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**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION,
Washington, D.C. 20549**

FORM 10-KSB/A

(X) Annual Report Under Section 13 or 15(d) of the Securities Exchange Act of 1934

For the Fiscal Year Ended March 31, 2005

() Transaction Report Under Section 13 or 15(d) of Securities Exchange Act of 1934

For the transition period from _____ to _____

RECOV Energy, Corp.

(Exact Name of Small Business Registrant as Specified in its Charter)

| | | |
|---|---|---|
| Delaware <small>(State or other jurisdiction of incorporation)</small> | 000-24189 <small>(Commission File Number)</small> | 65-0488983 <small>(IRS Employer Identification No.)</small> |
| 3163 Kennedy Boulevard, Jersey City, New Jersey <small>(Address of principal executive offices)</small> | 07306 <small>(Zip Code)</small> | |

Registrant's Telephone Number: (201) 217-4137

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

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

Common Stock, \$.001 par value.
(Title of Class)

Check whether the issuer (1) has filed all documents and reports to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the past 12 months (or such shorter period that the Registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. **YES [X]** No []

Check if there is no disclosure of delinquent filers pursuant to Item 405 of Regulation S-B is contained in this form and no disclosure will be contained, to the best of 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]**

Indicate by check mark whether the registrant is a shell company (as defined by Rule 12b-2 of the Exchange Act.) **[X]** Yes [] No

State Registrant's revenues for its most recent fiscal year: **\$1,052**

State the aggregate market value of the voting stock held by non-affiliates computed by reference to the price at which the stock was sold, or the average bid and asked prices of such stock, as of March 31, 2005: **\$361,013**

APPLICABLE ONLY TO CORPORATE REGISTRANTS

The number of shares outstanding of the Registrant's sole class of Common Stock as of March 30, 2005 was 668,026.

DOCUMENTS INCORPORATED BY REFERENCE: None

SEC 2337 (9-05) Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

EXPLANATORY NOTE

This Form 10-KSB/A has been amended principally to reflect certain corrections to the financial statements included in the Company's Form 10-KSB filed on July 14, 2005. Certain matters relating to these corrections have been disclosed by the Company on Forms 8-K and 8-K/A filed on August 26, 2005 and September 22, 2005, respectively. These financial statement corrections relate to: (i) the net gain on the de-recognition of two former subsidiaries' liabilities, (ii) the recording of an impairment loss on certain intangible assets, (iii) the effect on interest expense of a beneficial conversion feature applicable to the Company's convertible demand notes; and (iv) the reversal of an income tax accrual. Applicable fore-part and financial statement footnote disclosures have been amended to correspond to these changes. Certain minor textual modifications have also been made herein.

FORWARD-LOOKING STATEMENTS

This Report on Form 10-KSB/A contains certain forward-looking statements. These forward looking statements include statements regarding (i) research and development plans, marketing plans, capital and operations expenditures, and results of operations; (ii) potential financing arrangements; (iii) potential utility and acceptance of the Registrant's existing and proposed products; and (iv) the need for, and availability of, additional financing.

The forward-looking statements included herein are based on current expectations and involve a number of risks and uncertainties. These forward-looking statements are based on assumptions regarding the business of RECOV Energy Corp., (the "Company"), which involve judgments with respect to, among other things, future economic and competitive conditions and future business decisions, all of which are difficult or impossible to predict accurately and many of which are beyond the control of the Company. Although the Company believes that the assumptions underlying the forward looking statements are reasonable, any of the assumptions could prove inaccurate and, therefore, actual results may differ materially from those set forth in the forward-looking statements.

RECOV Energy, Corp.
Report on Form 10-KSB/A
For the Fiscal Year Ended March 31, 2005

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PART I

Item 1. Description of Business

Background

The Company was incorporated in the State of New Jersey on March 4, 1994. On June 13, 1995, the New Jersey corporation migrated to Delaware via a merger with a Delaware corporation formed for that purpose. There are 50,000,000 shares of preferred stock authorized of which none are presently issued and outstanding and 200,000,000 shares of common stock authorized of which 668,026 were issued and outstanding as of March 31, 2005.

The Company previously was focused on the development, marketing, management and sale of consumer products. Presently, the Company intends to seek potential acquisition candidates in the energy reclamation industry.

The Company discontinued its automotive sales operations, effective October 2001, which were operated by the Company's two wholly-owned subsidiaries AutoSmart USA, Inc. and AutoSmart USA Leasing, Inc.

The principal executive offices of the Company are located at 3163 Kennedy Boulevard, Jersey City, New Jersey, telephone (201) 217-4137. The Company's stock symbol on the Over-the-Counter Bulletin Board is "RCOV".

Business - General

RECOV Energy, Corp., (OTC BB "RCOV") is actively seeking merger candidates in the energy reclamation field. Previously, the Company was a consumer products development and holding company that had developed or acquired several potentially market leading products that service a wide range of consumer needs.

On February 2, 2005, the Company's Board of Directors voted to return Global P.O.M. and the Handwash project to the entity the Company had acquired them from in exchange for that entity agreeing to assume all of the debt and liabilities associated with those two products.

On February 17, 2005, the Company's Board of Directors voted to divest the Company of its ownership of its two subsidiaries, Best Health, Inc. and Soy Slim, Corp. by declaring a stock dividend of its ownership in those two companies to its shareholders of record effective March 28, 2005. To effectuate this dividend, the shares owned by the Company were returned to both Best Health and Soy Slim and both Best Health and Soy Slim issued shares of its common stock to each shareholder of record of the Company on a one for one basis.

Revenue

The Company's revenue came from marketing services that it provided to clients. For the year ended March 31, 2005, revenue from marketing services was \$1,052, while in the prior year ended March 31, 2004, revenue from the Company's marketing business accounted for \$54,312.

Employees

As of March 31, 2005, the Company had 2 employees, both of whom are in management. The Company utilizes the services of independent contractors and subcontracts employees for support functions. The Company believes that its labor relations are good. No employee is represented by a labor union.

Item 2. Description of Property

The Company's principal executive offices are located at 3163 Kennedy Boulevard, Jersey City, New Jersey 07306 in 1,000 square feet of office space on a month to month basis. The Company shares the space with Verdiramo & Verdiramo, P.A., a law firm operated by the Company's former president, who is also the father of the current president. The other partner of the law firm is Vincent S. Verdiramo, the son of Vincent L. Verdiramo and the brother of the Company's current president, Richard J. Verdiramo. Although Verdiramo & Verdiramo, P.A. has agreed not to charge rent and is not expecting payment from the Company for the office use, an amount of \$1,200 has been reflected in the financial statements as rent expense, with an offset in the equivalent amount to additional paid-in capital for each of the fiscal years ended March 31, 2005 and 2004.

The Company believes that its property is adequate for its present needs and that suitable space will be available to accommodate its future needs.

Item 3. Legal Proceedings

The Company is not a party to any legal proceedings.

The Company's discontinued subsidiary AutoSmart Leasing USA, Inc., is a party to in one lawsuit: SunTrust Bank v. AutoSmart Leasing USA, Inc., William Auletta, et al., Case No. 02-6512 (08) Complaint over \$15,000, 17th Judicial Circuit, Broward County. This case is open and pending. The total prayer for relief is \$175,000 plus legal fees and interest. This case relates to certain automotive sales related transactions between AutoSmart Leasing USA, Inc. and certain automotive dealerships and lenders. This case does not name the Company as a party.

AutoSmart Leasing USA, Inc has no assets and the corporation was administratively dissolved pursuant to Florida law on October 4, 2002. To the best of management's knowledge and belief, should the plaintiff in this lawsuit prevail against AutoSmart Leasing USA, Inc. or the other named defendants, the ultimate outcome of this matter would have no effect on the Company.

Item 4. Submission of Matters to Vote of Security Holders

The Company filed a Schedule 14C on March 15, 2005, which reflected a notification of action taken by consent of the majority shareholders. The Schedule 14C provided shareholder approval for the Company to adjust its capitalization by increasing the number of authorized shares of Preferred Stock to 50,000,000 and by increasing the number of authorized Common Stock to 200,000,000. It also provided shareholder approval to effectuate a reverse split of the Company's common stock on a 1 for 20 basis.

PART II

Item 5. Market for Common Equity and Related Stockholder Matters

The Company's Common Stock is traded on the Over the Counter Bulletin Board under the symbol "RCOV". The following bid quotations have been reported for quarterly periods ending March 31, 2003 thru June 30, 2005.

| QUARTER ENDED | HIGH BID | LOW BID |
|--------------------|-------------|------------|
| ----- | ----- | ----- |
| March 31, 2003 | \$ 0.14 | \$ 0.06 |
| June 30, 2003 | \$ 0.25 | \$ 0.06 |
| September 30, 2003 | \$ 0.22 | \$ 0.11 |
| December 31, 2003 | \$ 0.17 | \$ 0.08 |
| March 31, 2004 | \$ 0.11 | \$ 0.035 |
| June 30, 2004 | \$ 0.18 | \$ 0.035 |
| September 30, 2004 | \$ 2.80 | \$ 1.00 |
| December 31, 2004 | \$ 1.60 | \$ 1.00 |
| March 31, 2005 | \$ 1.80 | \$ 0.40 |
| June 30, 2005 | \$ 1.80 | \$ 0.30 |

Such quotations reflect inter-dealer prices, without retail mark-up, mark-down or commission. Such quotes are not necessarily representative of actual transactions or of the value of the Company's securities, and are in all likelihood not based upon any recognized criteria of securities valuation as used in the investment banking community.

