange Agreement dated December 7, 1998 by and between Westsphere Asset Corporation, Inc. MacDonald Venture Corporation, Mr. Joseph Bowser and Mr. Robert L. Robins	Incorporated by reference to the Exhibits filed with the Registrant's Annual Report on Form 10-KSB for the period ended December 31, 2000
10.3	Sample Conversion Agreement by and among Westsphere Asset Corporation, Inc. and various shareholders of Vencash Capital Corporation	Incorporated by reference to the Exhibits filed with the Registrant's Annual Report on Form 10-KSB for the period ended December 31, 2000
10.4	ABS Processing Agreement dated October 28, 1998 by and between Vencash Capital Corporation and TNS Smart Network Inc.	Incorporated by reference to the Exhibits filed with the Registrant's Annual Report on Form 10-KSB for the period ended December 31, 2000
10.5	Agreement dated June 24, 1999 by and between Vencash Capital Corporation and TCS (Canada) Limited	Incorporated by reference to the Exhibits filed with the Registrant's Annual Report on Form 10-KSB for the period ended December 31, 2000
10.6	Sample Convertible Debenture issued by Westsphere Asset Corporation, Inc. in	Incorporated by reference to the Exhibits filed with the Registrant's Annual Report

Edgar Filing: WESTSPHERE ASSET CORP INC - Form 10QSB

	connection with the offering of \$105,600 convertible debentures	on Form 10-KSB for the period ended December 31, 2000
10.7	Sample Loan Agreement and Promissory Note between Westsphere Asset Corporation, Inc. and various investors	Incorporated by reference to the Exhibits filed with the Registrant's Annual Report on Form 10-KSB for the period ended December 31, 2000
10.8	Loan Agreement between Westsphere Asset Corporation, Inc. and the Canadian Western Bank	Incorporated by reference to the Exhibits filed with the Registrant's quarterly Report on Form 10-QSB for the period ended June 30, 2003

10.9	Agreement dated April 1, 2003 between Douglas MacDonald and Westsphere Asset Corporation	Incorporated by reference to the Exhibits filed with the Registrant's quarterly report on Form 10-QSB for the period ended September 30, 2003.
10.10	Agreement dated April 1, 2003 between Vencash Capital Corporation, Douglas MacDonald and MacDonald & Associates Gaming Specialists Inc.	Incorporated by reference to the Exhibits filed with the Registrant's quarterly report on Form 10-QSB for the period ended September 30, 2003.
10.11	Agreement dated April 1, 2003 between Westsphere Financial Group Ltd., Douglas MacDonald and MacDonald & Associates Gaming Specialists Inc.	Incorporated by reference to the Exhibits filed with the Registrant's quarterly report on Form 10-QSB for the period ended September 30, 2003.
31.1	Rule 12aq-14(a)/15D-14(a) Certification of the Chief Executive Officer	Filed herewith
31.2	Rule 12aq-14(a)/15D-14(a) Certification of the Chief Financial Officer	Filed herewith
32.1	Certification Chief Executive Officer pursuant to 18USC Section 1350, as adapted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002	Filed herewith
32.2	Certification Chief Financial Officer pursuant to 18USC Section 1350, as adapted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002	Filed herewith
3.1(i)(c)	Amendment to the Articles of Incorporation filed with the Secretary of the State of Colorado March 29, 2005	Incorporated by reference to the Exhibits filed with the Registrant's Annual Report on Form 10-KSB for the period ended December 31, 2004
31.1	Rule 12aq-14(a)/15D-14(a) Certification of the Chief Executive Officer	Filed herewith
31.2	Rule 12aq-14(a)/15D-14(a) Certification of the Chief Financial Officer	Filed herewith
32.1	Certification Chief Executive Officer pursuant to 18USC Section 1350, as adapted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002	Filed herewith
32.2	Certification Chief Financial Officer pursuant to 18USC Section 1350, as	Filed herewith

adapted pursuant to Section 906 of the
Sarbanes-Oxley Act of 2002

Endnotes