

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

FORM 10-Q

(Mark One)

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

For the quarterly period ended **April 30, 2006**

**TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934**

For the transition period from _____ to _____

Commission File Number : **000-50612**

INNOCAP, INC.

(Exact name of registrant as specified in its charter)

Nevada

(State or other jurisdiction
of incorporation or organization)

01-0721929

(IRS Employer
Identification Number)

3113 Madison Drive
Atlanta, GA 30346

(Address of principal executive offices) (Zip Code)

770-378-4180

(Registrant's telephone number , including area code)

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

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer. See definition of "accelerated and large accelerated filer" in Rule 12b-2 of the Exchange Act. (Check one):

Large Accelerated Filer Accelerated Filer Non-Accelerated Filer

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes No

At February 13, 2007 the number of shares of the registrant's common stock , par value \$0.001 per share, outstanding was 68,000,000.

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PART I – FINANCIAL INFORMATION

This Quarterly Report includes forward-looking statements within the meaning of the Securities Exchange Act of 1934 (the “Exchange Act”). These statements are based on management's beliefs and assumptions, and on information currently available to management. Forward-looking statements include the information concerning possible or assumed future results of operations of the Company set forth under the heading “Management's Discussion and Analysis of Financial Condition or Plan of Operation.” Forward-looking statements also include statements in which words such as “expect,” “anticipate,” “intend,” “plan,” “believe,” “estimate,” “consider” or similar expressions are used.

Forward-looking statements are not guarantees of future performance. They involve risks, uncertainties and assumptions. The Company's future results and shareholder values may differ materially from those expressed in these forward-looking statements. Readers are cautioned not to put undue reliance on any forward-looking statements.

ITEM 1

FINANCIAL STATEMENTS

INNOCAP, INC
 Balance Sheets

	<u>April 30, 2006</u> (unaudited)	<u>January 31, 2006</u>
ASSETS		
CURRENT ASSETS:		
Cash	\$ _____ -	\$ _____ -
TOTAL ASSETS	<u>\$ _____ -</u>	<u>\$ _____ -</u>
LIABILITIES AND STOCKHOLDERS' DEFICIT		
CURRENT LIABILITIES:		
Accrued expenses	\$ <u> 67,500</u>	\$ <u> 61,500</u>
STOCKHOLDERS' DEFICIT:		
Preferred stock at \$0.001 par value; 1,000,000 shares authorized, none issued and outstanding at either date	-	-
Common stock at \$0.001 par value; 190,000,000 shares authorized; 68,000,000 shares issued and outstanding in both periods	68,000	68,000
Additional paid-in capital	1,600	1,600
Accumulated deficit	<u>(137,100)</u>	<u>(131,100)</u>
Stockholders' deficit	<u>(67,500)</u>	<u>(61,500)</u>
TOTAL LIABILITIES AND STOCKHOLDERS' DEFICIT	<u>\$ _____ -</u>	<u>\$ _____ -</u>

See accompanying notes to financial statements

INNOCAP, INC.
Statements of Operations
Three Months Ended April 30, 2006 and 2005
(Unaudited)

	<u>2006</u>	<u>2005</u>
Revenue	\$ <u>-</u>	\$ <u>-</u>
General and administrative	<u>6,000</u>	<u>5,000</u>
Net loss	\$ <u>(6,000)</u>	\$ <u>(5,000)</u>
Basic and diluted loss per share	\$ <u>(.00)</u>	\$ <u>(.00)</u>
Weighted average number of common shares outstanding	<u>68,000,000</u>	<u>68,000,000</u>

See accompanying notes to financial statements.

INNOCAP, INC.
 Statements of Cash Flows
 Three Months Ended April 30, 2006 and 2005
 (Unaudited)

	<u>2006</u>	<u>2005</u>
OPERATING ACTIVITIES:		
Net Loss	\$ (6,000)	\$ (5,000)
Net change in accrued expenses	<u>6,000</u>	<u>5,000</u>
Net Cash Used by Operating Activities	<u>-</u>	<u>-</u>
CASH - BEGINNING OF PERIOD		
	<u>-</u>	<u>-</u>
CASH - END OF PERIOD	<u>\$ -</u>	<u>\$ -</u>
SUPPLEMENTAL SCHEDULE OF CASH FLOW ACTIVITIES:		
Cash Paid For:		
Interest	\$ <u>-</u>	\$ <u>-</u>
Income taxes	\$ <u>-</u>	\$ <u>-</u>

See accompanying notes to financial statements.

