E DEAL NET INC
Form 10KSB
June 29, 2004

FORM 10-KSB

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

For the fiscal year ended March 31, 2004.

OR

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

For the transition period from ____________________ to _____________________

Commission File Number 333-52040

E.DEAL.NET, INC.

(Exact name of registrant as specified in its charter)

NEVADA

(State or other jurisdiction of incorporation or organization)

98-0195748

(I.R.S. Employer Identification Number)

216 1628 West 1st Avenue, Vancouver, B.C., V6J 1G1

(Address of principal executive offices)

TEL: (604) 659-5005

(Registrant s telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

Title of Each Class

Common Stock, $.001 par value per share

Name of Each Exchange on Which Registered

OTC Bulletin Board

Securities registered pursuant to Section 12(g) of the Act: None

Indicate by check mark whether the registrant: (1) has filed all reports required 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 for the past 90 days. Yes [X] No [_]

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-B is not contained herein, and will not be contained, to the best of the registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-KSB or any amendment to this Form 10-KSB [X]

Revenues for last fiscal year were $0.00

Aggregate market value of Common Stock, $0.001 par value, held by non-affiliates of the registrant as of June 15, 2004: $727,688. Number of shares of Common Stock, $0.001 par value, outstanding as of June 15, 2004: 8,440,625.

Transitional Small Business Disclosure Format: Yes [ ] No [X]

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PART I

ITEM 1. DESCRIPTION OF BUSINESS

Cautionary Statement Pursuant to Safe Harbor Provisions of the Private Securities Litigation Reform Act of 1995:

Except for the historical information presented in this document, the matters discussed in this Form 10-KSB for the fiscal year ending March 31, 2004, and specifically in the items entitled "Management s discussion and analysis of financial condition and results of operations", or otherwise incorporated by reference into this document, contain "forward-looking statements" (as such term is defined in the Private Securities Litigation Reform Act of 1995). These statements are identified by the use of forward-looking terminology such as "believes", "plans", "intend", "scheduled", "potential", "continue", "estimates", "hopes", "goal", "objective", expects", "may", "will", "should" or "anticipates" or the negative thereof or other variations thereon or comparable terminology, or by discussions of strategy that involve risks and uncertainties. The safe harbor provisions of Section 21E of the Securities Exchange Act of 1934, as amended, and Section 27A of the Securities Act of 1933, as amended, apply to forward-looking statements made by the Company.

The reader is cautioned that no statements contained in this Form 10-KSB should be construed as a guarantee or assurance of future performance or results. These forward-looking statements involve risks and uncertainties, including those identified within this Form 10-KSB. The actual results that the Company achieves may differ materially from any forward-looking statements due to such risks and uncertainties. These forward-looking statements are based on current expectations, and the Company assumes no obligation to update this information. Readers are urged to carefully review and consider the various disclosures made by the Company in this Form 10-KSB and in the Company's other reports filed with the Securities and Exchange Commission that attempt to advise interested parties of the risks and factors that may affect the Company's business.

The Company

e.Deal.net, Inc. (the Company) was incorporated under the laws of the State of Nevada on November 6th, 1998, with an authorized capital of 100,000,000 shares of common stock, par value of $0.001 per share, and 1,000,000 preferred stock, par value of $0.01.

e.Deal.net, Inc. (www.edeal.net) is a development stage company that provides a wide range of automotive information, including maintenance and safety tips, information on how to buy and sell pre-owned vehicles, notice of safety and recalls by email alerts, information on parts and service, quotes on insurance, financing sources, automotive dealers, email alerts for service reminders, new products and accessories.

Second only to the purchase of a home, buying a vehicle is the most significant buying decision a consumer makes during his or her lifetime, fueling nearly 11% of the nation s total retail trade payroll in 2003 and generating more than $50 billion in wages, salaries and commissions - $1 billion more than the year prior.

New vehicle sales have continued to rise throughout 2003 despite retail selling prices increasing 5.4% to $27,550, while the average used vehicle price fell 2.5% during the same period to $13,500. Last year, Americans spent more than $750 billion on new and used vehicles, an estimated $3 billion increase over 2002, according to Atlanta-based, Manheim Auctions, the world s largest and highest volume automobile auction company.

During 2003, a total of 43.5 million used vehicles were purchased; a figure typically two and one half times greater than the number of new vehicles sold.

Used car sales by franchised new vehicle dealers in 2003 were 19.5 million, up slightly from 19.4 million in 2002. Of these, 11.7 million were retailed and 7.8 million wholesaled. In this industry segment, auctions continue to make inroads as a source of used cars, from less than 10% in the early 1980s to 34% in 2003.

Meanwhile, in response to swelling consumer demand for new product, the nation s franchised new car and truck dealers recorded their fifth strongest year on record in 2003, selling 16.6 million vehicles at a total sales volume of nearly $700 billion, according to a comprehensive annual analysis compiled by the National Automobile Dealers Association.

According to J.D. Power and Associates in 2003, 64% of all new car buyers utilized the Internet during their car purchasing process, reflecting rapidly growing consumer adoption of an online environment that is informative and free of traditional high pressure sales tactics.

In 2002, online vehicles and accessories sales accounted for more than $2.2 billion in sales at eBay, and drew nearly 7 million unique visitors to the popular internet auction site each month. By 2007, Jupiter Media Metrix estimates that 37% of all new car sales will be a direct result of a specific purchase decision made online.

According to Chief Economist, Mr. Paul Taylor (National Automobile Dealers Association), parts and service income has also been aided by Internet-based parts sales. Not surprisingly, new car dealers selling parts via the worldwide web increased to 42% last year, from 24% only two years earlier - a key area of growth for dealership revenue.

Capitalizing on emerging internet auto purchase and research trends, the automotive industry led online spending to an estimated $1.3 billion in 2003, representing a 15% increase over 2002.

At the local level, auto dealers are already spending $2 on Internet advertising and Web sites for every $3 spent on local television advertising, according to the Virginia-based executive-level research and consulting firm, Borrell Associates.

Meanwhile, the auto parts, accessories, and tires market too has enjoyed considerable growth. For example, according the United States Department of Commerce, Census Bureau, this segment reported estimated sales of $7,255,000 for the month of April, 2004; a 5.88% rise over the same period one year earlier ($6,825,000).

Employees

At March 31, 2004, the Company had no employees, but used 3 part-time contractors. To the best of the Company s knowledge, none of the Company s officers or directors is bound by restrictive covenants from prior employers. None of the Company s employees are represented by labor unions or other collective bargaining groups. We consider relations with our employees to be good. We plan to retain and utilize the services of outside consultants as the need arises.

Risk Factors

We have sought to identify what we believe to be the most significant risks to our business. However, we cannot predict whether, or to what extent, any of such risks may be realized nor can we guarantee that we have identified all possible risks that might arise. Investors should carefully consider all of such risk factors before making an investment decision with respect to our Common Stock. We provide the following cautionary discussion of risks, uncertainties and possible inaccurate assumptions relevant to our business. These are factors that we think could cause our actual results to differ materially from expected results. Other factors besides those listed here could *adversely affect us.*

<u>Our early stage of development makes it difficult to evaluate our business and prospects.</u>

Our business is subject to the risks inherent in the establishment of a new business. Specifically, in formulating our business plan, we have relied on the judgment of our officers, directors and consultants but have not conducted any formal independent market studies concerning the demand for our services. Further, due to our limited operating history, we have difficulty accurately forecasting our revenue, and we have limited historical financial data upon which to base operating expense budgets. You should consider our business and prospects in light of the heightened risks and unexpected expenses and problems we may face as a company in an early stage of development in a new and rapidly-evolving industry.

<u>We have a general history of losses and cannot assure you that we will operate profitability in the future.</u>

We were formed in 1998, and to date, we have not generated any operating revenues. We have experienced operating losses in each quarterly and annual period since inception. From inception through March 31, 2004, we have accumulated losses of $560,054.

Even if we become profitable in the future, we cannot accurately predict the level of, or our ability to sustain profitability. Because we have not yet been profitable and cannot predict any level of future profitability, you bear the risk of a complete loss of your investment in the event our business plan is unsuccessful.

The manner in which we intend to conduct our business and charge for our services is new and unproven. Due to the cost and delay inherent in obtaining a market or feasibility study we have not commissioned any such study with regard to our proposed business model. Our business model depends upon our ability to generate revenue streams from multiple sources through our web site, including: subscription and advertising fees from consumers; revenue from facilitating automotive e-commerce transactions (such as financing, insurance, warranties and aftermarket products); fees from the online used vehicle sales services; fees from national advertising programs, promotions and services; and fees for enhanced private seller listings.

In order for us to be successful, large numbers of consumers must visit our web site on a regular basis to attract consumers, vendors and advertisers to list vehicles and to advertise and offer products and services through our web site. Therefore, we must not only develop services that directly generate revenue, but also provide information that attracts consumers to our web site frequently. We will need to develop new offerings in each of these areas as consumer preferences change and new competitors emerge. We cannot assure you that we will be able to provide consumers with an acceptable blend of services and information. We provide information to consumers without charge, and we may not be able to generate sufficient revenue to pay for these services. Accordingly, at this time we cannot be sure that our business model will be successful or that we can generate any operating revenue or become profitable.

Our Strategy will require significant expenditures and our business may not generate sufficient revenues to cover these expenditures.

Our business will depend heavily on the recognition and value of the e.Deal.net brand. In particular, we believe that obtaining recognition as a marketplace destination for used vehicles is critical to attracting consumers, dealers, private sellers, commercial vendors and advertisers to our web site. In order to develop the e.Deal.net brand, we expect that operating expenses, particularly sales and marketing expenditures, will require a large portion of our resources. This high level of expenditures will have a negative impact on our results of operations. If we are unable to generate revenues as a result of these investments in our business, we may never achieve or sustain profitability and may not have the ability to or the resources to continue marketing our services.

We operate in a market that is intensely and increasingly competitive.

