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ENDO NETWORKS INC
Form 10QSB
March 22, 2005

U.S. SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549
FORM 10-QSB

(Mark One)

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

For the quarterly period ended December 31, 2004

OR

TRANSITION REPORT UNDER SECTION 13 OF 15(D) OF THE EXCHANGE ACT OF 1934

From the transition period from _____ to _____.

Commission File Number 333-42640

ENDO NETWORKS, INC.

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

Nevada
(State or other jurisdiction of
incorporation or organization)

75-2882833
(IRS Employer
Identification No.)

2624 Dunwin Drive, Unit #3, Mississauga, Ontario, Canada L5L 3T5
(Address of principal executive offices)

(905) 820-8800

(Issuer's telephone number)

N/A

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

Indicate by check mark whether the registrant (1) filed all reports required to
be filed by Section 13 or 15(d) of the Exchange Act during the past 12 months
(or for such shorter period that the registrant was required to file such
reports), and (2) has been subject to such filing requirements for the past 90
days:

Yes: X No:

As of March 1, 2005, there were 12,665,366 shares of common stock of the issuer
outstanding.

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ENDO NETWORKS, INC.

BALANCE SHEET December 31, 2004

ASSETS

CURRENT ASSETS:

Cash	
Accounts receivable, net of allowance of \$14,954	96,871
Prepaid expenses	75,592

Total current assets	180,220

PROPERTY AND EQUIPMENT, net of accumulated deprecaition of \$672,617	433,866

TOTAL ASSETS	\$614,086
	=====

LIABILITIES AND STOCKHOLDERS' DEFICIT

LIABILITIES

Accounts payable	\$265,702
Accrued expenses	380,129
Capitalized leases - current	98,565

Total current liabilities	744,396

Capitalized leases - non current	74,501

TOTAL LIABILITIES	818,897
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STOCKHOLDERS' DEFICIT

Common stock, \$0.001 par value, 50,000,000 authorized, 12,665,366 shares issued and outstanding	12,665
Additional paid-in-capital	299,105

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Accumulated deficit	(584,370)
Accumulated other comprehensive income	67,789

Total Stockholders' Deficit	(204,811)

TOTAL LIABILITIES AND STOCKHOLDERS' DEFICIT	\$614,086
	=====

See accompanying summary of accounting policies and notes to financial statements.

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ENDO NETWORKS, INC.

STATEMENT OF OPERATIONS
Three Months Ended December 31, 2004 and 2003

	2004	2003
	-----	-----
Revenue	\$147,080	\$56,
Cost of Goods Sold	35,131	95,
	-----	-----
Gross Profit	111,949	(38,
Operating Expense:		
Depreciation and amortization	56,846	11,
General and administrative	184,918	85,
	-----	-----
Total Operating Expense	241,764	96,

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NET LOSS	(\$129,815)	(\$135,
Weighted average shares outstanding	12,665,366	12,568,
Loss per share - basic and diluted	(\$0.01)	(\$0

See accompanying summary of accounting policies and notes to financial statements.

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ENDO NETWORKS, INC.

STATEMENT OF STOCKHOLDERS' DEFICIT
Three Months Ended December 31, 2004

	Common Shares	Stock Amount	Additional Paid In Capital	Accumulated Deficit
Balance, September 30, 2004	12,665,366	12,665	299,105	(454,556)
Comprehensive loss:				
Net loss				(129,815)
Foreign currency translation				

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Comprehensive loss

Balance -----
 December 31, 2004 12,665,366 12,665 299,105 (584,371)

See accompanying summary of accounting policies and notes to financial statements.

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ENDO NETWORKS, INC.

STATEMENT OF CASH FLOWS
 Three Months Ended December 31, 2004 and 2003

2004 -----

CASH FLOWS FROM OPERATING ACTIVITIES:

Net loss	(\$129,815)
Adjustments to reconcile net loss to net cash (used) by operating activities:	
Items not requiring cash - depreciation and amortization	56,846
Changes in assets and liabilities:	
Accounts receivable	48,530
Prepaid expenses	(3,451)
Parts inventory	-

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Accounts payable	(18,725)
Accrued expenses	96,941
NET CASH BY (USED IN) OPERATING ACTIVITIES:	50,326
CASH FLOWS FROM INVESTING ACTIVITIES:	
Capital expenditures	(38,145)
CASH FLOWS FROM FINANCING ACTIVITIES:	
Payments on lease financing	(39,710)
CASH FLOWS FROM FINANCING ACTIVITIES	(39,710)
Effect of foreign exchange rate changes on cash	23,674
NET CHANGE IN CASH	(3,855)
Cash, beginning of period	11,612
Cash, end of period	\$7,757

See accompanying summary of accounting policies and notes to financial statements.

