

WESTSPHERE ASSET CORP INC
Form 10QSB
November 14, 2002

U.S. SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-QSB

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

For the quarterly period ended: September 30, 2002

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 0-32051

WESTSPHERE ASSET CORPORATION, INC.

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

COLORADO	98-0233968
(State or other jurisdiction of incorporation or organization)	(IRS Employer Identification No.)

1528-9th Ave S.E.

Calgary, Alberta Canada T2G 0T7

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

NOT APPLICABLE

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

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

Yes No

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

28,473,140 shares of Common Stock, no par value, as of October 31, 2002.

Transitional Small Business Disclosure Format

(check one): Yes No

PART I - FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

WESTSPHERE ASSET CORPORATION, INC.

INDEX TO CONSOLIDATED FINANCIAL STATEMENTS

	Page
Consolidated Financial Statements:	
Consolidated Balance Sheet	3
Consolidated Statements of Operations	4 to 5
Consolidated Statement of Cash Flows	6
Notes to Financial Statements	7 to 8

WESTSPHERE ASSET CORPORATION, INC.

Consolidated Balance Sheet

<i>ASSETS</i>		September 30, 2002 <i>(Unaudited)</i>		December 31, 2001 Restated (Note 1)
CURRENT ASSETS				
Cash and cash equivalents	\$	163,143	\$	134,004
Accounts receivable		206,146		144,924
Current portion of long term receivable - related party		7,202		7,145
Inventory		163,384		116,060
Prepaid expense and deposit		86,334		11,623
Current portion of mortgage receivable		35,735		35,452
Total current assets		661,944		449,208
Property and equipment, net of \$78,947 and \$128,842 depreciation		286,996		380,686
Patent and trademarks, net of \$2,628 and \$2,357 amortization		92,299		91,568
Mortgage receivable		260,072		280,053
Deferred site development costs, net of \$23,882 and \$16,255 amortization		12,713		20,179
Non-current loans and in-house financial receivables		90,102		92,686
Future tax benefits		2,373		2,354
Other investments		168,031		3
Total assets	\$	1,574,530	\$	1,316,737

LIABILITIES AND STOCKHOLDERS' EQUITY				
CURRENT LIABILITIES				
Accounts payable	\$	381,505	\$	375,755
Deposit payable		412		67,016
Current portion of debenture payable		--		16,969
Income tax payable		--		3,153
Total current liabilities		381,917		462,893
Minority interests				
Minority interests		1,349		1,323
Shareholder loan - related parties		207,098		50,280
Convertible debentures		91,844		166,338
Non-current lease obligation		14,214		2,578
Total liabilities		696,422		683,412
COMMITMENTS AND CONTINGENCIES				
		--		--
STOCKHOLDERS' EQUITY				
Common stock - authorized 75,000,000 shares, no par value; 28,473,140 shares issued and outstanding at September 30, 2002 and 20,268,027 at December 31, 2001		1,235,573		934,332
Common stock warrants		190,285		190,285
Accumulated other comprehensive income		(38,499)		(38,311)
Accumulated deficit		(509,251)		(452,981)
Total stockholders' equity		878,108		624,259

Total liabilities and stockholders' equity	\$	1,574,530		1,316,737
--	----	-----------	--	-----------

3

WESTSPHERE ASSET CORPORATION, INC.

Consolidated Statements of Operations
For the Three Months Ended September 30, 2002, and 2001
(Unaudited)

		2002		2001 (Note 1)
Revenue				
Sales	\$	788,677	\$	217,561
Financing income		--		5,505
Consulting fee income		--		5,438
Total revenue		788,677		228,504
Cost of goods sold		518,283		64,697
Gross profit		270,394		163,807
Expenses				
Consulting fees		3,588		67,230
Salaries and benefits		102,394		55,591
Depreciation and amortization		19,957		4,416
Travel		19,909		12,318
Other administrative costs		83,904		63,945
Total expenses		229,752		203,500
Income (loss) from operations		40,642		(39,693)

Other income:				
Interest income		3,788		--
Interest expense		(6,333)		(4,602)
Net income (loss)	\$	38,097	\$	(44,295)
Net income (loss) per common share	\$	*	\$	*
* Less than \$(.01) per share.				
Weighted average shares outstanding		25,338,326		20,834,696
Other comprehensive income:				
Net income (loss)	\$	38,097	\$	(44,295)
Foreign currency translation adjustment		(26,162)		(7,886)
Total comprehensive income (loss)	\$	11,935	\$	(52,181)

4

WESTSPHERE ASSET CORPORATION, INC.