The market for providers of used vehicle information and automotive products and services, including classified advertising, is constantly evolving and intensely competitive, and we expect competition to increase significantly due to a number of factors, including low barriers to entry and the relative ease of establishing web sites. There are a number of web sites that offer vehicle listings, including vehicle manufacturers' own web sites and web sites containing electronic classified advertisements, and automotive products and services. In addition, there are numerous web sites that offer vehicle information and other content, as well as community offerings, directly to the vehicle-purchasing consumer or to targeted audiences such as vintage car enthusiasts. We also face competition from traditional media companies such as newspapers, niche classified publishers and television and radio companies, many of which currently operate web sites. In addition to direct competitors, we also compete indirectly with vehicle brokerage firms, discount warehouse clubs, automobile clubs and vehicle auctioneers. Due to low barrier to entry, we expect additional competitors to enter our market in the future. The automotive e-commerce market is rapidly evolving, and we expect competition among e-commerce companies to increase significantly. We cannot assure you that web sites maintained by our existing and potential competitors will not be perceived by consumers, dealers, other potential automotive vendors or advertisers as being superior to ours. We also cannot assure you that we will be able to maintain or increase the levels of visitors logging onto our web site and the number of leads these visitors generate for sellers of used vehicles and automotive products and services or that competitors will not experience greater growth in these areas than we do.

The existence of these competitors, many of which are larger and better financed, may make it impossible for us to establish ourselves as a viable business in the first place; and, even if we do establish ourselves, our ultimate market share may be less than is needed for us to attain profitability. This is turn may have a significant adverse impact on the value of our shares.

Some of our competitors have longer operating histories, larger installed customer bases, greater name recognition and longer relationships with clients and significantly greater financial, technical, marketing and public relations resources than our business. Our competitors may also be better positioned to address technological and market developments or may react more favorably to technological changes. Competitors may develop or offer strategic services that provide significant technological, creative, performance, price or other advantages over the services offered by our business. If we fail to gain market share or lose existing market share, our financial condition, operating results and business could be adversely affected and the value of the investment in us could be reduced significantly. We may not have the financial resources, technical expertise or marketing, distribution or support capabilities to compete successfully.

Our business is dependent on the economic strength of the automotive industry.

We believe that the strength of the automotive industry significantly impacts both the revenues we may potentially derive from our business, other automotive vendors and advertisers and the consumer traffic to our web site. The sales of motor vehicles historically have been subject to cyclical variation characterized by periods of surplus supply and reduced demand. Vehicles are typically discretionary for consumers and may be particularly affected by negative trends in the general economy. The success of our operations in our industry depends to a significant extent upon a number of factors relating to discretionary consumer spending, including economic conditions, consumer confidence in the economy, the prospects of war, other international conflicts or terrorist attacks, the level of manufacturer incentives, the level of personal discretionary spending, product quality, affordability and innovation, interest rates, fuel prices, credit availability, unemployment rates and the number of consumers whose vehicle leases are expiring. In addition, because the purchase of a vehicle is a significant investment and is relatively discretionary, any reduction in disposable income in general or an increase in interest rates or tightening of lending may affect us more significantly than companies in other industries.

We cannot assure that our business will not be materially adversely affected as a result of an industry or general economic downturn. If we do not time our entry into the market correctly we may not be able to implement our business due to our limited resources. Moreover, once we have entered the market, any decrease in the level of vehicle sales could have a material adverse effect on our ability to attain revenues and ultimately profitability.

We may be subject to general vehicle-related laws which may require the use of more of our capital.

There are numerous state laws regarding the sale of vehicles. In addition, government authorities may take the position that state or federal insurance licensing laws, vehicle financing laws, motor vehicle dealer laws or related consumer protection or product liability laws apply to aspects of our business. If federal or individual states' regulatory requirements change or additional requirements are imposed on us, we may be required to modify aspects of our business in those states in a manner that might undermine the attractiveness of our web site's products and services to consumers, dealers, automotive vendors or advertisers or require us to terminate operations in that state, either of which could harm our business. As we introduce new services and if we expand our operations to other countries, we could become subject to additional licensing and regulatory requirements. Substantially all states have laws that broadly define brokerage activities, and government authorities may take the position that under these laws we are acting as a broker. If this occurs, we may be required to comply with burdensome licensing requirements or terminate our operations in those states. In either case, our business, results of operations and financial condition could be materially and adversely affected.

<u>We must provide a high-quality user experience with a wide range of content and services in order to establish our brand.</u>

Promotion and enhancement of the e.Deal.net brand will depend largely on our success in consistently providing a high-quality consumer experience for buyers and sellers of vehicles and automotive products and services, as well as relevant and useful information. In this regard, we will need to constantly develop and introduce new features, functions and services designed to enhance brand name recognition and loyalty.

If consumers, dealers, automotive vendors and advertisers do not perceive our service offerings to be of high quality, or if we introduce new services or enter into new business ventures that are not favorably received by such groups, the value of our brand could be impaired or diluted. Such brand impairment or dilution could decrease the attractiveness of e.Deal.net to one or more of these groups, which could materially and adversely affect our ability to attract advertising and other revenues. Diminished revenues will not only affect our profitability but the value of our shares as well.

<u>Others could claim that we infringe on their intellectual property rights, which may result in substantial costs and diversion of management attention.</u>

We are in a market in which a growing number of companies provide similar services. We cannot be certain that our services do not infringe on patents or other intellectual property rights of others that may relate to our services. We may be subject to legal proceedings and claims from time to time in the ordinary course of our business, including claims of alleged infringement of the trademarks and other intellectual property rights of third parties. Any claims against us relating to the infringement of third-party proprietary rights, even if not meritorious, could result in substantial costs, diversion of resources and management attention and in injunctions preventing us from distributing these services. A successful infringement claim against us could materially and adversely affect us in the following ways:

- we may be liable for damages and litigation costs, including attorneys' fees;

- we may be enjoined from further use of the intellectual property;

- we may have to license the intellectual property, incurring licensing fees;

- we may have to develop a non-infringing alternative, which could be costly and delay projects; and

- we may have to indemnify users of our web site with respect to losses incurred s a result of our infringement of the intellectual property.

If we do not retain our key management personnel and attract and retain other highly skilled employees, our business will suffer.

Our future success depends on the skills, experience and performance of our senior management team, other key personnel and advisors, and their ability to operate effectively, both individually and as a group. If any of our existing senior management or other key personnel were to leave the company, it would be difficult to replace them, and our business would be materially harmed. There are no employment agreements with any employee, nor do we maintain any key person life insurance policies for any of our key employees.

Our success will also depend on our ability to recruit, retain and motivate additional highly skilled sales, marketing and engineering personnel. We believe we will face significant competition for individuals with the skills required to develop, market and support our products and services.

We may be unable to raise additional capital in the future.

We may not be able to obtain additional funding when needed, which could limit future expansion and marketing opportunities and result in lower than anticipated revenues. We may require additional financing to further develop our business and to pursue other business opportunities.

If the market price of the common stock declines, some potential financiers may either refuse to offer us any financing or will offer financing at unacceptable rates or unfavorable terms. To the extent that we raise additional capital through the sale of equity or debt securities, the issuance of such securities could result in dilution to our existing stockholders. If additional funds are raised through the issuance of debt securities, the terms of such debt could impose additional restrictions on our operations. If we are unable to obtain financing on favorable terms, or at all, this unavailability could prevent us from expanding our business, which could materially impact our future potential revenues and our business.

Significant unanticipated fluctuations in our actual or anticipated quarterly revenues and operating results may cause us not to meet investors' expectations and may result in a decline in our stock price.

Our quarterly operating results may vary significantly in the future. Moreover, as a result of our limited operating history it is difficult to accurately forecast our revenue in any given period. Accordingly, we believe that period-to-period comparisons of our historical results of operations are not necessarily meaningful and should not be relied upon as indications of sustainable trends or other future performance. If our revenues, operating results or earnings are below the levels expected by investors, our stock price is likely to decline.

The price of our common stock may fluctuate significantly and may be negatively affected by factors beyond our ability to control or predict.

The price of our common stock may be affected by broader market trends unrelated to our or our competitors' operating performances. Our stock price and the stock prices of many other companies in the technology and emerging growth sectors have historically experienced wide fluctuations, including rapid rises and declines in stock prices that have often been unrelated to the operating performance of such companies. Volatile trends and fluctuations are typically the result of the combination of general economic, political and market conditions.

These factors are beyond our ability to control or predict.

Our principal shareholders, executive officers and directors have significant voting power and may take actions that may not be in the best interests of our shareholders.

Our principal shareholders, executive officers, directors and their affiliates, in the aggregate, own more than 76% of our outstanding common stock. These shareholders, if they act together, will be able to control our management and affairs and all matters requiring shareholder approval, including the election and removal of directors and approval of significant corporate transactions. This influence over our affairs might be adverse to the interest of our other shareholders. In addition, this concentration of ownership may delay or prevent a change in control and might have an adverse effect on the market price of our common stock.

Applicable SEC rules governing the trading of Penny Stocks" limits the trading and liquidity of our common stock, which may affect the trading price of our common stock.

Our common stock currently trades on the OTC Bulletin Board. Since our common stock continues to trade below $5.00 per share, our common stock is considered a "penny stock" and is subject to SEC rules and regulations, which impose limitations upon the manner in which our shares can be publicly traded.

These regulations require the delivery, prior to any transaction involving a penny stock, of a disclosure schedule explaining the penny stock market and the associated risks. Under these regulations, certain brokers who recommend such securities to persons other than established customers or certain accredited investors must make a special written suitability determination regarding such a purchaser and receive such purchaser's written agreement to a transaction prior to sale. These regulations have the effect of limiting the trading activity of our common stock and reducing the liquidity of an investment in our common stock.

