

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

FORM 10-QSB

(Mark One)

QUARTERLY REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES  
EXCHANGE ACT OF 1934

For the quarterly period ended September 30, 2006

TRANSITION REPORT UNDER SECTION 13 OR 15(d) OF THE EXCHANGE ACT

For the transition period from \_\_\_\_\_ to  
\_\_\_\_\_

Commission file number \_\_\_\_\_

**Pawfect Foods, Inc**

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

**Florida**

(State or other jurisdiction of incorporation or organization)

**20-3823853**

(IRS Employer Identification No.)

**6334 Winfield Blvd., Margate, Florida 33063**

(Address of principal executive offices)

**954-801-3950**

(Issuer's telephone number)

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

**PAWFECT FOODS, INC.**

**(A DEVELOPMENT STAGE COMPANY)**

**BALANCE SHEET**

**SEPTEMBER 30, 2006**

**(unaudited)**

<b>ASSETS</b>	
Current Assets	
Cash	\$ 7,262
Total Assets	\$ 7,262
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>	
Liabilities	
Accounts Payable	\$ 1,000
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	(13,838)
Total Stockholders' Equity	6,262
Total Liabilities and Stockholders' Equity	\$ 7,262

See accompanying notes to financial statements.

**PAWFECT FOODS, INC.**

**(A DEVELOPMENT STAGE COMPANY)**

**STATEMENT OF OPERATIONS**

**FOR THE NINE MONTH PERIOD ENDED SEPTEMBER 30, 2006 AND  
THE PERIOD NOVEMBER 15, 2005 (DATE OF INCEPTION) to SEPTEMBER 30, 2006**

**(unaudited)**

	Three Months Ended September 30,2006	Nine Months Ended September 30, 2006	Operations During Development Stage Inception November 15, 2005 to September 30, 2006
<b>Revenue</b>	\$ -	\$ -	\$ -
<b>Expenses</b>	1,000	13,822	13,838
<b>Net Income (Loss)</b>	\$ (1,000)	\$(13,822)	\$ (13,838)
<b>Net Income (Loss) per Common Shares</b>			
<b>Outstanding-Basic and Diluted</b>	\$ 0.00	\$0.00	\$ 0.00
<b>Weighted Average of Shares Outstanding</b>	2,181,000	2,181,000	2,144,800

See accompanying notes to financial statements

**PAWFECT FOODS, INC.**  
**(A DEVELOPMENT STAGE COMPANY)**  
**STATEMENT OF CASH FLOWS**  
**FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2006 and**  
**THE PERIOD NOVEMBER 15, 2005 (DATE OF INCEPTION) to SEPTEMBER 30, 2006**  
**(unaudited)**

	<b>Nine months ended September 30, 2006</b>	<b>Operations During Development Stage Inception November 15, 2005 to September 30, 2006</b>
<b>Cash Flows form Operations:</b>		
<b>Net Income (Loss)</b>	\$(13,822)	\$(13,838)
<b>Adjustments to Reconcile Income (loss) to Net Cash used for Operating Activities</b>		
<b>Increase (Decrease) in Accrued Expenses</b>	1,000	1,000

<b>Net Cash (used) by Operating Activities</b>	(12,822)	(12,838)
<b>Cash Flow from Financing Activities:</b>		
<b>Issuance of Common Stock to Founder</b>	-	2,000
<b>Issuance of Common Stock for Cash</b>	-	18,100
<b>Net Cash Provided by Financing Activities</b>	-	14,500
<b>Net Increase (Decrease) in Cash</b>	(12,822)	(7,262)
<b>Cash, Beginning</b>	20,084	-
<b>Cash, Ending</b>	\$7,262	\$7,262
<b>Supplemental Disclosure:</b>		
<b>Interest Paid</b>	\$ -	
<b>Taxes Paid</b>	\$ -	
<b>Non Cash Financing Activities:</b>		

See accompanying notes to financial statements.

**PAWFECT FOODS, INC.**  
**(A DEVELOPMENT STAGE COMPANY)**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2006**

## **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 currently has no operations. Any expenses incurred by the company at this time are deemed to be immaterial and insignificant. These expenses are incurred by management without any expectation of reimbursement. When operation commence the company will be directly responsible for its operational expenses.

### **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 December 31, 2005, there is no concentration of credit risk form uninsured bank balances.

#### **Recent Accounting Pronouncements**

Management does not believe that any of the recent issued accounting pronouncements will be applicable to the Company

## **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.

### **NOTE 3 CAPITAL TRANSACTIONS**

In December 2005, the Company offered 181,000 shares of their common stock. The shares were offered 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

### **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. We have already 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. We have also posted our nearly completed e-commerce website, to introduce ourselves to potential customers with a modest array of introductory products.

Furthermore, in accordance with our strategic plans and milestones, we have established an account with a distributor of premium holistic pet food to supply us with a modest selection of pet food for our visitors. Also, we have also established a credit card processing system with Authorize.net to offer our customers an easy and secure way to purchase premium holistic pet foods via the Internet and it is currently embedded within our website. We expect to be ready to process orders on December 1, 2006.

### **Item 3. Controls and Procedures**

In the quarter ended September 30, 2006, we did not make any significant changes in, nor take any corrective actions regarding, our internal controls or other factors that could significantly affect these controls. We periodically review our internal controls for effectiveness and we plan to conduct an evaluation of our disclosure controls and procedures each quarter.

### **Item 6. Exhibits**

<b>Exhibit Number</b>	<b>Document Description</b>
<b>32</b>	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
<b>31</b>	Certificate of Chief Executive Officer and Chief Financial Officer pursuant to Section 18 U.S.C. Section 1350

## SIGNATURES

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

/s/ Charles Monahan  
(Registrant)

Date: October 20, 2006

/s/ Charles  
Monahan

\_\_\_\_\_  
(Signature)\*

Charles Monahan,  
President



**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 September 30, 2006 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), Charles Monahan, 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.

October 20, 2006

By Charles Monahan

/s/ Charles Monahan

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.

**CERTIFICATION**

SECTION 302 CERTIFICATION

**CERTIFICATION OF CEO PURSUANT TO RULES 13a-15(e) and 15d-15(e) OF THE SECURITIES EXCHANGE**

**ACT OF 1934, AS ADOPTED PURSUANT**

**TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Charles Monahan, 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 respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this quarterly report;
4. The registrant's other certifying 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 registrant's internal control over financial reporting

October 20, 2006

/s/ Charles Monahan

Charles Monahan

President, CEO & CFO