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ENDO NETWORKS, INC.
Notes to the Financial Statements
December 31, 2004

NOTE 1: MANAGEMENT REPRESENTATION AND PRESENTATION

Operating results for the three months ended December 31, 2004 are not necessarily indicative of the results that may be expected for the year ending September 30, 2005. It is suggested that the financial statements be read in conjunction with the audited financial statements and notes for the fiscal year ended September 30, 2003 included in the Endo Networks' Current Report on Form 10-KSB filed on February 18, 2005.

The balance sheet of ENDO Networks as of December 31, 2004, the related statements of operations for the three months ended December 31, 2004 and 2003

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and the statements of cash flows for the three months ended December 31, 2004 and 2003 included in the financial statements have been prepared by Endo Networks without audit. In the opinion of management, the accompanying financial statements include all adjustments (consisting of normal, recurring adjustments) necessary to summarize fairly the Endo Networks' financial position and results of operations. The results of operations for the three months ended December 31, 2004 are not necessarily indicative of the results of operations for the full year or any other interim period. Notes to the financial statements which would substantially duplicate the disclosure contained in the audited financial statements for the most recent fiscal year ended September 30, 2004 to be reported in Form 10-KSB, have been omitted.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

NATURE OF OUR BUSINESS

ENDO Networks, Inc. (ENDO) is a company that uses technology and proven marketing tactics to engage consumers and compel specific behaviors in high traffic public locations such as events, retail and restaurant locations across North America, and online. ENDO also develops application software and client controlled media including television and radio.

RISKS AND UNCERTAINTIES

All of the following risks may impair our business operations. If any of the following risks actually occurs, our business, financial condition or results of operations could be materially adversely affected. In such case, the trading price of our common stock could decline, and you may lose all or part of your investment. Additional risks include: We may not be able to adequately protect and maintain our intellectual property. Our dependence on certain local third parties may impact our ability to control certain aspects of our operations. We

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may have difficulty competing with larger and better-financed companies in our sector. New legislative or regulatory requirements may adversely affect our business and operations. We are dependant on certain key existing and future personnel. We may be subject to product liability claims in the future. There may not be sufficient liquidity in the market for our securities in order for investors to sell their securities.

ACCOUNTING FOR STOCK-BASED COMPENSATION

Endo Networks accounts for stock-based compensation issued to employees and advisors of Endo Networks using the intrinsic value based method as prescribed by APB Opinion No. 25 "Accounting for Stock Issued to Employees" ("APB 25"). Under the intrinsic value based method, compensation is the excess, if any, of the fair value of the stock at the grant date or other measurement date over the amount an employee must pay to acquire the stock. Compensation, if any, is recognized over the applicable service period, which is usually the vesting period.

In October 1995, the Financial Accounting Standards Board ("FASB") issued Statement of Financial Accounting Standards No. 123, "Accounting for Stock-Based Compensation" ("SFAS 123"). This standard, if fully adopted, changes the method of accounting for employee stock-based compensation plans to the fair value based method. For stock options and warrants, fair value is determined using an option pricing model that takes into account the stock price at the grant date,

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the exercise price, the expected life of the option or warrant and the annual rate of quarterly dividends. Compensation expense, if any, is recognized over the applicable service period, which is usually the vesting period.

RECENTLY ISSUED ACCOUNTING PRONOUNCEMENTS

ENDO Networks does not expect the adoption of recently issued accounting pronouncements to have a significant impact on ENDO's results of operations, financial position or cash flow.

STOCK OPTION PLANS

There were no stock options issued during the three months ended December 31, 2004. However, we have outstanding 634,000 stock options which are exercisable at \$0.50 and expire on December 31, 2006.

REVENUE RECOGNITION

ENDO recognizes revenue when persuasive evidence of an arrangement exists, delivery has occurred, the sales price is fixed or determinable and collectability is probable. ENDO recognizes revenue from the sale of advertising related products and services like interactive advertising, studio promotion, and event management as the services are performed. ENDO maintains allowances

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for doubtful accounts on all its accounts receivable for estimated losses resulting from the inability of its customers and others to make required payments. If the financial condition of ENDO's customers and others were to deteriorate, resulting in an impairment of their ability to make payments, additional allowances may be required.