Stockholders should be aware that, according to the Securities and Exchange Commission Release No. 34- 29093, the market for penny stocks has suffered in recent years from patterns of fraud and abuse. These patterns include:

-

Control of the market for the security by one or a few broker-dealers that are often related to the promoter or issuer;

-

Manipulation of prices through prearranged matching of purchases and sales and false and misleading press releases;

-

"Boiler room" practices involving high pressure sales tactics and unrealistic price projections by inexperienced sales persons;

-

Excessive and undisclosed bid-ask differentials and markups by selling broker-dealers; and

-

The wholesale dumping of the same securities by promoters and broker-dealers after prices have been manipulated to a desired level, along with the inevitable collapse of those prices with consequent investor losses.

Furthermore, the "penny stock" designation may adversely affect the development of any public market for the Company's shares of common stock or, if such a market develops, its continuation. Broker-dealers are required to personally determine whether an investment in "penny stock" is suitable for customers.

Penny stocks are securities (i) with a price of less than five dollars per share; (ii) that are not traded on a "recognized" national exchange; (iii) whose prices are not quoted on the NASDAQ automated quotation system (NASDAQ-listed stocks must still meet requirement (i) above); or (iv) of an issuer with net tangible assets less than $2,000,000 (if the issuer has been in continuous operation for at least three years) or $5,000,000 (if in continuous operation for less than three years), or with average annual revenues of less than $6,000,000 for the last three years.

Section 15(g) of the Exchange Act, and Rule 15g-2 of the Commission require broker-dealers dealing in penny stocks to provide potential investors with a document disclosing the risks of penny stocks and to obtain a manually signed and dated written receipt of the document before effecting any transaction in a penny stock for the investor's account. Potential investors in the Company's common stock are urged to obtain and read such disclosure carefully before purchasing any shares that are deemed to be "penny stock."

Rule 15g-9 of the Commission requires broker-dealers in penny stocks to approve the account of any investor for transactions in such stocks before selling any penny stock to that investor. This procedure requires the broker-dealer to (i) obtain from the investor information concerning his or her financial situation, investment experience and investment objectives; (ii) reasonably determine, based on that information, that transactions in penny stocks are suitable for the investor and that the investor has sufficient knowledge and experience as to be reasonably capable of evaluating the risks of penny stock transactions; (iii) provide the investor with a written statement setting forth the basis on which the broker-dealer made the determination in (ii) above; and (iv) receive a signed and dated copy of such statement from the investor, confirming that it accurately reflects the investor's financial situation, investment experience and investment objectives. Compliance with these requirements may make it more difficult for the Company's stockholders to resell their shares to third parties or to otherwise dispose of them.

Future sales of large amounts of common stock could adversely effect the market price of our common stock and our ability to raise capital.

Future sales of our common stock by existing stockholders pursuant to Rule 144 under the Securities Act of 1933, or following the exercise of outstanding warrants and future option grants, could adversely affect the market price of our common stock.

Our directors and executive officers and their family members are not under lockup letters or other forms of restriction on the sale of their common stock. The issuance of any or all of these additional shares upon exercise of warrants will dilute the voting power of our current stockholders on corporate matters and, as a result, may cause the market price of our common stock to decrease. Further, sales of a large number of shares of common stock in the public market could adversely affect the market price of the common stock and could materially impair our future ability to generate funds through sales of common stock or other equity securities.

<u>We must adhere to environmental regulations.</u>

The Company believes it conducts its business in compliance with all environmental laws presently applicable to its facilities. To date, there have been no expenses incurred by the Company related to environmental issues.

<u>Internet commerce has yet to attract significant regulation. Government regulations may result in increased costs that may reduce our future earnings.</u>

There are currently very few laws or regulations that apply directly to the Internet. Since our business is entirely dependent on the Internet, the adoption of new local, state or national laws or regulations may decrease the growth of Internet usage or the acceptance of Internet commerce which could, in turn, decrease the demand for our services and increase our costs or otherwise have a material adverse effect on our business, results of operations and financial condition.

Tax authorities in a number of states are currently reviewing the appropriate tax treatment of companies engaged in Internet commerce. New state tax regulations may subject us to additional state sales, use and income taxes in the future.

<u>We may not have a majority of independent directors.</u>

We cannot guarantee our Board of Directors will have a majority of independent directors in the future. In the absence of a majority of independent directors, our executive officers, who are also principal stockholders and directors, could establish policies and enter into transactions without independent review and approval thereof. This could present the potential for a conflict of interest between the Company and its stockholders generally and the controlling officers, stockholders or directors.

<u>We do not intend to pay dividends in the foreseeable future.</u>

We have never declared nor paid a dividend on our common stock. We intend to retain earnings, if any, for use in the operation and expansion of our business and, therefore, do not anticipate paying any dividends in the foreseeable future.

ITEM 2. DESCRIPTION OF PROPERTY

The Company s principal office is located at 1628 West First Avenue, Suite 216, Vancouver, British Columbia, Canada, V6J 1G1. These premises are owned by a private corporation controlled by a director and majority shareholder. At present, the Company pays no rent. The fair value of the rent has not been included in the financial statements because the amount is immaterial.

ITEM 3. LEGAL PROCEEDINGS

None.

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

None.

PART II

ITEM 5. MARKET FOR COMMON EQUITY AND RELATED STOCKHOLDER MATTERS

Market Information

The Company's Common Stock is listed on the OTC Bulletin Board under the symbol "EDAN". The following table sets forth the high and low sale prices for the periods indicated:

	High	Low
Second Quarter 2002	$0.10	$0.10
Third Quarter 2002	$0.08	$0.07
Fourth Quarter 2002	$0.30	$0.10
First Quarter 2003	$0.10	$0.05
Second Quarter 2003	$0.10	$0.05
Third Quarter 2003	$0.35	$0.10
Fourth Quarter 2003	$0.50	$0.25
First Quarter 2004	$0.34	

$0.30

April 1, 2004-June 15, 2004

$0.40

$0.25

Holders

As of June 15, 2004, there were approximately 72 stockholders of record of the Company's Common Stock.

Dividend Policy

We have never paid cash dividends on our capital stock and do not anticipate paying any cash dividends in the foreseeable future, but intend to retain our capital resources for reinvestment in our business. Any future determination to pay cash dividends will be at the discretion of the Board of Directors and will be dependent upon our financial condition, results of operations, capital requirements and other factors as the Board of Directors deems relevant. Our Board of Directors has the right to authorize the issuance of preferred stock, without further shareholder approval, the holders of which may have preferences over the holders of the Common Stock as to payment of dividends.

Securities Authorized for Issuance under Equity Compensation Plans

Number of securities

remaining available for

Number of Securities to be

Weighted-average exercise

future issuance under

issued upon exercise of

price of outstanding

equity compensation plans

outstanding options,

options, warrants and

(excluding securities

warrants and rights

rights

reflected in column (a))

Plan Category

(a)

(b)

(c)

Equity compensation plans

approved by security holders

0

$0

5,000,000

Equity compensation plans not

approved by security holders

-

-

-

Total

0

$0

5,000,000

ITEM 6. MANAGEMENT'S DISCUSSION AND ANALYSIS OR PLAN OF OPERATIONS

The following discussion should be read in conjunction with the financial statements and notes thereto included in Item 7 of this Form 10-KSB. Except for the historical information contained herein, the discussion in this Annual Report on Form 10-KSB contains certain forward-looking statements that involve risk and uncertainties, such as statements of the Company's plans, objectives, expectations and intentions as of the date of this filing. The cautionary statements made in this document should be read as being applicable to all related forward-looking statements wherever they appear in this document. The Company's actual results could differ materially from those discussed here. Factors that could cause differences include those discussed in "Risk Factors", as well as discussed elsewhere herein.

Overview

e.Deal.net, Inc. (the Company) was incorporated under the laws of the State of Nevada on November 6th, 1998, with an authorized capital of 100,000,000 shares of common stock, par value of $0.001 per share, and 1,000,000 preferred stock, par value of $0.01.

e.Deal.net, Inc. (www.edeal.net), a development stage company, provides a wide range of automotive information, including maintenance and safety tips, information on how to buy and sell pre-owned vehicles, notice of safety and recalls by email alerts, information on parts and service, quotes on insurance, financing sources, automotive dealers, email alerts for service reminders, new products and accessories.

Second only to the purchase of a home, buying a vehicle is the most significant buying decision a consumer makes during his or her lifetime, fueling nearly 11% of the nation s total retail trade payroll in 2003 and generating more than $50 billion in wages, salaries and commissions - $1 billion more than the year prior.

Last year, Americans spent more than $750 billion on new and 43.5 million used vehicles, an estimated $3 billion increase over 2002, according to Manheim Auctions. By 2007, Jupiter Media Metrix estimates that 37% of all new car sales will be a direct result of a specific purchase decision made online.

Liquidity and Capital Resources

At March 31, 2004, the Company had a cash balance of $129,313 compared to a cash balance of $171,671 at March 31, 2003.

During the year ended March 31, 2004, the Company used $39,972 of net cash from operating activities, as compared to $27,145 of net cash used in 2003.

Net cash provided by investing activities was $2,386 for the year ended March 31, 2004 compared to $0 for March 31, 2003.

Net cash provided by financing activities was $0 for the years ended March 31, 2004 and March 31, 2003. The Company has financed its operations primarily through loans from shareholders and private placements of Common Shares.

Plan of Operations

The Company s principal source of liquidity is cash in the bank and for the next twelve months, the Company has sufficient cash to meet its operating needs. The Company's future funding requirements will depend on numerous factors. These factors include the Company's ability to establish and profitably operate its website, recruit and train qualified management, technical and marketing personnel and the Company's ability to compete against other, better capitalized corporations who offer similar web based services. The Company may raise additional funds through private or public equity investment in order to expand the range and scope of its business operations, but there is no assurance that such additional funds will be available for the Company to finance its operations on acceptable terms, if at all.

The Company has no current plans for the purchase or sale of any plant or equipment.

The Company has no current plans to make any significant changes in the number of employees.

