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

FORM 10-QSB

Quarterly Report Pursuant to Section 13 or 15(d)
of the Securities Exchange Act of 1934

For the Quarter Period Ended June 30, 2007 | Commission File No. 333-131722

PAWFECT FOODS, INC.

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

Florida	**20-3823853**
(State or jurisdiction of incorporation or organization)	(IRS Employer Identification No.)
31-51 Steinway street, Long Island City, New York	**11103**
(Address of Principal Executive Office)	(Zip Code)

Registrant's telephone number, including area code: **(718) 545-6406**

6334 Winfield Blvd., Margate, Florida 33063
(Former name, former address and former fiscal year, if changed since last report)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for a shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

The number of shares outstanding of the Registrant's Common Stock, $0.0001 par value, as of August 12, 2007 was 2,181,000.

PART I - FINANCIAL INFORMATION

Item 1: Financial Statements (Unaudited)

PAWFECT FOODS, INC.
(A DEVELOPMENT STAGE COMPANY)

FINANCIAL STATEMENTS

BALANCE SHEET
JUNE 30, 2007
UNAUDITED

ASSETS	
Current Assets	
Cash	$ 1,442
Property Plant & Equipment – Net	2,994
Total Assets	$ 4,436
LIABILITIES AND STOCKHOLDERS EQUITY (DEFIFIENCY)	
Current Liabilities	
Accrued Expenses	$ 1,500
Accounts Payable	1,544
Advances from shareholder	6,709
Total Current Liabilities	9,753
Stockholders' Equity Common Stock, $.0001 par value; 50,000,000 authorized 2,181,000 issued and outstanding	2,181
Additional Paid in Capital	17,919
Accumulated Deficit during Development Stage	(25,417)
Total Stockholders' Equity (Deficiency)	(5,317)
Total Liabilities and Stockholders' Equity	$ 4,436

See accompanying notes to financial statements.

PAWFECT FOODS, INC.
(A DEVELOPMENT STAGE COMPANY)

STATEMENT OF OPERATIONS
FOR THE THREE AND SIX MONTHS ENDED JUNE 30, 2007 AND 2006
AND CUMULATIVELY FROM NOVEMBER 15, 2005 (INCEPTION) to JUNE 30, 2007
(UNAUDITED)

	Six Months Ended June 30,		Three Months Ended June 30,		November 15, 2005 (Inception) to June 30,
	2007	2006	2007	2006	2007
Revenue	$ —	$ —	$ —	$ —	$ —
Operating Expenses	3,828	12,822	2,083	8,660	25,417
Net Income (Loss)	$ (3,828)	$ (12,822)	$ (3,083)	$ (8,660)	$ (25,417)
Net Income (Loss) per Common Shares Outstanding – Basic and Diluted	$ (0.00)	$ (0.00)	$ (0.00)	$ (0.00)	$ (0.01)
Weighted Average of Shares Outstanding	2,181,000	2,181,000	2,181,000	2,181,000	2,170,944

See accompanying notes to financial statements.

PAWFECT FOODS, INC.
(A DEVELOPMENT STAGE COMPANY)

STATEMENT OF CASH FLOWS
FOR THE THREE AND SIX MONTHS ENDED JUNE 30, 2007 AND 2006
AND CUMULATIVELY FROM NOVEMBER 15, 2005 (INCEPTION) to JUNE 30, 2007
(UNAUDITED)

	Six Months Ended June 30		Three Months Ended June 30		November 15, 2005 (Inception) to June 30,
	2007	2006	2007	2006	2007
Cash Flows form Operations:					
Net Income (Loss)	(3,828)	(12,822)	$ (3,083)	$ (8,660)	$ (25,417)
Adjustments to reconcile net income to net cash provided by operating activities:					
Depreciation	336		168		392
Changes in operating liabilities:					
Increase (decrease) in accrued Liabilities	1,500		1,500		1,500
Advances from Shareholder	1,882		1,405		8,253
Net Cash (used) by Operating Activities	(110)	(12,822)	(10)	(8,660)	(15,272)
Cash Flow from Financing Activities:					
Purchase of Fixed Assets					(3,386)
Net Cash (used) by Investing Activities			—	—	(3,386)

