

ACTIGA CORP
Form 10QSB
February 14, 2008

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

FORM 10-QSB

(Mark One)

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

For the quarterly period ended **December 31, 2007**

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

For the transition period from _____ to _____

Commission file number 333-

ACTIGA CORPORATION

(Name of small business issuer as in its charter)

Nevada

(State or other jurisdiction of incorporation or
organization)

39-2059213

(IRS Employer Identification No.)

951-786-9474

(Issuer's telephone number)

Puppy Zone Enterprises, Inc.

(Former name or former address, if changed since last report)

Check whether the issuer (1) filed all reports required to be filed by Section 13 or 15(d) of
the Exchange Act during the past 12 months (or for such shorter period that the registrant
was required to file such reports), and (2) has been

subject to such filing requirements for the past 90 days. Yes No

APPLICABLE ONLY TO CORPORATE REGISTRANTS

As of February 10, 2008 there were 46,230,000 shares of the issuer's common stock and
outstanding, par value \$0.001.

Transitional Small Business Disclosure Format (Check one): Yes No

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). (Check one): Yes [] No []

PART I - FINANCIAL INFORMATION**Item 1. Financial Statements.****ACTIGA CORPORATION.****(Formerly Puppy Zone Enterprises Inc.)****(A Development Stage Company)****Balance Sheet**

	December 31, 2007	June 30, 2007
	(Unaudited)	(Audited)
Assets		
Current		
Cash and bank accounts	\$ 3,227	\$ -
Liabilities		
Current		
Bank indebtedness	\$ -	\$ 1,799
Accounts payable	18,442	6,384
Due to shareholder	26,787	1,273
	45,229	9,456
Stockholders' Deficit		
Capital stock	4,000	4,000
Additional paid in capital	49,000	49,000
Deficit	(95,002)	(62,456)
	(42,002)	(9,456)
	\$ 3,227	\$ -

The accompanying notes are an integral part of these interim financial statements.

ACTIGA CORPORATION.
(Formerly Puppy Zone Enterprises Inc.)
(A Development Stage Company)
Statement of Operations
(Unaudited)

	For the Three Months Ended December 31, 2007	For the Three Months Ended December 31, 2006	For the Six Months Ended December 31, 2007	For the Six Months Ended December 2006
Expenses				
Accounting and legal	\$ 21,449	\$ 2,124	\$ 27,359	\$ 9
Bank charges and interest	45	58	115	
Website development	-	-	-	
Office and miscellaneous	3,966	450	5,072	
Net loss	25,460	2,632	32,546	10
Basic and diluted loss per share	\$ (0.00)	\$ (0.00)	\$ (0.00)	
Weighted average common shares outstanding	72,000,000	54,000,000	72,000,000	54,000,000

The accompanying notes are an integral part of these interim financial statements.

ACTIGA CORPORATION.
(Formerly Puppy Zone Enterprises Inc.)
(A Development Stage Company)
Statement of Cash Flows
(Unaudited)

	For the Six Months Ended December 31, 2007	For the Six Months Ended December 31, 2006	For the Period Since Inception (April 27, 2005) to December 31, 2007
Operating activities			
Net loss	\$ (32,546)	\$ (10,534)	\$ (95,002)
Changes in non-cash working capital balances:			
Increase (Decrease) in accounts payable	12,058	4,290	18,442
Decrease in cash from operating activities	(20,488)	(6,244)	(76,560)
Financing activities			
Advances from shareholder	25,514	7,300	26,787
Shares issued for Cash	-	-	53,000
Increase in cash from financing activities	25,514	7,300	79,787
Increase in cash	5,026	1,056	3,227
Cash, beginning	(1,799)	-	-
Cash, ending	\$ 3,227	\$ 1,056	\$ 3,227

The accompanying notes are an integral part of these interim financial statements.

ACTIGA CORPORATION.
(Formerly Puppy Zone Enterprises Inc.)
(A Development Stage Company)
Notes to Financial Statement
(Unaudited)

Note 1 Basis of Presentation

Unaudited Interim Financial Statements

The accompanying unaudited interim financial statements have been prepared in accordance with generally accepted accounting principles for interim financial information and with the instructions to Form 10-QSB of Regulation S-B. They may not include all information and footnotes required by generally accepted accounting principles for complete financial statements. However, except as disclosed herein, there has been no material changes in the information disclosed in the notes to the financial statements for the year ended June 30, 2007 included in the Company's Form 10KSB filed with the Securities and Exchange Commission. The interim unaudited financial statements should be read in conjunction with those financial statements included in the Form 10KSB. In the opinion of Management, all adjustments considered necessary for a fair presentation, consisting solely of normal recurring adjustments, have been made. Operating results for the six months December 31, 2007 are not necessarily indicative of the results that may be expected for the year ending June 30, 2008.