Related Party Transactions

Accrued Management Fees

Accrued management fees of $162,945 represent amounts owed to Harmel S. Rayat, Secretary, Treasurer and Director of the Company, and Herder S. Rayat, former President, CEO and Director, in amounts of $61,612 and $101,333, respectively. Neither Harmel S. Rayat nor Herder S. Rayat has a written agreement with the Company for management and consulting services provided.

Management and consulting fees for the year ended March 31, 2004 and 2003 were $30,000 and $77,000 respectively, and $185,418 for the period from inception (November 6, 1998) to March 31, 2004. Management and consulting fees incurred for services rendered by directors and officers for the years ended March 31, 2004 and 2003 were as follows:

(i)

Harmel S. Rayat, Secretary, Treasury and Director ($30,000 and $40,000 respectively);

(ii)

Terri DuMoulin, President and Director ($0 and $5,000 respectively); and

(iii)

Herdev S. Rayat, the former President, CEO and Director ($0 and $32,000 respectively).

The Company has not converted any debt to equity.

Notes Payable

Notes payable at March 31, 2004, represent four separate loans bearing interest at 7.25% per annum advanced to the Company by its former President, Herdev S. Rayat on the following dates: February 13, 2001 ($40,000); April 24, 2001 ($40,000); June 8, 2001 ($20,000); and July 26, 2001 ($10,000). The entire principal amount and accrued interest is due and payable on demand. Accrued interest on the above notes amounted to $19,938 as of March 31, 2004. Interest expense was $7,975 and $7,975 as of March 31, 2004 and 2003 respectively, and $23,594 for the period from inception (November 6, 1998) to March 31, 2004.

Properties

During the fiscal year ended March 31, 2004, and to date, the Company s office is located at Suite 216, 1628 West 1st Avenue, Vancouver, BC V6J 1G1. These premises are owned by a private corporation controlled by a director and majority shareholder. At present, the Company pays no rent. The fair value of the rent has not been included in the financial statements because the amount is immaterial.

Warrants

Warrants held by family members, including the Company s majority stockholder, total 1,170,000, which entitle the holder to purchase one share of common stock at $0.20 per share and expire in October 2004.

Going Concern

The Company has been a development stage company and has incurred net operating losses since inception (November 6, 1998). The accompanying financial statements have been prepared in conformity with generally accepted accounting principles in the United States of America, which contemplates continuation of the Company as a going concern, which is dependent upon the Company s ability to establish itself as a profitable business.

Due to the start up nature of the Company s business, the Company expects to incur losses as it expands. To date, e.Deal s cash flow requirements have been primarily met by debt and equity financings. Management believes it has sufficient cash flow to meet its capital requirements for at least the next twelve months. If e.Deal is unable to generate profits or unable to obtain additional funds for its working capital needs, it may have to cease operations.

Management is devoting substantially all of its present efforts in securing and establishing a new business and has not generated any revenues. To meet these objectives, the Company expects to raise additional funds through private or public equity investment in order to expand the range and scope of its business operations, but there is no assurance that such additional funds will be available for the Company to finance its operations on acceptable terms, if at all. Furthermore, there is no assurance the net proceeds from any successful financing arrangement will be sufficient to cover cash requirements during the initial stages of the Company s operations.

The continued existence of the Company is dependent upon its ability to meet financing requirements and the success of future operations. These factors raise substantial doubt about the Company s ability to continue as a going concern. Management believes that actions presently taken to revise the company s operating and financial requirements provide the opportunity for the Company to continue as a going concern.

The Company s ability to achieve these objectives cannot be determined at this time.

ITEM 7.

FINANCIAL STATEMENTS

Index to Financial Statements

MOORE STEPHENS ELLIS FOSTER LTD.

CHARTERED ACCOUNTANTS

1650 West 1st Avenue

Vancouver, BC Canada   V6J 1G1

Telephone: (604) 734-1112 Facsimile: (604) 714-5916

Website: www.ellisfoster.com

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Stockholders of

E.DEAL.NET, INC.

(A development stage company)

We have audited the balance sheet of **E.DEAL.NET, INC.** (A development stage company) (the Company) as at March 31, 2004 and the related statements of stockholders deficiency, operations and deficit and cash flows for the year ended March 31, 2004. 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 audit. We did not audit the cumulative data from November 6, 1998 (inception) to March 31, 2003 in the statements of stockholders equity, operations and cash flows, which were audited by other auditors whose report, dated June 3, 2003, which expressed an unqualified opinion, has been furnished to us. Our opinion, insofar as it relates to the amounts included for cumulative data from November 6, 1998 (inception) to March 31, 2003, is based solely on the report of the other auditors.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform an audit to obtain reasonable assurance 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 audit provide a reasonable basis for our opinion.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Company as at March 31, 2004 and the results of its operations and its cash flows for the year then ended in conformity with generally accepted accounting principles 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 1 to the financial statements, the Company is a development stage company since inception on November 6, 1998 and has incurred significant recurring net losses since then resulting in a substantial accumulated deficit, which raise substantial doubt about its ability to continue as a going concern. The Company is devoting substantially all of its present efforts in establishing its business. Management s plans regarding the matters that raise substantial doubt about the Company s ability to continue as a going concern are also disclosed in Note 3 to the financial statements. The ability to meet its future financing requirements and the success of future operations cannot be determined at this time. These financial statements do not include any adjustments that might result from the outcome of this uncertainty.

Vancouver, Canada

May 5, 2004

Chartered Accountants

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Stockholders of

e.Deal.net, Inc.

We have audited the accompanying statement of operations, changes in stockholders deficiency, and cash flows of e.Deal.net, Inc., a Nevada Corporation, (A Development Stage Company) for the year ended March 31, 2003. These financial statements are the responsibility of the Company s management. Our responsibility is to express an opinion on these statements based on our audit.

We conducted our audit in accordance with the standards of 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 audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the results of operations and cash flows of e.Deal.net, Inc. for the period indicated in conformity with generally accepted accounting principles in the United States of America.

The accompanying financial statements have been prepared assuming the Company will continue as a going concern. As discussed in Note 2 to the financial statements, the Company has incurred net operating losses since inception (November 6, 1998), a working capital deficiency, and a net stockholders deficiency. These factors raise substantial doubt about the Company s ability to continue as a going concern. The continued existence of the Company is dependent upon its ability to meet its future financing requirements and the success of future operations. Management s plans regarding the matters are also disclosed in Note 2 to the financial statements. The accompanying financial statements do not include any adjustments that might result from the outcome of this uncertainty.

/s/ Clancy and Co., P.L.L.C.

Phoenix, Arizona

June 3, 2003

E.DEAL.NET, Inc.
(A development stage company)

Balance Sheet
March 31, 2004
(Expressed in U.S. Dollars)

	2004
ASSETS	
Current assets	
Cash	$ 129,313
Total current assets	129,313
Computer equipment, net (Note 4)	2,366
Total assets	$ 131,679
LIABILITIES AND STOCKHOLDERS' DEFICIENCY	
Liabilities	
Current liabilities	
Accounts payable and accrued expenses	$ 10,800
Accrued management fees - related party (Note 5)	162,945
Accrued interest - related party (Note 5)	19,938
Notes payable related party (Note 5)	110,000
Total current liabilities	303,683
Commitments and contingencies (Note 5)	
Stockholders' Deficiency	
Preferred stock: $0.01 par value; Authorized: 1,000,000 shares	

Issued and outstanding: None	
Common stock: $0.001 par value; Authorized: 100,000,000 shares	
Issued and outstanding: 8,440,625 shares	8,441
Additional paid in capital	379,609
Deficit accumulated during the development stage	(560,054)
Total stockholders' deficiency	(172,004)
Total liabilities and stockholders' deficiency	$ 131,679

The accompanying notes are an integral part of these financial statements.

E.DEAL.NET, INC.

(A development stage company)

Statements of Stockholders' Deficiency

For the Period from Inception (November 6, 1998) to March 31, 2004

(Expressed in U.S. Dollars)

	Common shares		Additional paid-in	Deficit accumulated during development	Total stock-holders
	Shares	Amount	capital	stage	(deficiency)
Inception, November 6, 1998	-	$ -	$ -	$ -	$ -
Restricted common stock issued at $0.001 per share					
to a related party for management services	5,000,000	5,000			5,000
Common stock issued for cash at $0.25 per					
share fiscal year ended March 31, 1999	340,000	340	84,660	-	85,000
Loss, inception (November 6, 1998) to March 31, 1999	-	-	-	(7,470)	(7,470)
Balance, March 31, 1999	5,340,000	5,340	84,660	(7,470)	82,530

Loss, year ended March 31, 2000	-	-	-	(16,185)	(16,185)
Balance, March 31, 2000	5,340,000	5,340	84,660	(23,655)	66,345
Loss, year ended March 31, 2001	-	-	-	(171,793)	(171,793)
Balance, March 31, 2001	5,340,000	5,340	84,660	(195,448)	(105,448)
Common stock issued for cash at					
$0.10 per share, October 17, 2001	2,500,000	2,500	247,500	-	250,000
Loss, year ended March 31, 2002	-	-	-	(144,541)	(144,541)
Balance, March 31, 2002	7,840,000	7,840	332,160	(339,989)	11
Restricted common stock issued to a related party for					
services rendered at $0.08 per share, August 5, 2002	600,625	601	47,449	-	48,050
Restricted common stock issued to a related party for					
services rendered at $0.08 per share, August 5, 2002	300,000	300	23,700	-	24,000
Cancellation of previously issued restricted					
common stock, February 4, 2003	(300,000)	(300)	(23,700)		(24,000)
Loss, year ended March 31, 2003	-	-	-	(149,933)	(149,933)
Balance, March 31, 2003	8,440,625	8,441	379,609	(489,922)	(101,872)
Loss, year ended March 31, 2004	-	-	-	(70,132)	(70,132)
Balance, March 31, 2004	8,440,625	$ 8,441	$ 379,609	$ (560,054)	$ (172,004)

The accompanying notes are an integral part of these financial statements.