PAWFECT FOODS, INC.
(A DEVELOPMENT STAGE COMPANY)

STATEMENT OF CASH FLOWS
FOR THE THREE AND SIX MONTHS ENDED JUNE 30, 2007 AND 2006
AND CUMULATIVELY FROM NOVEMBER 15, 2005 (INCEPTION) to JUNE 30, 2007
(UNAUDITED)

Cash Flow from Financing Activities					
Issuance of Common Stock to Founder			—	—	2,000
Issuance of Common Stock for Cash			—	—	18,100
Net Cash Provided by Financing Activities			—	—	26,809
Net Increase (Decrease) in Cash	(110)	(12,822)	(10)	(8,660)	1,442
Cash, Beginning	1,552	20,084	1,452	15,922	—
Cash, Ending	1,442	7,262	1,442	7,262	1,442
Supplemental Disclosure:					
Interest Paid	$ —	$ —	$ —	$ —	$ —
Taxes Paid	$ —	$ —	$ —	$ —	$ —

PAWFECT FOODS, INC.
(A DEVELOPMENT STAGE COMPANY)

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2007

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES

Organization and Operations

The Company was organized under the laws of the State of Florida on November 15, 2005.

The Company is in the development stage. The Company plans to develop a distribution channel in the pet food industry selling a comprehensive supply of products utilizing the World Wide Web. The Company currently has no operations.

Current Operations

The Company is in its development stage. The Company since inception (November 15, 2005) has not commenced its full operations, nor has generated sufficient working capital to pursue its business objectives. The accumulated deficit during its development stage is $25,417 at June 30, 2007.

Basis of Accounting

The Company's policy is to prepare its financial statements using the accrual basis of accounting in accordance with generally accepted accounting principles. The Company has retained December 31 as its annual year end.

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, the 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. Actual results could differ from those estimates.

Cash and equivalent

Cash and cash equivalent include cash and cash in banks. The company maintains cash and cash equivalent balances at a financial institution that is insured by the federal deposit Insurance Corporations up to $100,000. At June 30, 2007, there is no concentration of credit risk form uninsured bank balances.

Fixed Assets

Fixed assets are recorded at cost. Depreciation is computed on the straight-line method, based on the estimated useful lives of the assets of generally five or ten years. Expenditures for maintenance and repairs are charged to operations as incurred. Depreciation expense was $56 for the year ended December 31, 2006 and $0 for year ended December 31, 2005.

Recent Accounting Pronouncements

In September, the FASB issued SFAS No. 157 Fair Value Measurements ("SFAS No. 157"), which defines fair value, establishes a framework for measuring fair value in generally accepted accounting principles and expands disclosures about fair value measurements, SFAS No. 157 is effective for fiscal years beginning after November 15, 2007, and interim periods within those fiscal years. In June 2006, the FASB issued Interpretation No. 48, Accounting for Uncertainty in Income Taxes: An interpretation of FASB Statement No. 109 ("FIN No. 48"). This interpretation clarifies the accounting for uncertainty in income taxes recognized in an entity #146s financial statements in accordance with SFAS No. 109. FIN No. 48 prescribes a recognition threshold and measurement principles for the financial statement recognition and measurement of tax positions taken or expected to be taken on a tax return. This interpretation is effective for fiscal years beginning after December 15, 2006.

In February 2007, the FASB issued SFAS No., 159, The Fair Value Option for Financial Assets and Financial Liabilities, including an amendment to FASB Statements No. 115 ("SFAS No. 159"), SFAS No. 159 permits entities to choose to measure many financial instruments, and certain other items, at fair value that are not currently required to be measured at fair value, SFAS No. 159 is effective as of the beginning of an entity #146s first fiscal year that begins after November 15, 2007, however early adoption is permitted.

NOTE 2: INCOME TAXES

In February 1992, the Financial Standards Board issued Statement of Financial Accounting Standards No. 109, "Accounting for Income Taxes". Under SFAS No. 109, deferred assets and liabilities are recognized for the estimated future tax consequences between the financial statement carrying amounts of the existing assets and their respective basis.