Note 2 Capital Stock

On November 9, 2007, the Company completed an eighteen for one (18:1) forward stock split of its issued capital stock, thereby increasing its issued capital stock from 4,000,000 shares to 72,000,000 shares on. On the same date, the Company increased its authorized capital stock from 100,000,000 shares to 1,800,000,000 shares with the par value remaining at \$0.001.

Note 3 Subsequent Event

On January 14, 2008, the Company completed a merger with QMotions Inc. (QMotions). The shareholders of QMotions transferred all issued and outstanding shares of QMotions to the Company. This merger was subject to the following significant terms and conditions:

- (a) Actiga and QMotions entering into an Assignment of Debt Agreement for the assignment to Actiga of the obligation to repay a convertible loan to QMotions in the amount of \$500,000.
- (b) QMotions causing its debt of \$1,748,376.30 to be converted into 56.794 QMotions shares prior to closing.
- (c) The issuance of 25,230,000 shares of the Company's common stock to the shareholders of QMotions.
- (d) A loan of US\$500,000 from the Company to QMotion.
- (e) Completion of a private placement for gross proceeds of \$2.5 million at a price of \$1.25 per unit with each unit consisting of one common share and one share purchase warrant exercisable at a price of \$1.50 per share for a period of two years from the closing date.
- (f) Approval of an incentive stock option plan for the issuance of up to 6,000,000 shares of Actiga common stocks and the grant of 3,770,000 stock options in terms of the plan.
- (g)

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The cancellation and return to treasury of 53,000,000 of its issued and outstanding shares held by the Company's principal shareholder.

In conjunction with the merger the Company changed its name from Puppy Zone Enterprises, Inc to Actiga Corporation on January 7, 2008

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

FORWARD-LOOKING STATEMENTS

This quarterly report contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. These statements relate to future events or our future financial performance. In some cases, you can identify forward-looking statements by terminology such as may, should, expects, plans, anticipates, believes, estimates, predicts, potential or continue or the negative of these terms or other comparable terminology. These statements are only predictions and involve known and unknown risks, uncertainties and other factors, including the risks in the section entitled Risk Factors, that may cause our or our industry's actual results, levels of activity, performance or achievements to be materially different from any future results, levels of activity, performance or achievements expressed or implied by these forward-looking statements.

Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee future results, levels of activity, performance or achievements. Except as required by applicable law, including the securities laws of the United States, we do not intend to update any of the forward-looking statements to conform these statements to actual results.

Our financial statements are stated in United States Dollars (US\$) and are prepared in accordance with United States Generally Accepted Accounting Principles.

In this quarterly report, unless otherwise specified, all references to "common shares" refer to the common shares in our capital stock.

As used in this quarterly report, the terms "we", "us", "our", and "Actiga" mean Actiga Corporation unless otherwise indicated.

Results of Operation

From the date of our incorporation on April 25, 2005 to December 31, 2007, we have been a development stage company that has generated minimal revenues.

Comparison of the Three and Six Months Ended December 31, 2007 and Three and Six Months December 31, 2006

Net Loss

We reported a net loss for the three months and six month period ended December 31, 2007 of \$25,460 and \$32,546 compared to a loss of \$2,591 and \$10,534 for the three and six month period ended December 31, 2006.

Operating Expenses

Our operating expenses for the three and six month period ended December 31, 2007 compared to the three and six month period ended December 31, 2006 are classified primarily into the following two categories:

Professional fees, which consist primarily of legal fees and accounting and auditing fees for the year end audit. The amount incurred by our company during three and six month period ended December 31, 2007 was \$21,449 and \$27,359 compared to the three and six month period ended December 30, 2006 of \$2,124 and \$9,863; and

Office and miscellaneous fees, which consist primarily of fees paid by for rent, postage and other day to day operational expenses. The amount incurred by our company during the three and six month period ended December 31, 2007 was \$3,966 and \$5,072 compared to \$450 and \$543 for the three and six month period ended December 31, 2006.

Financial Condition, Liquidity and Capital Resources

From inception on April 25, 2005 to December, 2007 we were engaged in the franchising of Doggy Day Care services. Principal capital resources have been acquired through the issuance of common stock.

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At December 31, 2007, our cash balances were \$3,227. Cash on hand is currently our only source of liquidity. The ability of our company to meet our financial liabilities and commitments is primarily dependent upon the continued issuance of equity to new shareholders, and our ability to achieve and maintain profitable operations.

At December 31, 2007 our current assets were \$3,227, our total liabilities were \$45,229 and our working capital deficit was \$42,002.

There is substantial doubt about our ability to continue as a going concern as the continuation of our business is dependent upon obtaining further long-term financing, successful and sufficient market acceptance of our products and achieving a profitable level of operations. The issuance of additional equity securities by us could result in a significant dilution in the equity interests of our current stockholders. Obtaining commercial loans, assuming those loans would be available, will increase our liabilities and future cash commitments.

