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

Form 10-K

(Mark One)

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

For the fiscal year ended January 31, 2010

☐ 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 333-153035

INNOCAP, INC.

(Exact Name of Registrant as Specified in its Charter)

Nevada	01–0721929.
(State or Other Jurisdiction of Incorporation or Organization)	(I.R.S. Employer Identification No.)
120 E Austin Street, Suite 202 PO Box 489 Jefferson, TX	75657-0489
(Address of Principal Executive Offices)	(Zip Code)

Registrant's Telephone Number: **903-665-7334**

Securities registered under Section 12(b) of the Act: Common Stock par value $.001 per share

Securities registered under Section 12(g) of the Act: None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act Yes ☐ No ☒

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes ☐ No ☒

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 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 ☐ No ☒

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not 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-K or any amendment to this Form 10-K. ☒

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

Large accelerated filer	☐	Accelerated filer	☐
Non-accelerated filer	☐ (Do not check if a smaller reporting company)	Smaller reporting company	☒

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☒ No ☐

The number of shares outstanding of each of the Registrant's classes of common stock, as of June 27, 2011 is 97,000,000 shares, all of one class, $.001 par value per share.

The Registrant's common stock has not traded on the OTCBB or elsewhere and, accordingly, there is no aggregate "market value" to be indicated for such shares. The "value" of the outstanding shares held by non-affiliates, based upon the book value as of January 31, 2010, is $-0-.

DOCUMENTS INCORPORATED BY REFERENCE

The following documents are herewith incorporated by reference: NONE

INNOCAP, INC.

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PART I

Explanatory Note

This Annual 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 and Results of Operations." 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. **BUSINESS**

We were incorporated in Nevada on January 23, 2004. On March 1, 2004 we filed a Registration Statement on Form 10SB with the SEC (File No.: 000-50612) and in September 2004, we filed a notice of election to be regulated as a business development company ("BDC") under the Investment Company Act of 1940 (File No.: 814-00671) which made us a closed-end management investment company. Our goal was to provide investors with the opportunity to participate with a modest amount in venture capital investments that are generally not available to the public and that typically require substantially larger financial commitments.

We were unable to raise the capital necessary to commence making investments as a BDC and have not generated any revenue. As a result, we had been a development stage company since inception. To date, all of our efforts have been limited primarily to organizational and business planning activities and preparation of documents to be filed with the SEC. All of our expenses incurred since inception relate to fees incurred for these purposes.

On July 13, 2008 our Board of Directors supported by the written consents of the holders of a majority of our outstanding shares of common stock elected to withdraw our election and we ceased being a BDC and in November 2008, we terminated our Section 12(g) registration and its reporting requirements under the Exchange Act of 1934 by filing the necessary Form 15 with the SEC. At that time, we decided to use the business connections of our then president and become a consulting business. Our goal is to obtain clients through our president's business contacts and then use subcontractors and independent contractors to provide strategic business planning and management consulting to these clients that are likely to be small domestic companies and to assist medium sized international companies trying to establish a business presence in the United States. All of our resources for the period ended January 31, 2009 were devoted to ending our election as a BDC and preparing related regulatory filings. During the year ended January 31, 2010, we worked on preparing public filings and developing a new business plan.

In July 2008, we completed a 1 for 100 reverse split of shares of our common stock and issued 82,080,000 (which gives retroactive effect to a 19 for 1 forward split declared in February 2009) new shares to settle a substantial portion of our liabilities Following these transactions, we had 95,000,000 shares of common stock issued and outstanding. All shares and per share amounts herein give retroactive effect to both of the splits.

In May 2011, the shareholders, based on the consents of the holders of a majority of outstanding shares of common stock, voted to remove B. Alva Schoomer as Chairman and President. At the same time, Paul Tidwell was elected Chairman and appointed as President, and Christopher Dubea was elected as a Director and appointed as Vice President and Secretary.

In May 2011 the Company and its principal shareholders entered into agreements with its new president who will work fulltime and bring the Company a new business plan of finding and salvaging sunken ships. As part of the agreements, our principal shareholders sold a significant portion of their shares to our new President. Our new President, Paul Tidwell, has extensive experience in finding and salvaging sunken ships. Some of his activities have been filmed and shown on networks like the History Channel and Discovery Channel. To accomplish this new business plan, the Company will have to raise substantial debt or equity capital since each project is likely to require several million dollars. Each project will require a surface vessel and crew, small submarine, salvage equipment and sophisticated cameras and filming equipment. Initially, the Company will seek funds from the business contacts of its new officers. There are no assurances that the Company will be successful in obtaining the necessary financing and, if obtained, what the terms will be.

We will spend several months in 2011 identifying the specific projects that we will attempt to undertake initially and seek financing for those projects. As part of those plans we will consider applicable maritime and international laws concerning the ownership of any recovered items. We will also consider projects that may be attractive for the sale of video rights to the search and recovery efforts.

Competition

There are a number of other entities that seek to salvage sunken vessels. These firms generally have greater resources than do we. We believe that our competitive advantage comes from the extensive research done over a long period of time by our President. This research gives us strong indications as to the specific location and possible contents of targeted sunken vessels. It also provides knowledge as to the likelihood of claims by Governments, insurance companies ad others with respect to any contents that are recovered.

We cannot predict whether the competitive advantages that we believe exist will result in success of our operations.

Intellectual Property

We have no patents or trademarks.

Employees

As of May 31, 2011, we had two employees, Paul Tidwell, our President, and Christopher Dubea, our Vice President. Mr. Tidwell devotes fulltime to us. Our President oversees all responsibilities in the areas of business plan development and execution. We do not have any other employees at this time. We plan on using subcontractors and independent consultants to work with us on all projects that we undertake.

Item 1A.**RISK FACTORS**

Risks Related to the Business

Innocap has a very limited operating history and anticipates on-going operating losses.

Innocap was formed in 2004 as a BDC. It became a consulting firm in July 2008, but has not yet obtained any consulting engagements. Therefore, we have insufficient operating history upon which an evaluation of our future performance and prospects can be made. Innocap's future prospects must be considered in light of the risks, expenses, delays, problems and difficulties frequently encountered in the establishment of a new business. An investor in our common stock must consider the risks and difficulties frequently encountered by early stage companies operating in new and competitive markets. These risks include:

- competition from entities that are much more established and have greater financial and technical resources than do we;
- need to develop corporate infrastructure;
- ability to access and obtain capital when required; and
- dependence upon key personnel.

Innocap cannot be certain that our new business strategy will be successful or that we will ever be able to commence or sustain revenue generating and profitable activities. Furthermore, Innocap believes that it is probable that we will incur operating losses and negative cash flow for the foreseeable future.

Innocap has no financial resources, negative working capital and a deficit accumulated during the development stage of $197,850 at January 31, 2010. Our independent registered auditors included an explanatory paragraph in their opinion on Innocap's financial statements as of January 31, 2010 that states that this lack of resources causes substantial doubt about our ability to continue as a going concern. No assurances can be given that we will generate sufficient revenue or obtain any financing that may be necessary in order to continue as a going concern.

Innocap is and will continue to be completely dependent on the services of our new president, Paul Tidwell, the loss of whose services would likely cause our business operations to cease.

Innocap's current business strategy is completely dependent upon the knowledge, reputation and business contacts of Paul Tidwell, our new President. If we were to lose the services of Mr. Tidwell, it is unlikely that we would be able to continue conducting our business plan even if some financing is obtained.

Our chief executive officer, Mr. Tidwell, is principally responsible for the execution of our business. He is under no contractual obligation to remain employed by us. If he should choose to leave us for any reason before we have hired qualified additional personnel, our operations are likely to fail. Even if we are able to find additional personnel, it is uncertain whether we could find someone who could develop our business along the lines planned by Mr. Tidwell. We will fail without Mr. Tidwell or an appropriate replacement(s).

We will need to raise financing for each project that we undertake.

Through research we will identify potential salvage projects. Each project is expensive to undertake in that they require a significant amount of time, a surface vessel and crew, small submarine, salvage equipment and sophisticated cameras and filming equipment. Therefore, we will have to obtain significant financing to undertake each salvage project. There is no way of predicting what the availability or terms of financing will be. Without financing, we cannot undertake any salvage project.

Salvage projects may prove unsuccessful.

We may undertake salvage projects and be unsuccessful in locating the sunken vessel. Even if we locate the vessel, we may be unable to salvage it or it may not have the cargo that was anticipated. In these cases, we will have incurred significant costs without realizing any benefits. If this happens, it may prevent us from obtaining financing for future salvage projects.

Paul Tidwell, our Chief Executive Officer, has no meaningful accounting or financial reporting education or experience and, accordingly, our ability to meet Exchange Act reporting requirements on a timely basis will be dependent to a significant degree upon others.

Paul Tidwell, our Chief Executive Officer, has no meaningful financial reporting education or experience. He is and will continue to be heavily dependent on advisors and consultants. It is uncertain whether we will be successful in agreeing to financial arrangements with independent consultants that will be achievable by us. As such, there is risk about our ability to comply with all financial reporting requirements accurately and on a timely basis.

We are subject to the periodic reporting requirements of the Securities Exchange Act of 1934 which requires us to incur audit fees and legal fees in connection with the preparation of such reports. These additional costs could reduce or eliminate our ability to earn a profit.

By having filed a Form 10 Registration Statement with the SEC in March 2004 (File No. 000-50612), we became subject to the reporting requirements under Section 12(g) of the ’34 Act. Subsequently, in November 2008, we terminated our Section 12(g) registration (and its reporting requirements) under the SEC Exchange Act of 1934 by filing the necessary Form 15 with the SEC.

In addition, upon the effective date of our registration statement on Form S-1 (File No.: 333-153035, effective January 16, 2009) we became required to file periodic reports with the Securities and Exchange Commission pursuant to the Securities Exchange Act of 1934 and the rules and regulations promulgated thereunder. In order to comply with these requirements, our independent registered public accounting firm has to review our financial statements on a quarterly basis and audit our financial statements on an annual basis. Moreover, our legal counsel has to review and assist in the preparation of such reports. The costs charged by these professionals for such services cannot be accurately predicted because factors such as the number and type of transactions that we engage in and the complexity of our reports cannot be determined at this time and will have a major effect on the amount of time to be spent by our auditors and attorneys. However, the incurrence of such costs will obviously be an expense to our operations and thus have a negative effect on our ability to meet our overhead requirements and earn a profit.