*Consolidated Statements of Operations**For the Nine Months Ended September 30, 2002, and 2001**(Unaudited)*

		2002		2001 (Note 1)
Revenue				
Sales	\$	1,907,531	\$	867,257

Edgar Filing: WESTSPHERE ASSET CORP INC - Form 10QSB

Financing income		4,531		23,402
Consulting fee income		--		1,072
Total revenue		1,912,062		891,731
Cost of goods sold		1,225,041		315,051
Gross profit		687,021		576,680
Expenses				
Consulting fees		65,270		86,328
Salaries and benefits		289,459		192,132
Depreciation and amortization		69,988		52,600
Travel		63,677		106,667
Other administrative costs		295,271		195,155
Total expenses		783,665		632,882
(Loss) from operations		(96,644)		(56,202)
Other income:				
Interest income		53,461		2,997
Interest expense		(13,087)		(2,860)
Net (loss)	\$	(56,270)	\$	(56,065)
Net (loss) per common share	\$	*	\$	*
* Less than \$(.01) per share.				

Weighted average shares outstanding		21,164,365		20,233,725
Other comprehensive income:				
Net (loss)	\$	(56,270)	\$	(56,065)
Foreign currency translation adjustment		(188)		(9,227)
Total comprehensive income (loss)	\$	(56,458)	\$	(65,292)

5

WESTSPHERE ASSET CORPORATION, INC.

Consolidated Statements of Cash Flows
For the Nine Months Ended September 30, 2002, and 2001
(Unaudited)

		2002		2001
Cash flows from operating activities:				
Net income (loss) from operations	\$	(56,270)	\$	(56,065)
Reconciling adjustments -				
Depreciation and amortization		61,522		30,490
Expenses paid by issuing stock & options		46,894		--
Changes in operating assets and liabilities -				
Accounts receivable		(60,380)		(70,824)
Direct financing and sale-type leases		--		(4,256)
Inventory		(43,299)		(11,311)
Prepaid expenses and other		(75,010)		(4,233)
Deposit payable		(67,134)		30,263
Accounts payable and accrued liabilities		37,671		(81,731)

Edgar Filing: WESTSPHERE ASSET CORP INC - Form 10QSB

Total adjustments		(99,736)		-111,602
Net cash (used for) operations		(156,006)		-167,667
Cash flows from investing activities:				
Deferred site development cost		--		9,186
Purchase of equipment		(130,908)		(86,415)
Disposal of equipment		174,290		
Investment in subsidiaries		(95,526)		
Other		22,333		10,314
Net cash (used for) investing activities		(29,811)		-66,915
Cash flows from financing activities:				
Issuance of debt		181,522		
Issuance of stock		--		202,756
Repayment of debt		--		-37,227
Net cash provided by financing activities		181,522		165,529
Foreign currency translation adjustment		33,434		(9,277)
Net change in cash and cash equivalents		29,139		-78,330
Cash and cash equivalents at beginning of period		134,004		164,794
Cash and cash equivalents at end of period	\$	163,143	\$	86,464
Supplemental information				
Interest paid	\$	--	\$	--

Income taxes paid	\$	--	\$	--
Non-cash transactions:				
Stock and options issued for investment in subsidiary		66,258		--
Debt repaid by issuing stock		188,089		--

6

WESTSPHERE ASSET CORPORATION, INC.

Notes to Consolidated Financial Statements*September 30, 2002**(Unaudited)*

Note 1 - Financial Statements

The accompanying consolidated financial statements included herein have been prepared by Westsphere Asset Corporation, Inc. (the "Company") without audit, pursuant to the rules and regulations of the Securities and Exchange Commission for reporting on Form 10-QSB. Certain information and footnote disclosure normally included in the financial statements prepared in accordance with generally accepted accounting principles have been condensed or omitted as allowed by such rules and regulations, and Westsphere Asset Corporation, Inc. believes that the disclosures are adequate to make the information presented not misleading. It is suggested that these financial statements be read in conjunction with the December 31, 2001 audited financial statements and the accompanying notes thereto contained in the Annual Report on Form 10-KSB filed with the Securities and Exchange Commission. While management believes the procedures followed in preparing these financial statements are reasonable, the accuracy of the amounts are in some respects dependent upon the facts that will exist, and procedures that will be accomplished by Westsphere Asset Corporation, Inc. later in the year. The results of operations for the interim periods are not necessarily indicative of the results of operations for the full year. In management's opinion all adjustments necessary for a fair presentation of the Company's financial statements are reflected in the interim periods included.