There is no assurance that an active trading market will develop which will provide liquidity for the Company's existing shareholders. The preceding information is from the National Association of Securities Dealers Automated Quotation Service.

As of June 30, 2005, there were 134 holders of record of the Company's common stock. Certain of the shares of common stock are held in "street" name and may, therefore, be held by several beneficial owners.

As of March 31, 2005, there were 668,026 shares of Common Stock issued. Of those shares 339,832 shares are "restricted" securities of the Company within the meaning of Rule 144(a)(3) promulgated under the Securities Act of 1933, as amended, because such shares were issued and sold by the Company in private transactions not involving a public offering.

In general, under Rule 144, as currently in effect, subject to the satisfaction of certain other conditions, a person, including an affiliate of the Company (in general, a person who has a control relationship with the Company) who has owned restricted securities of common stock beneficially for at least one year is entitled to sell, within any three-month period, that number of shares of a class of securities that does not exceed the greater of (i) one percent of the shares of that class then outstanding or, if the common stock is quoted on NASDAQ, or (ii) the average weekly trading volume of that class during the four calendar weeks preceding such sale. A person who has not been an affiliate of the Company for at least the three months immediately preceding the sale and has beneficially owned shares of common stock for at least two years is entitled to sell such shares under Rule 144 without regard to any of the limitations described above.

No prediction can be made as to the effect, if any, that future sales of shares of common stock or the availability of common stock for future sale will have on the market price of the common stock prevailing from time-to-time. Sales of substantial amounts of common stock on the public market could adversely affect the prevailing market price of the common stock.

The Company has not paid a cash dividend on the common stock since inception. The payment of dividends may be made at the discretion of the Board of Directors of the Company and will depend upon, among other things, the Company's operations, its capital requirements, and its overall financial condition.

In June 2005, the Company issued 140,000 shares of common stock, under Section 4(2) of the Act, for consulting and legal services in the amount of \$14,000.

Item 6. Management's Discussion And Analysis Of Financial Condition And Results Of Operation

Results of Operations

Years ended March 31, 2005 and 2004

For the year ended March 31, 2005, the Company had a net loss of \$83,412 compared to a net loss of \$57,065 for the prior year ended March 31, 2004. Among other matters, the Company's results of operations were principally affected (i) by the recognition of a beneficial conversion feature relating to a reduction in the conversion price of the Company's outstanding convertible demand notes, which had the effect of increasing reported interest expense by \$335,060, and (ii) a gain of \$440,448 arising from the de-recognition of liabilities attributable to previously discontinued subsidiaries.

Revenues

For the year ended March 31, 2005, the Company's revenues were \$1,052 compared to \$54,312 for the prior year ended March 31, 2004. Revenues were principally from services from providing marketing services. Revenues from marketing activity were recognized when the services were performed.

Expenses

For the year ended March 31, 2005, the Company's expenses were \$515,071 compared to \$104,135 in the prior year ended March 31, 2004. The increase was primarily due to the increased interest arising from the recognition of the beneficial conversion feature discussed above. Selling, general and administrative expenses, including consulting expenses, increased by \$21,542 in fiscal 2005.

Material changes in financial condition, liquidity and capital resources

At March 31, 2005, the Company had cash of \$38 compared to \$536 at March 31, 2004. The Company had negative working capital of \$606,702 at March 31, 2005 compared to negative working capital of \$819,785 at March 31, 2004. During fiscal 2005 the Company's operating activities required cash of \$17,385. As operations did not generate sufficient cash to warrant the continuation of its businesses, the Company divested itself of its two operating subsidiaries.

Item 7. Financial Statements.

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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTANT

To the Board of Directors and Shareholders of RECOV Energy Corp.

I have audited the accompanying consolidated balance sheet of RECOV Energy Corp., formerly known as Interactive Multimedia Network, Inc. (the "Company") as of March 31, 2005 and the related statements of operations, changes in shareholders' deficit and cash flows for the year then ended. These consolidated financial statements are the responsibility of the Company's management. My responsibility is to express an opinion on these consolidated financial statements based on my audit.

I conducted my audit in accordance with standards of the Public Company Accounting Oversight Board (United States). Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the consolidated 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. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of RECOV Energy Corp., formerly known as Interactive Multimedia Network, Inc., as of March 31, 2005, and the consolidated results of their operations and their cash flows for the year then ended in conformity with accounting principles generally accepted 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 5 to the financial statements, the Company has sustained continuing operating losses, has net working capital and shareholders' equity deficits and lacks sources of revenue, which raises substantial doubts about its ability to continue as a going concern. Management's plans in regard to these matters are also described in Note 5. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

/s/ Michael F. Albanese, C.P.A.

**Parsippany, New Jersey
September 23, 2005**

RECOV ENERGY, CORP.

FKA INTERACTIVE MULTIMEDIA NETWORK, INC.
CONSOLIDATED BALANCE SHEET
March 31, 2005

ASSETS

CURRENT ASSETS

| | | |
|-----------------------------|----|-----------|
| Cash and cash equivalents | \$ | 38 |
| TOTAL CURRENT ASSETS | | 38 |

OTHER ASSETS

| | |
|-----------------------------|---------------|
| Property and equipment, net | 15,123 |
| TOTAL OTHER ASSETS | 15,123 |

| | | |
|---------------------|-----------|---------------|
| TOTAL ASSETS | \$ | 15,161 |
|---------------------|-----------|---------------|

LIABILITIES AND SHAREHOLDERS' DEFICIT

CURRENT LIABILITIES

| | | |
|--|----|----------------|
| Accounts payable and accrued liabilities | \$ | 210,019 |
| Notes payable and accrued interest (principally related parties) | | 396,992 |
| TOTAL CURRENT LIABILITIES | | 607,011 |

SHAREHOLDERS' DEFICIT

| | |
|---|------------------|
| Preferred stock, \$.001 par value, 50,000,000 shares authorized, none issued and outstanding | - |
| Common stock, \$.001 par value, 200,000,000 shares authorized, 668,026 issued and outstanding | 668 |
| Paid-in-capital | 3,301,231 |
| Accumulated deficit | (3,893,749) |
| TOTAL SHAREHOLDERS' DEFICIT | (591,850) |

| | | |
|--|-----------|---------------|
| TOTAL LIABILITIES AND SHAREHOLDERS' DEFICIT | \$ | 15,161 |
|--|-----------|---------------|

See independent auditors' report and notes to financial statements

RECOV ENERGY, CORP.

**FKA INTERACTIVE MULTIMEDIA NETWORK, INC.
CONSOLIDATED INCOME STATEMENT
YEAR ENDED ENDED MARCH 31, 2005**

| | | |
|--|----|------------------------|
| REVENUE | \$ | 1,052 |
| COST OF REVENUE | | <u>-</u> |
| | | 1,052 |
| EXPENSES | | |
| Interest expense | | 366,668 |
| Selling, general and administrative expenses | | 109,477 |
| Consulting services | | 14,000 |
| Marketing | | 1,301 |
| Rent | | <u>1,200</u> |
| TOTAL EXPENSES | | <u>492,646</u> |
| | | (491,594) |
| OTHER INCOME (EXPENSE) | | |
| Gain on reduction of debt of discontinued subsidiary | | 440,447 |
| Loss on impairment of website | | (21,425) |
| Loss on disposition of wholly owned subsidiaries | | <u>(10,841)</u> |
| TOTAL OTHER INCOME | | <u>408,182</u> |
| NET LOSS | \$ | <u><u>(83,412)</u></u> |
| LOSS PER SHARE: | | |
| WEIGHTED AVERAGE COMMON SHARES OUTSTANDING | | <u><u>663,839</u></u> |
| BASIC AND DILUTED LOSS PER SHARE | \$ | <u><u>(0.126)</u></u> |

See independent auditors' report and notes to financial statements

RECOV ENERGY, CORP.

**FKA INTERACTIVE MULTIMEDIA NETWORK, INC.
CONSOLIDATED STATEMENT OF SHAREHOLDERS' DEFICIT
FOR THE YEAR ENDED MARCH 31, 2005**

| | Preferred Stock | | Common Stock | | Paid in | Accumulate d Deficit | Total Shareholder's Equity/(Deficit) |
|--|-----------------|---------------|---------------|---------------|----------------|----------------------------|--|
| | <u>Shares</u> | <u>Amount</u> | <u>Shares</u> | <u>Amount</u> | <u>Capital</u> | <u>Deficit</u> | <u>Equity/(Deficit)</u> |
| Balance, beginning April 01, 2004 | - | - | 653,511 | 653 | 2,955,986 | (3,842,290) | (885,651) |
| Issuance of common stock | - | - | 7,500 | 8 | 9,992 | - | 10,000 |
| Issuance of common stock for services | - | - | 7,000 | 7 | 13,993 | - | 14,000 |
| Imputed rent expense | - | - | - | - | 1,200 | - | 1,200 |
| Disposal of wholly owned subsidiaries | | | | | (15,000) | 31,953 | 16,953 |
| Additional shares due to reverse stock split | | | 15 | | | | - |
| Beneficial conversion feature | | | | | 335,060 | | 335,060 |
| Net loss | - | - | - | - | - | (83,412) | (83,412) |
| Balance, ending March 31, 2005 | - | \$ - | 668,026 | \$ 668 | \$ 3,301,231 | \$ (3,893,749) | \$ (591,850) |

See independent auditors' report and notes to financial statements

RECOV ENERGY, CORP.