Deferred assets and liabilities are measured using enacted tax rates in effect for the year in which temporary differences are expected to be recorded or settled. Under SFAS No. 109 the effect on deferred assets and liabilities of a change in tax rates is recognized in the period that includes the enactment date.

As of December 31, 2006, the Company had net operating losses (NOL's) of approximately $20,218 that expire in 15 years commencing in 2007.

Statutory federal income taxes	34%
Valuation allowance	(34)
Effective tax rate	0%

No tax benefit is being accrued due to no current expectation of profits.

NOTE 3: CAPITAL TRANSACTIONS

At inception November 15, 2005, 2,000,000 shares of common stock were sold to the founder for $2,000 cash. In December 2005, the Company offered 181,000 shares of their common stock under Rule 504 of Regulation D and section 4 (2) of the Securities Act. The Common shares were offered at a per share price of $.10 for the aggregate sum of $18,100. All of the thirty two (32) investors were of non-accredited status

NOTE 4: RELATED PARTY LOANS

The Company's former President, Treasurer, Secretary and principal shareholder loaned the Company an aggregate of $8,253 by paying third party expenses on the Company's behalf. The advances were unsecured obligations due on demand.

NOTE 5: SUBSEQUENT EVENT

On July 16, 2007, Charles Monahan, the Company's former President, Treasurer, Secretary and principal shareholder entered into a Capital Stock Purchase Agreement (the "Stock Purchase Agreement") with Biotech Initiative of Chelsea, Ltd., a private investment fund based in London, England. All conditions to the closing were fulfilled and funds released to Mr. Monahan on July 17, 2007.

Under the Stock Purchase Agreement:

- Biotech Initiative purchased an aggregate of 2,000,000 restricted shares of the Company's common stock from Mr. Monahan for approximately $624,000
- Mr. Monahan resigned as an officer and director of the Company.

Biotech Initiative, acting in its capacity as our principal shareholder, appointed Pietro Gattini to serve as sole director, filling the vacancy created by the resignation of Mr. Monahan. Mr. Gattini also became the Company's President, Secretary and Treasurer.

The 2,000,000 shares represent approximately 89% of the Company's outstanding shares. The source of funds for Biotech Initiative's purchase was from its own capital resources and no funds were borrowed.

We filed a Form 8-K Report reporting this transaction on July 20, 2007

On August 15, 2007, effective as of July 17, 2007 Mr. Monahan released the Company from any obligation to pay back advances made by him to pay third party expenses incurred by the Company in the aggregate amount of $8,253.

PART II

Item 2: Management's Discussion and Analysis or Plan of Operation

The Pawfect Foods, Inc.'s business is to become actively engaged in providing an online marketplace for premium and holistic pet food, via the Internet. Currently we have obtained a domain name called www.Pawfectfoods.com. We have also obtained a web hosting provider, to provide us with the necessary disk space capacity for our website and email capability for the next 12 months. We have also posted our nearly completed e-commerce website, to introduce ourselves to potential customers with a modest array of introductory products. Although we had set up a merchant payment gateway, in 2006, we suspended the account in December 2006 pending our gauging consumer demand and developing reliable sources of supply. Our new management is considering our current business plan and we determine if paying the nominal fee to reactivate the account in the near term is advisable. During the next twelve months we plan to satisfy our cash requirement by current cash on hand and loans from our principal shareholders.

Stock Purchase Agreement

On July 16, 2007, Charles Monahan, our former President, Treasurer, Secretary and principal shareholder entered into a Capital Stock Purchase Agreement (the "Stock Purchase Agreement") with Biotech Initiative of Chelsea, Ltd., a private investment fund based in London, England. All conditions to the closing were fulfilled and funds released to Mr. Monahan on July 17, 2007.

Under the Stock Purchase Agreement:

- Biotech Initiative purchased an aggregate of 2,000,000 restricted shares of our common stock from Mr. Monahan for approximately $624,000
- Mr. Monahan resigned as an officer and director of the Company.

Biotech Initiative, acting in its capacity as our principal shareholder, appointed Pietro Gattini to serve as sole director, filling the vacancy created by the resignation of Mr. Monahan. Mr. Gattini also became our President, Secretary and Treasurer.