Amounts shown for December 31, 2001 are derived from the Company's audited financial statements for that period.

Note 2 - Summary of Significant Accounting Policies

Organization

The Company was incorporated in Colorado on July 21, 1998 as Newslink Networks TDS, Inc. and changed its name to Westsphere Asset Corporation, Inc. on April 29, 1999. On December 12, 1998, Westsphere acquired 41% of Vencash Capital Corporation (Vencash) and then on December 17, 1999, Westsphere acquired the remaining 59% of the outstanding stock of Vencash by exchanging common stock. The Company accounted for its acquisition of Vencash as a reverse acquisition since certain shareholders were shareholders of both corporations. Vencash is in the business of selling and installing cash vending machines throughout Canada. On May 18, 1999, Westsphere formed a wholly owned subsidiary, Westsphere Financial Group Ltd. (Financial), which was organized to lease cash vending machines. On May 16, 2000, Vencash ATM/POS Services Inc., (formerly VC/POS/ATM Services Inc.) (Services)

and Westsphere Systems Inc. (formerly 880487 Alberta Ltd.) (Systems) were incorporated as wholly owned subsidiaries of Westsphere. Services and Systems had no business activity during this period. On September 23, 1998, Vencash Capital Corporation incorporated Vencash Financial Corporation as a subsidiary, and had no business activity as of September 30, 2002.

On June 1, 1999, Westsphere acquired an interest in Kan-Can Resorts Ltd. (Kan-Can) by exchanging 290,000 shares of its common stock for a 10% interest in Kan-Can. During 2001 the Company acquired additional stock in Kan-Can and owned 99% of the stock at December 31, 2001.

WESTSPHERE ASSET CORPORATION, INC.

Notes to Consolidated Financial Statements

September 30, 2002

(Unaudited)

Note 2 - Summary of Significant Accounting Policies (Continued)

Organization (continued)

On August 1, 2000, Westsphere acquired a 5% interest in E-Debit International, Inc. (E-Debit) for \$1,350 cash. The Company completed the acquisition of an additional 85% interest in E-Debit in 2001. E-Debit is a provider of prepaid debit cards.

During 2002, the Company acquired 36% of Trac POS Processing, Inc, and accounts for its investment under the equity method.

Basis of Consolidation

The consolidated financial statements include the Company and its majority and wholly owned subsidiaries. All significant inter-company accounts and transactions have been eliminated.

Note 3 - Common Stock

During the three months ended March 31, 2002, the Company issued an additional 142,810 shares of its common stock for settlement of legal fees, consulting, and an employment contract.

During the three months ended June 30, 2002, the Company issued 78,333 shares of common stock valued at \$3,133 in settlement of consulting contracts, and 857,152 shares valued at \$34,287, and options valued at \$31,971, to acquire shares of Trac POS processing, Inc.

During the three months ended September 30, 2002, the Company issued 6,269,628 shares of common stock valued at \$188,089 for repayment of debt.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OR PLAN OF OPERATION.

At present, Westsphere Asset Corporation, Inc. ("Westsphere" or the "Company") earns its income through its wholly owned subsidiaries, Vencash Capital Corporation, Westsphere Financial Group Ltd. and Westsphere Systems Inc. Management is of the opinion that Vencash Capital Corporation will generate sufficient revenue from its operations to meet the operating expenses of Vencash Capital and Westsphere itself. However, such revenues will not be sufficient to fund the operating needs of its other subsidiaries, Westsphere Financial Group Ltd. and Westsphere Systems Inc. The Company has sufficient cash flow to cover its operations for the next four months. Capital from equity issues or borrowings of \$80,000 will be required to fund the operations of Westsphere Financial Group to cover the last eight months of the next twelve month period. Thereafter, the Company believes that Vencash Capital will generate sufficient funds to cover the overall operations. All dollar references in this section and in our financial statements are in U.S. dollars.