We currently have only two employees which is not a sufficient number of employees to segregate responsibilities. We may be unable to afford the cost of increasing our staff or engaging outside consultants or professionals to overcome our lack of employees.

Having only two directors, both of whom are officers, limits our ability to establish effective independent corporate governance procedures and increases the control of our president/director.

We have only two directors, both of whom are also officers. Accordingly, we cannot establish board committees comprised of independent members to oversee functions like compensation or audit issues.

Until we have a larger board of directors that would include some independent members, if ever, there will be limited oversight of our president’s decisions and activities and little ability for minority shareholders to challenge or reverse those activities and decisions, even if they are not in the best interests of minority shareholders.

Our internal controls may be inadequate, which could cause our financial reporting to be unreliable and lead to misinformation being disseminated to the public.

Our management is responsible for establishing and maintaining adequate internal control over financial reporting. As defined in Exchange Act Rule 13a-15(f), internal control over financial reporting is a process designed by, or under the supervision of, the principal executive and principal financial officer and effected by the board of directors, management and other personnel, 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 and includes those policies and procedures that:

- pertain to the maintenance of records that in reasonable detail accurately and fairly reflect the transactions and dispositions of the assets of the Company;

- provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and

- provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the Company's assets that could have a material effect on the financial statements.

Because of our limited resources and personnel, our internal controls may be inadequate or ineffective, which could cause our financial reporting to be unreliable and lead to misinformation being disseminated to the public. Investors relying upon this misinformation may make an uninformed investment decision.

Legislation, including the Sarbanes-Oxley Act of 2002, may make it more difficult for us to retain or attract officers and directors.

The Sarbanes-Oxley Act of 2002 was enacted in response to public concerns regarding corporate accountability in connection with relatively recent accounting scandals. The stated goals of the Sarbanes-Oxley Act are to increase corporate responsibility, to provide for enhanced penalties for accounting and auditing improprieties at publicly traded companies, and to protect investors by improving the accuracy and reliability of corporate disclosures pursuant to the securities laws. The Sarbanes-Oxley Act generally applies to all companies that file or are required to file periodic reports with the SEC, under the Securities Exchange Act of 1934. We are required to comply with the Sarbanes-Oxley Act. The enactment of the Sarbanes-Oxley Act of 2002 has resulted in a series of rules and regulations by the SEC that increase responsibilities and liabilities of directors and executive officers. The perceived increased personal risk associated with these recent changes may deter qualified individuals from accepting these roles in our company because of our extremely limited resources. Our lack of financial resources limits our ability to compensate potential directors sufficiently in light of the regulatory and legal environment as well as provide liability insurance to potential officers and directors. As a result, it may be more difficult for us to attract and retain qualified persons to serve on our board of directors or as executive officers. We continue to evaluate and monitor developments with respect to these rules, and we cannot predict or estimate the amount of additional costs we may incur or the timing of such costs.

Because we currently have no revenue, we are considered a "shell company" and are subject to more stringent reporting requirements.

The SEC adopted Rule 405 of the Securities Act and Exchange Act Rule 12b-2 which defines a shell company as a registrant that has no or nominal operations, and either (a) no or nominal assets; (b) assets consisting solely of cash and cash equivalents; or (c) assets consisting of any amount of cash and cash equivalents and nominal other assets. Our balance sheet has no assets, and we have not generated operating revenue while we have been in the development phase. Therefore, we are a shell company. The new rules prohibit shell companies from using a Form S-8 to register securities pursuant to employee compensation plans. However, the new rules do not prevent us from registering securities pursuant to registration statements. Additionally, the new rule regarding Form 8-K requires shell companies to provide more detailed disclosure upon completion of a transaction that causes it to cease being a shell company. We must file a current report on Form 8-K containing the information required pursuant to Regulation S-K and in a registration statement on Form 10, within four business days following completion of the transaction together with financial information of the private operating company. In order to assist the SEC in the identification of shell companies, we are also required to check a box on Form 10-Q and Form 10-K indicating that we are a shell company. To the extent that we are required to comply with additional disclosure because we are a shell company, we may be delayed in executing any mergers or acquiring other assets that would cause us to cease being a shell company. The SEC adopted a new Rule 144 effective February 15, 2008, which makes the resale of restricted securities by shareholders of a shell company more difficult.

Risks Related to Our Common Stock

Our Articles of Incorporation provide for indemnification of officers and directors at our expense and limit their liability. These provisions may result in a major cost to us and hurt the interests of our shareholders because corporate resources may be expended for the benefit of officers and/or directors.

Our Articles of Incorporation and applicable Nevada law provide for the indemnification of our directors, officers, employees, and agents, under certain circumstances, against attorney's fees and other expenses incurred by them in any litigation to which they become a party arising from their association with or activities on our behalf. We will also bear the expenses of such litigation for any of our directors, officers, employees, or agents, upon such person's written promise to repay us therefore, if it is ultimately determined that any such person shall not have been entitled to indemnification. This indemnification policy could result in substantial expenditures by us that we may be unable to recoup.

We have been advised that, in the opinion of the SEC, indemnification for liabilities arising under federal securities laws is against public policy as expressed in the Securities Act of 1933 and is, therefore, unenforceable. In the event that a claim for indemnification for liabilities arising under federal securities laws, other than the payment by us of expenses incurred or paid by a director, officer or controlling person in the successful defense of any action, suit or proceeding, is asserted by a director, officer or controlling person in connection with our securities, we will (unless in the opinion of our counsel, the matter has been settled by controlling precedent) submit to a court of appropriate jurisdiction, the question whether indemnification by us is against public policy as expressed in the Securities Act and will be governed by the final adjudication of such issue. The legal process relating to this matter if it were to occur is likely to be very costly and may result in us receiving negative publicity, either of which factors is likely to materially reduce the market and price for our shares, if such a market ever develops.

Currently, there is no established public market for our securities, and there can be no assurances that any established public market will ever develop or that our common stock will be quoted for trading, and even if quoted, it is likely to be subject to significant price fluctuations.

There has not been any established trading market for our common stock, and there is currently no established public market whatsoever for our securities. We may contact an authorized OTCBB market maker to file an application with FINRA on our behalf so as to be able to quote the shares of our common stock on the OTCBB maintained by FINRA commencing upon the effectiveness of our registration statement of which this prospectus is a part. There are no assurances that the application will be accepted by FINRA nor can we estimate as to the time period that the application process will require. We are not permitted to file such application on our own behalf. However, our shares may never be traded on the OTCBB, or, if traded, a public market may not materialize. If our common stock is not traded on the OTCBB or if a public market for our common stock does not develop, investors may not be able to re-sell the shares of our common stock that they have purchased and may lose all of their investment.

If an application is accepted by FINRA, there can be no assurances as to whether:

(i) any market for our shares will develop;
(ii) the prices at which our common stock will trade; or
(iii) the extent to which investor interest in us will lead to the development of an active, liquid trading market. Active trading markets generally result in lower price volatility and more efficient execution of buy and sell orders for investors.

In addition, our common stock is unlikely to be followed by any market analysts, and there may be few institutions acting as market makers for our common stock. Either of these factors could adversely affect the liquidity and trading price of our common stock. Until an orderly market develops in our common stock, if ever, the price at which it trades is likely to fluctuate significantly. Prices for our common stock will be determined in the marketplace and may be influenced by many factors, including the depth and liquidity of the market for shares of our common stock, developments affecting our business, including the impact of the factors referred to elsewhere in these Risk Factors, investor perception of us and general economic and market conditions. No assurances can be given that an orderly or liquid market will ever develop for the shares of our common stock.

Any market that develops in shares of our common stock will be subject to the penny stock regulations and restrictions pertaining to low priced stocks that will create a lack of liquidity and make trading difficult or impossible.

The trading of our securities, if any, will be in the over-the-counter market which is commonly referred to as the OTCBB as maintained by FINRA. As a result, an investor may find it difficult to dispose of, or to obtain accurate quotations as to the price of our securities.

Rule 3a51-1 of the Securities Exchange Act of 1934 establishes the definition of a "penny stock," for purposes relevant to us, as any equity security that has a minimum bid price of less than $4.00 per share or with an exercise price of less than $4.00 per share, subject to a limited number of exceptions which are not available to us. It is likely that our shares will be considered to be penny stocks for the immediately foreseeable future. This classification severely and adversely affects any market liquidity for our common stock.

For any transaction involving a penny stock, unless exempt, the penny stock rules require that a broker or dealer approve a person's account for transactions in penny stocks and the broker or dealer receive from the investor a written agreement to the transaction setting forth the identity and quantity of the penny stock to be purchased. In order to approve a person's account for transactions in penny stocks, the broker or dealer must obtain financial information and investment experience and objectives of the person and make a reasonable determination that the transactions in penny stocks are suitable for that person and that that person has sufficient knowledge and experience in financial matters to be capable of evaluating the risks of transactions in penny stocks.

The broker or dealer must also deliver, prior to any transaction in a penny stock, a disclosure schedule prepared by the SEC relating to the penny stock market, which, in highlight form, sets forth:

- the basis on which the broker or dealer made the suitability determination, and
- that the broker or dealer received a signed, written agreement from the investor prior to the transaction.

Disclosure also has to be made about the risks of investing in penny stock in both public offerings and in secondary trading and commissions payable to both the broker-dealer and the registered representative, current quotations for the securities and the rights and remedies available to an investor in cases of fraud in penny stock transactions. Finally, monthly statements have to be sent disclosing recent price information for the penny stock held in the account and information on the limited market in penny stocks.