The 2,000,000 shares represent approximately 89% of our outstanding shares. The source of funds for Biotech Initiative's purchase was from its own capital resources and no funds were borrowed.

We filed a Form 8-K Report reporting this transaction on July 20, 2007.

Mr. Gattini is evaluating our current business plan, prospectus and financial requirements. He may also consider the acquisition of one or more companies in either skilled fields of endeavor unrelated activities for potential acquisitions or merger. There are no agreements or understandings regarding any such acquisitions. If we enter into any such agreement we will promptly disclose the terms of the agreement and other information concerning the company by filing a Report on Form 8-K, including a copy of the agreement as an exhibit. Such an acquisition will require the issuance of a substantial number of shares of our common stock and financing.

Item 3: Controls and Procedures

Our new chief executive and financial officer, based on evaluation of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) of the Securities Exchange Act of 1934, as amended) required by paragraph (b) of Rule 13a-15 or Rule 15d-15, as of June 30, 2007, concluded that our disclosure controls and procedures were not effective in ensuring that information required to be disclosed by us in the reports that we file or submit under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the Commission's rules and forms. He also concluded that, as of June 30, 2007, our disclosure controls and procedures were effective in ensuring that information required to be disclosed by us in the reports that we file or submit under the Exchange Act is accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, to allow timely decisions regarding required disclosure. He determined that, due to the inexperience of our former management in accounting procedures and our former management's practice of paying third parties directly rather than paying all expenses out our bank accounts, approximately $2,500 of expenses (which were subsequently discharged) were not recorded in the correct accounting period. Our current chief executive and financial officer, will be taking control of the company's accounting and control systems and believes that the changes made in the quarter ending September 30, 2007 will be sufficient to make our disclosure controls and procedures effective going forward. He is assessing the impact of these deficiencies on information that was reported for prior periods and will take appropriate remedial action.

There were no changes in our internal controls over financial reporting that occurred during the three months ended June 30, 2007 that materially affected or are reasonably likely to materially affect our internal controls over financial reporting.

Item 6: Exhibits

Exhibit Number	Document Description
31.1	Certificate of Chief Financial Officer pursuant to Securities Exchange Act Rules 13a-15(e) and 15d-15(e) as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
32.1	Certificate of Chief Executive Officer and Chief Financial Officer pursuant to Section 18 U.S.C. Section 1350

SIGNATURES

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

PAWFECT FOODS, INC.

Dated: August 17, 2007

By: /s/ Pietro Gattini
Pietro Gattini, President

EXHIBIT 31.1

CERTIFICATION

**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**

In connection with the Quarterly Report on Form 10-QSB of Pawfect Foods, Inc. (the "Company") for the quarter ended June 30, 2007 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), Pietro Gattini, as Chief Executive Officer and as Chief Financial Officer of the Company, hereby certifies, pursuant to 18 U.S.C. 1350, as adopted pursuant to 906 of the Sarbanes-Oxley Act of 2002, to the best of his knowledge, respectively, that:

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

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

August 17, 2007

/s/ Pietro Gattini

Pietro Gattini
President, CEO, CFO

A signed original of this written statement required by Section 906 of the Sarbanes-Oxley Act of 2002 has been provided to Pawfect Foods, Inc. and will be retained by Pawfect Foods, Inc. and furnished to the Securities and Exchange Commission or its staff upon request.

EXHIBIT 32.1

CERTIFICATION

Certification of Chief Executive and Financial Officer Pursuant to Rules 13a-15(e) and 15d-15(e) of the Act of 1934, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

I, Pietro Gattini, President, CEO and CFO of Pawfect Foods, Inc., certify that:

1. I have reviewed this quarterly report on Form 10-QSB of Pawfect Foods, Inc.;

2. Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this quarterly report;

3. Based on my knowledge, the financial statements, and other financial information included in this quarterly report, fairly present in all material respect the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this quarterly report.

4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this quarterly 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 registrant's disclosure controls and procedures and presented in this quarterly 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;

d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting;

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

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

b) any fraud, whether or not material, that involves management or other employees who have a significant role in the 's internal control over financial reporting

August 17, 2007

/s/ Pietro Gattini

Pietro Gattini
President, CEO, CFO