RRUN VENTURES NETWORK INC
Form 10QSB
May 20, 2003

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10QSB

[X] QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the quarterly period ended March 31, 2003

[ ] TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the transition period from _________ to ____________

Commission File No. 000-27233

RRUN VENTURES NETWORK, INC.
(Exact name of Registrant as specified in its charter)

NEVADA	98-0204736
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification Number)

62 W. 8th Avenue, 4th Floor Vancouver, British Columbia, Canada	V5Y 1M7
(Address of principal executive offices)	(Zip Code)

Issuer?s telephone number, including area code: (604) 682-6541

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 (X) No ( ).

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

Class	Outstanding as of March 31, 2003
$0.0001 par value Common Stock	58,154,790

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

PART 1 - FINANCIAL INFORMATION

Item 1. Financial Statements

The accompanying unaudited financial statements have been prepared in accordance with the instructions to Form 10-QSB and Item 310 (b) of Regulation S-B, and, therefore, do not include all information and footnotes necessary for a complete presentation of financial position, results of operations, cash flows, and stockholders' equity in conformity with generally accepted accounting principles. In the opinion of management, all adjustments considered necessary for a fair presentation of the results of operations and financial position have been included and all such adjustments are of a normal recurring nature. Operating results for the three months ended March 31, 2003 are not necessarily indicative of the results that can be expected for the year ending December 31, 2003.

RRUN VENTURES NETWORK INC.
(A Development Stage Company)

CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2003
(Unaudited)
(Stated in U.S. Dollars)

RRUN VENTURES NETWORK INC.
(A Development Stage Company)

CONSOLIDATED BALANCE SHEET
(Unaudited)
(Stated in U.S. Dollars)

	MARCH 31 2003	DECEMBER 31 2002
ASSETS		
Current		
Cash	$ 124	$ 32
Goods and Services Tax recoverable	4,424	5,786
Prepaid expense	47,528	345
Notes receivable	13,125	13,125
	65,201	19,288
Capital Assets	7,715	8,230
	$ 72,916	$ 27,518
LIABILITIES		
Current		
Accounts payable	$ 1,463,084	$ 1,374,920

Loans and advances payable	541,460	528,581
	2,004,544	1,903,501
STOCKHOLDERS' DEFICIENCY		
Share Capital		
Authorized:		
100,000,000 common shares, par value $0.0001 per share		
Issued and outstanding:		
56,154,790 common shares at March 31, 2003 and 45,654,790 at December 31, 2002	5,616	4,566
Add: Share subscriptions received:		
1,685,000 common shares at March 31, 2003 and 36,250 at December 31, 2002	8,045	1,450
Additional paid-in capital	1,138,534	1,087,084
Deficit	(3,083,823)	(2,969,083)
	(1,931,628)	(1,875,983)
	$ 72,916	$ 27,518

RRUN VENTURES NETWORK INC.
(A Development Stage Company)

CONSOLIDATED STATEMENT OF OPERATIONS AND DEFICIT
(Unaudited)
(Stated in U.S. Dollars)

	THREE MONTHS ENDED MARCH 31 2003	2002	INCEPTION OCTOBER 12 2000 TO MARCH 31 2003
Revenue	$ -	$ -	$ 9,000
Expenses			
Administrative services	2,267	6,101	156,837
Amortization	516	2,687	15,761
Business development	21,000	191,166	739,106
Consulting	50,000	260,001	520,963
Equipment leases	-	7,474	35,796
Investor relations	295	171,774	391,694
Marketing	-	541	36,389
Media design	180	15,983	84,055
Office, rent and sundry	32,545	50,956	297,739
Professional fees	7,441	25,605	273,034
Software development	-	38,888	855,135

Travel	496	9,650	112,203
Wages and benefits	-	13,344	28,281
	114,740	794,170	3,546,993
Loss Before The Following	114,740	769,170	3,537,993
Write Down Of Investment	-	-	6,750
Minority Interest In Loss Of Subsidiary	-	-	(219)
Loss From Continuing Operations	114,740	769,170	3,544,524
Gain On Disposition Of Subsidiary	-	-	(419,427)
Discontinued Operations	-	24,984	(53,629)
Net Loss For The Period	$ 114,740	$ 769,186	$ 3,071,468
Net Loss Per Share	$ 0.01	$ 0.05	
Weighted Average Number Of Common Shares Outstanding	49,543,679	14,781,391	