**FKA INTERACTIVE MULTIMEDIA NETWORK, INC.
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED MARCH 31, 2005**

CASH FLOWS FROM OPERATING ACTIVITIES:

| | | |
|--|----|-----------------|
| Net loss | \$ | (83,412) |
| Adjustments to reconcile net loss to net cash used in operating activities: | | |
| Depreciation and amortization | | 4,489 |
| Interest expense arising from beneficial conversion feature | | 335,060 |
| Loss on impairment of website | | 21,425 |
| Issuance of stock for services | | 14,000 |
| Bad debt | | 12,548 |
| Accrued interest - shareholders loan | | 31,608 |
| Office rent applied to paid in capital | | 1,200 |
| Disposition of wholly owned subsidiaries | | 16,953 |
| Changes in operating assets and liabilities: | | |
| Accounts receivable | | 7,874 |
| Accounts payable and accrued liabilities | | (600,334) |
| Notes and accrued interest assumed | | 221,204 |
| NET CASH USED IN OPERATING ACTIVITIES | | <u>(17,385)</u> |

CASH FLOWS FROM INVESTING ACTIVITIES:

| | | |
|---|--|--------------|
| Property and equipment | | (2,684) |
| Minority interest paid in capital from subsidiary acquisition (net) | | 1,747 |
| NET CASH USED BY INVESTING ACTIVITIES | | <u>(937)</u> |

CASH FLOWS FROM FINANCING ACTIVITIES:

| | | |
|---|--|---------------|
| Proceeds from shareholder loans | | 7,824 |
| Issuance of common stock | | 10,000 |
| NET CASH PROVIDED BY FINANCING ACTIVITIES | | <u>17,824</u> |

NET DECREASE IN CASH (498)

| | | |
|---------------------------|----|------------------|
| CASH, BEGINNING OF PERIOD | | 536 |
| CASH, END OF PERIOD | \$ | <u><u>38</u></u> |

SUPPLEMENTAL INFORMATION:

| | | |
|---|----|--------|
| Issuance of shares in payment of services | \$ | 14,000 |
|---|----|--------|

See independent auditors' report and notes to financial statements

RECOV ENERGY, CORP.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED MARCH 31, 2005

NOTE 1 – ORGANIZATION AND BASIS OF PRESENTATION

RECOV Energy Corp., formerly known as Interactive Multimedia Network, Inc. (the “Company”) was organized in the State of New Jersey on March 4, 1994 and reincorporated in the State of Delaware on June 13, 1995. The name of the Company was changed to RECOV Energy Corp effective March 29, 2005. The Company’s primary business activity was developing and marketing consumer products, including health and wellness products and ocular health products. It is now actively seeking an acquisition candidate in the energy reclamation field.

The Company had two subsidiaries: AutoSmart USA, Inc., a Nevada corporation and AutoSmart USA Leasing, Inc., a Florida corporation, which operated in tandem the vehicle sales operations of the Company. During the fiscal year ended March 31, 2002, these two subsidiaries ceased operations.

During fiscal year 2003, the Company formed Best Health, Inc., a health product developer and distributor in the development stage. The Company also acquired 90 percent of the outstanding shares of SoySlim Corp., another health product distributor in the development stage. The Company also acquired the rights to a patent-pending security system known as Global P.O.M.TM

RECOV Energy Corp. prepares its financial statements in accordance with generally accepted accounting principles. This basis of accounting involves the application of accrual accounting; consequently, revenues and gains are recognized when earned, and expenses and losses are recognized when incurred. Financial statement items are recorded at historical cost and may not necessarily represent current values.

The applicable opening balances in the stockholders' equity accounts were restated to reflect the reverse stock split.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Principles of Consolidation

The consolidated financial statements include the accounts of the Company and all of its wholly-owned subsidiaries. All significant intercompany accounts and transactions have been eliminated in consolidation.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets, 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. Certain amounts included in the financial statements are estimated based on currently available information and management’s judgment as to the outcome of future conditions and circumstances. Changes in the status of certain facts or circumstances could result in material changes to the estimates used in the preparation of financial statements and actual results could differ from the estimates and assumptions. Every effort is made to ensure the integrity of such estimates.

Fair Value of Financial Instruments

The carrying amounts reported in the balance sheet for cash, accounts payable and accrued expenses and other liabilities approximate fair value because of the immediate or short-term maturity of these financial instruments.

RECOV ENERGY, CORP.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued):

Property and Equipment

Property and equipment are stated at cost less accumulated depreciation. Depreciation is computed using the straight-line method over the estimated useful lives when the property and equipment is placed in service.

| | <u>Estimate Useful Life (In Years)</u> |
|-------------------------------|--|
| Furniture and Fixtures | 7 |
| Equipment & Vehicles | 5 |
| Computer Equipment & Software | 3 |
| Website | 15 |

Leasehold improvements are amortized over their estimated useful lives or the term of the lease, whichever is shorter.

The cost of fixed assets retired or sold, together with the related accumulated depreciation, are removed from the appropriate asset and depreciation accounts, and the resulting gain or loss is included in operations. Maintenance and repairs are expensed as incurred. Repairs and maintenance are charged to operations as incurred, and expenditures for significant improvements are capitalized.

Revenue Recognition

Revenues were principally from services and commissions from providing marketing plans, services related to the Internet marketing arena and sales from health related products. Revenues from marketing and Internet related activity were recognized when the services were completed. Revenues from the sale of health related products were recognized when the products were shipped to the customer.

In December 1999, the Securities and Exchange Commission (“SEC”) issued Staff Accounting Bulletin No. 101 (“SAB 101”), “Revenue Recognition,” which provides guidance on the recognition, presentation and disclosure of revenue in financial statements filed with the SEC. SAB 101 outlines the basic criteria that must be met to recognize revenue and provide guidance for disclosures related to revenue recognition policies. Management believes that RECOV Energy Corp.’s revenue recognition practices, while the company had operating businesses, were in conformity with the guidelines of SAB 101.

Advertising

The Company expenses advertising costs as incurred. Advertising expense was \$1,301 in fiscal year 2005.

Loss per Share of Common Stock

Loss per common share is calculated under the provisions of SFAS No. 128, “Earnings per Share,” which establishes standards for computing and presenting earnings (loss) per share. SFAS No. 128 requires the Company to report both basic earnings (loss) per share, which is based on the weighted-average number of common shares outstanding during the period, and diluted earnings (loss) per share, which is based on the weighted-average number of common shares outstanding plus all potential dilutive common shares outstanding. Options and warrants have not been considered in calculating diluted loss per share since considering such items would have an anti-dilutive effect.

RECOV ENERGY, CORP.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued):

Statement of Cash Flows

For purposes of the statement of cash flows, as applicable, the Company considers all highly liquid instruments with original maturities of three months or less to be cash equivalents.

Recent Accounting Pronouncements:

The Statement of Financial Accounting Standards Board (SFAS) No. 141, “Business Combinations,” was issued by the Financial Accounting Standards Board (FASB) in July 2001. This Statement establishes standards for accounting and reporting for business combinations. This statement requires the purchase method of accounting to be used for all business combinations, and prohibits the pooling-of-interests method of accounting. This Statement is effective for all business combinations initiated after June 30, 2001 and supersedes APB Opinion No. 16, “Business Combinations” as well as Financial Accounting Standards Board Statement of Financial Accounting Standards No. 38, “Accounting for Pre-acquisition Contingencies of Purchased Enterprises.” The adoption of this statement by the Company did not have a material impact on its financial condition or results of operations.

The Statement of Financial Accounting Standards Board (SFAS) No. 142, “Goodwill and Other Intangible Assets,” was issued by the Financial Accounting Standards Board (FASB) in July 2001. This Statement addresses how intangible assets that are acquired individually or with a group of other assets should be accounted for in financial statements upon their acquisition. This statement requires goodwill amortization to cease and for goodwill to be periodically reviewed for impairment, for fiscal years beginning after October 31, 2001. SFAS No. 142 supersedes APB Opinion No. 17, “Intangible Assets.” The adoption of this statement by the Company did not have a material impact on its financial condition or results of operations.

The Statement of Financial Accounting Standards Board (SFAS) No. 143, “Accounting for Asset Retirement Obligation,” was issued by the Financial Accounting Standards Board (FASB) in August 2001. This Statement requires companies to record a liability for asset retirement obligations in the period in which they are incurred, which typically could be upon completion or shortly thereafter. The FASB decided to limit the scope to legal obligation and the liability will be recorded at fair value. The adoption of this statement by the Company did not have a material impact on its financial condition or results of operations.

The Statement of Financial Accounting Standards Board (SFAS) No. 144, “Accounting for the Impairment or Disposal of Long-Lived Assets,” was issued by the Financial Accounting Standards Board (FASB) in October 2001. This Statement provides a single accounting model for long-lived assets to be disposed of and replaces SFAS No. 121 “Accounting for the Impairment of Long-Lived Assets and Long-Lived Assets to Be Disposed Of.” This Statement is effective for fiscal years beginning after December 15, 2001. The adoption of this statement by the Company did not have a material impact on its financial condition or results of operations.