NOTE 1 - - - BASIS OF PRESENTATION

The accompanying unaudited financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America for interim financial information and with the instructions to Form 10-Q. Accordingly, they do not include all of the information and footnotes required by generally accepted accounting principles for complete financial statements. In the opinion of management, all adjustments (consisting of normal recurring adjustments) considered necessary for a fair presentation have been included. Operating results for the three-month period ended April 30, 2006 are not necessarily indicative of the results that may be expected for the fiscal year ending January 31, 2007. For further information, refer to the financial statements and footnotes thereto included in the Company's Form 10-K for the fiscal year ended January 31, 2006.

NOTE 2 -- ORGANIZATION

Innocap, Inc. (the "Company") was incorporated under the laws of the State of Nevada on January 23, 2004. In June 2004, it filed a notice with the Securities and Exchange Commission of its intent to elect in good faith, within 90 days from the date of such filing, to be regulated as a Business Development Company under the Investment Company Act of 1940 and be subject to Sections 54 through 65 of said Act. The Company has not generated any revenues from its planned principal operations and will elect to cease being a Business Development Company by the end of February 2007, at which time it will become a consulting firm.

The preparation of financial statements in conformity with accounting principles generally accepted in the United States 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 as well as the reported amount of revenues and expenses during the reporting period. Actual results could differ from these estimates.

Management does not believe that any recently issued, but not yet effective accounting pronouncements, if adopted, would have a material effect on the accompanying financial statements.

NOTE 3 -- GOING CONCERN

The accompanying financial statements have been prepared on a going concern basis which contemplates the realization of assets and satisfaction of liabilities in the normal course of business. At April 30, 2006 the Company had negative working capital of \$67,500, accumulated deficit of \$137,100, and no revenues. Management intends to attempt to raise additional funds by way of a public or private offering. While the Company believes in the viability of its strategy to increase revenues and in its ability to raise additional funds, there can be no assurances to that effect. The ability of the Company to continue as a going concern is dependent on the Company's ability to further implement its business plan and generate revenues. The financial statements do not include any adjustments related to the recoverability and classification of recorded asset amounts or the amounts and classification of liabilities that might be necessary should the Company be unable to continue in existence.

The Company intends to cease its efforts to become a Business Development Company and will become a consulting firm by the end of February 2007, at which time it will aggressively seek consulting engagements. If the Company is unable to obtain consulting engagements or financing or if the revenue from the consulting engagements or financing it does obtain are insufficient to cover any operating losses it may incur, it may substantially curtail or terminate its operations or seek other business opportunities through strategic alliances, acquisitions or other arrangements that may dilute the interests of existing stockholders.

ITEM 2

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATION

Safe Harbor Statement under the Private Securities Litigation Reform Act of 1995

Certain matters discussed in this interim report on Form 10-Q are forward-looking statements. Such forward-looking statements contained in this annual report involve risks and uncertainties, including statements as to:

- our future operating results,
- our business prospects,
- our contractual arrangements and relationships with third parties,
- the dependence of our future success on the general economy and its impact on the industries in which we may be involved,
- the adequacy of our cash resources and working capital, and
- other factors identified in our filings with the SEC, press releases and other public communications.

These forward-looking statements can generally be identified as such because the context of the statement will include words such as we "believe," "anticipate," "expect," "estimate" or words of similar meaning. Similarly, statements that describe our future plans, objectives or goals are also forward-looking statements. Such forward-looking statements are subject to certain risks and uncertainties which are described in close proximity to such statements and which could cause actual results to differ materially from those anticipated as of the date of this Form 10-Q. Shareholders, potential investors and other readers are urged to consider these factors in evaluating the forward-looking statements and are cautioned not to place undue reliance on such forward-looking statements. The forward-looking statements included herein are only made as of the date of this report and we undertake no obligation to publicly update such forward-looking statements to reflect subsequent events or circumstances.

Operations

To date, our efforts have been limited primarily to organizational activities, planning to be a Business Development Company and preparation of documents to be filed with the Securities and Exchange Commission. We have no resources and have realized no revenues to date. We now believe that we will be unable to raise capital through the sales of shares pursuant to Regulation E of the 1933 Act. We will, therefore, cease our efforts to become a Business Development Company and become a business consulting firm. We will start seeking consulting engagements in February 2007. If we are unable to obtain consulting engagements or financing or if the revenue from the consulting engagements or financing that we do obtain are insufficient to cover any operating losses we may incur, we may substantially curtail or terminate our operations or seek other business opportunities through strategic alliances, acquisitions or other arrangements that may dilute the interests of existing stockholders.

We cannot offer any assurances that we will be successful in our efforts to become a consulting firm.

