

Teacher's Pet, Inc.
Form 10-Q
May 14, 2010

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

FORM 10-Q

(Mark One)

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

For the quarterly period ended: March 31, 2010

Or

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: 333-138944

TEACHER'S PET, INC.

(Exact name of registrant as specified in its charter)

Nevada

20-1681362

(State or other jurisdiction of incorporation or (I.R.S. Employer Identification No.)
organization)

1000 N. Green Valley Parkway, Suite
440-484

Henderson, Nevada

89074

(Address of principal executive offices)

(Zip Code)

(702) 879-8565

(Registrant's telephone number, including area code)

1052 Las Palmas Entrada

Henderson, NV 89012

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

Indicate by check mark whether the issuer (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 whether the Registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting

Edgar Filing: Teacher's Pet, Inc. - Form 10-Q

company” in Rule 12b-2 of the Exchange Act.:

Large accelerated filer

Accelerated filer

Non-accelerated filer

Smaller reporting company

(Do not check if a 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

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date:

Common Stock, \$0.001 par value
(Class)

3,440,500 shares
(Outstanding as at May 6, 2010)

TEACHER'S PET, INC.
Form 10-Q
For the period ended March 31, 2010

Table of Contents

	Page
<u>PART I – FINANCIAL INFORMATION</u>	<u>3</u>
<u>Unaudited Financial Statements</u>	<u>3</u>
<u>Condensed Balance Sheets</u>	<u>4</u>
<u>Condensed Statements of Operations</u>	<u>5</u>
<u>Condensed Statements of Cash Flows</u>	<u>6</u>
<u>Notes to Condensed Financial Statements</u>	<u>7</u>
<u>Management's Discussion and Analysis of Financial Condition and Results of Operations</u>	<u>10</u>
<u>Controls and Procedures</u>	<u>12</u>
<u>PART II – OTHER INFORMATION</u>	<u>14</u>
<u>Exhibits and Reports on Form 8-K</u>	<u>14</u>
<u>SIGNATURES</u>	<u>15</u>

PART I – FINANCIAL INFORMATION

Unaudited Financial Statements

The accompanying unaudited financial statements have been prepared in accordance with generally accepted accounting principles for interim financial reporting and pursuant to the rules and regulations of the Securities and Exchange Commission ("Commission"). While these statements reflect all normal recurring adjustments which are, in the opinion of management, necessary for fair presentation of the results of the interim period, they do not include all of the information and footnotes required by generally accepted accounting principles for complete financial statements. For further information, refer to the financial statements and footnotes thereto, which are included in the Company's Annual Report on Form 10-K previously filed with the Commission on April 1, 2010.

Teacher's Pet, Inc.
(a Development Stage Company)
Condensed Balance Sheets
(unaudited)

	March 31, 2010	December 31, 2009
Current assets:		
Cash	\$2,194	\$2,194
Accounts receivable	150	-
Total current assets	\$2,344	\$2,194
Computer equipment, net of accumulated depreciation of \$4,405 and \$4,192 as of 3/31/2010 and 12/31/2009, respectively		
	401	614
Total assets	\$2,745	\$2,808
Liabilities and Stockholders' Equity (Deficit)		
Current liabilities:		
Accounts payable	\$50	\$1,550
Note payable – related party	6,040	-
Total current liabilities	6,090	1,550
Stockholders' equity		
Common stock, \$0.001 par value, 200,000,000 shares authorized, 3,440,500 shares issued and outstanding	3,441	3,441
Additional paid-in capital	39,335	35,835
(Deficit) accumulated during development stage	(46,121)	(38,018)
Total stockholders' equity (deficit)	(3,345)	1,258
Total liabilities and stockholders' equity (deficit)	\$2,745	\$2,808

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

Teacher's Pet, Inc.
(a Development Stage Company)
Condensed Statements of Operations
(unaudited)