Because of these regulations, broker-dealers may not wish to engage in the above-referenced necessary paperwork and disclosures and/or may encounter difficulties in their attempt to sell shares of our common stock, which may affect the ability of selling shareholders or other holders to sell their shares in any secondary market and have the effect of reducing the level of trading activity in any secondary market. These additional sales practice and disclosure requirements could impede the sale of our securities, if and when our securities become publicly traded. In addition, the liquidity for our securities may decrease, with a corresponding decrease in the price of our securities. Our shares, in all probability, if they trade at all, will be subject to such penny stock rules for the foreseeable future, and our shareholders will, in all likelihood, find it difficult to sell their securities.

The market for penny stocks has experienced numerous frauds and abuses that could adversely impact investors in our stock.

Company management believes that the market for penny stocks has suffered from patterns of fraud and abuse. Such patterns include:

- Control of the market for the security by one or a few broker-dealers that are often related to the promoter or issuer;
- Manipulation of prices through prearranged matching of purchases and sales and false and misleading press releases;
- "Boiler room" practices involving high pressure sales tactics and unrealistic price projections by sales persons;
- Excessive and undisclosed bid-ask differentials and markups by selling broker-dealers; and
- Wholesale dumping of the same securities by promoters and broker-dealers after prices have been manipulated to a desired level, along with the inevitable collapse of those prices with consequent investor losses.

If our common stock is quoted on the OTCBB and a public market for our common stock develops, short selling could increase the volatility of our stock price.

Short selling occurs when a person sells shares of stock which the person does not yet own and promises to buy stock in the future to cover the sale. The general objective of the person selling the shares short is to make a profit by buying the shares later, at a lower price, to cover the sale. Significant amounts of short selling, or the perception that a significant amount of short sales could occur, could depress the market price of our common stock. In contrast, purchases to cover a short position may have the effect of preventing or retarding a decline in the market price of our common stock, and together with the imposition of the penalty bid, may stabilize, maintain or otherwise affect the market price of our common stock. As a result, the price of our common stock may be higher than the price that otherwise might exist in the open market. If these activities are commenced, they may be discontinued at any time. These transactions may be effected on over-the-counter bulletin board or any other available markets or exchanges. Such short selling if it were to occur could impact the value of our stock in an extreme and volatile manner to the detriment of our shareholders.

Our shares may not become eligible to be traded electronically which would result in brokerage firms being unwilling to trade them.

If we become able to have our shares of common stock quoted on the OTCBB, we will then try, through a broker-dealer and its clearing firm, to become eligible with the Depository Trust Company ("DTC") to permit our shares to trade electronically. If an issuer is not "DTC-eligible," then its shares cannot be electronically transferred between brokerage accounts, which, based on the realities of the marketplace as it exists today (especially the OTCBB), means that shares of a company will not be traded (technically the shares can be traded manually between accounts, but this takes days and is not a realistic option for companies relying on broker dealers for stock transactions - like all companies on the OTCBB. What this boils down to is that while DTC-eligibility is not a requirement to trade on the OTCBB, it is a necessity to process trades on the OTCBB if a company's stock is going to trade with any volume. There are no assurances that our shares will ever become DTC-eligible or, if they do, how long it will take.

State securities laws may limit secondary trading, which may restrict the states in which and conditions under which you can sell shares.

Secondary trading in our common stock will not be possible in any state until the common stock is qualified for sale under the applicable securities laws of the state or there is confirmation that an exemption, such as listing in certain recognized securities manuals, is available for secondary trading in the state. If we fail to register or qualify, or to obtain or verify an exemption for the secondary trading of, the common stock in any particular state, the common stock could not be offered or sold to, or purchased by, a resident of that state. In the event that a significant number of states refuse to permit secondary trading in our common stock, the liquidity for the common stock could be significantly impacted.

The ability of our officers and majority shareholders to control our business may limit or eliminate minority shareholders' ability to influence corporate affairs.

Our president and four other principal shareholders beneficially currently own more than 90% of our outstanding common stock. Because of this level of beneficial stock ownership, these shareholders will be in a position to continue to elect our board of directors, decide all matters requiring stockholder approval and determine our policies. The interests of such shareholders may differ from the interests of other shareholders with respect to the issuance of shares, business transactions with or sales to other companies, selection of officers and directors and other business decisions. The minority shareholders would have no way of overriding decisions made by our principal shareholders. This level of control may also have an adverse impact on the market value of our shares because these stockholders may institute or undertake transactions, policies or programs that result in losses, may not take any steps to increase our visibility in the financial community and/or may sell sufficient numbers of shares to significantly decrease our price per share.

Shareholders who hold unregistered shares of our common stock are subject to resale restrictions pursuant to Rule 144, due to our status as a "shell company."

Pursuant to Rule 144 of the Securities Act of 1933, as amended ("Rule 144"), a "shell company" is defined as a company that has no or nominal operations; and, either no or nominal assets; assets consisting solely of cash and cash equivalents; or assets consisting of any amount of cash and cash equivalents and nominal other assets. As such, we are a "shell company" pursuant to Rule 144 and, as such, sales of our securities pursuant to Rule 144 are not able to be made until:

- we have ceased to be a "shell" company;
- we are subject to Section 13 or 15(d) of the Securities Exchange Act of 1934, as amended, and
- have filed all of our required periodic reports for at least the previous one year period prior to any sale pursuant to Rule 144; and
- a period of at least 12 months has elapsed from the date information has been filed with the SEC reflecting the Company's status as a non-"shell company."

Because none of our non-registered securities can be sold pursuant to Rule 144, until at least a year after we cease to be a "shell company", any non-registered securities that we sell in the future or issue to consultants or employees in consideration for services rendered or for any other purpose will have no liquidity until and unless such securities are registered with the SEC and/or until a year after we cease to be a "shell company" and have complied with the other requirements of Rule 144, as described above. As a result, it may be harder for us to fund our operations and pay our consultants with our securities instead of cash. Furthermore, it will be harder or us to raise funding through the sale of debt or equity securities unless we agree to register such securities with the SEC, which could cause us to expend additional resources in the future. Our status as a "shell company" could prevent us from raising additional funds, engaging consultants, and using our securities to pay for any acquisitions (although none are currently planned), which could cause the value of our securities, if any, to decline in value or become worthless.

Anti-takeover effects of certain provisions of Nevada State Law hinder a potential takeover of Innocap.

Nevada Revised Statutes sections 78.378 to 78.379 provide state regulation over the acquisition of a controlling interest in certain Nevada corporations unless the articles of incorporation or bylaws of the corporation provide that the provisions of these sections do not apply. Our articles of incorporation and bylaws do not state that these provisions do not apply. The statute creates a number of restrictions on the ability of a person or entity to acquire control of a Nevada company by setting down certain rules of conduct and voting restrictions in any acquisition attempt, among other things. The statute is limited to corporations that are organized in the state of Nevada and that have 200 or more stockholders, at least 100 of whom are stockholders of record and residents of the State of Nevada; and does business in the State of Nevada directly or through an affiliated corporation. Because of these conditions, the statute currently does not apply to our company.

We do not expect to pay cash dividends in the foreseeable future.

We have never paid cash dividends on our common stock. We do not expect to pay cash dividends on our common stock at any time in the foreseeable future. The future payment of dividends directly depends upon any future earnings, capital requirements, financial requirements and other factors that our board of directors will consider. Since we do not anticipate paying cash dividends on our common stock, return on your investment, if any, will depend solely on an increase, if any, in the market value of our common stock.

Because we are not subject to compliance with rules requiring the adoption of certain corporate governance measures, our stockholders have limited protections against interested director transactions, conflicts of interest and similar matters.

The Sarbanes-Oxley Act of 2002, as well as rule changes proposed and enacted by the SEC, the New York and American Stock Exchanges and the Nasdaq Stock Market, as a result of Sarbanes-Oxley, require the implementation of various measures relating to corporate governance. These measures are designed to enhance the integrity of corporate management and the securities markets and apply to securities that are listed on those exchanges or the Nasdaq Stock Market. Because we are not presently required to comply with many of the corporate governance provisions and because we chose to avoid incurring the substantial additional costs associated with such compliance any sooner than legally required, we have not yet adopted these measures.

We do not currently have independent audit or compensation committees. As a result, our two directors have the unchallenged ability, among other things, to determine levels of compensation. Until we comply with such corporate governance measures, regardless of whether such compliance is required, the absence of such standards of corporate governance may leave our stockholders without protections against interested director transactions, conflicts of interest, if any, and similar matters and any potential investors may be reluctant to provide us with funds necessary to expand our operations.

We intend to comply with all corporate governance measures relating to director independence as and when required. However, we may find it very difficult or be unable to attract and retain qualified officers, directors and members of board committees required to provide for our effective management as a result of Sarbanes-Oxley Act of 2002. The enactment of the Sarbanes-Oxley Act of 2002 has resulted in a series of rules and regulations by the SEC that increase responsibilities and liabilities of directors and executive officers. The perceived increased personal risk associated with these recent changes may make it more costly or deter qualified individuals from accepting these roles.

If our shares are quoted on the over-the-counter bulletin board, we will be required to remain current in our filings with the SEC and our securities will not be eligible for quotation if we are not current in our filings with the SEC.

In the event that our shares are quoted on the OTCBB, we will be required to remain current in our filings with the SEC in order for shares of our common stock to remain eligible for quotation on the OTCBB. In the event that we become delinquent in our required quarterly and annual filings with the SEC, quotation of our common stock will be terminated following a 30 day grace period if we do not make our required filing during that time. If our shares are not eligible for quotation on the over-the-counter bulletin board, investors in our common stock may find it difficult to sell their shares.

You may have limited access to information regarding our business because our obligations to file periodic reports with the SEC could be automatically suspended under certain circumstances.

We were required to file periodic reports with the SEC (by virtue of having filed a Form 10 Registration Statement with the SEC on March 1, 2004), and such reports as were filed remain available to the public for inspection and copying. In November 2008, we subsequently terminated our Section 12(g) registration (and its reporting requirements) under SEC Exchange Act of 1934 by filing the necessary Form 15 with the SEC.