Liquidity

As a corporate policy, we will not incur any cash obligations that we cannot satisfy with known resources, of which there are currently none except to meet regulatory requirements. We believe that the perception that many people have of a public company may make it likely that they will accept restricted securities from a public company as consideration for indebtedness to them than they would from a private company. We have not performed any studies of this matter. Our conclusion is based on our own observations. However, there can be no assurances that we will be successful in being able to satisfy obligations through the issuance of restricted shares of our common stock. Additionally, issuance of restricted shares would necessarily dilute the percentage of ownership interest of our stockholders.

We have not obtained any source of funding. Private capital, if sought, will be sought from former business associates of our founder or private investors referred to us by those business associates. To date, we have not sought any funding source and have not authorized any person or entity to seek out funding on our behalf.

Recent Accounting Pronouncements

Management does not believe that any recently issued, but not yet effective accounting pronouncements, if adopted, would have a material effect on the accompanying financial statements.

Employees

Other than our current sole officer, we do not have any employees, and do not anticipate having any other employees other than administrative personnel in the future.

ITEM 3

QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Since we have no assets and do not have any investments, there is no quantitative information or market risk that has any impact on our present business.

ITEM 4

CONTROLS AND PROCEDURES

As of the end of the period covered by this Quarterly Report on Form 10-Q, an evaluation of the effectiveness of the design and operation of the Company's disclosure controls and procedures was carried out by the Company under the supervision and with the participation of the Company's Chief Executive Officer and Chief Financial Officer. Based on that evaluation, the Chief Executive Officer and Chief Financial Officer concluded that the Company's disclosure controls and procedures have been designed and are being operated in a manner that provides reasonable assurance that the information required to be disclosed by the Company in reports filed under the Securities Exchange Act of 1934, as amended, is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms. A system of controls, no matter how well designed and operated, cannot provide absolute assurance that the objectives of the system of controls are met, and no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, within a company have been detected. There have been no changes in the Company's internal controls over financial reporting that occurred during the most recent fiscal quarter that have materially affected, or are reasonably likely to materially affect, the Company's internal controls over financial reporting.

PART II – OTHER INFORMATION

ITEM 1 LEGAL PROCEEDINGS

None

ITEM 2 UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

There have been no events that are required to be reported under this Item.

ITEM 3 DEFAULTS UPON SENIOR SECURITIES

None

ITEM 4 SUBMISSION OF MATTERS TO A VOTE OF SECURITYHOLDERS

None

ITEM 5 OTHER INFORMATION

On January 26, 2007, the Company dismissed Most & Company, LLP (“Mostco”) as the Company’s independent registered public accounting firm, effective immediately.

Mostco’s reports on the Company’s financial statements as of January 31, 2006 and for the years ended January 31, 2006 and 2005 did not contain an adverse opinion or disclaimer of opinion, nor were such reports qualified or modified as to uncertainty, audit scope, or accounting principles; however, each year-end report contained a modification paragraph that expressed substantial doubt about the Company’s ability to continue as a going concern.

During the Company’s two most recent fiscal years and through January 26, 2007, there were no disagreements with Mostco on any matters of accounting principles or practices, financial statement disclosure, or auditing scope or procedures, which disagreements, if not resolved to the satisfaction of Mostco, would have caused it to make reference to the subject matter of the disagreements in connection with its reports.

The Company has engaged Li & Company, PC to serve as its independent public accounting firm. Prior to such engagement, the Registrant did not consult such firm on any of the matters referenced in Regulation S-K Item 304(2)(i) or any events as defined in paragraph (A) through (D) of Item 304(2)(ii) of Regulation S-K.

ITEM 6 EXHIBITS

Exhibit Number	Description
31.1	Section 302 Certification of Chief Executive Officer and Chief Financial Officer
32.1	Certification Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of The Sarbanes-Oxley Act of 2002

SIGNATURE

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

INNOCAP, INC.

(Registrant)

By: /s/ B Alva Schoomer

B. Alva Schoomer

President

February 13, 2007

Exhibit 31.1

Section 302 Certification of Chief Executive Officer and Chief Financial Officer

I, B. Alva Schoomer, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Innocap, 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. I am responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and have:
 - a) designed such disclosure controls and procedures to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to me by others within those entities, particularly during the period in which this quarterly report is being prepared;
 - b) Evaluated the effectiveness of the registrant'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
 - c) 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 that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting.
5. I have disclosed, based on my most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of 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.

/s/ B Alva Schoomer

B. Alva Schoomer
Chief Executive Officer and Chief Financial Officer

February 13, 2007

Exhibit 32.1

**CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of Innocap, Inc. (the "Company") on Form 10-Q for the period ended April 30, 2006 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, B. Alva Schoomer, Chief Executive Officer and Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that to my knowledge:

1. The Report fully complies with 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.

/s/ B Alva Schoomer

B. Alva Schoomer
Chief Executive Officer and Chief Financial Officer

February 13, 2007