E.DEAL.NET, INC.

(A development stage company)

Statements of Operations and Deficit

(Expressed in U.S. Dollars)

	Cumulative amount since inception to	Year ended	Year ended

	March 31 2004	March 31 2004	March 31 2003
Revenues	$ -	$ -	$ -
General and administrative expenses			
Professional fees	150,576	13,145	14,637
Website fees - related party (Note 5)	48,050	-	48,050
Payroll and payroll-related expenses	95,024	15,888	-
Management and consulting fees - related party (Note 5)	185,418	30,000	77,000
Rent (Note 7)	27,631	-	-
Depreciation (Note 4)	3,306	568	1,506
Other expenses	34,928	3,137	1,808
	544,933	62,738	143,001
Other income (expenses)			
Interest income	8,473	581	1,043
Interest expense	(23,594)	(7,975)	(7,975)
Total other expenses	(15,121)	(7,394)	(6,932)
Net loss before income taxes	(560,054)	(70,132)	(149,933)
Provision for income taxes (Note 6)	$ -	$ -	$ -
Net loss applicable to common shareholders	$ (560,054)	$ (70,132)	$ (149,933)
Loss per common share - basic and diluted		$ (0.01)	$ (0.02)
Weighted average number of common shares outstanding		8,440,625	8,377,115

The accompanying notes are an integral part of these financial statements.

E.DEAL.NET, INC.

(A development stage company)

Statements of Cash Flows

(Expressed in U.S. Dollars)

	Cumulative amount since inception to March 31 2004	Year ended March 31 2004	Year ended March 31 2003
Cash flows from (used in) operating activities			
Net loss for the year	$ (560,054)	$ (70,132)	$ (149,933)
Adjustments to reconcile net loss to			
net cash used in operating activities:			
- depreciation	3,306	568	1,506
- common stock issued for services	53,050	-	48,050
Changes in assets and liabilities:			
Increase (decrease) in accounts			
payable and accrued expenses	10,800	5	(6,743)
Increase in accrued management fees			
- related party	162,945	21,612	72,000
Increase in accrued interest related party	19,938	7,975	7,975
Net cash used in operating activities	(310,015)	(39,972)	(27,145)
Cash flows used in investing activities			
Purchase of computer equipment	(5,672)	(2,386)	-
Net cash used in investing activities	(5,672)	(2,386)	-
Cash flows from financing activities			
Proceeds from the sale of common stock	335,000	-	-

Proceeds from loans from related parties	110,000	-	-
Net cash provided by financing activities	445,000	-	-
Increase (decrease) in cash and			
cash equivalents	129,313	(42,358)	(27,145)
Cash and cash equivalents,			
beginning of period	-	171,671	198,816
Cash and cash equivalents, end of period	$ 129,313	$ 129,313	$ 171,671
Cash paid for:			
Interest	$ 3,656	$ -	$ -
Supplemental non-cash investing and			
financing activities:			
Common stock issued for services rendered	$ 53,050	$ -	$ 48,050

The accompanying notes are an integral part of these financial statements.

E.DEAL.NET, INC.

(A development stage company)

Notes to Financial Statements

Year Ended March 31, 2004

(Expressed in U.S. Dollars)

1.

Organization and Nature of Operations

(a)

Organization

e.Deal.net, Inc. (the Company or e.Deal) was incorporated on November 6, 1998, under the laws of the State of Nevada with an authorized capital of 1,000,000 shares of $0.01 par value preferred stock and 100,000,000 shares of $0.001 par value common stock.

(b)

Capital Formation

In November 1998, e-Deal issued a total of 5,000,000 shares of Rule 144 restricted common stock valued at $5,000 to its former President, Herdev S. Rayat, who is deemed to be a founder of e.Deal. The management services included the writing and development of e.Deal s business plan, the development of corporate and operating strategies and creative input into e.Deal s website.

During the fiscal year ended March 31, 1999, e.Deal issued 340,000 shares of common stock in a private offering pursuant to Regulation D, Rule 504, promulgated under the Securities Act of 1933. Common shares were offered to non-accredited investors at $0.25 per share for a total cash consideration of $85,000.

During the fiscal year ended March 31, 2002, e.Deal sold 2,500,000 shares of common stock in a public offering for net proceeds of $250,000. Each share of common stock came with a warrant to purchase one share of common stock at $0.20 per share. The 2,500,000 warrants are exercisable for a period of 36 months from the date of issuance, which was October 17, 2001 (see Note 5). All of the warrants remain outstanding.

On August 5, 2002, the Company issued 600,625 shares of restricted common stock to Entheos Technologies, Inc., a Company with the same director and majority shareholder as this Company, in lieu of a cash payment of $48,050 for web development and web hosting services received. The number of shares issued to satisfy its debt to Entheos Technologies, Inc. was calculated based on the most recent quoted market closing price of e.Deal s common stock ($0.08 per share) (see Note 5).

On August 5, 2002, the Company issued 300,000 shares of restricted common stock to Equityalert.com, Inc., a wholly owned subsidiary of Innotech Corporation, a company with the same director and majority shareholder as this Company, for marketing and advertising services valued at $24,000. The number of shares issued was calculated by dividing the fee by $0.08, the most recent closing price of the Company s common stock. The shares were subsequently cancelled on February 4, 2003 due to the services not being performed as agreed (see Note 5).

(c)

Nature of Operations

e.Deal is a development stage company whose initial activities have been devoted to developing a business plan, negotiating contracts and raising capital for future operations and administrative functions. e.Deal has focused its efforts in the development of its online auto auction site at www.edeal.net. The site is an online destination for consumers and automotive professionals seeking information on all makes of cars and trucks. e.Deal provides a venue to buy and sell pre-owned vehicles; how to buy the right used vehicle, and how to sell a used vehicle. Helpful features include reviews on new and used vehicles, links to other automotive related sites, notices of safety and recalls by e-mail alert, safety tips, maintenance tips, specials on parts and service, quotes on insurance, financing sources, automotive dealers, e-mail alters for service reminders, new products and accessories.

The ability of e.Deal to achieve its business objectives is contingent upon its success in raising additional capital until such time as revenues are realized from operations (see Note 3).

2.

Summary of Significant Accounting Policies

(a)

Development Stage Company

A business is defined as a development stage company if it is devoting substantially all of its efforts to establishing a new business and its planned principal operations either (i) have not commenced or (ii) have commenced, but have not produced any significant revenues (see Note 3).

(b)

Accounting Method

The Company uses the accrual method of accounting for financial statement and tax return purposes.

(c)

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles in the United State of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Management makes its best estimate of the ultimate outcome for these items based on historical trends and other information available when the financial statements are prepared. Changes in estimates are recognized in accordance with the accounting rules for the estimate, which is typically in the period when new information becomes available to management. Actual results could differ from those estimates.

(d)

Related Party Transactions

A related party is generally defined as (i) any person and their immediate families that holds 10% or more of the Company s securities, (ii) the Company s management, (iii) someone that directly or indirectly controls, is controlled by or is under common control with the Company, or (iv) anyone who can significantly influence the financial and operating decisions of the Company. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties.

(e)

Fair Value of Financial Instruments

For certain of the Company s financial instruments, including cash, accounts payable, accrued expenses and notes payable, the carrying amounts approximate fair value due to their short maturities and approximate market interest rates of these instruments.

(f)

Cash and Cash Equivalents

The Company considers all highly liquid instruments purchased with an original maturity of three months or less to be cash equivalents. There were no cash equivalents at March 31, 2004.

(g)

Computer Equipment

Computer equipment is stated at cost and is depreciated under the straight-line method over the estimated useful lives of the asset. Expenditures for betterments and additions are capitalized, while replacement, maintenance and repairs, which do not extend the lives of the respective assets, are charged to expense when incurred.

(h)

Income Taxes

The Company accounts for income taxes under the provisions of Statement of Financial Accounting Standards (SFAS No. 109, *Accounting for Income Taxes* . Under SFAS No 109, differed income tax assets and liabilities are computed for differences between the financial statements and tax bases of assets and liabilities that will result in taxable or deductible amounts in the future, based on enacted tax laws and rates applicable to the periods in which the differences are expected to affect taxable income. Valuation allowances are established when necessary to reduce deferred income tax assets to the amount expected to be realized. Income tax expense is the tax payable or refundable for the period plus or minus the change during the period in deferred tax assets and liabilities.

(i)

Advertising Expenses

The Company expenses advertising costs as incurred. There were no advertising expenses incurred by the Company for the years ended March 31, 2004 and 2003.

(j)

Earnings Per Share

Basic earnings or loss per share is based on the weighted average number of common shares outstanding. Diluted earnings or loss per share is based on the weighted average number of common shares outstanding and dilutive common stock equivalents. Basic earnings/loss per share is computed by dividing net loss (numerator) applicable to common stockholders by the weighted average number of common shares outstanding (denominator) for the period. All earnings or loss per share amounts in the financial statements are basic earnings or loss per share, as defined by SFAS No 128, *Earnings Per Share*. Diluted earnings or loss per share does not differ materially from basic earnings or loss per share for all periods presented. Convertible securities that could potentially dilute basic earnings (loss) per share in the future, such as warrants, were not included in the computation of diluted earnings (loss) per share because to do so would be antidilutive. All per share and per share information are adjusted retroactively to reflect stock splits and changes in par value, when applicable.

(k)

Stock-Based Compensation

The Company accounts for stock-based compensation using the intrinsic value method prescribed in Accounting Principles Board Opinion No. 25, *Accounting for Stock Issued to Employees*. Compensation cost for stock options, if any, is measured as the excess of the quoted market price of the Company s stock at the date of grant over the amount an employee must pay to acquire the stock. SFAS No. 123, "A*ccounting for Stock-Based Compensation* established accounting an disclosure requirements using a fair-value-based method of accounting for stock-based employee compensation plans. The company has elected to remain on its current method of accounting as described above, and has adopted the *pro forma* disclosure requirements of SFAS No. 123.