Despite the above and as of effectiveness of our registration statement on January 16, 2009 we became required to file periodic reports with the SEC which will be immediately available to the public for inspection and copying. Except during the year following our registration statement becoming effective, these reporting obligations may (in our discretion) be automatically suspended by operation of statute under Section 15(d) of the Securities Exchange Act of 1934 if we have less than 300 shareholders and have not filed a Form 8A with the SEC. That situation exists now which means that we may file periodic reports voluntarily with the SEC but will no longer be obligated to file those periodic reports with the SEC, and your access to our business information would then be even more restricted. As of January 16, 2009 (the date our registration statement on Form S-1 became effective), we are required to deliver periodic reports to security holders. However, we will not be required to furnish proxy statements to security holders and our directors, officers and principal beneficial owners will not be required to report their beneficial ownership of securities to the SEC pursuant to Section 16 of the Securities Exchange Act of 1934 until we have both 500 or more security holders and greater than $10 million in assets and are required to register our shares under Section 12 of the Exchange Act. This means that your access to information regarding our business will be limited.

For all of the foregoing reasons and others set forth herein, an investment in the Company'ssecurities in any market which may develop in the future involves a high degree of risk. Any person considering an investment in such securities should be aware of these and other risk factors set forth in this Form 10-K.

Item 1B. **UNRESOLVED STAFF COMMENTS**

None

Item 2. **PROPERTIES**

We have not commenced revenue producing operations and have no assets. We currently operate out of office space located at 120 E Austin Street, Suite 202, Jefferson, TX 75657 which is provided to us by our president for $350 per month which serves as our principal location. There is no written lease agreement.

Item 3. **LEGAL PROCEEDINGS**

We are not a party to any pending, or to our knowledge, threatened litigation of any type.

Item 4. **SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS**

On July 13, 2008, the Board of Directors of Innocap, supported by the written consents of the holders of a majority of outstanding shares of common stock:

a) elected to withdraw the Company's election and ceased being a Business Development Company; and

b) in November 2008 we terminated our Section 12(g) registration (and the corresponding reporting requirements) under the Securities Exchange Act of 1934 by filing the necessary Form 15 with the SEC.

At that time, the Company decided to use the business connections of its president and become a consulting business.

In July 2008 the Company's Board of Directors (supported by the written consents of the holders of a majority of our outstanding shares of common stock) effectuated a 1 for 100 reverse split of shares of our common stock and issued 82,080,000 new shares (giving retroactive effect to the 19 for 1 forward split declared in May 2011) to settle a substantial portion of our liabilities.

In May 2011, the shareholders, based on the consents of the holders of a majority of outstanding shares of common stock, voted to remove B. Alva Schoomer as Chairman and President. At the same time, Paul Tidwell was elected Chairman and appointed as President, and Christopher Dubea was elected as a Director and appointed as Vice President and Secretary.

Part II

Item 5. **MARKET FOR COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND PURCHASES OF EQUITY SECURITIES**

There is no current market for the shares of our common stock. No symbol has been assigned for our securities, and our securities have not been listed or quoted on any Exchange to date. There can be no assurance that a symbol will be assigned or that a liquid market will develop in the foreseeable future. Transfer of our common stock may also be restricted under the securities or blue sky laws of certain states and foreign jurisdictions. Consequently, investors may not be able to liquidate their investments and should be prepared to hold the common stock for an indefinite period of time.

We have never paid any cash dividends on shares of our common stock and do not anticipate that we will pay dividends in the foreseeable future. We intend to apply any earnings to fund the development of our business. The purchase of shares of common stock is inappropriate for investors seeking current or near term income.

As of the close of business on May 31, 2011, there were 41 stockholders of record of our common stock, and 97,000,000 shares were issued and outstanding.

In July 2008 we issued an aggregate of 82,080,000 shares of our common stock (as restated for our 19 for 1 forward split in May 2011) to Gary B. Wolff, GCND, Inc., Keith Barton and S. Craig Barton in full satisfaction of approximately $100,000 in amounts due to them for services performed. The services consisted of legal services (Gary B. Wolff) and assistance in developing a business plan and preparation of documents (GCND, Keith Barton and Craig Barton). Such shares were issued as follows:

Name	Number of Shares
S. Craig Barton	20,900,000
Gary B. Wolff	19,000,000
GCND, Inc.	28,500,000
Keith Barton	13,680,000

In May 2011 the Company declared a 19 for 1 forward stock split.

In May 2011, the Company issued 1,000,000 shares of preferred stock to Paul Tidwell. Each share of preferred stock is convertible into 50 shares of common stock commencing on February 1, 2012.

No underwriter participated in the issuance of our shares, and no underwriting discounts or commissions were paid to anyone.

The Company has never repurchased any of its equity securities.

Blue Sky Considerations

Because our securities have not been registered for resale under the blue sky laws of any state, the holders of such shares and persons who desire to purchase them in any trading market that might develop in the future, should be aware that there may be significant state blue-sky law restrictions upon the ability of investors to sell the securities and of purchasers to purchase the securities. Accordingly, investors should consider any secondary market for the Company's securities to be a limited one.

Item 6 **SELECTED FINANCIAL DATA**

Balance Sheet Data:	January 31,2010	January 31,2009
Current liabilities	$ 28,250	$ 20,250
Stockholders' deficit	$ (28,250)	$ (20,250)

Income Data:

	Year ended January 31,	
	2010	2009
Total expenses	$ 8,000	$ 32,250
Net loss	$ (8,000)	$ (32,250)
Net loss per common share - basic and diluted	(0.00)	(0.00)
Weighted average number of shares outstanding – basic and diluted	95,000,000	53,960,000

Item 7. **MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS**

Note Regarding Forward-Looking Statements

Certain matters discussed in this annual report on Form 10-K 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, if any 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-K. 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.

The following discussion and analysis provides information which the Company's management believes to be relevant to an assessment and understanding of the Company's results of operations and financial condition. This discussion should be read together with the Company's financial statements and the notes to financial statements, which are included in this report.

Operations

We were incorporated in Nevada on January 23, 2004. In September 2004, we filed a notice of election to be regulated as a BDC under the Investment Company Act of 1940 which made us a closed-end management investment company. Our goal was to provide investors with the opportunity to participate with a modest amount in venture capital investments that are generally not available to the public and that typically require substantially larger financial commitments.

We were unable to raise the capital necessary to commence making investments as a BDC and have not generated any revenue. As a result, we have been a development stage company since inception. To date, all of our efforts have been limited primarily to organizational activities, planning and preparation of documents to be filed with the SEC. All of our expenses incurred since inception relate to fees incurred for these purposes.

In July 2008 we withdrew our election and ceased being a BDC. At that time, we decided to use the business connections of our president and become a consulting business. Our goal was to obtain clients through our president's business contacts and then use subcontractors and independent contractors to provide strategic business planning and management consulting to these clients that are likely to be small domestic companies and medium sized international companies trying to establish a business presence in the United States. In November 2008 we terminated our Section 12(g) reporting requirements under the Exchange Act of 1934 by filing a Form 15 with the SEC.

Our efforts to commence revenue producing consulting activities, in our judgment, were severely affected by the recession affecting the economy during 2008 and 2009. The SEC adopted Rule 405 of the Securities Act and Exchange Act Rule 12b-2 which defines a shell company as a registrant that has no or nominal operations, and either

(a) no or nominal assets;

(b) assets consisting solely of cash and cash equivalents; or

(c) assets consisting of any amount of cash and cash equivalents and nominal other assets.

Our balance sheet has no assets, and we have not generated operating revenue while we have been in the development phase. Therefore, we are a shell company at January 31, 2010.

In May 2011 the Company entered into agreements with its new President who will bring the Company a new business plan of finding and salvaging sunken ships. Our new President, Paul Tidwell, will devote fulltime to implementing the new business plan. He has extensive experience in finding and salvaging sunken ships. Some of his activities have been filmed and shown on networks like the History Channel and Discovery Channel. To accomplish this new business plan, the Company will have to raise substantial debt or equity capital since each project is likely to require several million dollars. Each project will require a surface vessel and crew, small submarine, salvage equipment and sophisticated cameras and filming equipment. Initially, the Company will seek funds from the business contacts of its new officers. There are no assurances that the Company will be successful in obtaining the necessary financing and, if obtained, what the terms will be.

Innocap, Inc. has no financial resources and has not established a source of equity or debt financing and a deficit accumulated during the development stage of $197,850 at January 31, 2010 . Our independent registered auditors included an explanatory paragraph in their opinion on Innocap's financial statements as of January 31, 2010 that states that this lack of resources causes substantial doubt about our ability to continue as a going concern. No assurances can be given that we will generate sufficient revenue or obtain any financing that may be necessary in order to continue as a going concern.

Other

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 as described in "Liquidity" below.

Liquidity

Innocap does not have any credit facilities or other commitments for debt or equity financing. In May 2011 the Company entered into agreements with its two new officers who will bring the Company a new business plan of finding and salvaging sunken ships. Our new President, Paul Tidwell, has extensive experience in finding and salvaging sunken ships. Some of his activities have been filmed and shown on networks like the History Channel and Discovery Channel. To accomplish this new business plan, the Company will have to raise substantial debt or equity capital since each project is likely to require several million dollars. Each project will require a surface vessel and crew, small submarine, salvage equipment and sophisticated cameras and filming equipment. Initially, the Company will seek funds from the business contacts of its new officers. There are no assurances that the Company will be successful in obtaining the necessary financing and, if obtained, what the terms will be.

We are currently subject to the reporting requirements of the Exchange Act of 1934 and will continue to incur ongoing expenses associated with professional fees for accounting, legal and a host of other expenses for annual reports and proxy statements if required. We estimate that these costs may range up to $50,000 per year for the next few years and will be higher if our business volume and activity increases. These obligations will reduce our ability and resources to fund other aspects of our business. We hope to be able to use our status as a public company to increase our ability to use noncash means of settling obligations and compensating independent contractors who provide services for us, although there can be no assurances that we will be successful in any of those efforts. We will reduce any compensation paid to management if there is insufficient cash generated from operations to satisfy these costs.