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ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS The following discussion should be read in conjunction with the financial statements and notes thereto included elsewhere in this Form 10-QSB and in our Form 10-KSB. This report contains forward-looking statements including, without limitation, statements regarding trends, cyclicity, seasonality, volatility and growth in the markets we sell into, our strategic direction, our future effective tax rate and use of tax income from withholding, new product introductions, our liquidity position, our ability to generate cash from continuing operations, our expected order and revenue growth, the potential impact of our adopting new accounting pronouncements, our financial results, the impact and timing of our enterprise resource planning and customer relationship

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management systems implementation, OUR OBLIGATIONS UNDER OUR RETIREMENT AND POST-RETIREMENT BENEFIT PLANS, TIMING OF, COSTS RELATED TO, AND SAVINGS FROM OUR RESTRUCTURING PROGRAMS, the existence or length of an economic recovery and our ability to take advantage of a recovery that involve risks and uncertainties. Our actual results could differ materially from the results contemplated by these forward-looking statements due to various factors, including those discussed below in "Factors That May Affect Future Results" and elsewhere in this Form 10-QSB.

OVERVIEW

Endo Networks Inc. helps businesses acquire new customers and build sales and loyalty with existing customers.

We use interactive technology such as touchscreen kiosks, handheld computers, and websites, combined with promotional marketing tactics to filter large numbers of consumers, to find qualified prospects, and even precondition them for the sales.

Our services can be deployed within a business' own retail environment, to increase sales with their own customer base by increasing frequency of visit and/or average spend with individual customers, or they can be deployed within a partner location such as an office tower or a consumer show, to find and acquire qualified new customers.

Our solutions are:

- Permission based
- Integratable with legacy systems
- Scaleable
- Measurable
- Conducive to brand partnerships

Our areas of expertise include: Web, Kiosk, Handheld, Wireless, Loyalty, Promotional Marketing, Direct Marketing, Integration with Point of Sale, Survey, Incentive, Sampling, and Field and Event Marketing.

Our client base includes specialty retail, general retail, food service, automotive, alcohol, energy, consumer packaged goods, entertainment, amateur sports, and telecommunications companies.

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Our corporate head office is located at 2624 Dunwin Drive, Unit 3, Mississauga, Ontario, Canada, 20 minutes from Toronto and 60 minutes from Buffalo.

LIQUIDITY AND CAPITAL RESOURCES

Total assets decreased from \$681,721 at September 30, 2004 to \$614,086 at December 31, 2004. The decrease is primarily attributable to the collection of a net of \$48,530 of accounts receivable and depreciation on equipment.

From September 30, 2004 to December 31, 2004, our cash and cash equivalents decreased by \$3,855 as a result of our three month loss of \$129,815.

WE DO EXPECT TO INCUR MATERIAL CAPITAL EXPENDITURES DURING THE NEXT 12 MONTHS FOR EQUIPMENT RELATING TO NEW CLIENT DEPLOYMENTS. There is no assurance we will be able to generate sufficient revenues or obtain sufficient funds when needed, or whether such funds, if available, will be obtained on terms satisfactory to us. We do not have any long term or contingent obligations that must be

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satisfied.

CRITICAL ACCOUNTING POLICIES

Our Unaudited Financial Statements have been prepared in accordance with accounting principles generally accepted in the United States of America. The preparation of these financial statements requires us to make estimates and judgments that affect the reported amounts of assets, liabilities, revenues and expenses, and related disclosure of contingent assets and liabilities. We base our estimates on historical experience and on various other assumptions that are believed to be reasonable under the circumstances, the results of which form the basis of making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions or conditions.

We believe the following critical accounting policies, among others, affect our more significant judgments and estimates used in the preparation of our financial statements:

ALLOWANCE FOR DOUBTFUL ACCOUNTS

We maintain allowances for doubtful accounts for estimated losses resulting from the inability of our customers to make required payments. The allowance for doubtful accounts is based on specific identification of customer accounts and our best estimate of the likelihood of potential loss, taking into account such factors as the financial condition and payment history of major customers. We evaluate the collectability of our receivables at least quarterly. If the financial condition of our customers were to deteriorate, resulting in an impairment of their ability to make payments, additional allowances may be required. The differences could be material and could significantly impact cash flows from operating activities.