Plan of Operations

As of September 30, 2002, Westsphere had limited cash resources. Westsphere needs to raise additional funds to meet its cash requirements for the next twelve months. Westsphere intends to raise such funds from the sale of equity securities, borrowings, government grants and partnering with industry in the development of its technologies. Westsphere has been raising funds on an as needed basis from related parties and existing shareholders. These funds are presently booked as convertible debentures with no interest for the first year and an option to convert into equity.

During the quarter ended September 30, 2002, Westsphere advanced funds of \$22,301 to its wholly owned subsidiary, Vencash Capital Corporation, to pay expenses on behalf of Vencash Capital. Westsphere advanced funds of \$21,923 to its majority interest in KanCan Resorts Ltd., to fund short-fall operating expenses. Westsphere advanced funds of \$118 to its majority interest in E-Debit International Inc., to fund short-fall operating expenses. Westsphere advanced funds of \$47,513 to its related company TRAC POS Processing Inc. During such quarter, the Company also received repayment of \$67,824 from its wholly owned subsidiary, Westsphere Financial Group Ltd., and received repayment of \$24,797 from its wholly owned subsidiary, Westsphere Systems Inc., and the Company also received repayment of \$1,051 from its related company Camrose Convention Inn Inc.

Westsphere does not expect to conduct any research and development during the next twelve months, nor does it expect that its subsidiaries will conduct any research and development during such period of time. Westsphere and its subsidiaries do not expect to sell any equipment during the next twelve months. Vencash Capital will continue to build up its capital assets by purchasing and placing more ATMs in the market. Westsphere and its subsidiaries do not expect to have a significant change in the number of employees during the next twelve months.

Short Term

On a short term basis, Westsphere's subsidiary, Vencash Capital Corporation, is expected to generate sufficient revenues to meet the overhead needs of Vencash Capital Corporation and Westsphere. In order to meet its growth plan, Westsphere will continue to be dependent on equity funds raised, joint venture arrangements and/or loan proceeds for the last eight months of the next twelve month period.

Long Term

As mentioned above, Westsphere believes that its subsidiary, Vencash Capital, generates sufficient ongoing revenue to ensure that Westsphere is a going concern. It is anticipated that operations will have substantial increases in net cash flow at the fiscal year ended December 31, 2002. Westsphere will remain reliant on the successful development and marketing of the products related to its business for possibility of future income.

Capital Resources

The primary capital resources of Westsphere are the operations of its wholly owned subsidiary, Vencash Capital. The secondary capital resource will be the sale of shares of Westsphere common stock, which may be illiquid because of resale restrictions and/or as a result of its inability to sustain the growth of its market and the risk of takeover by competitors.

9

Westsphere may thus have to locate debt financing, joint ventures or merger/acquisition candidates to meet its operations expenses and will be required to raise funds by loans, joint ventures or equity financing in order to meet these commitments.

Changes in Securities

As of September 30, 2002, the Company debt settled accounts payable totaling \$23,870 by issuing 795,655 shares to 3 Ocean Investment Inc., at \$0.03 per share. The Company debt settled loans payable totaling \$70,143 by issuing 2,338,095 shares to 5 Crown Investment Corporation, at \$0.03 per share. The Company also debt settled convertible debentures totalling \$94,076 by issuing 577,208 shares to 3 Ocean Investment Inc. at \$0.03 per share, and 5 Crown Investment Corporation 2,558,670 shares at \$0.03 per share.

Other Information - Sale Of Subsidiary

The Corporation has agreed to sell all of the issued and outstanding shares of its subsidiary, Westsphere Systems Inc., to E-One Corp., a Nevada corporation, in exchange for 19% of the total issued and outstanding shares of E-One Corp. E-One Corp. is a fully integrated Internet service provider. E-One Corp. has also agreed to acquire the shares of Darcon Technology Ltd. in exchange for 33% of the total shares of E-One Corp. Darcon Technology Ltd. is an Alberta based Company formed in 1996. Its core business is Computer hardware supply, manufacturing and after sales service. Major customers include Lafarge Canada, City of Quesnel & Environment Canada. Upon closing of the transactions simultaneously with the Corporation and Darcon, E-One Corp. will have the ability to provide such broadband requirements for all related corporate needs at a significant reduced cost. E-One Corp. also intends to become a U.S. public reporting company and have its shares of common stock traded on the OTC/Bulletin Board quotation system within the next six (6) months. As of the date of the filing of this report, the Company has not entered into the definitive agreement for the sale of Westsphere Systems Inc. However, it expects that the agreement will be signed and effective prior to the end of the current fiscal year.