In July 2008 we elected to cease being a BDC and to become a consulting company. At that time, we effectuated a 1 for 100 reverse split of shares of our common stock and issued 82,080,000 (as restated to give effect to the 19 for 1 forward split declared in May 2011) new shares to settle a substantial portion of our outstanding liabilities.

In May 2011, the Company issued 2,000,000 shares of common stock to settle $20,000 in accrued expenses. In May 2011, the Company issued 1,000,000 shares of preferred stock to Paul Tidwell. Each share of preferred stock is convertible into 50 shares of common stock commencing on April 1, 2012.

Recent Accounting Pronouncements

In February 2010, the FASB issued Accounting Standards Update ("ASU") No. 2010-09, *Amendments to Certain Recognition and Disclosure Requirements* ("ASU 2010-09"), which is included in the FASB Accounting Standards Codification ("ASC") Topic 855 *Subsequent Events.* ASU 2010-09 clarifies that an SEC filer is required to evaluate subsequent events through the date that the financial statements are issued. ASU 2010-09 is effective upon the issuance of the final update and did not have a significant impact on the Company's financial statements.

In June 2009, the FASB issued guidance now codified as ASC 105, *Generally Accepted Accounting Principles* as the single source

of authoritative accounting principles recognized by the FASB to be applied by nongovernmental entities in the preparation of financial statements in conformity with U.S. GAAP, aside from those issued by the SEC. ASC 105 does not change current U.S. GAAP, but is intended to simplify user access to all authoritative U.S. GAAP by providing all authoritative literature related to a particular topic in one place. The adoption of ASC 105 did not have a material impact on the Company's financial statements, but did eliminate all references to pre-codification standards.

The Company has implemented all new accounting pronouncements that are in effect and that may impact its financial statements and does not believe that there are any other new accounting pronouncements that have been issued that might have a material impact on its financial position or results of operations.

Critical Accounting Policies

The preparation of financial statements and related notes requires us to make judgments, estimates, and assumptions that affect the reported amounts of assets, liabilities, revenue and expenses, and related disclosure of contingent assets and liabilities.

An accounting policy is considered to be critical if it requires an accounting estimate to be made based on assumptions about matters that are highly uncertain at the time the estimate is made, and if different estimates that reasonably could have been used, or changes in the accounting estimates that are reasonably likely to occur periodically, could materially impact the financial statements.

Financial Reporting Release No. 60 requires all companies to include a discussion of critical accounting policies or methods used in the preparation of financial statements. There are no critical policies or decisions that rely on judgments that are based on assumptions about matters that are highly uncertain at the time the estimate is made. Note 2 to the financial statements includes a summary of the significant accounting policies and methods used in the preparation of our financial statements.

Seasonality

We do not yet have a basis to determine whether our business will be seasonal.

Off-Balance Sheet Arrangements

We have no off-balance sheet arrangements as defined in Item 303(a)(4)(ii) of Regulation S-K, obligations under any guarantee contracts or contingent obligations. We also have no other commitments, other than the costs of being a public company that will increase our operating costs or cash requirements in the future

Item 7A. **QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK**

Pursuant to Item 305(e) of Regulation S-K (§ 229.305(e)), the Company is not required to provide the information required by this Item.

Item 8. **FINANCIAL STATEMENTS**

Innocap's financial statements as of January 31, 2010 and the fiscal year then ended start on page 32.

Item 9. **CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE**

Dismissal of Li & Company, PC

On July 28, 2010 (the "Dismissal Date"), our Board of Directors dismissed Li & Company, PC ("Li"), our independent registered public accounting firm.

The reports of Li & Company, PC on our financial statements for the years ended January 31, 2008 and 2007 did not contain any adverse opinion or disclaimer of opinion, nor were they qualified or modified as to audit scope or accounting principles. The reports did include an explanatory paragraph about the uncertainty of our ability to continue as a going concern. During our most recent fiscal year and the subsequent interim periods through to the Dismissal Date, there were no disagreements as defined in Item 304 of Regulation S-K) with Li on any matter of accounting principles or practices, financial statement disclosure, or auditing scope or procedure, which disagreements, if not resolved to the satisfaction of Li, would have caused it to make reference in connection with any opinion to the subject matter of the disagreement. Further, during our most recent fiscal year and the subsequent interim periods through to the Dismissal Date, there were no reportable events (as defined in Item 304(a)(1)(v) of Regulation S-K).

Engagement of Silberstein Ungar, PLLC

On July 28, 2010 (the "Engagement Date"), our Board of Directors approved the appointment of Silberstein Ungar, PLLC (“SU”), an independent registered public accounting firm which is registered with, and governed by the rules of, the Public Company Accounting Oversight Board, as our independent registered public accounting firm. During our two most recent fiscal years, the subsequent interim periods thereto, and through the Engagement Date, neither us nor anyone on our behalf consulted SU regarding either (1) the application of accounting principles to a specified transaction regarding us, either completed or proposed, or the type of audit opinion that might be rendered on our financial statements; or (2) any matter regarding us that was either the subject of a disagreement (as defined in Item 304(a)(1)(iv) of Regulation S-K and related instructions to Item 304 of Regulation S-K) or a reportable event (as defined in Item 304(a)(1)(v) of Regulation S-K).

Dismissal of Silberstein Ungar, PLLC

On January 14, 2011 (the "Dismissal Date"), our Board of Directors dismissed Silberstein Ungar, PLLC as our independent registered public accounting firm.

SU did not issue any reports on or commence any audit procedures with respect to our financial statements. During the entire period of SU’s engagement through January 14, 2011, there were no disagreements as defined in Item 304 of Regulation S-K) with SU on any matter of accounting principles or practices, financial statement disclosure, or auditing scope or procedure, which disagreements, if not resolved to the satisfaction of SU, would have caused it to make reference in connection with any opinion to the subject matter of the disagreement. Further, during our most recent fiscal year and the subsequent interim periods through January 14, 2011, there were no reportable events (as defined in Item 304(a)(1)(v) of Regulation S-K).

Engagement of PMB Helin Donovan, LLP

On January 14, 2011, we appointed PMB Helin Donovan, LLP (“PMB”), an independent registered public accounting firm which is registered with, and governed by the rules of, the Public Company Accounting Oversight Board, as our independent registered public accounting firm. During our two most recent fiscal years, the subsequent interim periods thereto, and through January 14, 2011, neither us nor anyone on our behalf consulted PMB regarding either (1) the application of accounting principles to a specified transaction regarding us, either completed or proposed, or the type of audit opinion that might be rendered on our financial statements; or (2) any matter regarding us that was either the subject of a disagreement (as defined in Item 304(a)(1)(iv) of Regulation S-K and related instructions to Item 304 of Regulation S-K) or a reportable event (as defined in Item 304(a)(1)(v) of Regulation S-K).

Item 9A.**CONTROLS AND PROCEDURES**

Our management is also responsible for establishing and maintaining adequate internal control over financial reporting. The Company's internal control over financial reporting is designed 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.

Our internal control over financial reporting includes those policies and procedures that:

- Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;
- Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles;
- Provide that our receipts and expenditures are being made only in accordance with authorizations of the Company's management and directors; and
- Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of our assets that could have a material effect on the financial statements.

Evaluation of Disclosure Controls and Procedures

Our principal executive officer and principal financial officer (one person) has reviewed the effectiveness of our "disclosure controls and procedures" (as defined in the Securities Exchange Act of 1934 Rules 13a-14(c) and 15d-14(c)) as of the end of the period covered by this report and has concluded that the disclosure controls and procedures are effective to ensure that material information relating to the Company is recorded, processed, summarized, and reported in a timely manner. There were no significant changes in our internal controls or in other factors that could significantly affect these controls subsequent to the last day they were evaluated by our principal executive officer and principal financial officer.

This annual report does not include an attestation report of the Company's registered public accounting firm regarding internal control over financial reporting. Management's report was not subject to attestation by the Company's registered public accounting firm pursuant to rules of the Securities and Exchange Commission that permit the Company to provide only management's report in this annual report.

Changes in Internal Control over Financial Reporting

There have been no changes in the Company's internal control over financial reporting during the last quarterly period covered by this report that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

Item 9B **OTHER INFORMATION**

No event occurred during the fourth quarter of the fiscal year ended January 31, 2010 that would have required disclosure in a report on Form 8-K.

PART III

Item 10. **DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE.**

Our executive officers and directors are as follows:

Name	Age	Title
Paul Tidwell	62	Chairman, President and CFO
Christopher Dubea	52	Vice President, Secretary and Director

Paul Tidwell - – has worked as a consultant and contractor in various aspects of the salvage industry for more than 25 years.

Christopher Dubea – became Vice President and a Director in May 2011. Since 2007 he has been a senior project manager at Arion Systems, Inc. in Chantilly, Virginia where he manages large-scale fiscal projects encompassing submersible equipment. From 2002 until 2007, he was a Special Projects Group Manager at Project Consulting Services, Inc. in Metairie, Louisiana where he managed teams that developed advanced underwater pipeline automation equipment. Mr. Dubea has BS and MS degrees from the University of New Orleans.

The term of office of each director expires at our annual meeting of stockholders or until their successors are duly elected and qualified. No officer or director has any prior history with a blank check company, a development stage company that has no specific business plan or purpose or has indicated its business plan is to engage in a merger or acquisition with an unidentified company or companies, other entity, or person.

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Possible Potential Conflicts

The OTCBB, on which we plan and hope to have our shares of common stock quoted at some point in the future, does not have any director independence requirements.

No member of management is or will be required by us to work on a full time basis. Accordingly, certain conflicts of interest may arise between us and our officer in that he may have other business interests in the future to which he devotes his attentions, and he may be expected to continue to do so although management time must also be devoted to our business. As a result, conflicts of interest may arise that can be resolved only through his exercise of such judgment as is consistent with his understanding of his fiduciary duties to us. In an effort to deal with such potential conflict our President has entered into an agreement with the Company as summarized in Risk Factor entitled "There are significant potential conflicts of interest. Our president devotes only a portion of his time to us and may have conflicts of interest in allocating management time among various business activities. In the course of other business activities, he may become aware of business opportunities which may be appropriate for presentation to us, as well as the other entities with which he is affiliated or knows. As such, there may be conflicts of interest in determining to which entity a particular business opportunity should be presented."