(l)

Comprehensive Income

The Company includes items of other comprehensive income by their nature in a financial statement and displays the accumulated balance of other comprehensive income separately from retained earnings and additional paid-in capital in the equity section of the balance sheet.

(m)

Foreign Currency Translation

Transaction gains and losses that arise from exchange rate fluctuations on transactions denominated in a currency other than the local functional currency are included in the results of operations.

(n)

Long-Lived Assets

Long-lived assets and certain identifiable intangibles to be held and used by the Company are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. The Company continuously evaluates the recoverability of its long-lived assets based on estimated future cash flows and the estimated liquidation value of such long-lived assets, and provides for impairment if such undiscounted cash flows are insufficient to recover the carrying amount of the long-lived assets. If impairment exists, an adjustment is made to write the asset down to its fair value and a loss is recorded as the difference between the carrying value and fair value. Fair values are determined based on quoted market value, discounted cash flows, or internal and external appraisals, as applicable. Assets to be disposed of, when applicable, are carried at the lower of carrying value or estimated net realizable value.

(o)

Reclassification

Certain prior period amounts have been reclassified to conform to the current period presentation.

(p)

Recent Accounting Pronouncements

The Financial Accounting Standards Board (FASB) has issued the following pronouncements, none of which are expected to have a significant affect on the financial statements:

In January 2003, the FASB issued FASB Interpretation No. 46 (FIN 46), *Consolidation of Variable Interest Entities, an Interpretation of ARB No. 51.* FIN 46 requires certain variable interest entities to be consolidated by the primary beneficiary of the entity if the equity investors in the entity do not have the characteristics of a controlling financial interest or do not have sufficient equity at risk for the entity to finance its activities without additional subordinated financial support from other parties. FIN 46 is effective for all new variable interest entities created or acquired after January 31, 2003. For variable interest entities created or acquired prior to February 1, 2003, the provisions of FIN 46 must be applied for the first interim or annual period beginning after June 15, 2003.

In April 2003, the FASB issued SFAS No. 149, *Accounting for Amendment of Statement 133 on Derivative Instruments and Hedging Activities,* which amends and clarifies financial accounting and reporting for derivative instruments, including certain derivative instruments embedded in other contracts and for hedging activities under FASB Statement No. 133, *Accounting for Derivative Instruments and Hedging Activities.* This Statement is generally effective for contracts entered into or modified after June 30, 2003, and all provisions should be applied prospectively. This Statement does not affect the Company.

In May 2003, the FASB issued SFAS No. 150, *Accounting for Certain Financial Instruments with Characteristics of Both Liabilities and Equity,* which establishes standards for how an issuer classifies and measures certain financial instruments with characteristics of both liabilities and equity. It requires that an issuer classify a financial instrument that is within its scope as a liability (or an asset in some circumstances). This Statement is effective for financial instruments entered into or modified after May 31, 2003, and otherwise is effective at the beginning of the first interim period beginning after June 15, 2003. It is to be implemented by reporting the cumulative effect of a change in an accounting principle for financial instruments created before the issuance date of the Statement and still existing at the beginning of the interim period of adoption. Restatement is not permitted. This Statement does not affect the Company.

In December 2003, the FASB issued SFAS No. 132(R), a revision to SFAS No. 132, *Employers Disclosure about Pensions and Other Post-Retirement Benefits.* SFAS No. 132(R) requires additional disclosures about the assets, obligations, cash flows and net periodic benefit cost of defined benefit pension plans and other defined benefit post-retirement plans. SFAS No. 132(R) is effective for financial statements with fiscal years ending after December 15, 2003, with the exception of disclosure requirements related to foreign plans and estimated future benefit payments which are effective for fiscal years ending after June 15,2 004. The adoption of SFAS 132(R) does not have an impact on the Company s financial position or results of operations.

In December 2003, the American Institute of Certified Public Accountants and Securities and Exchange Commission (SEC) expressed the opinion that rate-lock commitments represent written put options , and therefore be valued as a liability. The SEC expressed that they expect registrants to disclose the effect on the financial statement of recognizing the rate-lock commitments as written put options, for quarters commencing after March 15, 2004. Additionally, the SEC recently issued Staff Accounting Bulletin (SAB) No 105. SAB No. 105 clarifies the SEC s position that the inclusion of cash flows from servicing or ancillary income in the determination of the fair value of interest rate lock commitments is not appropriate. SAB No 105 is effective for loan commitments entered inor on or after April 1, 2004. The adoption of SAB No. 105 does not have an impact on the Company s consolidated financial statements.

(q)

Pending Accounting Pronouncements

It is anticipated that current pending accounting pronouncements will not have an adverse impact on the financial statements of the Company.

3.

Going Concern

The Company has been a development stage company and has incurred net operating losses since inception (November 6, 1998). The accompanying financial statements have been prepared in conformity with generally accepted accounting principles in the United States of America, which contemplates continuation of the Company as a going concern, which is dependent upon the Company s ability to establish itself as a profitable business.

Due to the start up nature of the Company s business, the Company expects to incur losses as it expands. To date, e.Deal s cash flow requirements have been primarily met by debt and equity financings. Management believes it has sufficient cash flow to meet its capital requirements for at least the next twelve months. If e.Deal is unable to generate profits or unable to obtain additional funds for its working capital needs, it may have to cease operations.

Management is devoting substantially all of its present efforts in securing and establishing a new business and has not generated any revenues. To meet these objectives, the Company expects to raise additional funds through private or public equity investment in order to expand the range and scope of its business operations, but there is no assurance that such additional funds will be available for the Company to finance its operations on acceptable terms, if at all. Furthermore, there is no assurance the net proceeds from any successful financing arrangement will be sufficient to cover cash requirements during the initial stages of the Company s operations.

The continued existence of the Company is dependent upon its ability to meet financing requirements and the success of future operations. These factors raise substantial doubt about the Company s ability to continue as a going concern. Management believes that actions presently taken to revise the company s operating and financial requirements provide the opportunity for the Company to continue as a going concern. The Company s ability to achieve these objectives cannot be determined at this time.

4.

Computer Equipment

Computer equipment is stated at a cost of $5,672, an accumulated depreciation of $3,306, and a net book value of $2,366. Depreciation expense for the fiscal years ended March 31, 2004 and 2003 was $568 and $1,506 respectively, and for the period from inception (November 6, 1998) to March 31, 2004 was $3,306.

5.

Related Party Transactions

(a)

Notes payable at March 31, 2004, represent four separate loans bearing interest at 7.25% per annum advanced to the Company by its former President, Herdev S. Rayat on the following dates: February 13, 2001 ($40,000); April 24, 2001 ($40,000); June 8, 2001 ($20,000); and July 26, 2001 ($10,000). The entire principal amount and accrued interest is due and payable on demand. Accrued interest on the above notes amounted to $19,938 as of March 31, 2004. Interest expense was $7,975 and $7,975 as of March 31, 2004 and 2003 respectively, and $23,594 for the period from inception (November 6, 1998) to March 31, 2004.

(b)

Accrued Management Fees

Accrued management fees of $162,945 represent amounts owed to Harmel S. Rayat, Secretary, Treasurer and Director of the Company, and Herder S. Rayat, former President, CEO and Director, in amounts of $61,612 and $101,333, respectively. Neither Harmel S. Rayat nor Herder S. Rayat has a written agreement with the Company for management and consulting services provided.

Management and consulting fees for the year ended March 31, 2004 and 2003 were $30,000 and $77,000 respectively, and $185,418 for the period from inception (November 6, 1998) to March 31, 2004. Management and consulting fees incurred for services rendered by directors and officers for the years ended March 31, 2004 and 2003 were as follows:

(i)

Harmel S. Rayat, Secretary, Treasury and Director ($30,000 and $40,000 respectively);

(ii)

Terri DuMoulin, President and Director ($0 and $5,000 respectively); and

(iii)

Herdev S. Rayat, the former President, CEO and Director ($0 and $32,000 respectively).

The Company has not converted any debt to equity.

(c)

Change In Control

On December 19, 2002, the Company s former President and majority shareholder, Mr. Herdev S. Rayat, entered into a Stock Purchase and Sales Agreement with Mr. Harmel S. Rayat, Secretary, Treasurer and a Director of the Company. Pursuant to the terms and conditions of the Stock Purchase and Sales Agreement, the controlling interest in the Company was transferred from the majority shareholder to Mr. Harmel S. Rayat. The purchase price was $5,000, representing 5,000,000 shares of common stock at $0.001 per common share.

(d)

Website Fees

On August 5, 2002, the company issued 600,625 shares of restricted common stock to Entheos Technologies, Inc. a company with the same directory and majority shareholder as this Company, in lieu of a cash payment of $48,050 for web development and web hosting services received. The number of shares issued to satisfy its debt to Entheos Technologies, Inc. was calculated based on the most recent quoted closing price of e.Deal s common stock ($0.08 per share).

(e)

Marketing and Advertising Services

On August 5, 2002, the Company issued 300,000 shares of restricted common stock to Equityalert.com, Inc., a wholly owned subsidiary of Innotech Corporation, a company with the same director and majority shareholder as this Company, for marketing and advertising services valued at $24,000. The number of shares issued was calculated by dividing the fee by $0.08, the most recent closing price of the Company s common stock. The shares were cancelled on February 4, 2003 due to the services not being performed as agreed.

(f)

Properties

During the fiscal year ended March 31, 2004, and to date, the Company s office is located at Suite 216, 1628 West 1st Avenue, Vancouver, B.C., Canada V6J 1G1. These premises are owned by a private corporation controlled by a director and majority shareholder. The Company does not pay any rent and the fair market value of the rent has not been included in the financial statements because the amount is immaterial.

(g)

Warrants

Warrants held by family members, including the Company s majority stockholder, total 1,170,000, which entitle the holder to purchase one share of common stock at $0.20 per share and expire in October 2004.