The Corporation believes that it will obtain more value for Westsphere Systems by exchanging its shares for shares of E-One Corp. due to the fact that E-One Corp. will have three (3) potential profit centers which will create value for the company.

The Company will save \$3,800 per month in operation costs after the sale of its wholly owned subsidiary, Westsphere Systems Inc. to E-One Corp.

REPORT OF MANAGEMENT'S RESPONSIBILITY

We maintain disclosure controls and procedures that are designed to ensure that information required to be disclosed in our Exchange Act reports is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms, and that such information is accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosure.

Within 90 days prior to the date of this report, we carried out an evaluation, under the supervision and with the participation of our management, including our Chief Executive Officer and Chief Financial Officer, of the

effectiveness of the design and operation of our disclosure controls and procedures pursuant to Exchange Act Rule 13a-14. Based upon the foregoing, our Chief Executive Officer and our Chief Financial Officer concluded that our disclosure controls and procedures are effective in connection with the filing of this Quarterly Report on Form 10-Q for the quarter ended September 30, 2002.

There were no significant changes in our internal controls or in other factors that could significantly affect these controls subsequent to the date of their evaluation, including any significant deficiencies or material weaknesses of internal controls that would require corrective action.

Prior to the filing date of this quarterly report, the Company had not adopted a complete set of written policies, controls and procedures. The Company is now developing such written document and expects that in the process of such undertaking it will discover internal control policies and practices that the Company should implement and follow that are not part of its current practice.

10

PART II - OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

None.

ITEM 2.

CHANGES IN SECURITIES

None.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

None.

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

None.

ITEM 5. OTHER INFORMATION

None.

ITEM 6. EXHIBITS AND REPORTS ON FORM 8-K

- Exhibits - See Exhibit Index below.
- Reports on Form 8-K - On September 26, 2002, the Company filed with the Securities and Exchange Commission a Current Report on Form 8-K dated September 18, 2002, to disclose under Item 5 the issuance of 4,671,765 shares of its common stock to 5 Crowns Investment Corporation under a Form S-8 Registration Statement. The issuance increased 5 Crowns total holdings in the Company to 6,029,571, which represents 21.2% of the Company's total issued and outstanding shares, and makes 5 Crowns the Company's largest shareholder.

SIGNATURES

In accordance with the requirements of the Exchange Act, the registrant caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

WESTSPHERE ASSET CORPORATION, INC.

By: /s/ Doug MacDonald

Name: Doug MacDonald

Title: President

Date: November 13, 2002

In accordance with the Exchange Act, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

By: /s/ Kim Law

Name: Kim Law

Title: Principal Financial Officer and Accounting Officer

Date: November 13, 2002

11

SECTION 302 CERTIFICATIONS

I, Doug Mac Donald, certify that:

1. I have reviewed this quarterly report of Westsphere Asset Corporation, Inc. (the "Registrant").
2. Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary in order 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 quarterly report.
3. Based on my knowledge, the financial statement, and other financial information included in this quarterly 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 quarterly report.
4. The Registrant's other certifying officer and I:
 - are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-14 and 15d-14) for the Registrant:
 - we have designed such disclosure controls and procedures to ensure that material information relating to the Registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which the quarterly report is being prepared;

Edgar Filing: WESTSPHERE ASSET CORP INC - Form 10QSB

- we have evaluated the effectiveness of the Registrant's disclosure controls and procedures as of a date within 90 days prior to the filing date of this quarterly report (the "Evaluation Date"); and

- we have presented in this quarterly report our conclusions about the effectiveness of the disclosure controls and procedures based on our evaluation of the Evaluation Date;

5. The Registrant's other certifying officer and I have disclosed, based on our most recent evaluation, to the Registrant's auditors and to the Registrant's board of directors:

- all significant deficiencies in the design or operation of internal controls which could adversely affect the Registrant's ability to record, process, summarize and report financial data and have identified for the Registrant's auditors any material weakness in internal controls; and

- any fraud, whether or not material, that involves management or other employees who have a significant role in the Registrant's internal controls.

6. The Registrant's other certifying officer and I have indicated in this quarterly report whether or not there were significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of our most recent evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

Date: November 13, 2002 By: /s/ Doug MacDonald

Name: Doug MacDonald

Title: President (Principal Executive Officer)

12

I, Kim Law, certify that:

1. I have reviewed this quarterly report of Westsphere Asset Corporation, Inc. (the "Registrant").

2. Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary in order 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 quarterly report.