	Three Months Ended		September
	March 31,		17, 2004 (Inception) to March 31, 2010
	2010	2009	
Revenue	\$ 150	\$-	\$ 150
Cost of sales	-	-	-
Gross profit	150	-	150
Expenses:			
Depreciation expense	213	279	4,405
General and administrative expenses	8,040	3,250	40,352
Total expenses	8,253	3,529	44,757
Operating loss	(8,103)	(3,529)	(44,607)
Other expenses:			
Interest expense	-	-	(4)
Impairment of inventory	-	-	(1,510)
Total other expenses	-	-	(1,514)
(Loss) before provision for income taxes	(8,103)	(3,529)	(46,121)
Provision for income taxes	-	-	-
Net (loss)	\$(8,103)	\$(3,529)	\$(46,121)
Weighted average number of common shares outstanding – basic and fully diluted	3,440,500	3,440,500	
Net (loss) per share – basic and fully diluted	\$(0.00)	\$(0.00)	

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

Teacher's Pet, Inc.
(a Development Stage Company)
Condensed Statements of Cash Flows
(unaudited)

	Three Months Ended		September
	March 31,		17, 2004
	2010	2009	(Inception) to March 31, 2010
Operating activities			
Net (loss)	\$(8,103)	\$(3,529)	\$(46,121)
Adjustments to reconcile net (loss) to net cash (used) by operating activities:			
Depreciation	213	279	4,405
Changes in operating assets and liabilities:			
(Increase) in inventory	-	-	-
(Increase) in accounts receivable	(150)	-	(150)
Increase (decrease) in accounts payable	(1,500)	3,250	50
Net cash (used) by operating activities	(9,540)	-	(41,816)
Investing activities			
Purchase of fixed assets	-	-	(4,806)
Net cash (used) by investing activities	-	-	(4,806)
Financing activities			
Proceeds from note payable – related party	6,040	-	6,040
Donated capital	3,500	-	15,950
Issuances of common stock	-	-	26,826
Common stock subscribed	-	-	-
Net cash provided by financing activities	9,540	-	48,816
Net increase(decrease) in cash	-	-	2,194
Cash – beginning	2,194	694	-
Cash – ending	\$2,194	\$694	\$2,194
Supplemental disclosures:			
Interest paid	\$-	\$-	\$-
Income taxes paid	\$-	\$-	\$-

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

Teacher's Pet, Inc.
(a Development Stage Company)
Notes to Condensed Financial Statements
(Unaudited)

Note 1 – Basis of presentation

The interim financial statements included herein, presented in accordance with United States generally accepted accounting principles and stated in US dollars, have been prepared by the Company, without audit, pursuant to the rules and regulations of the Securities and Exchange Commission (SEC). Certain information and footnote disclosures normally included in financial statements prepared in accordance with generally accepted accounting principles have been condensed or omitted pursuant to such rules and regulations, although the Company believes that the disclosures are adequate to make the information presented not misleading.

These statements reflect all adjustments, consisting of normal recurring adjustments, which, in the opinion of management, are necessary for fair presentation of the information contained therein. It is suggested that these consolidated interim financial statements be read in conjunction with the financial statements of the Company for the year ended December 31, 2009 and notes thereto included in the Company's Form 10-K annual report. The Company follows the same accounting policies in the preparation of interim reports.

Results of operations for the interim periods are not indicative of annual results.

Note 2 – History and organization of the company

The Company was organized September 17, 2004 (Date of Inception) under the laws of the State of Nevada, as Teacher's Pet, Inc. The Company has had minimal operations and is considered a development stage company. The business of the Company is to sell supplies for teachers via the Internet. The Company has limited operations and in accordance with FASB ASC 915-10, "Development Stage Entities," the Company is considered a development stage company. The Company is authorized to issue 75,000,000 shares of its \$0.001 par value common stock.