6.

Income Taxes

There is no current or deferred tax expense due to the Company s loss position and the benefits of timing differences have not been previously recorded. The deferred tax consequences of temporary differences in reporting items for financial statement and income tax purposes are recognized, as appropriate. Realization of the future tax benefits related to the deferred tax assets is dependent on many factors, including the Company s ability to generate taxable income within the net operating loss carryforward period. Management has considered these factors in reaching its conclusion as to the valuation allowance for financial reporting purposes and has recorded a 100% valuation allowance against the deferred tax asset.

A reconciliation of expected federal income tax expense (benefit) based on the U.S. corporate income tax rate of 34% to actual expense 9benefit) for 2004 and 2003 is as follows:

	2004	2003	Inception
Expected federal income tax benefit	$ 23,800	$ 51,000	$ 190,400
Increase in valuation allowance	(23,800)	(51,000)	(190,400)
Income tax expense	-	-	-

At March 31, 2004, non-current deferred tax asset of approximately $190,400 results from the deferred tax benefit of net operating loss carryforwards, which have a 100% valuation allowance, as the ability of the Company to general sufficient taxable income in the future is uncertain. There are no other significant tax assets or liabilities.

As of March 31, 2004, the Company has available net operating loss carryforwards for federal income tax purposes of approximately $560,000, which expire through 2024. Pursuant to the Tax Reform Act of 1986, annual utilization of the Company s operating loss carryforwards may be limited if a cumulative change in ownership of more than 50% is deemed to occur within any three-year period.

7.

Operating Leases

Building Lease

Effective September 1, 2001, e.Deal entered into an oral agreement with its former President, Herdev S. Rayat, for the use of certain office facilities and equipment on a month-to-month basis at the rate of $500 per month. The Company s office was located at Suite 214, 1628 West 1st Avenue, Vancouver, B.C., Canada V6J 1G1. During the fiscal year ended March 31, 2003, the Company moved to office located at suite 216, 1628 West 1st Avenue, Vancouver, B.C., Canada V6J 1G1. These premises are owned by a private corporation controlled by a director and majority shareholder. The Company was not obligated to pay any rent for the years ended March 31, 2004 and 2003.

Rent expense for the years ended March 31, 2004 and 2003 was $0 and $0 respectively, and $27,631 for the period from inception (November 6, 1998) to March 31, 2004.

8.

Stock Option Plan

During the fiscal year ended March 31, 2004, the Board of Directors approved the 2003 Stock Option Plan (Plan) and reserved 5,000,000 shares for issuance thereunder. The objectives of the Plan include attracting and retaining the best personnel, providing for additional performance incentives, and promoting the success of the Company be providing directors and key employees the opportunity to acquire common stock. No options have been granted under the Plan as of the date of issuance of these financial statements.

ITEM 8: CHANGE IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

We have had no disagreements with our certified public accountants with respect to accounting practices, procedures or financial disclosure.

ITEM 8a: CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

It is the Chief Executive Officer s and the Principal Financial Officer s responsibility to ensure that we maintain disclosure controls and procedures designed to provide reasonable assurance that material information, both financial and non-financial, and other information required under the securities laws to be disclosed is identified and communicated to senior management on a timely basis. Our disclosure controls and procedures include periodic management meetings to ensure communication of reportable events, receipt of ongoing advice from legal council and outside auditors on new legislation and updating, if required, the Company s disclosure controls and procedures.

Changes in Internal Controls

During the fourth quarter of fiscal year ended March 31, 2004, the management of the Company, including the Chief Executive Officer and the Principal Financial Officer, evaluated the Company s disclosure controls and procedures. Under rules promulgated by the SEC, disclosure controls and procedures are defined as those "controls or other procedures of an issuer that are designed to ensure that information required to be disclosed by the issuer in the reports filed or submitted by it under the Exchange Act is recorded, processed, summarized and reported, within the time periods specified in the Commission s rules and forms." There have been no significant changes in internal controls, or in factors that could significantly affect internal controls, subsequent to the date that management, including the Chief Executive Officer and the Principal Financial Officer, completed their evaluation.

PART III

ITEM 9: DIRECTORS AND EXECUTIVE OFFICERS, PROMOTERS AND CONTROL PERSONS; COMPLIANCE WITH SECTION 16(a) OF THE EXCHANGE ACT

Set forth below is certain information regarding each of the directors and officers of the Company:

TERRI DuMOULIN (Age 37). President and CEO. Ms. DuMoulin has had extensive experience in the investment field dealing with early stage companies. Between June 1995 and October 1996, she worked as a licensed investment advisor s assistant at Canaccord Capital Corp., before taking on the duties of an office manager for a private management firm dealing with junior resource companies during October 1996 through November 1997. During the period from November 1997 through August 2002, she worked as a licensed investment advisor and trader specializing in institutional and high net worth investor trading at several Canadian investment dealers, most recently with Golden Capital Securities Ltd. Since August 2002 to present, Ms. DuMoulin has served as a director and secretary of Greystoke Venture Capital Inc., a private investment firm. Ms. DuMoulin also serves as a Secretary, Treasurer and Director of Entheos Technologies, Inc. Ms. DuMoulin has served as a Director of the Company since December 20th, 2002.

HARMEL S. RAYAT (Age 43). Secretary, Treasurer and Director. Mr. Rayat has been in the venture capital industry since 1981. Between January 1993 and April 2001, Mr. Rayat served as the president of Hartford Capital Corporation, a company that provided financial consulting services to emerging growth corporations. From April 2001 through January 2002, Mr. Rayat acted as an independent consultant advising small corporations. Since January 2002, Mr. Rayat has been president of Montgomery Asset Management Corporation, a privately held firm providing financial consulting services to emerging growth corporations. Mr. Rayat is also a Director of Enterprise Technologies, Inc, Entheos Technologies, Inc. and HepaLife Technologies. Mr. Rayat has served as a Director of the Company since July 24th, 2002.

On October 23, 2003, Mr. Harmel S. Rayat, EquityAlert.com, Inc., Innotech Corporation and Mr. Bhupinder S. Mann, collectively the respondents, consented to a cease-and-desist order pursuant to Section 8A of the Securities Act of 1933. Without admitting or denying the findings of the Securities and Exchange Commission related to the public relation and stock advertising activities of EquityAlert.com, Inc. and Innotech Corporation, the respondents agreed to cease and desist from committing or causing any violations and any future violations of Section 5(a) and 5(c) of the Securities Act of 1933. EquityAlert.com, Inc. and Innotech Corporation agreed to pay disgorgement and prejudgment interest of $31,555.14. On August 8, 2000, Mr. Harmel S. Rayat and EquityAlert.com, Inc., without admitting or denying the allegations of the Securities and Exchange Commission that EquityAlert.com, Inc did not disclose certain compensation received by it in connection with stock advertisements and promotions, consented to the entry of a permanent injunction enjoining them from violating Section 17(b) of the Securities Act of 1933; in addition, each agreed to pay a civil penalty of $20,000.

Compliance With Section 16(a) of the Exchange Act

Section 16(a) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), requires the Company's directors, officers and persons who own more than 10 percent of a registered class of the Company's equity securities, to file reports of ownership and changes in ownership with the Securities and Exchange Commission ("the Commission"). Directors, officers and greater than 10 percent beneficial owners are required by applicable regulations to furnish the Company with copies of all forms they file with the Commission pursuant to Section 16(a). Based solely upon a review of the copies of the forms furnished to the Company, the Company believes that during the fiscal year ended March 31, 2004 the Section 16(a) filing requirements applicable to its directors and executive officers were satisfied.

ITEM 10: EXECUTIVE COMPENSATION

Remuneration and Executive Compensation

The following table shows, for the three-year period ended March 31, 2004, the cash compensation paid by the Company, as well as certain other compensation paid for such year, to the Company's Chief Executive Officer and the Company's other most highly compensated executive officers. Except as set forth on the following table, no executive officer of the Company had a total annual salary and bonus for the fiscal year ended March 31, 2004 that exceeded $100,000.

Summary Compensation Table

Name and Principal Position	Year	Salary	Bonus	Other	Securities Underlying Options Granted	All Other Compensation
Terri DuMoulin	2004	$0	$0	$3,100		

0

$0

CEO, President,

2003

$5,000

$0

$0

0

$0

Director

2002

$0

$0

$0

0

$0

Harmel S. Rayat

2004

$30,000

$0

$0

0

$0

Chairman, Director

2003

$40,000

$0

$0

0

$0

2002

$0

$0

$0

0

$0

Harvinder Dhaliwal (1)

2004

$0

$0

$0

0

$0

Former Secretary,

2003

$0

$0

$0

0

$0

Treasurer, Director

2002

$0

$0

$0

0

$0

Herdev Rayat (2)

2004

$0

$0

$0

0

$0

Former President,

2003

$32,000

$0

$0

0

$0

and Director

2002

$32,000

$0

$0

0

$0

(1) Not re-elected as a Director on October 31, 2003

(2) Resigned as President and Director on December 20, 2002

Stock Option Grants in the Fiscal Year Ended March 31, 2004

Shown below is further information regarding employee stock options awarded during the fiscal year ended March 31, 2004 to the named officers and directors:

Number of

% of Total

Securities

Options Granted

Underlying

to Employees

Exercise

Expiration

Name

Options

in 2004

Price ($/sh)

Date

Terri DuMoulin

0

0

n/a

n/a

Harmel S. Rayat

0

0

n/a

n/a

Harvinder Dhaliwal*

0

0

n/a

n/a

* Not re-elected as a Director on October 31, 2003

Aggregated Option Exercises during Last Fiscal Year and Year End Option Values

The following table shows certain information about unexercised options at year-end with respect to the named officers and directors:

	Common Shares Underlying Unexercised Options on March 31, 2004		Value of Unexercised In-the-money Options on March 31, 2004	
Name	Exercisable	Unexercisable	Exercisable	Unexercisable
Terri DuMoulin	0	0	0	0
Harmel S. Rayat				

0

0

0

0

Harvinder Dhaliwal*

0

0

0

0

* Not re-elected as a Director on October 31, 2003

ITEM 11: SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

The following table sets forth, as of June 4, 2004, the beneficial ownership of the Company's Common Stock by each director and executive officer of the Company and each person known by the Company to beneficially own more than 5% of the Company's Common Stock outstanding as of such date and the executive officers and directors of the Company as a group.