RRUN VENTURES NETWORK INC.
(A Development Stage Company)

CONSOLIDATED STATEMENT OF CASH FLOWS
(Unaudited)
(Stated in U.S. Dollars)

	THREE MONTHS ENDED MARCH 31 2003	2002	INCEPTION OCTOBER 12 2000 TO MARCH 31 2003
Cash Flows From Operating Activities			
Loss from continuing operations	$ (114,740)	$ (769,170)	$ (3,544,524)
Adjustments To Reconcile Net Loss To Net Cash Used By Operating Activities			
Amortization	516	2,687	15,761
Issue of common stock for expenses	52,500	60,000	345,690
Write down of investment	-	-	6,750
Minority interest in loss of subsidiary	-	-	(219)
Goods and Services Tax			

recoverable	1,362	3,343	(4,424)
Prepaid expense	(47,183)	(13,747)	(47,528)
Notes receivable	-	-	(13,125)
Accounts payable	88,163	614,561	2,034,763
Loans and advances payable	12,879	33,914	668,900
	(6,503)	(93,412)	(537,956)
Cash Flows From Investing Activities			
Net asset deficiency of legal parent at date of reverse take-over transaction	-	-	(12,355)
Purchase of capital assets	-	-	(43,493)
	-	-	(55,848)
Cash Flows From Financing Activities			
Shares issued for cash	-	-	414,712
Share subscriptions received	6,595	99,000	8,045
	6,595	99,000	422,757
Increase (Decrease) In Cash	92	5,588	(171,047)
Net Cash From Discontinued Operations	-	24,984	53,630
Cash Acquired On Acquisition Of Subsidiary	-	-	117,541
Cash, Beginning Of Period	32	1,421	-
Cash, End Of Period	$ 124	$ 31,993	$ 124

RRUN VENTURES NETWORK INC.
(A Development Stage Company)

CONSOLIDATED STATEMENT OF STOCKHOLDERS' DEFICIENCY

MARCH 31, 2003
(Unaudited)
(Stated in U.S. Dollars)

SHARES	AMOUNT	ADDITIONAL PAID-IN CAPITAL	DEFICIT	TOTAL

Shares issued for cash and services	4,200,000	$4,200	$ -	$ -	$ 4,200
Adjustment to number of shares issued and outstanding as a result of the acquisition of RAHX, Inc.					
RAHX, Inc.	(4,200,000)	(4,200)	-	-	(4,200)
RRUN Ventures Inc.	5,708,780	5,709	(1,509)	-	4,200
Adjustment to stated value of stockholders' equity to reflect minority interest in the net assets of RAHX, Inc. at the acquisition date	-	-	(219)	-	(219)
Net asset deficiency of legal parent at date of reverse take-over transaction	-	-	-	(12,355)	(12,355)
Shares issued to acquire investment in Kaph Data Engineering Inc.	400,000	400	6,350	-	6,750
Loss for the period	-	-	-	(79,249)	(79,249)
Balance, December 31, 2000	6,108,780	6,109	4,622	(91,604)	(80,873)
Adjustment to number of shares issued and outstanding as a result of the acquisition of RRUN Ventures, Inc.					
RRUN Ventures, Inc.	(6,108,780)	(6,109)	(4,622)	-	(10,731)
RRUN Ventures Network Inc.	288,420	288	10,443	-	10,731
Fair value of shares issued in connection with the acquisition of RRUN Ventures, Inc.	305,439	306	28,325	-	28,631
	593,859	594	38,768	(91,604)	(52,242)
Increase in issued shares due to 20 for 1 stock split	11,283,321	594	(594)	-	-
Shares issued for debt	1,867,544	187	54,257	-	54,444
Shares issued for cash	670,000	67	13,333	-	13,400
Shares issued for Services	200,000	20	3,980	-	4,000
Loss for the year	-	-	-	(1,611,999)	(1,611,999)
Balance, December 31, 2001	14,614,724	1,462	109,744	(1,703,603)	(1,592,397)

RRUN VENTURES NETWORK INC.
(A Development Stage Company)

CONSOLIDATED STATEMENT OF STOCKHOLDERS DEFICIENCY

MARCH 31, 2003
(Unaudited)
(Stated in U.S. Dollars)