Note 3 – Going concern

The Company's financial statements are prepared using generally accepted accounting principles in the United States of America applicable to a going concern which contemplates the realization of assets and liquidation of liabilities in the normal course of business. The Company has not yet established an ongoing source of revenues sufficient to cover its operating costs and allow it to continue as a going concern. The Company had an accumulated deficit of \$46,121. The ability of the Company to continue as a going concern is dependent on the Company obtaining adequate capital to fund operating losses until it becomes profitable. If the Company is unable to obtain adequate capital, it could be forced to cease operations.

In the event additional capital is required, the President of the Company has agreed to provide funds over the next twelve-month period, as may be required. However, the Company is dependent upon its ability, and will continue to attempt, to secure equity and/or debt financing. The Company is contemplating conducting an offering of its debt or equity securities to obtain additional operating capital. The Company is dependent upon its ability, and will continue to attempt, to secure equity and/or debt financing. There are no assurances that the Company will be successful and without sufficient financing it would be unlikely for the Company to continue as a going concern.

The ability of the Company to continue as a going concern is dependent upon its ability to successfully accomplish the plans described in the preceding paragraph and eventually secure other sources of financing and attain profitable

operations. These financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts, or amounts and classification of liabilities that might result from this uncertainty.

Teacher's Pet, Inc.
(a Development Stage Company)
Notes to Condensed Financial Statements
(Unaudited)

Note 4 – Fixed assets

Fixed assets as of March 31, 2010 and 2009, consisted of the following:

	March 31,	
	2010	2008
Computer equipment	\$4,806	\$4,806
Accumulated depreciation	(4,405)	(3,355)
	\$401	\$1,451

During the three months ended March 31, 2010 and 2009, the Company recorded depreciation expense of \$213 and \$279, respectively.

Note 5 – Debt obligations

On March 25, 2010, the Company issued an aggregate of \$6,040 in debt securities to the sole officer and director of the Company. The note bears no interest and is due on demand. As of March 31, 2010, the balance owed is \$6,040.

Note 6 – Stockholders' equity

The Company is authorized to issue 75,000,000 shares of its \$0.001 par value common stock. The company has only one class of stock. All rights and privileges normally associated with stock ownership are vested in that single class of stock.

On September 17, 2003, the Company issued 1,400,000 shares of its par value common stock as founders' shares to an officer and director in exchange for cash in the amount of \$1,400.

On September 30, 2004, the sole officer and director of the Company paid for expenses on our behalf in the amount of \$200. The entire amount is donated and has been recorded as additional paid-in capital.

On October 17, 2004, the Company issued 1,600,000 shares of its par value common stock as founders' shares to an officer and director in exchange for cash in the amount of \$3,400.

Through December 2005, the Company issued 320,500 shares of its \$0.001 par value common stock for total cash of \$16,025 in a private placement pursuant to Regulation D, Rule 505, of the Securities Act of 1933, as amended. In addition, there were subscriptions receivable in the amount of \$8,000 for 160,000 shares of par value common stock.

In May 2006, the Company issued 120,000 shares of its par value common stock for total cash of \$6,000 in a private placement pursuant to Regulation D, Rule 505, of the Securities Act of 1933, as amended.

On April 3, 2009, the sole officer and director of the Company donated cash in the amount of \$3,250. The entire amount was donated, is not expected to be repaid and has been recorded as additional paid-in capital.

Edgar Filing: Teacher's Pet, Inc. - Form 10-Q

On July 2, 2009, the sole officer and director of the Company donated cash in the amount of \$2,500. The entire amount was donated, is not expected to be repaid and has been recorded as additional paid-in capital.

On December 14, 2009, the sole officer and director of the Company donated cash in the amount of \$6,500. The entire amount was donated, is not expected to be repaid and has been recorded as additional paid-in capital.

On March 30, 2010, the sole officer and director of the Company donated cash in the amount of \$3,500. The entire amount was donated, is not expected to be repaid and has been recorded as additional paid-in capital.

As of March 31, 2010, there have been no other issuances of common stock.

Teacher's Pet, Inc.
(a Development Stage Company)
Notes to Condensed Financial Statements
(Unaudited)

Note 7 – Warrants and options

As of March 31, 2010, there were no warrants or options outstanding to acquire any additional shares of common stock.