VALUATION OF INTANGIBLES

From time to time, we acquire intangible assets that are beneficial to our product development processes. We periodically evaluate the carrying value of intangibles, including the related amortization periods. In evaluating acquired

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intangible assets, we determine whether there has been impairment by comparing the anticipated undiscounted cash flows from the operation and eventual disposition of the product line with its carrying value. If the undiscounted cash flows are less than the carrying value, the amount of the impairment, if any, will be determined by comparing the carrying value of each intangible asset with its fair value. Fair value is generally based on either a discounted cash flows analysis or market analysis. Future operating income is based on various assumptions, including regulatory approvals, patents being granted, and the type and nature of competing products. If regulatory approvals or patents are not obtained or are substantially delayed, or other competing technologies are developed and obtain general market acceptance or market conditions otherwise change, our intangibles may have a substantially reduced value, which could be material.

DEFERRED TAXES

We record a valuation allowance to reduce the deferred tax assets to the amount that is more likely than not to be realized. We have considered estimated future taxable income and ongoing tax planning strategies in assessing the amount needed for the valuation allowance. Based on these estimates, all of our

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deferred tax assets have been reserved. If actual results differ favorably from those estimates used, we may be able to realize all or part of our net deferred tax assets. Such realization could positively impact our operating results and cash flows from operating activities.

RESULTS OF OPERATIONS

COMPARISON OF RESULTS FOR THE THREE MONTHS ENDED DECEMBER 31, 2004 TO THREE MONTHS ENDED DECEMBER 31, 2003

REVENUE. During the three months ended December 31, 2004, we generated \$147,080 from sales compared to revenues from sales for the three months ended December 31, 2003 of \$56,744, which represents an increase of \$90,336 over the same period of the prior year, which is the result of performing work on projects that are scalable and therefore allow us to add revenue with little additional work or expense.

COST OF SALES. Our cost of goods sold decreased from \$95,737 or 169% of sales to \$35,131 or 24% of sales, a decrease of \$60,606, which represents less capital costs and expenses per job undertaken. As a result of us having expended certain costs for prior jobs, we have found that some of the costs need not be duplicated or we have found a better and/or less expensive way of providing our services.

GROSS PROFIT. Based on the foregoing, our gross profit increased from a negative 0.69% to 76%. Again this was due to the reduction in the cost of goods sold. Gross Profit for the three months ended December 31, 2004 increased to \$111,949 from (\$38,993) the prior year. Margins on sales increased due to the type of service/product offering Endo sold in the quarter.

GENERAL, ADMINISTRATIVE AND SELLING EXPENSES. Our General, Administrative and Selling expenses were \$184,918 for the three months ended December 31, 2004, compared to \$85,030 for the three months ended December 31, 2003, representing an increase of \$99,888. As a percentage of sales, our general and administrative

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expenses were 126% of sales compared with 150% of sales in the same period the prior year, a decrease of 24%.

NET INCOME (LOSS) AND INCOME (LOSS) PER SHARE.

As a result of the above, in the three months ended December 31, 2004, we had a net loss of \$129,815 or (\$0.01) per share, compared to a loss of \$(135,847) or \$(0.01) per share for the three months ended December 31, 2003. Cash generated from operations for the three months ended December 31, 2004 was \$50,326 compared to \$32,590 for the three months ended December 31, 2003.

FORWARD LOOKING STATEMENTS. This Form 10-QSB contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements made by Endo Networks involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Factors that could cause actual results to differ materially from the forward looking statements include, but are not limited to, risks associated with lack of significant operating history, demand for the Endo Networks' products, international business operations, dependence on licensees, governmental regulations, technological changes, intense competition and dependence on management. Given these uncertainties, readers are cautioned not

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to place undue reliance on such forward-looking statements. The Company's management disclaims any obligation to forward-looking statements contained herein to reflect any change in the Endo Networks' expectation with regard thereto or any change in events, conditions, circumstances or assumptions underlying such statements.