	SHARES	AMOUNT	ADDITIONAL PAID-IN CAPITAL	DEFICIT	TOTAL
Balance, December 31, 2001	14,614,724	$1,462	$ 109,744	$(1,703,603)	$(1,592,397)
Shares issued for debt	11,163,816	1,116	268,026	-	278,142
Shares issued for services	13,845,000	1,384	283,606	-	275,990
Shares issued for cash and notes receivable	7,861,250	787	461,912	-	462,698
Shares cancelled	(1,830,000)	(183)	(61,204)	-	(61,387)
Forgiveness of shareholder debt	-	-	25,000	-	25,000
Loss for the year	-	-	-	(1,265,480)	(1,265,480)
Balance, December 31, 2002	45,654,790	4,566	1,087,084	(2,969,083)	(1,877,434)
Shares issued for services	10,500,000	1,050	51,450	-	52,500
Loss for the period	-	-	-	(114,740)	(114,740)
Balance, March 31, 2003	56,154,790	$5,616	$ 1,138,534	$(3,083,823)	$(1,939,674)

RRUN VENTURES NETWORK INC.
(A Development Stage Company)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2003
(Unaudited)
(Stated in U.S. Dollars)

1. BASIS OF PRESENTATION

The unaudited consolidated financial statements as of March 31, 2003 included herein have been prepared without audit pursuant to the rules and regulations of the Securities and Exchange Commission. Certain information and footnote disclosures normally included in financial statements prepared in accordance with United States of America generally accepted accounting principles have been condensed or omitted pursuant to such rules and regulations. In the opinion of management, all adjustments (consisting of normal recurring accruals) considered necessary for a fair presentation have been included. It is suggested that these consolidated financial statements be read in conjunction with the December 31, 2002 audited consolidated financial statements and notes thereto.

2. NATURE OF OPERATIONS

a) Organization

The Company was incorporated in the State of Nevada, U.S.A., on October 12, 2000.

b) Development Stage Activities

The Company was organized as a holding company to develop or acquire innovative ventures with an emphasis on serving the lifestyle needs of the 18 - 34 year Digital Generation through the production and marketing of lifestyle products and services. The Company's initial venture is RAHX, a business concept previously focused on delivering, for its customers, a consolidated Entertainment Experience Network comprised of many services ranging from digital media peer to peer file exchange to live entertainment and online video games. At this time, the Company's focus is the developing of a live entertainment business, specifically nightclubs and live events.

RRUN VENTURES NETWORK INC.
(A Development Stage Company)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2003
(Unaudited)
(Stated in U.S. Dollars)

2. NATURE OF OPERATIONS (Continued)

c) Going Concern

Since inception, the Company has suffered recurring losses, net cash outflows from operations and, at March 31, 2003, has a working capital deficiency of $1,939,343. The Company expects to continue to incur substantial losses to complete the development and testing of its technology. Since its inception, the Company has funded operations through common stock issuances and related party loans in order to meet its strategic objectives. Management believes that sufficient funding will be available to meet its business objectives, including anticipated cash needs for working capital, and is currently evaluating several financing options. However, there can be no assurance that the Company will be able to obtain sufficient funds to continue the development of and, if successful, to commence the sale of its products under development. As a result of the foregoing, there exists substantial doubt about the Company's ability to continue as a going concern. These consolidated financial statements do not include any adjustments that might result from the outcome of this uncertainty.

3. SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements of the Company have been prepared in accordance with generally accepted accounting principles in the United States of America. Because a precise determination of many assets and liabilities is dependent upon future events, the preparation of consolidated financial statements for a period necessarily involves the use of estimates which have been made using careful judgement.

The consolidated financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of the significant accounting policies summarized below:

a) Consolidation

These consolidated financial statements include the accounts of the Company, its 100% owned subsidiaries, RRUN Labs Inc. and RVNI Management Ltd., and its 67% owned subsidiary, RAHX, Inc.