Currently we have only two officers who are also our two directors and will seek to add additional officer(s) and/or director(s) as and when the proper personnel are located and terms of employment are mutually negotiated and agreed, and we have sufficient capital resources and cash flow to make such offers.

Board of Directors

All directors hold office until the completion of their term of office, which is not longer than one year, or until their successors have been elected. Our directors' term of office expires on January 31, 2012. All officers are appointed annually by the board of directors and, subject to existing employment agreements (of which there are currently none) and serve at the discretion of the board. Currently, our directors receive no compensation for their role as directors.

If we have an even number of directors, tie votes on issues will be resolved in favor of the chairman's vote.

All directors will be reimbursed by us for any expenses incurred in attending directors' meetings provided that we have the resources to pay these fees. We will consider applying for officers and directors liability insurance at such time when we have the resources to do so.

Code of Business Conduct and Ethics

On February 16, 2010 we adopted a Code of Ethics and Business Conduct which is applicable to our future employees and which also includes a Code of Ethics for our chief executive and principal financial officers and any persons performing similar functions. A code of ethics is a written standard designed to deter wrongdoing and to promote:

- honest and ethical conduct,
- full, fair, accurate, timely and understandable disclosure in regulatory filings and public statements,
- compliance with applicable laws, rules and regulations,
- the prompt reporting violation of the code, and
- accountability for adherence to the code.

A copy of our Code of Business Conduct and Ethics has been filed with the Securities and Exchange Commission as Exhibit 14.1 to this Annual Report on Form 10-K.

Involvement in Certain Legal Proceedings.

There have been no events under any bankruptcy act, no criminal proceedings and no judgments, injunctions, orders or decrees material to the evaluation of the ability and integrity of any director, executive officer, promoter or control person of Innocap during the past five years.

ITEM 11 - EXECUTIVE COMPENSATION

None of our employees are subject to a written employment agreement nor has any officer received a cash salary since our founding.

The Summary Compensation Table shows certain compensation information for services rendered in all capacities for the fiscal years ended January 31, 2010 and 2009. Other than as set forth herein, no executive officer's salary and bonus exceeded $100,000 in any of the applicable years. The following information includes the dollar value of base salaries, bonus awards, the number of stock options granted and certain other compensation, if any, whether paid or deferred.

		Annual Compensation			Long Term Compensation			
					Awards		Payouts	
Name and Principal Position	Year	Salary ($)	Bonus ($)	Other Annual Compensation ($)	Restricted Stock Awards ($)	Securities Underlying Options SARs (#)	LTIP Payouts ($)	All Other Compensation ($)
Dr. B. Alva Schoomer	2010	-0-	-0-	-0-	-0-	-0-	-0-	-0-
CEO	2009	-0-	-0-	-0-	-0-	-0-	-0-	-0-

In May 2011, the shareholders, based on the consents of the holders of a majority of outstanding shares of common stock, voted to remove B. Alva Schoomer as Chairman and President. At the same time, Paul Tidwell was elected Chairman and appointed as President, and Christopher Dubea was elected as a Director and appointed as Vice President and Secretary. No formal contracts or compensation arrangements exist for either Mr. Tidwell or Mr. Dubea.

Outstanding Equity Awards at Fiscal Year End

There are no outstanding equity awards at January 31, 2010.

Item 12 **SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS**

As of May 31, 2011 we had 97,000,000 shares of common stock outstanding which are held by forty shareholders. The chart below sets forth the ownership, or claimed ownership, of certain individuals and entities. This chart discloses those persons known by the board of directors to have, or claim to have, beneficial ownership of more than 5% of the outstanding shares of our common stock as of May 31, 2011; of all directors and executive officers of Innocap; and of our directors and officers as a group.

Unless otherwise indicated, Innocap believes that all persons named in the table have sole voting and investment power with respect to all shares of the common stock beneficially owned by them. A person is deemed to be the beneficial owner of securities which may be acquired by such person within 60 days from the date indicated above upon the exercise of options, warrants or convertible securities. Each beneficial owner's percentage ownership is determined by assuming that options, warrants or convertible securities that are held by such person (but not those held by any other person) and which are exercisable within 60 days of the date indicated above, have been exercised.

Name and Address of Beneficial Owner	Number of Shares Beneficially Owned	Percent of Class
Paul Tidwell, 120 E Austin Street, Suite 202, PO Box 489, Jefferson, TX 75657**	68,106,490	70,21
Christopher Dubea, 120 E Austin Street, Suite 202, PO Box 489, Jefferson, TX 75657	-0-	
Brian Wolff, 488 Madison Avenue, Suite 1100, New York, NY 10017	5,816,528	6.00
PE Group, Inc.*, 488 Madison Avenue, Suite 1100, New York, NY 10017	8,811,896	9.08
Cohort Investments, LLC, 488 Madison Avenue, Suite 1100, New York, NY 10022	9,452,386	9.74
Officers and Directors as a group (2 members)	68,106,490	70.21

*P. G. Skarpa has sole voting and investment power for all shares held by PE Group, Inc.
**Excludes 1,000,000 shares of preferred stock issued to Paul Tidwell in May 2011. Each share of preferred stock is convertible into 50 shares of common stock commencing on April 1, 2012.

Shareholder Matters

As an issuer of "penny stock," the protection provided by the federal securities laws relating to forward looking statements does not apply to us as long as our shares continue to be penny stocks. Although the federal securities law provide a safe harbor for forward-looking statements made by a public company that files reports under the federal securities laws, this safe harbor is not available to issuers of penny stocks. As a result, we will not have the benefit of this safe harbor protection in the event of any claim that the material provided by us, including this Annual Report on Form 10-K, contained a material misstatement of fact or was misleading in any material respect because of our failure to include any statements necessary to make the statements not misleading.

As a Nevada corporation, we are subject to the Nevada Revised Statutes ("NRS" or "Nevada law"). Certain provisions of Nevada law create rights that might be deemed material to our shareholders. Other provisions might delay or make more difficult acquisitions of our stock or changes in our control or might also have the effect of preventing changes in our management or might make it more difficult to accomplish transactions that some of our shareholders may believe to be in their best interests.

Directors' Duties. Section 78.138 of the Nevada law allows our directors and officers, in exercising their powers to further our interests, to consider the interests of our employees, suppliers, creditors and customers. They can also consider the economy of the state and the nation, the interests of the community and of society and our long-term and short-term interests and shareholders, including the possibility that these interests may be best served by our continued independence. Our directors may resist a change or potential change in control if they, by a majority vote of a quorum, determine that the change or potential change is opposed to or not in our best interest. Our board of directors may consider these interests or have reasonable grounds to believe that, within a reasonable time, any debt which might be created as a result of the change in control would cause our assets to be less than our liabilities, render us insolvent, or cause us to file for bankruptcy protection

Amendments to Bylaws - Our articles of incorporation provide that the power to adopt, alter, amend, or repeal our bylaws is vested exclusively with the board of directors. In exercising this discretion, our board of directors could conceivably alter our bylaws in ways that would affect the rights of our shareholders and the ability of any shareholder or group to effect a change in our control; however, the board would not have the right to do so in a way that would violate law or the applicable terms of our articles of incorporation.

Item 13. **CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS AND DIRECTOR INDEPENDENCE**

In July 2008 we issued an aggregate of 82,080,000 shares of our common stock (as restated for our 19 for 1 forward split in May 2011) to Gary B. Wolff, GCND, Inc., Keith Barton and S. Craig Barton in full satisfaction of approximately $100,000 in amounts due to them for services performed. The services consisted of legal services (Gary B. Wolff) and assistance in developing a business plan and preparation of documents (GCND, Keith Barton and Craig Barton). Such shares were issued as follows:

Name	Number of Shares
S. Craig Barton	20,900,000
Gary B. Wolff	19,000,000
GCND, Inc.	28,500,000
Keith Barton	13,680,000

In May 2011, the Company issued 1,000,000 shares of preferred stock to Paul Tidwell. Each share of preferred stock is convertible into 50 shares of common stock commencing on April 1, 2012.

We currently operate out of office space located at 120 E Austin Street, Suite 202, Jefferson, TX 75657 which is provided to us by our president for $350 per month which serves as our principal location. There is no written lease agreement.

Director Independence; Committees of the Board of Directors

Our Board of Directors is comprised of two individuals, one of whom is integral to the operations of our company, we do not have a majority of independent directors as that term is defined under Rule 4200(a) (15) of the NASDAQ Marketplace Rules, even though that definition does not currently apply to us, because we are not listed on the NASDAQ. We anticipate that if we expand our Board of Directors in the future, that we will seek to include members who are independent. Our securities are not quoted on an exchange that has requirements that a majority of our Board members be independent and we are not currently otherwise subject to any law, rule or regulation requiring that all or any portion of our Board of Directors include “independent” directors.

Our Board of Directors has not established any committees, including an Audit Committee, a Compensation Committee or a Nominating Committee, or any committee performing a similar function. The functions of those committees are being undertaken by the entire board as a whole. Our board of directors does not believe that it is necessary to have such committees because it believes the functions of such committees can be adequately performed by our Board of Directors as a whole. Further, since our securities are not listed on an exchange, we are not subject to any qualitative requirements mandating the establishment of any particular committees.

We do not have a policy regarding the consideration of any director candidates which may be recommended by our shareholders, including the minimum qualifications for director candidates, nor has our Board of Directors established a process for identifying and evaluating director nominees. We have not adopted a policy regarding the handling of any potential recommendation of director candidates by our shareholders, including the procedures to be followed. Our Board has not considered or adopted any of these policies as we have never received a recommendation from any stockholder for any candidate to serve on our Board of Directors. Given the nature of our operations and lack of directors and officers insurance coverage, we do not anticipate that any of our shareholders will make such a recommendation in the near future. While there have been no nominations of additional directors proposed, in the event such a proposal is made, all members of our Board will participate in the consideration of director nominees.