Recent Private Placements

On January 8, 2008, we closed a private placement to four subscribers consisting of 2,000,000 units of our securities at a price of \$1.25 per unit for aggregate proceeds of \$2,500,000. Each unit consists of (i) one common share, (ii) one share purchase warrant entitling the holder thereof to purchase one common share for a period of 24 months commencing from the closing of the private placement, at an exercise price of \$1.50 per common share. Proceeds of the offering are intended to be used for working capital to meet continued operating expenses.

Off-balance Sheet Arrangements

We have no off-balance sheet arrangements that are reasonably likely to have a current or future effect on our financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources that are deemed by our management to be material to investors.

Prior to entering into the Merger Agreement, on January 7, 2008 we terminated the Share Exchange Agreement between the parties dated December 24, 2007. The Merger Agreement supercedes and replaces all prior agreements between the parties. We did not incur any early termination penalties in connection with the termination.

Cash Requirements

Presently, our revenues are not sufficient to meet our operating and capital expenses. Management projects that we will require additional funding to expand our current operations, although we anticipate that our current funds will enable us to address our minimal current and ongoing expenses.

There is doubt about our ability to continue as a going concern as the continuation of our business is dependent upon obtaining additional financing. The issuance of additional equity securities by us will result in a dilution in the equity interests of our current stockholders. Obtaining commercial loans, assuming those loans would be available, will increase our liabilities and future cash commitments.

Purchase of Significant Equipment

We do not anticipate that we will expend any significant amount on equipment for our present or future operations.

Going Concern

Due to our being a development stage company and not having generated revenues, in their report on our financial statements for the period from incorporation on April 27, 2005 to December 31, 2007, our independent auditors included an explanatory paragraph regarding concerns about our ability to continue as a going concern. Our financial

statements contain additional note disclosures describing the circumstances that lead to this disclosure.

There is substantial doubt about our ability to continue as a going concern as the continuation of our business is dependent upon obtaining further long-term financing, successful and sufficient market acceptance of our products and achieving a profitable level of operations. We have historically incurred losses, and through December 31, 2007 have incurred losses of \$95,002 from our inception.

The issuance of additional equity securities by us could result in a significant dilution in the equity interests of our current or future stockholders. Obtaining commercial loans, assuming those loans would be available, will increase our liabilities and future cash commitments.

There are no assurances that we will be able to either (1) achieve a level of revenues adequate to generate sufficient cash flow from operations; or (2) obtain additional financing through either private placements, public offerings and/or bank financing necessary to

support our working capital requirements. To the extent that funds generated from operations and any private placements, public offerings and/or bank financing are insufficient, we will have to raise additional working capital. No assurance can be given that additional financing will be available, or if available, will be on terms acceptable to us. If adequate working capital is not available we may not increase our operations.

Application of Critical Accounting Policies

Our financial statements and accompanying notes are prepared in accordance with generally accepted accounting principles in the United States. Preparing financial statements requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenue, and expenses. These estimates and assumptions are affected by management's application of accounting policies. We believe that understanding the basis and nature of the estimates and assumptions involved with the following aspects of our financial statements is critical to an understanding of our financials.

In preparing financial statements in conformity with generally accepted accounting principles, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and revenues and expenses during the reported period. Actual results could differ from those estimates.

Recent Accounting Pronouncements

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

RISK FACTORS

Trading of our stock may be restricted by the SEC's penny stock regulations, which may limit a stockholder's ability to buy and sell our stock.

The Securities and Exchange Commission has adopted regulations which generally define penny stock to be any equity security that has a market price (as defined) less than \$5.00 per share or an exercise price of less than \$5.00 per share, subject to certain exceptions. Our securities are covered by the penny stock rules, which impose additional sales practice requirements on broker-dealers who sell to persons other than established customers and accredited investors. The term accredited investor refers generally to institutions with assets in excess of \$5,000,000 or individuals with a net worth in excess of \$1,000,000 or annual income exceeding \$200,000 or \$300,000 jointly with their spouse. The penny stock rules require a broker-dealer, prior to a transaction in a penny stock not otherwise exempt from the rules, to deliver a standardized risk disclosure document in a form prepared by the SEC which provides information about penny stocks and the nature and level of risks in the penny stock market. The broker-dealer also must provide the customer with current bid and offer quotations for the penny stock, the compensation of the broker-dealer and its salesperson in the transaction and monthly account statements showing the market value of each penny stock held in the customer's account. The bid and offer quotations, and the broker-dealer and salesperson compensation information, must be given to the customer orally or in writing prior to effecting the transaction and must be given to the customer in writing before or with the customer's confirmation. In addition, the penny stock rules require that prior to a transaction in a penny stock not otherwise exempt from these rules, the broker-dealer must make a special written determination that the penny stock is a suitable investment for the purchaser and receive the purchaser's written agreement to the transaction. These disclosure requirements may have the effect of reducing the level of trading activity in the secondary market for the stock that is subject to these penny stock rules. Consequently, these penny stock rules may affect the ability of broker-dealers to trade our securities. We believe that the penny stock rules discourage investor interest in and limit the marketability of our common stock.