RECOV ENERGY, CORP.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 3 – PROPERTY, EQUIPMENT AND ACCUMULATED DEPRECIATION

Property and equipment, net, at March 31,
2005 consists of the following:

| | |
|---|--------------------|
| Furniture & Fixtures | 4,770 |
| Equipment | 5,137 |
| Computer Equipment | 27,254 |
| Software | 1,626 |
| Website | 10,000 |
| | <hr/> 48,787 |
| Less: Accumulated depreciation and amortization | 33,664 |
| Property and equipment, net | <hr/> <hr/> 15,123 |

The Company recorded an impairment loss of \$21,425 at March 31, 2005 applicable to its website. (See Note 11).

NOTE 4 – COMMITMENTS AND CONTINGENCIES - LITIGATION

The Company is not a party to any legal proceedings. In October 2001, the Company's wholly owned subsidiaries, AutoSmart USA, Inc. and AutoSmart Leasing USA, Inc. ceased operations. AutoSmart Leasing USA, Inc. et. al. are currently the defendants in one lawsuit in which the total amount being requested for recovery is approximately \$175,000, plus legal fees and interest.

AutoSmart Leasing USA, Inc has no assets and the corporation was administratively dissolved pursuant to Florida law on October 4, 2002. To the best of management's knowledge and belief, should the plaintiff in this lawsuit prevail against AutoSmart Leasing USA, Inc. or the other named defendants, the ultimate outcome of this matter would have no effect on the Company.

Further due to the dissolution of both of these subsidiaries, pursuant to applicable state law, the Company has been advised by counsel that it has no liability for any unpaid obligations of either company. (See Note 11).

NOTE 5 – GOING CONCERN

The accompanying financial statements have been prepared assuming the Company will continue as a going concern. The Company has sustained continuing operating losses and has net working capital and shareholders' equity deficits at March 31, 2005. Currently the Company has no operating business or source of revenue. These factors raise substantial doubt about the Company's ability to continue as a going concern. Management anticipates that additional investments will be needed to develop an effective sales and marketing program before the organization will generate sufficient cash flow from operations to meet current operating expenses and overhead. Management has continued to develop a strategic plan to develop a management team, maintain reporting compliance and seek new expansive areas in marketing through multiple media channels. Management intends to seek new capital from new equity security issuances that will provide funds needed to increase liquidity, fund internal growth, and fully implement its business plan. There is no assurance that management will be successful in these endeavors. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

RECOV ENERGY, CORP.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 6 – SUBSIDIARY RELATED TRANSACTIONS

In October 2001 the Company ceased operations of its wholly-owned subsidiaries, Auto Smart USA, Inc. (a Nevada corp.) and AutoSmart Leasing USA, Inc. (a Florida corp.) After not receiving a timely annual report for the corporation, the state of Nevada revoked the corporate charter of Auto Smart USA, Inc. in December of 1999. This revoked status subsequently became permanent. On October 4, 2002, AutoSmart USA Leasing, Inc. was administratively dissolved pursuant to Florida law, for failure to file an annual report.

The Company's legal counsel has advised the Company that the shareholders of an administratively dissolved Florida corporation are not responsible for the debts of that corporation. Management has applied this same premise to the Nevada corporation and considers the effect of the administrative dissolutions to be the equivalent of legal releases. The Company did not initially de-recognize these liabilities, consisting of various third party trade payables and certain other accruals, from its consolidated balance sheet due to the possibility that the trade creditors of the two subsidiaries might attempt to pierce their corporate veils and proceed against the Company or its corporate predecessor.

During the first quarter of our fiscal year ended March 31, 2005, management determined that this contingency was removed with respect to \$882,812 of the liabilities of these two subsidiaries and the Company de-recognized aggregate liabilities in this amount.

Management's determination was based on: (i) the settlement of two outstanding lawsuits; in one the Company was a named party and in the other, the applicable debt was guaranteed by an officer of the Company, whose guarantee had been given in furtherance of the subsidiary's business while it was operating, (ii) there then being no other matters naming the Company with respect to either subsidiary then pending, and (iii) no claims had been brought against the Company with respect to the trade liabilities of either company. Accordingly management determined that the likelihood of a trade or other creditor coming forward at that date and then successfully piercing either corporate veil was remote.

During the quarter ended March 31, 2005 it was determined that \$221,160 of debt principal and accrued interest included in the first quarter write-off should not have been de-recognized and the gain originally taken in the first quarter was reduced by that amount.

The corrected amounts applicable to the first quarter of fiscal 2005 have been disclosed in Note 11 – Restatement and Fourth Quarter Adjustments, together with other disclosures related thereto. The net credit arising from the elimination of these liabilities from the Company's consolidated balance sheet is reported as a gain on the statement of operations due to the fact that the release of the liabilities is based on Florida and Nevada statutes and that none of the liabilities involved were due to related parties.

On February 17, 2005, the Company's Board of Directors voted to divest itself of Best Health, Inc. and SoySlim. This was effectuated by declaring and issuing a stock dividend on March 28, 2005 to all shareholders of record on February 17, 2005. To accomplish this divestiture, the shares owned by the Company were returned to its subsidiaries. Concurrently Best Health, Inc. and SoySlim, Corp. each issued one share of its own common stock to each shareholder of the Company on a one to one basis. The Company incurred a net loss of \$10,841 on the divestiture of these two subsidiaries.

NOTE 7 – RELATED PARTY TRANSACTIONS

The Company has been involved in periodic transactions, whereby money has been loaned to the former President of the Company and the former President of the Company has loaned money to the Company. There were no loans to this party during the year ended March 31, 2005. As of March 31, 2005 the Company was obligated to the former President for a total of \$255,935 for notes payable and accrued interest thereon.

RECOV ENERGY, CORP.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Legal services to RECOV Energy Corp. have been performed by Verdiramo & Verdiramo, P.A. This professional association is owned by Vincent L. Verdiramo, the former President of RECOV Energy Corp. and his son Vincent S. Verdiramo. The cost of legal services billed to the Company for the year ended March 31, 2005 was \$20,264. The amount outstanding at March 31, 2005 to this professional association is \$105,784 and is included in Accounts Payable and Accrued Liabilities.

Verdiramo & Verdiramo, P.A. is providing limited use of office space to RECOV Energy Corp. Although Verdiramo & Verdiramo, P.A. has agreed not to charge rent and is not expecting payment from the Company for the office use, an amount has been reflected in the financial statements as rent expense with an offset to paid-in capital in the amount of \$1,200 for the fiscal year ended March 31, 2005.

The Company has received loans and advances from stockholders and related parties during the year. These transactions are in the form of unsecured demand loans bearing interest of 4% to 15% per annum. The total balance due at March 31, 2005 is \$396,992 which includes approximately \$137,031 accrued interest. Effective February 9, 2005, the notes payable are convertible into common stock at the rate of \$0.0185 per common share.

The Company has recognized a beneficial conversion feature attributable to the reduction in the conversion price of these convertible demand notes, the effect of which has been to record imputed interest expense in the amount of \$335,060. (See Note 11).

NOTE 8 – STOCKHOLDER’S EQUITY

Preferred Stock

Effective March 29, 2005 the Company increased its authorization of preferred stock from 5,000,000 shares with a par value of \$0.001 to 50,000,000 shares with a par value of \$0.001. To date no preferred shares have been issued. The preferred stock contains no voting privileges and is not entitled to accrue dividends or convert into shares of the Company’s common stock.

Common Stock

Effective March 29, 2005 the Company increased its authorization of common stock from 25,000,000 shares to 200,000,000 shares, with no change in the par value of \$0.001.

Effective on the close of business on March 28, 2005 the Company implemented a reverse split of the common stock on the basis of twenty shares pre-split for one share post-split. The number of common shares outstanding at the close of business March 28, 2005 was 13,360,211. On March 29, 2005 the number of common shares outstanding was 668,026.

Paid in Capital

The Company recognized an increase in paid-in capital for the amount of imputed interest expense related to the beneficial conversion feature of its convertible demand notes. As well as the value of rent contributed by Verdiramo and Verdiramo, P.A.

NOTE 9 – INCOME TAXES

The Company did not provide any current or deferred federal or state income tax provision or benefit for the year ended March 31, 2005, due to operating losses incurred since inception. The Company has provided a full valuation allowance on the deferred tax asset, consisting primarily of net operating loss carryforwards, because of the uncertainty regarding its realizability.

An amount previously provided was reversed when the additional interest expense was recognized. (See Note 11).

RECOV ENERGY, CORP.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 10 – COMMITMENTS AND CONTINGENCIES - OTHER

The Company had acquired two products from another entity. Under the terms governing these purchases, the Company had to fund the development of these products. The Company has not been able to meet its obligations so it returned all rights title and interest in these products to the other entity. In exchange, the entity has agreed to absorb and meet any and all financial obligations associated with these two products.