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ITEM 3. CONTROLS AND PROCEDURES

An evaluation was carried out under the supervision and with the participation of the Endo Networks' management, including our Chief Executive Officer and Chief Financial Officer, regarding the effectiveness of our disclosure controls and procedures (as defined in Rule 13a-14(c) under the Securities Exchange Act of 1934) as of December 31, 2004. As a result of their evaluation, our Chief Executive Officer and Chief Financial Officer have concluded that the Endo Networks' disclosure controls and procedures are effective to ensure that information required to be disclosed by Endo Networks in reports that it files or submits under the Securities Exchange Act of 1934 is recorded, processed, summarized and reported within the time periods specified in the Securities and Exchange Commission rules and forms. There were no changes in Endo Networks' internal control over financial reporting that occurred during the quarter ended December 31, 2004, that has materially affected and is reasonably likely to materially affect, the Endo Networks' internal control over financial reporting.

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PART II

ITEM 1. LEGAL PROCEEDINGS

None

ITEM 2. EMPLOYMENT AGREEMENTS

None

ITEM 3. RECENT SALES OF UNREGISTERED SECURITIES

None

ITEM 4. EXHIBITS AND REPORTS ON FORM 8-K

None

(a) The following exhibits are filed as part of this report.

Exhibit No.	Document
31.1	Certification of Chief Executive Officer required by Rule 13a-14/15d-14(a) under the Exchange Act.
31.2	Certification of Chief Financial Officer required by Rule 13a-14/15d-14(a) under the Exchange Act.
32.1	Certification of Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of

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2002.

32.2 Certification of Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

(b) Reports of Form 8-K
None

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SIGNATURES.

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

/s/ Peter B. Day

Peter B. Day
Chief Executive Officer

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Exhibit 31.1

CERTIFICATION OF CHIEF EXECUTIVE OFFICER

I, Peter B. Day, certify that:

1. I have reviewed this annual report on Form 10-QSB of ENDO NETWORKS, INC.
2. Based on my knowledge, this annual report 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 annual report;
3. Based on my knowledge, the financial statements, and other financial information included in this annual report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this annual report;
4. The small business issuer's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the small business issuer and have:
 - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the small business issuer, including its consolidated subsidiaries, is made known to us by others within

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those entities, particularly during the period in which this report is being prepared;

b. Evaluated the effectiveness of the small business issuer's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

c. Disclosed in this report any change in the small business issuer's internal control over financial reporting that occurred during the small business issuer's most recent fiscal quarter (the small business issuer's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the small business issuer's internal control over financial reporting; and

5. The small business issuer's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the small business issuer's auditors and the audit committee of the small business issuer's board of directors (or persons performing the equivalent functions):

a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the small business issuer's ability to record, process, summarize and report financial information; and

b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the small business issuer's internal control over financial reporting.

Date: March 20, 2005

/s/ Peter B. Day

Peter B. Day
Chief Executive Officer

Exhibit 31.2

CERTIFICATION OF CHIEF FINANCIAL OFFICER

I, Peter B. Day, certify that:

1. I have reviewed this annual report on Form 10-QSB of Endo Networks, Inc.
2. Based on my knowledge, this annual report 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 annual report;
3. Based on my knowledge, the financial statements, and other financial information included in this annual report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this annual report;
4. The small business issuer's other certifying officer(s) and I are responsible

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for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the small business issuer and have:

a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the small business issuer, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b. Evaluated the effectiveness of the small business issuer's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

c. Disclosed in this report any change in the small business issuer's internal control over financial reporting that occurred during the small business issuer's most recent fiscal quarter (the small business issuer's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the small business issuer's internal control over financial reporting; and

5. The small business issuer's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the small business issuer's auditors and the audit committee of the small business issuer's board of directors (or persons performing the equivalent functions):

a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the small business issuer's ability to record, process, summarize and report financial information; and

b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the small business issuer's internal control over financial reporting.

Date: March 20, 2005

/s/ Peter B. Day

Peter B. Day,
Chief Financial Officer

Exhibit 32.1

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Annual Report of Endo Networks, Inc. (the "Company") on Form 10-QSB for the period ending December 31, 2004, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Peter B. Day, Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of

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the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company at the dates and for the periods indicated.

/s/ Peter B. Day

Peter B. Day,
Chief Executive Officer

March 20, 2005

Exhibit 32.2

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Report of Endo Networks, Inc. (the "Company") on Form 10-QSB for the period ending December 31, 2004, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Peter B. Day, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company at the dates and for the periods indicated.

/s/ Peter B. Day

Peter B. Day,
Chief Financial Officer

March 20, 2005