RRUN VENTURES NETWORK INC.
(A Development Stage Company)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2003
(Unaudited)
(Stated in U.S. Dollars)

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

b) Development Stage Company

The Company is a development stage company as defined in the Statements of Financial Accounting Standards No. 7. The Company is devoting substantially all of its present efforts to establish a new business and none of its planned principal operations have commenced. All losses accumulated since inception have been considered as part of the Company's development stage activities.

c) Investments

Investments in companies owned less than 20% are recorded at the lower of cost or fair market value.

d) Software Development Costs

The costs to develop new software products and enhancements to existing software products will be expensed as incurred until technological feasibility has been established. Once technological feasibility has been established, any additional costs will be capitalized.

e) Income Taxes

The Company has adopted Statement of Financial Accounting Standards No. 109 - "Accounting for Income Taxes" (SFAS 109). This standard requires the use of an asset and liability approach for financial accounting and reporting on income taxes. If it is more likely than not that some portion or all if a deferred tax asset will not be realized, a valuation allowance is recognized.

f) Amortization

Capital assets are being amortized on the declining balance basis at the following rates:

Computer equipment	30%
Computer software	100%
Office furniture and equipment	20%

RRUN VENTURES NETWORK INC.
(A Development Stage Company)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2003
(Unaudited)
(Stated in U.S. Dollars)

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

g) Stock Based Compensation

The Company accounts for stock based employee compensation arrangements in accordance with the provisions of Accounting Principles Board Opinion No. 25 - "Accounting for Stock Issued to Employees" (APB No. 25) and complies with the disclosure provisions of Statement of Financial Accounting Standards No. 123 - "Accounting for Stock Based Compensation" (SFAS No. 123). Under APB No. 25, compensation expense is recognized based on the difference, if any, on the date of grant between the estimated fair value of the Company's stock and the amount an employee must pay to acquire the stock. Compensation expense is recognized immediately for past services and rateably for future services over the option vesting period.

h) Financial Instruments

The Company's financial instruments consist of cash, GST recoverable, prepaid expenses and accounts payable.

Unless otherwise noted, it is management's opinion that this Company is not exposed to significant interest or credit risks arising from these financial instruments. The fair value of these financial instruments approximate their carrying values, unless otherwise noted.

i) Net Loss Per Share

In February 1997, the Financial Accounting Standards Board issued Statement of Financial Accounting Standards No. 128, "Earnings Per Share" ("SFAS 128"). Under SFAS 128, basic and diluted earnings per share are to be presented. Basic earnings per share is computed by dividing income available to common shareholders by the weighted average number of common shares outstanding in the period. Diluted earnings per share takes into consideration common shares outstanding (computed under basic earnings per share) and potentially dilutive common shares.

4. SUBSEQUENT EVENTS

Subsequent to March 31, 2003, the Company issued 5,648,287 common shares to settle a debt with a fair value of $12,991, and issued a total of 12,920,000 common shares with a fair value of $41,200, pursuant to the provisions of various consulting services agreements entered into by the Company.

Item 2. Management's Discussion and Analysis or Plan of Operations

Forward Looking Statements

This report on Form 10-QSB contains certain forward-looking statements within the meaning of section 21(e) of the Securities Exchange Act of 1934, as amended, and other applicable securities laws. All statements other than statements of historical fact are "forward-looking statements" for purposes of these provisions, including any projections of earnings, revenues, or other financial items; any statements of the plans, strategies, and objectives of management for future operation; any statements concerning proposed new products, services, or developments, any statements regarding future economic conditions or performance, statements of belief, and any statement of assumptions underlying any of the foregoing. Such forward-looking statements are subject to inherent risks and uncertainties, and actual results could differ materially from those anticipated by the forward-looking statements.

RESULTS OF OPERATIONS

For The Three Month Period Ended March 31, 2003 Compared To the Three Month Period Ended March 31, 2002

For The Three Month Period Ended March 31, 2003 Compared To the Three Month Period Ended March 31, 2002

For the three month period ended March 31, 2003, the Company earned revenues of $0.00, as compared to revenues of $0 for the same period ended March 31, 2002.

For the three month period ended March 31, 2003, the Company incurred operational expenses of $114,740, as compared to $794,170 during the same period in 2002. These operating expenses included: consulting fees of $50,000 and $260,001, business development expenses $21,000, and

$191,166;
and professional fees of $7,441, and $25,605, for the three month period
ending March 31, 2003, and 2002, respectively.

For the three month period ended March 31, 2003, the company also issued
10,500,000 shares as payment to one of our legal advisors to cover our legal
expenses and to establish a pre-paid expense for future legal services. At
March 31, 2003, the Pre-paid Expense totaled $47,528.

The Company incurred a net loss from operations of $114,740 for the fiscal
quarter ended March 31, 2003, as compared to $794,170 for the same period in
2002.

For the three month period ended March 31, 2003, the Company earned revenues of $0.00, as compared to revenues of $0 for the same period ended March 31, 2002.