Item 3. Controls and Procedures.

The Company maintains disclosure controls and procedures designed to ensure that the information the Company must disclose in its filings with the Securities and Exchange Commission is recorded, processed, summarized and reported on a timely basis. The Company's management and acting chief financial officer has reviewed and evaluated the Company's disclosure controls and procedures as defined in Rules 13a-15(f) and 15d-15(f) under the Securities Exchange Act of 1934, as amended (the Exchange Act) as of the end of the period covered by this report, December 31, 2007. Based on such evaluation, he has concluded that, as of December 31, 2007, the Company's disclosure controls and procedures are effective in bringing to his attention on a timely basis information relating to the Company required to be included in the Company's periodic filings under the Exchange Act.

There have not been any changes in the Company's internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) that occurred during the Company's most recent fiscal quarter that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

PART II - OTHER INFORMATION

Item 1. Legal Proceedings.

We know of no material, active or pending legal proceedings against our company, nor are we involved as a plaintiff in any material proceeding or pending litigation. There are no proceedings in which any of our directors, officers or affiliates, or any registered or beneficial shareholder, is an adverse party or has a material interest adverse to our interest.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

We did not sell any securities during the quarter ending December 31, 2007. On January 8, 2008, we closed a private placement to four subscribers consisting of 2,000,000 units of our securities at a price of \$1.25 per unit for aggregate proceeds of \$2,500,000. Each unit consists of (i) one common share, (ii) one share purchase warrant entitling the holder thereof to purchase one common share for a period of 24 months commencing from the closing of the private placement, at an exercise price of \$1.50 per common share. The private placement was conducted in an offshore transactions relying on Regulation S of the Securities Act of 1933. None of the subscribers were U.S. persons, as defined in Regulation S. No directed selling efforts were made in the United States by Actiga, any distributor, any of their respective affiliates or any person acting on behalf of any of the foregoing. We implemented the applicable offering restrictions required by Regulation S by including a legend on all offering materials and documents which stated that the shares have not been registered under the Securities Act of 1933 and may not be offered or sold in the United States or to US persons unless the shares are registered under the Securities Act of 1933, or an exemption from the registration requirements of the Securities Act of 1933 is available. The offering materials and documents also contained a statement that hedging transactions involving the shares may not be conducted unless in compliance with the Securities Act of 1933.

Item 3. Defaults Upon Senior Securities.

None.

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

None.

Item 5. Other Information.

For a complete description of the Events described below, please see the current report on Form 8-K filed on January 18, 2008.

On January 7, 2008 Actiga Corporation (we , us , our or Actiga) entered into an Agreement and Plan of Merger (Merger Agreement) among QMotions, Inc., a private California C Corporation (QMotions), the stockholders of QMotions (the QMotions Stockholders) and QMotions Acquisition Corp., a wholly owned subsidiary of Actiga (QMAC) formed for the purpose of completing the merger of QMotions and QMAC (the Merger). Under the terms of the Merger Agreement we agreed to acquire, through our wholly owned subsidiary QMAC, all of the outstanding shares of QMotions thereby merging QMotions into QMAC and resulting in QMotions, Inc, being a direct, wholly-owned subsidiary of Actiga. Upon the reverse subsidiary merger of QMAC with and into QMotions, we agreed to issue to the shareholders of QMotions an aggregate of 25,230,000 shares of the common stock of Actiga. A certificate of merger respecting the merger of QMotions and QMAC was filed with the state of California on January 10, 2008.

Closing of the Merger Agreement occurred on January 14, 2008 and disclosures about our Merger were made on Form 8-K filed with the SEC on January 18, 2008.

Item 6. Exhibits.

Exhibits Required by Item 601 of Regulation S-B

(31) Section 302 Certification

31.1 Section 302 Certification of Steve Bajic

31.2 Section 302 Certification of Amro Albanna

(32) Section 906 Certification

32.1 Section 906 Certification of Steve Bajic

32.2 Section 906 Certification of Amro Albanna

SIGNATURES

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

ACTIGA CORPORATION

Date February 14, 2008

By: /s/ Steve Bajic

Steve Bajic

Acting Financial Officer and director

Date February 14, 2008

By: /s/ Amro Albanna

Amro Albanna

CEO and director