Note 8 – Related party transactions

On September 17, 2003, the Company issued 1,400,000 shares of its par value common stock as founders' shares to an officer and director in exchange for cash in the amount of \$1,400.

On October 17, 2004, the Company issued 1,600,000 shares of its par value common stock as founders' shares to an officer and director in exchange for cash in the amount of \$3,400.

From our inception to March 30, 2010, the sole officer and director of the Company donated cash in the amount of \$21,990. The entire amount was donated, is not expected to be repaid and has been recorded as additional paid-in capital.

The Company does not lease or rent any property. Office services are provided without charge by an officer and director of the Company. Such costs are immaterial to the financial statements and, accordingly, have not been reflected therein. The officers and directors of the Company are involved in other business activities and may, in the future, become involved in other business opportunities. If a specific business opportunity becomes available, such persons may face a conflict in selecting between the Company and their other business interests. The Company has not formulated a policy for the resolution of such conflicts.

Note 9 – Subsequent Events

The Company has evaluated subsequent events through May 11, 2010, the date the financial statements were available to be issued. As of this date, nothing has happened that requires disclosure.

Management's Discussion and Analysis of Financial Condition and Results of Operations

Forward-Looking Statements

This Quarterly Report contains “forward-looking statements,” as defined within the Private Securities Litigation Reform Act of 1995, about Teacher’s Pet, Inc.’s business, financial condition and prospects that reflect management’s assumptions and beliefs based on information currently available. Forward-looking statements may include the words “may,” “could,” “estimate,” “intend,” “continue,” “believe,” “expect” or “anticipate” or other similar words. These forward-looking statements present our estimates and assumptions only as of the date of this report. Except for our ongoing securities laws, we do not intend, and undertake no obligation, to update any forward-looking statement.

All statements other than statements of historical fact are forward-looking statements for purposes of federal and state securities laws, including, but not limited to, any projections of earnings, revenue or other financial items; any statements of the plans, strategies and objections of management for future operations; any statements concerning proposed new services or developments; any statements regarding future economic conditions or performance; any statements or belief; and any statements of assumptions underlying any of the foregoing. We can give no assurance that the expectations indicated by such forward-looking statements will be realized. If any of our management’s assumptions should prove incorrect, or if any of the risks and uncertainties underlying such expectations should materialize, Teacher’s Pet’s actual results may differ materially from those indicated by the forward-looking statements.

The key factors that are not within our control and that may have a direct bearing on operating results include, but are not limited to, acceptance of our services, our ability to expand our customer base, managements’ ability to raise capital in the future, the retention of key employees and changes in the regulation of our industry. There may be other risks and circumstances that management may be unable to predict.

Management’s Discussion and Results of Operation

Overview

We are in the business of selling products and providing services to assist teachers and parents further the education of children aged between kindergarten through sixth grade. Our target market consists primarily of elementary schools and teachers of grades kindergarten through sixth initially in the Phoenix, Arizona and Las Vegas, Nevada metropolitan areas. We also believe that parents who home-school their children may also be attracted to our proposed products. We believe that children may benefit from being exposing to educational stimuli at an early age outside the classroom environment.

Revenues

During the first quarter of 2010, we begun to generate revenues from services provided to elementary educators. Our services included assistance and consultation of lesson plan development and tutoring of elementary students. In this period, we generated a total of \$150 in revenues. In comparable three month period ended March 31, 2009, we did not generate any revenues. Since inception, we have only generated \$150 in revenues, related specifically to revenues earned in the three months ended March 31, 2010. Our management believes that, due to budget constraints imposed on school boards, often in the form of furloughs, educators are being asked to compress educational objectives into shortened time frames and larger student-to-teacher ratios. Thus, educators have been seeking personal assistance, even at personal financial sacrifice, as all monies paid by teachers for supplies and assistances are typically not refunded by schools. Therefore, our management believes we can provide the assistance teachers require at a reasonable cost.