None of our directors is an "audit committee financial expert" within the meaning of Item 407(d)(5) of Regulation S-K. In general, an "audit committee financial expert" is an individual member of the audit committee or Board of Directors who:

- understands generally accepted accounting principles and financial statements,
- is able to assess the general application of such principles in connection with accounting for estimates, accruals and reserves,
- has experience preparing, auditing, analyzing or evaluating financial statements comparable to the breadth and complexity to our financial statements,
- understands internal controls over financial reporting, and
- understands audit committee functions.

We believe that the members of our Board of Directors are collectively capable of analyzing and evaluating our financial statements and understanding internal controls and procedures for financial reporting. We believe that retaining an independent director who would qualify as an “audit committee financial expert” would be overly costly and burdensome and is not warranted in our circumstances.

Item 14. **PRINCIPAL ACCOUNTANT FEES AND SERVICES**

Audit Fees: We have incurred fees totaling $4,000 with PMB Helin Donovan for audit services for the annual audit of the Company’s financial statements included as part of our Form 10-K filing and audit related services including the quarterly reviews associated with our Form 10-Q filings.

Audit-Related Fees: Audit-related services consist of fees billed for assurance and related services that are reasonably related to the performance of the audit or review of our financial statements and are not reported under “Audit Fees.” These services include attest services that are not required by statute or regulation and consultations concerning financial accounting and reporting standards and were not incurred for fiscal 2010 and 2009.

Tax Services Fees: Tax fees consist of fees billed for professional services for tax compliance. These services include assistance regarding federal, state, and local tax compliance. Tax fees were not incurred during the fiscal year ended January 31, 2010.

All Other Fees: Other fees, which were not incurred, would include fees for products and services other than the services reported above.

PART IV

Item 15. **EXHIBITS AND FINANCIAL STATEMENT SCHEDULES**

a. Exhibits

14.1	Code of Ethics
31.1	Certification of Chief Executive Officer
31.2	Certification of Chief Financial Officer

b. Financial Statement Schedules

None

Pursuant to the requirements of Section 13 or 15(d) 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/ Paul Tidwell*
President

June 27, 2011

FINANCIAL STATEMENTS

January 31, 2010 and 2009

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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors
Innocap, Inc.
Jefferson, TX

We have audited the accompanying balance sheets of Innocap, Inc. (a development stage company) as of January 31, 2010 and 2009 and the related statements of operations, stockholders' deficit and cash flows for the years 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 audits.

We conducted our audits 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. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion. 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 audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Innocap, Inc. as of January 31, 2009 and 2008 and the results of its operations and its cash flows for the years then ended and for the period from January 23, 2004 (inception) through January 31, 2010, in conformity with accounting principles generally accepted in the United States of America.

The accompanying financial statements have been prepared assuming the Company will continue as a going concern. As discussed in Note 3 to the financial statements, the Company is in the development stage and, among other things, has negative working capital of $28,250, an accumulated deficit of $197,850, with no revenues, all of which 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 3. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

PMB Helin Donovan, LLP

/S/ PMB Helin Donovan, LLP

www.pmbhd.com
Houston, Texas

June 24, 2010

INNOCAP, INC.
(a development stage company)
Balance Sheets
January 31, 2010 and 2009

	2010	2009
ASSETS		
CURRENT ASSETS:		
Cash	$ -	$ -
TOTAL ASSETS	$ -	$ -
LIABILITIES AND STOCKHOLDERS' DEFICIT		
CURRENT LIABILITIES:		
Accrued liabilities	$ 28,250	$ 20,250
STOCKHOLDERS' DEFICIT:		
Preferred stock at $0.001 par value; 1,000,000 shares authorized, none issued or outstanding	-	-
Common stock at $0.001 par value; 190,000,000 shares authorized; 95,000,000 shares issued and outstanding	95,000	95,000
Additional paid-in capital	74,600	74,600
Deficit accumulated during the development stage	(197,850)	(189,850)
Total Stockholders' Deficit	(28,250)	(20,250)
TOTAL LIABILITIES AND STOCKHOLDERS' DEFICIT	$ -	$ -

See accompanying notes to the financial statements.

INNOCAP, INC.
(a development stage company)
Statements of Operations

	Fiscal Year Ended January 31, 2010	Fiscal Year Ended January 31, 2009	Period from January 23, 2004 (inception) through January 31, 2010
Revenue	$ -	$ -	$ -
General and administrative	8,000	32,250	197,850
Net loss	$ (8,000)	$ (32,250)	$ (197,850)
Net loss per common share - basic and diluted	$ (.00)	$ (.00)	
Weighted average number of common shares outstanding	95,000,000	53,960,000	

See accompanying notes to the financial statements.

INNOCAP, INC.
(a development stage company)

Statements of Stockholders' Deficit

	Common Shares	Amount	Additional Paid-in Capital	Deficit Accumulated During the Development Stage	Total
Balance at inception	-	$ -	$ -	$ -	$ -
Common stock issued at $.001 per share for services, January 23, 2004	9,500,000	9,500	40,500	-	50,000
Net loss for the period	-	-	-	(50,000)	(50,000)
Balance, January 31, 2004	9,500,000	9,500	40,500	(50,000)	-
Issuance of stock options	-	-	1,600	-	1,600
Exercise of stock options	3,420,000	3,420	14,580	-	18,000
Net loss for the year	-	-	-	(59,600)	(59,600)
Balance, January 31, 2005	12,920,000	12,920	56,680	(109,600)	(40,000)
Net loss for the year	-	-	-	(21,500)	(21,500)
Balance, January 31, 2006	12,920,000	12,920	56,680	(131,100)	(61,500)
Net loss for the year	-	-	-	(12,000)	(12,000)
Balance, January 31, 2007	12,920,000	12,920	56,680	(143,100)	(73,500)
Net loss for the year	-	-	-	(14,500)	(14,500)
Balance, January 31, 2008	12,920,000	12,920	56,680	(157,600)	(88,000)
Issuance of shares for debt	82,080,000	82,080	17,920	-	100,000
Net loss	-	-	-	(27,250)	(27,250)
Balance, October 31, 2008	95,000,000	95,000	74,600	(184,850)	(15,250)
Net loss for the year	-	-	-	(5,000)	(5,000)
Balance, January 31, 2009	95,000,000	95,000	74,600	(189,850)	(20,250)
Net loss for the year	-	-	-	(8,000)	(8,000)
Balance, January 31, 2010	95,000,000	$95,000	$ 74,600	$ (197,850)	$ (28,250)

See accompanying notes to the financial statements.

INNOCAP, INC.
(a development stage company)
Statements of Cash Flows

	For the Fiscal Year Ended January 31, 2010	For the Fiscal Year Ended January 31, 2009	For the Period from January 23, 2004 (inception) through January 31, 2010
OPERATING ACTIVITIES:			
Net Loss	$ (8,000)	$ (32,250)	$ (197,850)
Adjustment to reconcile net loss to net cash used in operating activities:			
Stock-based compensation	-	-	51,600
Net change in accrued liabilities	8,000	32,250	128,250
Net Cash Used by Operating Activities	-	-	(18,000)
FINANCING ACTIVITIES:			
Sale of common stock	-	-	18,000
INCREASE IN CASH	-	-	-
CASH AT BEGINNING OF PERIOD	-	-	-
CASH AT END OF PERIOD	$ -	$ -	$ -
SUPPLEMENTAL SCHEDULE OF CASH FLOW ACTIVITIES:			
Cash Paid For:			
Interest	$ -	$ -	$ -
Income taxes	$ -	$ -	$ -
NON-CASH FINANCING ACTIVITIES			
Stock issued to pay accrued expenses	$ -	$ -	$ 100,000

See accompanying notes to the financial statements.

NOTES TO FINANCIAL STATEMENTS

NOTE 1 - 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 ("BDC") under the Investment Company Act of 1940 and be subject to Sections 54 through 65 of said Act. In July 2008 the Company withdrew its election and ceased being a BDC. At that time, it decided to use the business connections of its president and become a consulting business. In May 2011 the Company and its principal shareholders entered into agreements with its new President who will provide the Company with a new business plan of finding and salvaging sunken ships. To do this, the Company will have to raise capital to undertake each project. There are no assurances that the Company will be successful in obtaining the necessary financing.

In July 2008 the Company effectuated a 1 to 100 reverse split of shares of its common stock and issued 82,080,000 (restated to give effect to the 19 for 1 forward split declared in May 2011) new shares to settle liabilities of $100,000. All share and per share amounts in the accompanying financial statements give retroactive effect to the reverse split.

In Mayy 2011 the Company declared a 19 for 1 forward stock split. All share and per share amounts in these financial statements give retroactive effect to this forward split.

In May 2011, its principal shareholders sold a significant portion of their shares to its current President who will implement the new strategy of finding and salvaging sunken ships

The Company has not generated revenues from its planned principal operations and is considered a development stage company as defined by Section 915-10-20 of the FASB Accounting Standards Codification.

NOTE 2 -- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

The Company's financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP").

Year-end

The Company has elected a fiscal year ending on January 31.

Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the U.S. GAAP 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. Actual results could differ from those estimates.

Cash Equivalents

The Company considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

Revenue Recognition

The Company will apply paragraph 605-10-S99-1 of the FASB Accounting Standards Codification for revenue recognition. The Company will recognize revenue when it is realized or realizable and earned less estimated future doubtful accounts. The Company considers revenue realized or realizable and earned when all of the following criteria are met: (i) persuasive evidence of an arrangement exists, (ii) the services have been rendered or assets shipped to a customer, (iii) the sales price is fixed or determinable, and (iv) collectability is reasonably assured.

Income Taxes

The Company adopted section 740-10-25 of the FASB Accounting Standards Codification ("Section 740-10-25"). Section 740-10-25 addresses the determination of whether tax benefits claimed or expected to be claimed on a tax return should be recorded in the financial statements. Under Section 740-10-25, the Company may recognize the tax benefit from an uncertain tax position only if it is more likely than not that the tax position will be sustained on examination by the taxing authorities, based on the technical merits of the position. The tax benefits recognized in the financial statements from such a position should be measured based on the largest benefit that has a greater than 50% likelihood of being realized upon ultimate settlement. Section 740-10-25 also provides guidance on de-recognition, classification, interest and penalties on income taxes, accounting in interim periods and requires increased disclosures. The Company had no material adjustments to its liabilities for unrecognized income tax benefits according to the provisions of Section 740-10-25.