For the three month period ended March 31, 2003, the Company incurred operational expenses of $114,740, as compared to $794,186 during the same period in 2002. These operating expenses included: consulting fees of $50,000 and $260,001, business development expenses $21,000, and $191,166; and professional fees of $7,441, and $25,605, for the three month period ending March 31, 2003, and 2002, respectively.

For the three month period ended March 31, 2003, the company also issued 10,500,000 shares as payment to one of our legal advisors to cover our legal expenses and to establish a pre-paid expense for future legal services. At March 31, 2003, the Pre-paid Expense totaled $47,528.

The Company incurred a net loss from operations of $114,740 for the fiscal quarter ended March 31, 2003, as compared to $794,186 for the same period in 2002.

Liquidity and Financial Condition As Of September 30, 2002

We had cash-on hand of totaling $124.00 as of March 31, 2003.

Due to major changes in market conditions, management decided to change our business strategy to maximize our chances of success. Since inception the Company?s original business strategy was to operate as a venture development

organization
focused on content distribution utilizing the Internet. As reported in the Company?s Annual report for the period ended December 31, 2002 the Company' has shifted its strategy from being focused solely on technology oriented to one of focused on live entertainment, particularly entertainment establishments (i.e. nightclubs) and live events (i.e. concerts and special events)

Our business strategy has been to build urban lifestyle-based businesses based around software and on-line communities. We believe that our vision to build lifestyle businesses is still viable but that we need to change to an off-line focus with the on-line focus coming later. Accordingly we are focusing our immediate efforts on building a network of licensed entertainment establishments, as the base for our urban lifestyle businesses. These establishments will still utilize a branding approach so that we can sell other urban lifestyle products and services.

Our immediate aim is to acquire our first establishment so that we can use it as a flagship for the network and demonstrate our unique and proprietary entertainment concepts for use in our other establishments. We intend that the later establishments will be developed in new and existing locations in major cities throughout the United States and Canada.

In order to finance the first acquisition, and our phases of implementation we plan to raise investment capital through different types of securities offerings. We plan to fund new establishment locations, including our first acquisition, through direct investments into the individual establishments and providing the investors with cash dividends and some capital stock in the Company to the investors. This is hoped to reduce the potential dilution to our existing shareholders. We also plan to raise investment capital by sale of stock in RAHX, our lifestyle subsidiary, or other planned subsidiary which again is hoped to reduce dilution to our existing shareholders. We plan to invite direct investments into the Company to provide funds for general corporate purposes. We believe that this plan will enable us to achieve our development goals with acceptable dilution to our existing shareholders.

We believe that the first acquisition of a nightclub entertainment establishment will require approximately a minimum of $500,000 for the acquisition, plus approximately $100,000 in legal, accounting and administrative expenses. In addition our first acquisition will require a minimum of another $400,000 for working capital and general corporate purposes. This is a minimum total of approximately $1,000,000 that will be required in the next quarter during which we are hoping to make the first acquisition. In the following 3 months, we plan to make one or two additional acquisitions. We believe that the cost of a second and third acquisition or development project will be approximately a minimum of $1,000,000 each and that approximately another $500,000 minimum each will be required for the same purposes as listed above for the first acquisition and for working capital and general corporate purposes. Thus, we anticipate needing a minimum of $4,000,000 of investment capital during the next six months.

After the first two acquisitions, we intend to develop other entertainment establishments from initial buildout rather than from acquisitions. Our plan is to open two additional entertainment establishments by the end of 2003 and we anticipate that additional funding (approximately $1,000,000) will be required to accomplish this. Management anticipates that funding requirements for this plan will be less than the overall cost of opening these nightclubs, since the revenues from the first two or three nightclubs is expected to generate enough cash flow to reduce the level of external capital required. We have developed comprehensive business and financial plans that result in our development of a network of entertainment establishments that should operate on a cash positive basis and without incurring substantial dilution to stockholders such that the Company can possibly increase its overall valuation substantially. The Company believes it will require approximately $1,000,000 to launch its live events business unit, including the cost of acquisitions and their subsequent integration and for the venture development of other potential lines of business for 2003. The total additional working capital financing described in this section is planned to also include the development of other synergistic business units such as, including but not limited to, membership services, brand licensing and merchandising.

Management plans on initiating a series of securities offerings to raise the investment capital needed to meet our acquisition plans. Although we will make efforts to minimize dilution to current shareholders, we may not be able to avoid dilution due to many factors, including but not limited to, the closing of financing at lower than the desired market price of the Company's common stock.