NOTE 11 – RESTATEMENT AND FOURTH QUARTER ADJUSTMENTS

(A) Restatement

The accompanying financial statements have been corrected for the following items as reported in the Company's Form 10-KSB for the year ended March 31, 2005 as filed on July 14, 2005.

| | |
|--|--------------------|
| Impairment loss on website | \$ 21,425 |
| Additional interest related to the beneficial conversion feature of its convertible demand loans | <u>335,060</u> |
| Effect on pre-tax income previously reported | 356,485 |
| Reduction of previous income tax accrual | <u>(103,768)</u> |
| Effect on net income (loss) | (252,717) |
| Net income previously reported | <u>169,305</u> |
| Net loss as restated | <u>\$ (83,412)</u> |

The restatements resulted in previously reported income per share of \$.255 being changed to loss per share of \$.126.

(B) Adjustment to Results for the First Fiscal Quarter– (Unaudited)

The amount of the gain arising from de-recognition of the subsidiaries' liabilities previously reported for the first quarter of fiscal 2005 in the amount \$882,812 has also been reduced by \$221,160, as disclosed in the Company's Form 10-KSB for fiscal 2005 as originally filed. The revised gain for that period is \$661,652, resulting in adjusted net income for that quarter of \$436,897. The income per share for that quarter, as adjusted is \$0.833, compared to the previously reported amount of \$1.254.

The transactions giving rise to the other two items that were restated both occurred in the fourth fiscal quarter.

INDEPENDENT AUDITORS' REPORT

Board of Directors
Interactive Multimedia Network, Inc.
Jersey City, New Jersey

We have audited the accompanying consolidated balance sheet of Interactive Multimedia Network, Inc. and subsidiaries as of March 31, 2004, and the related consolidated statements of income, shareholders' deficit and cash flows for the year then ended. 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 conducted our audit in accordance with auditing standards generally accepted in the United States of America. 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 consolidated financial position of Interactive Multimedia Network, Inc. and subsidiaries as of March 31, 2004, and the consolidated results of its operations and its cash flows for the year then ended in conformity with accounting principles generally accepted 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 5 to the financial statements, the Company has experienced an operating loss that raises substantial doubt about its ability to continue as a going concern. Management's plans in regard to these matters are also described in Note 5. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

The financial statements of Interactive Multimedia Network, Inc. and subsidiaries as of March 31, 2003, were audited by other auditors whose report dated July 13, 2003 expressed an unqualified opinion on those statements.

/s/ Dischino & Associates, P.C.
Fairfield, New Jersey

July 13, 2004

INTERACTIVE MULTIMEDIA NETWORK, INC.
CONSOLIDATED BALANCE SHEET
MARCH 31, 2004 AND MARCH 31, 2003

| ASSETS | | | |
|---|----|----------------------|-------------------------|
| | | 2004 | 2003 |
| CURRENT ASSETS | | | |
| Cash and cash equivalents | \$ | 536 | \$ 333 |
| Accounts receivable – net | | 20,422 | 936 |
| TOTAL CURRENT ASSETS | | <u>20,958</u> | <u>1,269</u> |
| OTHER ASSETS | | | |
| Minority interest | | 1,747 | 1,747 |
| Property and equipment, net | | 38,353 | 39,021 |
| TOTAL OTHER ASSETS | | <u>40,100</u> | <u>40,768</u> |
| TOTAL ASSETS | \$ | <u><u>61,058</u></u> | \$ <u><u>42,037</u></u> |
| LIABILITIES AND SHAREHOLDERS' DEFICIT | | | |
| CURRENT LIABILITIES | | | |
| Accounts payable and accrued liabilities | \$ | 820,321 | \$ 847,301 |
| TOTAL CURRENT LIABILITIES | | <u>820,321</u> | <u>847,301</u> |
| OTHER LIABILITIES | | | |
| Other liabilities (principally related parties) | | 126,387 | 96,841 |
| TOTAL OTHER LIABILITIES | | <u>126,387</u> | <u>96,841</u> |
| SHAREHOLDERS' DEFICIT | | | |
| Preferred stock, \$.001 par value, 5,000,000 shares authorized, none issued and outstanding | | - | - |
| Common stock, \$.001 par value, 25,000,000 shares authorized, 13,070,211 issued and outstanding in 2004 and 9,850,211 in 2003 | | 13,070 | 9,850 |
| Common stock options, none issued and outstanding in 2004 and 2,000,000 in 2003 | | - | 330,000 |
| Paid-in-capital | | 2,943,569 | 2,543,269 |
| Accumulated deficit | | (3,842,289) | (3,785,224) |
| TOTAL SHAREHOLDERS' DEFICIT | | <u>(885,650)</u> | <u>(902,105)</u> |
| TOTAL LIABILITIES AND SHAREHOLDERS' DEFICIT | \$ | <u><u>61,058</u></u> | \$ <u><u>42,037</u></u> |

See independent auditors' report and notes to financial statements

INTERACTIVE MULTIMEDIA NETWORK, INC.
CONSOLIDATED STATEMENT OF OPERATIONS
FOR THE YEARS ENDED MARCH 31, 2004 AND 2003

| | 2004 | 2003 |
|---|-------------|--------------|
| REVENUE | \$ 54,312 | \$ 39,262 |
| COST OF GOODS SOLD | 94 | 6,609 |
| INCOME BEFORE SELLING, GENERAL AND ADMINISTRATIVE EXPENSES | 54,218 | 32,653 |
| OPERATING EXPENSES | | |
| Marketing | 1,000 | 8,911 |
| Consulting services | 50,000 | 79,813 |
| Rent | 1,200 | 1,200 |
| Loss on write down of acquired subsidiary inventory | - | 60,597 |
| Selling, general and administrative expenses | 51,935 | 151,973 |
| TOTAL OPERATING EXPENSES | 104,135 | 302,494 |
| INCOME (LOSS) FROM OPERATIONS | (49,917) | (269,841) |
| OTHER INCOME (EXPENSE) | | |
| Interest expense | (7,148) | (6,148) |
| TOTAL OTHER INCOME (EXPENSE) | (7,148) | (6,148) |
| NET INCOME (LOSS) BEFORE MINORITY INTEREST | (57,065) | (275,989) |
| MINORITY INTEREST IN SUBSIDIARY | - | 1,747 |
| NET INCOME (LOSS) | \$ (57,065) | \$ (274,242) |
| EARNINGS (LOSS) PER SHARE: | | |
| WEIGHTED AVERAGE COMMON SHARES OUTSTANDING | 10,494,595 | 9,531,710 |
| BASIC AND DILUTED EARNINGS (LOSS) PER SHARE | \$ (0.005) | \$ (0.030) |

See independent auditors' report and notes to financial statements

INTERACTIVE MULTIMEDIA NETWORK, INC.
CONSOLIDATED STATEMENT OF SHAREHOLDERS' DEFICIT

| | Preferred Stock | | Common Stock | | Paid in | Stock | Accumulated | Total |
|---|-----------------|--------|--------------|-----------|--------------|------------|----------------|-----------------------------------|
| | Shares | Amount | Shares | Amount | Capital | Options | Deficit | Shareholder's Equity/(Deficit) |
| Balance, beginning April 01, 2002 | - | \$ - | 8,894,964 | \$ 8,895 | \$ 2,324,764 | \$ 330,000 | \$ (3,510,982) | \$ (847,323) |
| Issuance of common stock for services | - | - | 453,132 | 453 | 81,860 | - | - | 82,313 |
| Issuance of common stock for research and development costs | - | - | 60,000 | 60 | 59,940 | - | - | 60,000 |
| Issuance of common stock for product costs | - | - | 92,115 | 92 | 60,505 | - | - | 60,597 |
| Issuance of common stock for acquisitions | - | - | 350,000 | 350 | 15,000 | - | - | 15,350 |
| Record non cash rent expense applied against paid in capital | - | - | - | - | 1,200 | - | - | 1,200 |
| Net loss twelve months ended March 31, 2003 | - | - | - | - | - | - | (274,242) | (274,242) |
| Balance, ending March 31, 2003 | - | - | 9,850,211 | 9,850 | 2,543,269 | 330,000 | (3,785,224) | (902,105) |
| Issuance of common stock for services | - | - | 1,220,000 | 1,220 | 71,100 | - | - | 72,320 |
| Issuance of common stock for research and development costs | - | - | - | - | - | - | - | - |
| Issuance of common stock for product costs | - | - | - | - | - | - | - | - |
| Issuance of common stock for stock options | - | - | 2,000,000 | 2,000 | 328,000 | (330,000) | - | - |
| Record non cash rent expense applied against paid in capital | - | - | - | - | 1,200 | - | - | 1,200 |
| Net income twelve months ended March 31, 2004 | - | - | - | - | - | - | (57,065) | (57,065) |
| Balance, ending March 31, 2004 | - | \$ - | 13,070,211 | \$ 13,070 | \$ 2,943,569 | \$ - | \$ (3,842,289) | \$ (885,650) |