Number of Shares

Person or Group

of Common Stock

Percent

Harmel S. Rayat (1) (2)

6,380,625

76%

216-1628 West First Avenue

Vancouver, B.C. V6J 1G1 Canada

Terri DuMoulin

0

0%

216-1628 West First Avenue

Vancouver, B.C. V6J 1G1 Canada

Harvinder Dhaliwal (3)

0

0%

216-1628 West First Avenue

Vancouver, B.C. V6J 1G1 Canada

Directors and Executive Officers

6,380,625

76%

as a group (3 persons)

(1)

Includes 600,625 shares issued to Entheos Technologies for web development and hosting services. Mr. Rayat, Secretary and Treasurer of the Company, is also a Director and majority shareholder of Entheos Technologies. Additionally, other members of Mr. Rayat's family hold 780,000 shares and 780,000 share purchase warrants. Mr. Rayat disclaims beneficial ownership of the shares and share purchase warrants beneficially owned by other family members.

(2)

Includes 390,000 share purchase warrants.

(3)

Not re-elected as a Director on October 31, 2003

ITEM 12: CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

<u>Accrued Management Fees</u>

Accrued management fees of $162,945 represent amounts owed to Harmel S. Rayat, Secretary, Treasurer and Director of the Company, and Herder S. Rayat, former President, CEO and Director, in amounts of $61,612 and $101,333, respectively. Neither Harmel S. Rayat nor Herder S. Rayat has a written agreement with the Company for management and consulting services provided.

Management and consulting fees for the year ended March 31, 2004 and 2003 were $30,000 and $77,000 respectively, and $185,418 for the period from inception (November 6, 1998) to March 31, 2004. Management and consulting fees incurred for services rendered by directors and officers for the years ended March 31, 2004 and 2003 were as follows:

(i)

Harmel S. Rayat, Secretary, Treasury and Director ($30,000 and $40,000 respectively);

(ii)

Terri DuMoulin, President and Director ($0 and $5,000 respectively); and

(iii)

Herdev S. Rayat, the former President, CEO and Director ($0 and $32,000 respectively).

The Company has not converted any debt to equity.

<u>Notes Payable</u>

Notes payable at March 31, 2004, represent four separate loans bearing interest at 7.25% per annum advanced to the Company by its former President, Herdev S. Rayat on the following dates: February 13, 2001 ($40,000); April 24, 2001 ($40,000); June 8, 2001 ($20,000); and July 26, 2001 ($10,000). The entire principal amount and accrued interest is due and payable on demand. Accrued interest on the above notes amounted to $19,938 as of March 31, 2004. Interest expense was $7,975 and $7,975 as of March 31, 2004 and 2003 respectively, and $23,594 for the period from inception (November 6, 1998) to March 31, 2004.

<u>Properties</u>

During the fiscal year ended March 31, 2004, and to date, the Company s office is located at Suite 216, 1628 West 1st Avenue, Vancouver, BC V6J 1G1. These premises are owned by a private corporation controlled by a director and majority shareholder. At present, the Company pays no rent. The fair value of the rent has not been included in the financial statements because the amount is immaterial.

Warrants

Warrants held by family members, including the Company s majority stockholder, total 1,170,000, which entitle the holder to purchase one share of common stock at $0.20 per share and expire in October 2004.

ITEM 13: EXHIBITS AND REPORTS ON FORM 8-K

(a) The following exhibits are filed as part of this Annual Report:

10.1*

S-8 Filing on October 2, 2003

31.1

Certification of the Chief Executive Officer pursuant to Rule 13a-14(a)

31.2

Certification of the Chief Financial Officer pursuant to Rule 13a-14(a)

32.1

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

32.2

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

* Previously filed

(b) During the Company s fourth fiscal quarter, the following reports were filed on Form 8-K:

January 12, 2004: e.Deal.net, Inc. dismissed Clancy and Co., P.L.L.C., which audited the Company's financial statements for the last two fiscal years ended March 31, 2003, and appointed Moore Stephens Ellis Foster Ltd., LLP to act as the Company's independent auditors, effective that same date.

March 23, 2003: e.Deal.net, Inc., announced that it has teamed up with 4 Truck-Accessories.com to provide online access to a large array of truck accessories.

ITEM 14: PRINCIPAL ACCOUNTANT FEES AND SERVICES

The firm of Clancy and Co., P.L.L.C, served as the Company's independent public accountants from July 30, 2002 to September 30, 2003, until their dismissal on January 12th, 2004. The firm of Moore Stephens Ellis Foster Ltd. currently serves as the Company's independent accountants. The Board of Directors of the Company, in its discretion, may direct the appointment of different public accountants at any time during the year, if the Board believes that a change would be in the best interests of the stockholders. The Board of Directors has considered the audit fees, audit-related fees, tax fees and other fees paid to the Company's accountants, as disclosed below, and had determined that the payment of such fees is compatible with maintaining the independence of the accountants.

Audit Fees: The aggregate fees, including expenses, billed by the Company's principal accountant in connection with the audit of our consolidated financial statements for the most recent fiscal year and for the review of our financial information included in our Annual Report on Form 10-KSB; and our quarterly reports on Form 10-QSB during the fiscal years ending March 31, 2004 and March 31, 2003 were $7,917 and $8,617 respectively.

Tax fees: The aggregate fees billed to the Company for tax compliance, tax advice and tax planning by the Company s principal accountant for fiscal year ended March 31, 2004 and 2003 were $0 and $800.00 respectively.

All Other Fees: The aggregate fees, including expenses, billed for all other services rendered to the Company by its principal accountant during the fiscal year ended March 31, 2004 and 2003 were $0.00 respectively,.

The Company does not currently have an audit committee.

SIGNATURES

Pursuant to the requirements of Sections 13 or 15 (d) of the Securities and Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized on this 15th day of June, 2004.

e.Deal.net, Inc.

<u>/s/ Terri DuMoulin</u>

Terri DuMoulin

Chief Executive Officer

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in capacities and on the dates indicated.

Signature

Title

Date

/s/ Terri DuMoulin

Director , President,

June 15, 2004

Terri DuMoulin

Chief Executive Officer

/s/ Harmel Rayat

Director, Secretary/Treasurer,

June 15, 2004

Harmel Rayat

Principal Financial Officer

Exhibit 31.1

CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER

Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

I, Terri DuMoulin certify that:

(1) I have reviewed this annual report on Form 10-KSB of e.Deal.net, Inc. (the registrant);

(2) Based on my knowledge, this 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 report;

(3) Based on my knowledge, the financial statements, and other financial information included in this 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 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)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) 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 registrant, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) 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

(d) 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 registrant 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 registrant s internal control over financial reporting.

Date: June 15, 2004

By: /s/ Terri DuMoulin
Terri DuMoulin
President and Chief Executive Officer

Exhibit 31.2

CERTIFICATION OF PRINCIPAL FINANCIAL OFFICER

Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

I, Harmel Rayat, certify that:

(1) I have reviewed this annual report on Form 10-KSB of e.Deal.net, Inc. (the registrant);

(2)

Based on my knowledge, this 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 report;

(3) Based on my knowledge, the financial statements, and other financial information included in this 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 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)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) 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 registrant, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) 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

(d) 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 registrant 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 registrant s internal control over financial reporting.

Date: June 15, 2004 By: /s/ Harmel Rayat

Harmel Rayat
Principal Financial Officer

Exhibit 32.1

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

In connection with the Annual Report of e.Deal.net, Inc. (the Company) on the Form 10-KSB for the period ending March 31, 2004 as filed with the Securities and Exchange Commission on the date hereof (the Report), I, Terri DuMoulin, President and Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. ss. 1350, as adopted pursuant to ss.906 of the Sarbanes-Oxley Act of 2002, that:

(i)

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

(ii)

The information contained in that Report fairly presents, in all material respects, the financial condition and results of operations of the Company on the dates and for the periods presented therein.

E.DEAL.NET, INC.

Date: June 15, 2004 By: /s/ Terri DuMoulin

Terri DuMoulin
President and Chief Executive Officer

This certification accompanies this Report pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 and shall not be deemed filed by the Company for purposes of Section 18 of the Securities Exchange Act of 1934, as amended. A signed original of this written statement required by Section 906, or other document authenticating, acknowledging, or otherwise adopting the signature that appears in typed form within the electronic version of this written statement required by Section 906, has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

Exhibit 32.2

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

In connection with the Annual Report of e.Deal.net, Inc. (the Company) on the Form 10-KSB for the period ending March 31, 2004 as filed with the Securities and Exchange Commission on the date hereof (the Report), I, Harmel S. Rayat, Principal Financial Officer of the Company, certify, pursuant to 18 U.S.C. ss. 1350, as adopted pursuant to ss.906 of the Sarbanes-Oxley Act of 2002, that:

(i)

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

(ii)

The information contained in that Report fairly presents, in all material respects, the financial condition and results of operations of the Company on the dates and for the periods presented therein.

E.DEAL.NET, INC.

Date: June 15, 2004	By:	/s/ Harmel S. Rayat
		Harmel S. Rayat
		Principal Financial Officer

This certification accompanies this Report pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 and shall not be deemed filed by the Company for purposes of Section 18 of the Securities Exchange Act of 1934, as amended. A signed original of this written statement required by Section 906, or other document authenticating, acknowledging, or otherwise adopting the signature that appears in typed form within the electronic version of this written statement required by Section 906, has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.