RRUN hopes to secure the financing to satisfy the capital needs for each phase of its implementation plan through the execution of various funding methods, primarily private placement investments or debt financing. RRUN hopes to achieve this by securing relationships with accredited individual investors, investment bankers, venture capitalists, and/or finance advisors that have the experience and relationships to aid RRUN with its capital raising efforts. The source of the private placement or debt financing may be comprised of a mix of principal shareholders, private investors and venture capital companies.

If needed capital investment for our acquisitions or developments is not available, in whole or in part, we intend to delay the implementation plan regarding our acquisition or development plans until sufficient investment capital becomes available. We cannot give any assurances that we will raise sufficient investment capital to meet the business plan. In addition to delays to the implementation plan regarding our acquisition or development plans due to insufficiency of investment capital, we may suffer other consequences, including but not limited to the following; We may have to suspend or discontinue operations of one or more of our business units, such as RAHX, or we may have to suspend or discontinue operations of the Company if we become insolvent as a result.

Until we close our first revenue producing acquisition or begin to produce significant revenues, we will be reliant on capital received from private placements, loans, and the exercise of options and warrants. Due to the depressed market for our securities, we may not be able avoid significant dilution to current shareholders. In addition, we expect to continue to retain certain management, staff and consultants, such as legal counsel, and may need to compensate these individuals through the issuance of our common stock as compensation. These stock based compensations may result in significant dilution to current shareholders due to the depressed market for our securities. We also continue to reduce or prevent collection of outstanding vendor debts and accounts with creditors, such as suppliers and consultants, which could result in litigation against the Company. There can be no guarantee that all of these

negotiations will be successful and the outcome of these negotiations may include settlements in cash and/or issuance of common stock. These stock based settlements may result in significant dilution to current shareholders due to the depressed market for our securities. We plan on continuing to meet certain of our expenses through the issuance of our shares of common stock, which may cause additional and significant dilution to existing shareholders due to the depressed market for our securities.

PART II - OTHER INFORMATION

Item 1. Legal Proceedings

During the three month period ending March 31, 2003 the Company has no legal proceedings filed against it.

The Company believes that, as it commences revenue-producing operations and as it raises capital, we will have the resources to reduce or prevent collection litigation by creditors or others.

Item 2. Changes in Securities

Recent Sales of Unregistered Securities
During January 2003, the Company issued 1,648,750 shares of its previously authorized, but unissued common stock. The shares were issued to one unrelated company in exchange for cash. The transaction was valued at $0.004 per share for a total consideration of $6,595. The transaction was an isolated transaction with a company having a close affiliation with us and was exempt from registration under the Securities Act of 1933 pursuant to Section 4(2) of the Act because of not being part of a public offering. The offering was for a limited purpose and did not use the machinery of public distribution

Item 3. Defaults upon Senior Securities

None

Item 4. Submission of Matters to a Vote of Security Holders

None

Item 5. Other Information

Item 6. Exhibits and Reports on Form 8-K.

(a) Exhibits

99.1

(b) Reports on Form 8-K

None

SIGNATURES

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

RRUN Ventures Network, Inc.

Date: May 15, 2003

By: /s/ Ray Hawkins
Ray Hawkins, President and Chief Executive Officer

By: /s/ Edwin Kwong
Edwin Kwong, Principal Accounting Officer and Chief Financial Officer

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

I, Ray Hawkins, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that the Quarterly Report on Form 10-QSB of RRUN VENTURES NETWORK, INC. for the quarterly period ended March 31, 2003 fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 and that the information contained in the Quarterly Report on Form 10-QSB fairly presents in all material respects the financial condition and results of operations of RRUN VENTURES NETWORK, INC.

By:

Name:
/s/ Ray Hawkins
Ray Hawkins

Title:
Chief Executive Officer

Date:

May 15, 2003

I, Edwin Kwong, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that the Quarterly Report on Form 10-QSB of RRUN VENTURES NETWORK, INC. for the quarterly period ended March 31, 2003 fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 and that the information contained in the Quarterly Report on Form 10-QSB fairly presents in all material respects the financial condition and results of operations of RRUN VENTURES NETWORK, INC.

By:

Name:
/s/ Edwin Kwong
Edwin Kwong

Title:
Chief Financial Officer

Date:

May 15, 2003