See independent auditors' report and notes to financial statements

**INTERACTIVE MULTIMEDIA NETWORK, INC.
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEARS ENDED MARCH 31, 2004 AND 2003**

| | 2004 | 2003 |
|--|-------------|--------------|
| CASH FLOWS FROM OPERATING ACTIVITIES: | | |
| Net income (loss) | \$ (57,065) | \$ (274,242) |
| Adjustments to reconcile net income (loss) to net cash used in operating activities: | | |
| Depreciation and amortization | 669 | 7,759 |
| Issuance of stock for services | 72,320 | 82,313 |
| Issuance of stock for research and development costs | - | 60,000 |
| Issuance of stock for product costs | - | 60,597 |
| Write off acquisition costs of subsidiaries | - | 350 |
| | - | - |
| Accrued interest - shareholders loan | 7,148 | 6,148 |
| Office rent applied to paid in capital | 1,200 | 1,200 |
| Changes in operating assets and liabilities: | | |
| Accounts receivable | (19,486) | (136) |
| Inventory | - | - |
| Other current assets | - | - |
| Other assets | - | - |
| Accounts payable and accrued liabilities | (26,980) | 25,362 |
| NET CASH USED IN OPERATING ACTIVITIES | (22,194) | (30,649) |
| CASH FLOWS FROM INVESTING ACTIVITIES: | | |
| Minority interest paid in capital from subsidiary acquisition (net) | - | 13,253 |
| NET CASH PROVIDED BY INVESTING ACTIVITIES | - | 13,253 |
| CASH FLOWS FROM FINANCING ACTIVITIES: | | |
| Proceeds from shareholder loans | 22,397 | 15,785 |
| NET CASH PROVIDED BY FINANCING ACTIVITIES | 22,397 | 15,785 |
| NET INCREASE (DECREASE) IN CASH | 203 | (1,611) |
| CASH, BEGINNING OF PERIOD | 333 | 1,944 |
| CASH, END OF PERIOD | \$ 536 | \$ 333 |
| SUPPLEMENTAL INFORMATION: | | |
| Issuance of shares in settlement of liabilities | 10,000 | - |
| Issuance of shares in payment of services | 1,210,000 | - |

See independent auditors' report and notes to financial statements

INTERACTIVE MULTIMEDIA NETWORK, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1 – ORGANIZATION AND BASIS OF PRESENTATION

Interactive Multimedia Network, Inc. (the “Company”) was organized in the State of New Jersey on March 04, 1994 and reincorporated in the State of Delaware on June 13, 1995. The Company’s primary business activity is developing and marketing consumer products, including health and wellness products and ocular health products.

The Company had two subsidiaries: AutoSmart USA, Inc., a Nevada corporation and AutoSmart USA Leasing, Inc., a Florida corporation, which operated in tandem the vehicle sales operations of the Company. During the fiscal year ended March 31, 2002, these two subsidiaries ceased operations.

During fiscal year 2003, the Company formed Best Health, Inc., a health product developer and distributor in the development stage. The Company also acquired 90 percent of the outstanding shares of SoySlim Corp., another health product distributor in the development stage. The Company also acquired the rights to a patent-pending security system known as Global *P.O.M.*™

Interactive Multimedia Network, Inc. prepares its financial statements in accordance with generally accepted accounting principles. This basis of accounting involves the application of accrual accounting; consequently, revenues and gains are recognized when earned, and expenses and losses are recognized when incurred. Financial statement items are recorded at historical cost and may not necessarily represent current values.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Principles of Consolidation

The consolidated financial statements include the accounts of the Company and all of its wholly-owned subsidiaries. All significant intercompany accounts and transactions have been eliminated in consolidation.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles 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. Certain amounts included in the financial statements are estimated based on currently available information and management’s judgment as to the outcome of future conditions and circumstances. Changes in the

INTERACTIVE MULTIMEDIA NETWORK, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued):

status of certain facts or circumstances could result in material changes to the estimates used in the preparation of financial statements and actual results could differ from the estimates and assumptions. Every effort is made to ensure the integrity of such estimates.

Fair value of Financial Instruments

The carrying amounts reported in the balance sheet for cash and cash equivalents, accounts receivable, other receivables, accounts payable and accrued expenses and other liabilities approximate fair value because of the immediate or short-term maturity of these financial instruments.

Inventories

Inventories are stated at the lower of cost or market determined by the LIFO method and specific identification.

Property and Equipment

Property and equipment are stated at cost less accumulated depreciation. Depreciation is computed using the straight-line method over the estimated useful lives when the property and equipment is placed in service.

| | <u>Estimate Useful Life</u> <u>(In Years)</u> |
|-------------------------------|--|
| Furniture and Fixtures | 7 |
| Equipment & Vehicles | 5 |
| Computer Equipment & Software | 3 |

Leasehold improvements are amortized over their estimated useful lives or the estimated useful lives of the leasehold improvements, whichever is shorter.

The cost of fixed assets retired or sold, together with the related accumulated depreciation, are removed from the appropriate asset and depreciation accounts, and the resulting gain or loss is included in net earnings. Maintenance and repairs are expensed as incurred.

Repairs and maintenance are charged to operations as incurred, and expenditures for significant improvements are capitalized. The cost of property and equipment retired or

INTERACTIVE MULTIMEDIA NETWORK, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued):

sold, together with the related accumulated depreciation, are removed from the appropriate asset and depreciation accounts, and the resulting gain or loss is included in operations.

Revenue Recognition

Revenues are principally from services and commissions from providing marketing plans, services related to the Internet marketing arena and sales from health related products. Revenues from marketing and Internet related activity are recognized when the services are completed. Revenues from the sale of health related products are recognized when the products are shipped to the customer.

In December 1999, the Securities and Exchange Commission (“SEC”) issued Staff Accounting Bulletin No. 101 (“SAB 101”), “Revenue Recognition,” which provides guidance on the recognition, presentation and disclosure of revenue in financial statements filed with the SEC. SAB 101 outlines the basic criteria that must be met to recognize revenue and provide guidance for disclosures related to revenue recognition policies. Management believes that Interactive Multimedia Network, Inc.’s revenue recognition practices are in conformity with the guidelines of SAB 101.

Advertising

The Company expenses advertising costs as incurred. Advertising expense was approximately \$1,000 and \$8,911 for fiscal year 2004 and 2003 respectively.

Earnings (Loss) Per Share of Common Stock

Earnings (Loss) per common share are calculated under the provisions of SFAS No. 128, “Earnings per Share,” which establishes standards for computing and presenting earnings per share. SFAS No. 128 requires the Company to report both basic earnings (loss) per share, which is based on the weighted-average number of common shares outstanding during the period, and diluted earnings (loss) per share, which is based on the weighted-average number of common shares outstanding plus all potential dilutive common shares outstanding. Options and warrants are not considered in calculating diluted earnings (loss) per share since considering such items would have an anti-dilutive effect.

INTERACTIVE MULTIMEDIA NETWORK, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued):

Statement of Cash Flows

For purposes of the statement of cash flows, the Company considers all highly liquid instruments with original maturities of three months or less to be cash equivalents.

Recent Accounting Pronouncements:

The Statement of Financial Accounting Standards Board (SFAS) No. 141, “Business Combinations,” was issued by the Financial Accounting Standards Board (FASB) in July 2001. This Statement establishes standards for accounting and reporting for business combinations. This statement requires the purchase method of accounting to be used for all business combinations, and prohibits the pooling-of-interests method of accounting. This Statement is effective for all business combinations initiated after June 30, 2001 and supercedes APB Opinion No. 16, “Business Combinations” as well as Financial Accounting Standards Board Statement of Financial Accounting Standards No. 38, “Accounting for Preacquisition Contingencies of Purchased Enterprises.” The adoption of this statement by the Company did not have a material impact on its financial condition or results of operations.

The Statement of Financial Accounting Standards Board (SFAS) No. 142, “Goodwill and Other Intangible Assets,” was issued by the Financial Accounting Standards Board (FASB) in July 2001. This Statement addresses how intangible assets that are acquired individually or with a group of other assets should be accounted for in financial statements upon their acquisition. This statement requires goodwill amortization to cease and for goodwill to be periodically reviewed for impairment, for fiscal years beginning after October 31, 2001. SFAS No. 142 supercedes APB Opinion No. 17, “Intangible Assets.” The adoption of this statement by the Company did not have a material impact on its financial condition or results of operations.

The Statement of Financial Accounting Standards Board (SFAS) No. 143, “Accounting for Asset Retirement Obligation,” was issued by the Financial Accounting Standards Board (FASB) in August 2001. This Statement requires companies to record a liability for asset retirement obligations in the period in which they are incurred, which typically could be upon completion or shortly thereafter. The FASB decided to limit the scope to legal obligation and the liability will be recorded at fair value. The adoption of this statement by the Company did not have a material impact on its financial condition or results of operations.

The Statement of Financial Accounting Standards Board (SFAS) No. 144, “Accounting

INTERACTIVE MULTIMEDIA NETWORK, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued):

for the Impairment or Disposal of Long-Lived Assets,” was issued by the Financial Accounting Standards Board (FASB) in October 2001. This Statement provides a single accounting model for long-lived assets to be disposed of and replaces SFAS No. 121 “Accounting for the Impairment of Long-Lived Assets and Long-Lived Assets to Be Disposed Of.” This Statement is effective for fiscal years beginning after December 15, 2001. The adoption of this statement by the Company did not have a material impact on its financial condition or results of operations.