3. Based on my knowledge, the financial statement, and other financial information included in this quarterly 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 quarterly report.

4. The Registrant's other certifying officer and I:

- are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-14 and 15d-14) for the Registrant:

- we have designed such disclosure controls and procedures to ensure that material information relating to the Registrant, including its consolidated subsidiaries, is made known to us by others

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

- we have evaluated the effectiveness of the Registrant's disclosure controls and procedures as of a date within 90 days prior to the filing date of this quarterly report (the "Evaluation Date"); and

- we have presented in this quarterly report our conclusions about the effectiveness of the disclosure controls and procedures based on our evaluation of the Evaluation Date;

5. The Registrant's other certifying officer and I have disclosed, based on our most recent evaluation, to the Registrant's auditors and the audit committee of the Registrant's board of directors (or persons performing the equivalent function):

- all significant deficiencies in the design or operation of internal controls which could adversely affect the Registrant's ability to record, process, summarize and report financial data and have identified for the Registrant's auditors any material weakness in internal controls; and

- any fraud, whether or not material, that involves management or other employees who have a significant role in the Registrant's internal controls.

6. The Registrant's other certifying officer and I have indicated in this quarterly report whether or not there were significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of our most recent evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

Date: November 13, 2002 By: /s/Kim Law

Name: Kim Law

Title: Vice President (Principal Accounting Officer)

13

CERTIFICATION PURSUANT TO

18 U.S.C. SECTION 1350

AS ADOPTED PURSUANT TO

SECTION 906 OF THE SARBANES - OXLEY ACT OF 2002

In connection with the Quarterly Report of Westsphere Asset Corporation, Inc. (the "Company") on Form 10-QSB for the period ending September 30, 2002 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Douglas MacDonald, President/CEO of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section.906 of the Sarbanes-Oxley Act of 2002, that:

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

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

/s/ Douglas MacDonald

Name: Douglas MacDonald

Title: President/CEO

Dated: November 13, 2002

14

CERTIFICATION PURSUANT TO

18 U.S.C. SECTION 1350

AS ADOPTED PURSUANT TO

SECTION 906 OF THE SARBANES - OXLEY ACT OF 2002

In connection with the Quarterly Report of Westsphere Asset Corporation, Inc. (the "Company") on Form 10-QSB for the period ending September 30, 2002 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Kim Law, Vice-President of Finance and CFO of the Company, certify, pursuant to 18 U.S.C. Section. 1350, as adopted pursuant to Section.906 of the Sarbanes-Oxley Act of 2002, that:

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

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

/s/ Kim Law

Name: Kim Law

Title: Vice-President of Finance/CFO

Dated: November 14, 2002

15

<u>Exhibit Number</u>	<u>Description</u>	<u>Reference</u>
3.1(i)	Articles of Incorporation filed and all amendments thereto filed with the Secretary of the State of Colorado July 21, 1998	*
3(i)(a)	By-Laws of Westsphere Asset Corporation, Inc.	*
3(i)(b)	By-Laws of Vencash Capital Corporation	*
4	Specimen Stock Certificate	*
10.1	Agreement dated December, 1998 by and between Westsphere Asset Corporation, Inc. and 3 Ocean Investment Corporation	*
10.2	Share Exchange Agreement dated December 7, 1998 by and between Westsphere Asset Corporation, Inc. MacDonald Venture Corporation, Mr. Joseph Bowser and Mr. Robert L. Robins	*
10.3	Sample Conversion Agreement by and among Westsphere Asset Corporation, Inc. and various shareholders of Vencash Capital Corporation	*
10.4	ABS Processing Agreement dated October 28, 1998 by and between Vencash Capital Corporation and TNS Smart Network Inc.	*
10.5	Agreement dated June 24, 1999 by and between Vencash Capital Corporation and TCS (Canada) Limited	*

- | | | |
|------|---|---|
| 10.6 | Sample Convertible
Debenture issued by
Westsphere Asset
Corporation, Inc. in
connection with the offering
of \$105,600 convertible
debentures | * |
| 10.7 | Sample Loan Agreement and
Promissory Note between
Westsphere Asset
Corporation, Inc. and various
investors | * |

* Previously filed as Exhibits for the Registrant's Annual Report on Form 10-KSB April 26, 2001