Fair value of financial instruments

The Company follows paragraph 825-10-50-10 of the FASB Accounting Standards Codification for disclosures about fair value of its financial instruments and paragraph 820-10-35-37 of the FASB Accounting Standards Codification ("Paragraph 820-10-35-37") to measure the fair value of its financial instruments. Paragraph 820-10-35-37 establishes a framework for measuring fair value in accounting principles generally accepted in the U.S. GAAP, and expands disclosures about fair value measurements. To increase consistency and comparability in fair value measurements and related disclosures, Paragraph 820-10-35-37 establishes a fair value hierarchy which prioritizes the inputs to valuation techniques used to measure fair value into three broad levels. The fair value hierarchy gives the highest priority to quoted prices (unadjusted) in active markets for identical assets or liabilities and the lowest priority to unobservable inputs. The three levels of fair value hierarchy defined by Paragraph 820-10-35-37 are described below:

Level 1	Quoted market prices available in active markets for identical assets or liabilities as of the reporting date.
Level 2	Pricing inputs other than quoted prices in active markets included in Level 1, which are either directly or indirectly observable as of the reporting date.
Level 3	Pricing inputs that are generally observable inputs and not corroborated by market data.

The Company does not have any assets or liabilities measured at fair value on a recurring or a non-recurring basis, consequently, the Company did not have any fair value adjustments for assets and liabilities measured at fair value at January 31, 2010 and 2009.

Net Loss Per Common Share

Net loss per common share is computed pursuant to section 260-10-45 of the FASB Accounting Standards Codification. Basic net loss per share is computed by dividing net loss by the weighted average number of shares of common stock outstanding during the period. Diluted net loss per share is computed by dividing net loss by the weighted average number of shares of common stock and potentially outstanding shares of common stock during each period. There were no potentially dilutive shares outstanding as of January 31, 2010 or 2009.

Subsequent Events

The Company follows the guidance in Section 855-10-50 of the FASB Accounting Standards Codification for the disclosure of subsequent events. The Company evaluates subsequent events from the date of the balance sheet through the date when the financial statements are issued. Pursuant to ASU 2010-09 of the FASB Accounting Standards Codification, the Company as an SEC filer considers its financial statements issued when they are widely distributed to users, such as through filing them with the SEC on the EDGAR system.

Recently Issued Accounting Standards

In February 2010, the FASB issued Accounting Standards Update ("ASU") No. 2010-09, *Amendments to Certain Recognition and Disclosure Requirements* ("ASU 2010-09"), which is included in the FASB Accounting Standards Codification (the "ASC") Topic 855 *Subsequent Events.* ASU 2010-09 clarifies that an SEC filer is required to evaluate subsequent events through the date that the financial statements are issued. ASU 2010-09 is effective upon the issuance of the final update and did not have a significant impact on the Company's financial statements.

In June 2009, the FASB issued guidance now codified as ASC 105, *Generally Accepted Accounting Principles* as the single source of authoritative accounting principles recognized by the FASB to be applied by nongovernmental entities in the preparation of financial statements in conformity with U.S. GAAP, aside from those issued by the SEC. ASC 105 does not change current U.S. GAAP, but is intended to simplify user access to all authoritative U.S. GAAP by providing all authoritative literature related to a particular topic in one place. The adoption of ASC 105 did not have a material impact on the Company's financial statements, but did eliminate all references to pre-codification standards.

The Company has implemented all new accounting pronouncements that are in effect and that may impact its financial statements and does not believe that there are any other new accounting pronouncements that have been issued that might have a material impact on its financial position or results of operations.

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 January 31, 2010 the Company had negative working capital of $28,250, an accumulated deficit during the development stage of $197,850, and had no revenues. These factors, among others, indicate that the Company's continuation as a going concern is dependent upon its ability to achieve profitable operations or obtain adequate financing. 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 continue seeking revenue producing engagements through a new business plan of operations and the business contacts of its Directors. No assurances can be given as to the likelihood of it obtaining any revenue producing engagements.

NOTE 4 – STOCKHODERS' DEFICIT

In July 2008 the Company effectuated a 1 to 100 reverse split of shares of its common stock and issued 82,080,000 new shares (giving effect to the 19 for 1 forward split) to settle liabilities of $100,000. In May 2011 the Company declared a 19 for 1 forward stock split All share and per share amounts in the accompanying financial statements give retroactive effect to the splits.

On January 23, 2004, the Board of Directors issued 9,500,000 shares of common stock for $50,000 in services to the founding shareholders of the Company.

In 2004, the Company issued options to purchase 3,420,000 shares of common stock. The options issued to non-employees were valued at their date of grant using the Black-Scholes option pricing model and resulted in a charge to general and administrative expenses of $1,600. All options were exercised in August 2004 for an aggregate exercise price of $18,000.

In May 2011, the Company issued 2,000,000 shares of common stock to settle $20,000 in accrued expenses.

Preferred Stock

The Company's certificate of incorporation authorizes the issuance of 1,000,000 shares of preferred stock with designations, rights and preferences determined from time to time by its board of directors. Accordingly, the Company's board of directors is empowered, without stockholder approval, to issue shares of preferred stock with voting, liquidation, conversion, or other rights that could adversely affect the rights of the holders of the common stock. At January 31, 2010 and 2009, the Company had no shares of preferred stock issued and outstanding.

In May 2011, the Company issued 1,000,000 shares of preferred stock to Paul Tidwell. Each share of preferred stock is convertible into 50 shares of common stock commencing on April 1, 2012.

Common Stock

The holders of the Company's common stock:

- Have equal ratable rights to dividends from funds legally available for payment of dividends when, as and if declared by the board of directors;

- Are entitled to share ratably in all of the assets available for distribution to holders of common stock upon liquidation, dissolution or winding up of our affairs;

- Do not have preemptive, subscription or conversion rights, or redemption or access to any sinking fund; and

- Are entitled to one noncumulative vote per share on all matters submitted to stockholders for a vote at any meeting of stockholders.

NOTE 5 - INCOME TAXES

At January 31, 2010, the Company had net operating loss carry-forwards of approximately $197,850. These carryforwards are subject to limitations due to changes in ownership and will be severely limited because of the sales of shares in May 2011 that are described in Note 1.

NOTE 6 - RELATED PARTY TRANSACTIONS

The Company is provided office space by its President for $350 per month. There is no formal lease agreement.

Accrued expenses included $28,000 at January 31, 2010 and $20,000 at January 31, 2009 which relate to services performed by entities associated with shareholders of the Company.

In July 2008 the Company effectuated a 1 to 100 reverse split of shares of its common stock and issued 82,080,000 (restated to give effect to the 19 for 1 forward split declared in May 2011) new shares to settle liabilities for services performed by existing shareholders of $100,000. All share and per share amounts in the accompanying financial statements give retroactive effect to the 19 for 1 forward split of shares declared in May 2011.

NOTE 7 – SUBSEQUENT EVENTS

The Company has evaluated all events that occurred after the balance sheet date of January 31, 2010 through June 24, 2011, the date these financial statements were issued.

In May 2011, the Company issued 1,000,000 shares of preferred stock to Paul Tidwell. Each share of preferred stock is convertible into 50 shares of common stock commencing on April 1, 2012.

The Management of the Company determined that there were no other reportable events that occurred during that subsequent period to be disclosed or recorded except described in the various footnotes above.

CODE OF ETHICS
OF
INNOCAP, INC.

INNOCAP, INC. (the "Company") has adopted a code of ethics that applies to its principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions. The term 'code of ethics' means written standards that are reasonably designed to deter wrongdoing and to promote:

- Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships; and
- Full, fair, accurate, timely, and understandable disclosure in reports and documents that the issuer files with, or submits to, the Commission or other regulatory bodies, and in other public communications made by the issuer; and
- Compliance with applicable governmental laws, rules and regulations; and
- The prompt internal reporting of violations of the code to the board of directors or another appropriate person or persons; and
- Accountability for adherence to the code.

The following is the Company's code of ethics:

We respect the spirit and the letter of laws, rules, and regulations of the United States and its various States, as well as those of foreign countries in which we may operate.

We promise only what we expect to deliver, make only commitments we intend to keep, not knowingly mislead others, and not participate in or condone corrupt or unacceptable business practices.

We will not receive or accept for our own benefit, either directly or indirectly, any commission, rebate, discount, gratuity or profit from any person having or proposing to have business transactions with the Company, without the prior approval of the Board of Directors.

We comply with the spirit and letter of financial and regulatory disclosure obligations in our financial and business reports.

We comply with the spirit and the letter of insider trading laws of the countries within which we are operating.

We report financial results fairly in accordance with Generally Accepted Accounting Principles.

We strive for full, fair, accurate, timely and understandable disclosure in reports and documents that we file with, or submit to, Securities regulatory agencies and in other public communications made by us.

Exhibit 31.1

CERTIFICATION PURSUANT TO SECTION 302
OF THE SARBANES-OXLEY ACT OF 2002

I, Paul Tidwell, Chief Executive Officer and Chief Financial and Accounting Officer of Innocap, Inc. (the "Company"), certify that:

1. I have reviewed this annual report on Form 10-K of Innocap, Inc.;

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 registrant 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)) 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 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 (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; and

5. I, as the certifying officer have disclosed, based on my 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.

Date: June 27, 2011

/s/ Paul Tidwell
Paul Tidwell
Chief Executive Officer and Chief Financial Officer

Exhibit 31.2

CERTIFICATION PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the annual report of Innocap, Inc. (the "Company") on Form 10-K for the fiscal year ended January 31, 2010 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Paul Tidwell, Chief Executive Officer, Chief Financial and Accounting Officer of the Company, certify 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.

Date: June 27, 2011

/s/ Paul Tidwell
Paul Tidwell
Chief Executive Officer and Chief Financial Officer