NOTE 3 – DETAILS OF FINANCIAL STATEMENT COMPONENTS

| | <u>March 31,</u> | |
|---|-------------------------|-------------------------|
| | <u>2004</u> | <u>2003</u> |
| Property and Equipment: | | |
| Furniture and Fixtures | \$ 4,770 | \$ 4,770 |
| Equipment | 5,137 | 5,136 |
| Computer Equipment | 24,568 | 24,568 |
| Software | 1,626 | 1,626 |
| Website | <u>53,250</u> | <u>53,250</u> |
| | 89,351 | 89,350 |
| Less: Accumulated depreciation and amortization | <u>50,998</u> | <u>50,329</u> |
| Property and equipment, net | <u>\$ 38,353</u> | <u>\$ 39,021</u> |

NOTE 4 – COMMITMENTS AND CONTIGENCIES

Legal Proceedings

In September 2002, the Company’s wholly owned subsidiaries, AutoSmart USA, Inc. and AutoSmart Leasing, Inc. ceased operations. Due to unpaid obligations to vendors, AutoSmart USA, Inc. is currently a party to several lawsuits in which the total amount being requested for recovery from AutoSmart USA, Inc. is approximately \$280,332.

NOTE 5 – GOING CONCERN

The accompanying financial statements have been prepared assuming the Company will continue as a going concern. The Company reported a net loss of \$57,065 and \$274,242 for the years ended March 31, 2004 and 2003 respectively. Management anticipates that additional investments will be needed to develop an effective sales and marketing program before the organization will generate sufficient cash flow from operations to meet current operating expenses and overhead. Management has continued

INTERACTIVE MULTIMEDIA NETWORK, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 5 – GOING CONCERN (continued):

to develop a strategic plan to develop a management team, maintain reporting compliance and seek new expansive areas in marketing through multiple media channels. Management intends to seek new capital from new equity security issuance's that will provide funds needed to increase liquidity, fund internal growth, and fully implement its business plan.

NOTE 6 – DISCONTINUED OPERATIONS

In September 2002, The Company ceased operations at its wholly owned subsidiaries, AutoSmart USA, Inc. and AutoSmart Leasing, Inc. The results of those businesses have been reflected as Discontinued Operations in the accompanying consolidated financial statements. Operating results of the discontinued operations are as follows:

| | |
|-------------------------------------|-------------------------|
| | <u>2002</u> |
| Net Sales | 1,350,673 |
| Income before income taxes | (692,373) |
| Provision for income taxes | <u>-</u> |
| Income from discontinued operations | <u>(692,373)</u> |

NOTE 7 – RELATED PARTY TRANSACTIONS

The Company has been involved in periodic transactions, whereby money has been advanced to the former President of the Company and the former President of the Company has advanced money to the Company. As of March 31, 2004 the Company was obligated to the former President for a total of \$9,970.

Legal services to Interactive Multimedia Network, Inc. have been performed by Verdiramo & Verdiramo, P.A. This professional association is owned by Vincent L. Verdiramo, the former President of Interactive Multimedia Network, Inc. and his son Vincent S. Verdiramo. The cost of legal services billed to the Company for the year ended March 31, 2004 was \$18,426 and \$18,100 for the year ended March 31, 2003.

Verdiramo & Verdiramo, P.A. is providing limited use of office space to Interactive Multimedia Network, Inc. Although Verdiramo & Verdiramo, P.A. has agreed not to charge rent and is not expecting payment from the Company for the office use, an amount has been reflected in the financial statements as rent expense with an offset to Paid in Capital in the amount of \$1,200 for the fiscal year ended March 31, 2004 and \$1,200 for the fiscal year ended March 31, 2003.

INTERACTIVE MULTIMEDIA NETWORK, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 7 – RELATED PARTY TRANSACTIONS (continued):

The Company has received loans and advances from stockholders during the year. These transactions are in the form of unsecured demand loans bearing interest of 4% to 8% per annum. The balance due at March 31, 2004 is \$126,387 which includes approximately \$24,219 accrued interest on these loans.

NOTE 8 – STOCKHOLDER’S EQUITY

Preferred Stock

The company has 5,000,000 shares of preferred stock with a par value of \$0.001, which to date have never been issued. The preferred stock contains no voting privileges and is not entitled to accrue dividends or convert into shares of the Company’s common stock.

NOTE 9 – OPTIONS AND WARRANTS

In December 1998, Marion Verdiramo, a related party, returned 2,000,000 shares of common stock to the Company as part of a capital restructuring and in return received 2,000,000 common stock options at \$0.10 per share which can be exercised any time during the subsequent three years. This exchange was believed to be beneficial to the Company as it reduced its outstanding float. Prior to their expiration, the Company and Ms. Verdiramo agreed to extend the term of this Option Agreement for an additional five (5) years. These options were valued at \$330,000 based upon the minimal value of the common stock at the time of the options’ issuance.

Marion Verdiramo has never been an employee, officer, director or independent consultant for the Company. Marion Verdiramo converted a loan to the Company for 2,000,000 shares of restricted common stock. Subsequently, those shares were never freed from restrictive legend and returned to the Company.

In February 2004 the stock options were retired and the shares originally issued to Marion Verdiramo were re-issued to her. The terms of the original option allowed for this re-issuance if the market price of the Company’s stock stayed at or below the option price for 60 consecutive days. This occurred during the last quarter of 2003 and the first quarter of 2004.

INTERACTIVE MULTIMEDIA NETWORK, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 10 – INCOME TAXES

The Company did not provide any current or deferred United States federal, state or foreign income tax provision or benefit for the period presented because it has experienced operating losses since inception. The Company has provided a full valuation allowance on the deferred tax asset, consisting primarily of net operating loss carryforwards, because of uncertainty regarding its realizability.

NOTE 11 – BUSINESS SEGMENT INFORMATION

The Company's segment information has been prepared in accordance with Financial Accounting Standards Board (FASB) Statement of Financial Accounting Standards (SFAS) No. 131, "Disclosures about Segments of an Enterprise and Related Information." Segments were determined based on products and services provided by each segment. Accounting policies of the segments are the same as those described in the summary of significant accounting policies. Performance of the segments is evaluated on operating income (loss) before taxes, interest income or expense and other income or (loss). The Company has elected to organize its businesses based principally upon products and services. Interactive Multimedia Network, Inc. has two reportable segments: Marketing, including services related to the Internet marketing arena and sales or commissions from the sale or lease of vehicles.

For year ended March 31, 2004

| | <u>Marketing Services</u> | <u>Health Products</u> | <u>Corporate and Other</u> | <u>Consolidated Total</u> |
|---------------------------------|-------------------------------|----------------------------|--------------------------------|-------------------------------|
| Net sales to external customers | \$ 54,312 | \$ - | \$ - | \$ 54,312 |
| Segment operating profit (loss) | (49,917) | - | (7,148) | (57,065) |
| Segment assets | 59,071 | 239 | - | 59,310 |
| Depreciation and amortization | 669 | - | - | 669 |
| Capital Additions | - | - | - | - |
| Interest Income | - | - | - | - |
| Interest Expense | - | - | 7,148 | 7,148 |

INTERACTIVE MULTIMEDIA NETWORK, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 11 – BUSINESS SEGMENT INFORMATION (continued):

For year ended March 31, 2003

| | <u>Marketing and Internet related Services</u> | <u>Health Products</u> | <u>Corporate and Other</u> | <u>Consolidated Total</u> |
|---------------------------------|--|----------------------------|--------------------------------|-------------------------------|
| Net sales to external customers | \$ 35,445 | \$ 3,817 | \$ - | \$ 39,262 |
| Segment operating profit (loss) | (31,034) | (31,953) | (211,255) | (274,242) |
| Segment assets | 40,051 | 239 | - | 40,290 |
| Depreciation and amortization | 7,759 | - | - | 7,759 |
| Capital Additions | - | - | - | - |
| Interest Income | - | - | - | - |
| Interest Expense | - | - | 6,148 | 6,148 |

The Company's operations by geographic area are as follows:

Net sales to external customers

| | <u>For years ended March 31, 2004</u> | <u>2003</u> |
|--------------------------------|---|-------------------------|
| U.S. – continued operations | \$ 54,312 | \$ 39,262 |
| U.S. – discontinued operations | - | - |
| Other | - | - |
| | <u>\$ 54,312</u> | <u>\$ 39,262</u> |

Long-lived assets

| | <u>For years ended March 31, 2004</u> | <u>2003</u> |
|-------|---|-------------------------|
| U.S. | \$ 38,352 | \$ 39,021 |
| Other | - | - |
| | <u>\$ 38,352</u> | <u>\$ 39,021</u> |

Item 8. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure

The Company filed an 8-K on November 15, 2004 accepting the resignation of its then auditor Dischino & Associates, P.C. and appointing a new auditor Michael F. Albanese, CPA. There were no disagreements between the Company and Dischino & Associates, P.C. on accounting or financial disclosure.

The Company subsequently filed an 8-K/A on December 7, 2004 restating the resignation of Dischino & Associates, P.C. and the appointment of the new auditor, Michael F. Albanese, CPA in response to a comment letter received by the Company received on November 17, 2004.

Item 8a. Controls And Procedures

The Registrant's President and Principal Accounting Officer (both the same person) has evaluated the Registrant's disclosure controls and procedures within 90 days of the original filing date of this annual report. Based upon this evaluation, the Registrant's President and principal Accounting Officer then concluded that the Registrant's disclosure controls and procedures were effective in ensuring that material information required to be disclosed is included in the reports that it files with the Securities and Exchange Commission.

As a result of the corrections that were required to be made to the Company's financial statements, which corrections have been made to the accompanying financial statements, the Company's certifying officer determined that the Company's system of disclosure controls and procedures had not been effective in ensuring that material information required to be disclosed was included in the reports that had been filed with the SEC. The Company has retained the services of an accounting and reporting consultant, familiar with SEC regulations, to assist it in preparing its filings. The Company's certifying officer now concludes that its system of disclosure controls and procedures, as modified to include the use of such consulting services, is effective in ensuring that material information required to be disclosed is included in the reports that it files with the SEC. The Company believes that utilization of an SEC reporting consultant is a cost-effective way for a shell company with limited resources to maintain an adequate system of disclosure controls and procedures. At such future time, if any, that the Company is able to effect a merger with an operating company, the Company expects that such company will either have the requisite financial reporting professional(s) already employed on a full-time basis or the resources to do so.

There were no other significant changes in the Registrant's internal controls or, to the knowledge of the management of the Registrant, in other factors that could significantly affect these controls subsequent to the evaluation date.

Item 8b. Other Information.

None.

Item 9. Directors and Executive Officers, Promoters and Control Persons; Compliance with Section 16(a) of the Exchange Act

The following table sets forth the directors and executive officers of the Company.

| Name | Age | Position |
|----------------------|------------|-------------------------------|
| Richard J. Verdiramo | 41 | Director, President, CEO, CFO |
| Robert Gilbert | 61 | Director, Vice-President, COO |

BIOGRAPHIES

RICHARD J. VERDIRAMO is the President, CEO and CFO of the Company. Mr. Verdiramo has extensive experience in the management of brand development and the marketing of consumer products. From 1988 through 1996, Mr. Verdiramo operated a management and marketing consultancy that focused on the development of marketing strategies for consumer products. Mr. Verdiramo graduated from Providence College.

ROBERT J. GILBERT is the Vice President and COO of the Company. Mr. Gilbert was President of Convenient Solutions, Inc., a company formed by him that provided products and training systems to practitioners in the optical industry. Prior to his formation of Convenient Solutions, Inc., in 1985, Mr. Gilbert founded Colorlogic, a graphic arts consultancy, which provided analytical costing and production methods to major international corporations based in the NY metro area. In 1974, Mr. Gilbert co-founded Colortronics, a printing and color separation business. Mr. Gilbert graduated from the University of Pittsburgh.

Board of Directors

All directors of the Company hold office until the next annual meeting of stockholders and until their successors are elected and qualified.

The Company's By-Laws eliminate the personal liability of officers and directors to the fullest extent permitted by Delaware Law. The effect of such provision is to require the Company to indemnify the officers and directors of the Company for any claim arising against such persons in their official capacities if such person acted in good faith and in a manner that he reasonably believed to be in or not opposed to the best interests of the Company, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his conduct was lawful.

There are no committees of the Board, which acts as the full Board with respect to any matter. No compensation is paid to any director, as such, for his or her services, but, by resolution of the Board of Directors, a fixed sum or expense for actual attendance at each regular or special meeting by the Board may be authorized.

Compliance with Section 16(a) of the Exchange Act

Based solely on a review of Forms 4 and 5 furnished to the Company and filed with the Securities and Exchange Commission under Rule 16a-3(e) promulgated under the Securities Exchange Act of 1934, the Company believes that all directors, officers and beneficial owners of more than 10% of any class of equity securities filed on a timely basis the reports required by Section 16(a) of the Exchange Act during the most recent fiscal year.

Item 10. Executive Compensation

The following table reflects compensation for services to the Company for the fiscal years ended March 31, 2005 and 2004 by the executive officers. No executive officer of the Company received compensation which exceeded \$100,000 during this period.

SUMMARY COMPENSATION TABLE

| ANNUAL COMPENSATION | | | | LONG TERM COMPENSATION | |
|-----------------------------|------|-------------|------------|------------------------|--|
| Name and Principal Position | Year | Salary (\$) | Bonus (\$) | Other Comp. (\$) | Restricted Annual Stock Awards (1)(\$) |
| Richard J. Verdiramo | 2005 | \$ -0- | -0- | -0- | -0- |
| President | 2004 | \$ -0- | -0- | -0- | 20,000 |
| Robert G. Gilbert | 2005 | \$ -0- | -0- | -0- | -0- |
| COO, VP | 2004 | \$ -0- | -0- | -0- | 15,000 |

- (1) In February 2004 the Board of Directors issued shares under Section 4(2) of the Securities Act to Messrs. Verdiramo and Gilbert for services rendered to the Company during the fiscal year ended March 31, 2004, this award of was valued at \$20,000 and \$15,000, respectively.

Item 11. Security Ownership of Certain Beneficial Owners and Management

The table below sets forth information with respect to the beneficial ownership of the Common Stock by (i) each of the directors and executive officers of the Company, (ii) each person known by the Company to be the beneficial owner of five percent or more of the outstanding Common Stock, and (iii) all executive officers and directors as a group, as of March 31, 2005. Unless otherwise indicated, the Company believes that the beneficial owner has sole voting and investment power over such shares.

| Title of Class | Name and Address of Beneficial Owner | Amount and Nature of Beneficial Ownership | Percent of Class |
|----------------|---|---|------------------|
| Common | Richard J. Verdiramo (1) 3163 Kennedy Boulevard Jersey City, New Jersey 07306 | 50,000 | 7.48% |
| Common | Robert J. Gilbert 3163 Kennedy Boulevard Jersey City, New Jersey 07306 | 30,000 | 4.49% |
| Common | Marion H. Verdiramo (2) 3163 Kennedy Boulevard Jersey City, New Jersey 07306 | 170,047 | 24.46% |
| Common | All Officers and Directors as a Group- Two People | 80,000 | 11.98% |

- (1) President and son of Marion H. Verdiramo
(2) Mother of Richard J. Verdiramo

Item 12. Certain Relationships and Related Transactions

The Company utilizes office space that is provided to it rent free by the law firm of Verdiramo & Verdiramo, P.A., which is owned and operated by Vincent L. Verdiramo, and Vincent S. Verdiramo. Messrs. Verdiramo are the father and brother of the current President, Richard J. Verdiramo. Although Verdiramo & Verdiramo, P.A. has agreed not to charge rent and is not expecting payment from the Company for the office use, an amount of has been reflected in the financial statements as rent expense with is offset to Paid in Capital in the amount of \$1,200 for the Fiscal Year Ended March 31, 2005.

PART III

Item 13. Exhibits

Exhibit 31.1 – Certification required by Rule 13a-14(a) or Rule 15d-14(a)

Exhibit 32.1 – Certification Required by Rule 13a-14(b) or Rule 15d-14(b) and section 906 of the Sarbanes-Oxley Act of 2002, 18 U.S.C. Section 1350

Item 14. Principal Accountant Fees and Services

The Company's board of directors reviews and approves audit and permissible non-audit services performed by the authorized independent public accountants as well as the fees charged by the authorized independent public accountants for such services. In its review of non-audit service fees and its appointment of the authorized independent public accountants as the Company's independent accountants, the board of directors considered whether the provision of such services is compatible with maintaining the authorized independent public accountant's independence. All of the services provided and fees charged by the authorized independent public accountants during the fiscal years represented in this report were pre-approved by the board of directors.

Audit Fees

The aggregate fees billed by the authorized independent public accountants for professional services for the audit of the annual financial statements of the Company and the reviews of the financial statements included in the Company's quarterly reports on Form 10-KSB for 2005 and 2004 were \$12,000 and \$11,000 respectively, net of expenses.

Audit-Related Fees

There were no other fees billed by the authorized independent public accountants during the last two fiscal years for assurance and related services that were reasonably related to the performance of the audit or review of the Company's financial statements and not reported under "Audit Fees" above.

Tax Fees

The Company incurred no fees for taxes during the last two fiscal years.

All Other Fees

There were no other fees billed by the authorized independent public accountants during the last two fiscal years for products and services provided by authorized independent public accountants.

SIGNATURE

In accordance with the requirements of the Security Exchange Act of 1934, the Registrant has caused this report to be signed on its behalf by the undersigned, duly authorized.

RECOV Energy, Corp.

Date: September 23, 2005

By: /s/ Richard J. Verdiramo

Richard J. Verdiramo, President

CERTIFICATION OF CHIEF EXECUTIVE OFFICER

I, Richard J. Verdiramo, certify that:

- (1) I have reviewed this revised annual report on Form 10-KSB/A of RECOV Energy, Corp.;
- (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 small business issuer as of, and for, the periods presented in this report;
- (4) I am 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 small business issuer, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) 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) I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the small business issuer's auditors and the audit committee of the small business issuer's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the small business issuer's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the small business issuer's internal control over financial reporting.

Date: September 23, 2005

By: /s/ Richard J. Verdiramo

Richard J. Verdiramo, President, Chief Executive and Chief Financial Officer

EXHIBIT 32

**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 amended annual report of RECOV Energy, Corp.. (the "Company") on Form 10-KSB/A for the period ended March 31, 2005 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Richard J. Verdiramo, Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. section 1350, as adopted pursuant to section 906 of the Sarbanes-Oxley Act of 2002, that to the best of my knowledge:

- (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 result of operations of the Company.

Date: September 23, 2005

By: /s/ Richard J. Verdiramo

Richard J. Verdiramo, President, Chief Executive and Chief Financial Officer