Expenses

In pursuit of our business objectives, we have incurred expenses primarily consisting of accounting and consulting fees, as well as depreciation expense on our computer equipment. Total operating expenses during the three months ended March 31, 2010 were \$8,253, compared to \$3,529 in the period ended March 31, 2009. The increase in total expenses during the comparable periods from 2009 to 2010 is due primarily to our efforts to reinvigorate our business, through the hiring of third parties to assist and consult with various aspects of our business, such as strategic consulting, which cost us a total of \$3,500 in the three months ended March 31, 2010. We expect our operational expenses to increase materially in future periods, as we continue to seek avenues to generate sufficient revenues to sustain our operations organically. Since our inception to March 31, 2010, total expenses were \$44,757.

During the year ended December 31, 2009, our management reviewed inventory on hand and, based upon anticipated customer demand and an overall evaluation of the market for such similar products, we decided to impair all existing items in inventory. As such, we recorded a provision for inventory losses in the amount of \$1,510 to write down inventory. As a result of this impairment, we currently have no existing saleable inventory.

Additionally, since our inception, we have recorded interest expense in the amount of \$4, related to interest finance charges incurred on our credit card.

Net losses

In the three month period ended March 31, 2010, our net loss totaled \$8,103, compared to a net loss of \$3,529 in the three month period ended March 31, 2009. We have not been profitable from our inception in 2004 through present 2010, and our accumulated deficit amounts to \$46,121. There is significant uncertainty projecting future profitability due to our history of losses and lack of revenues. We anticipate incurring ongoing operating losses for the foreseeable future and cannot provide any guidance otherwise. We have no recurring or guaranteed source of revenues and cannot predict when, if ever, we will become profitable. We anticipate incurring ongoing operating losses and cannot predict when, if at all, we may expect these losses to plateau or narrow. There is significant uncertainty projecting future profitability due to our minimal operating history and lack of guaranteed ongoing revenue streams.

Plan of Operation

In order for us to achieve profitability and support our planned ongoing operations, we believe that we must generate a minimum of approximately \$25,000 in sales per year. However, we cannot guarantee that we will generate any sales, let alone achieve that target.

Currently, educators are stressed financially and professionally. School Districts are eliminating positions, increasing class sizes, furloughing employees and imposing hiring freezes. Although educators are paid relatively little compared to most other professions, they are proud of what they do and a substantial number of them sacrifice personal wealth for the benefit of their students. Personal conversations between our sole officer and educators have led us to offer personal services in the form of lesson plan consultation and development and tutoring services at reasonable costs. While we have begun to generate minimal revenues from these services, we believe our future business environment to be challenging, at best. As a result, we cannot guarantee that we will generate any sales, let alone achieve our target of \$25,000 in annual sales.

Despite the challenges we expect to continue to face, our management remains steadfast in the belief that a child's education is the priority of all parents and teachers. Consequently, we are planning to initiate the following initiatives:

1. **Attain Financing:** Our cash on hand as of March 31, 2010 was \$2,194. We do not believe this is sufficient to support our ongoing minimal level of operations, nor to undertake the initiatives set forth hereto. Therefore, we plan to raise additional capital through sales of equity or debt instruments, or some derivation thereupon. We believe we require a minimum of \$10,000 to successfully attempt the business development program we have planned. We have thus far been unable to secure any such level of financing. We cannot assure you that any additional financing can be obtained or, if obtained, that it will be on reasonable terms. In the event we are unable to obtain any additional funds, we will be unable to conduct further operations and, consequently, go out of business.
2. **Acquire Inventory:** Although we are currently devoting significantly all of our efforts to providing personal assistance to educators, we plan to maintain pursuit of purchasing inventory from vendors such as Omni Products,

Mirage International, Four Seasons Merchandise and Zhejiang Huangyan. We believe merchandising of educational products remains our core business, with better potential to reach customers in diverse geographic areas. Upon attaining funds, as set forth in initiative 1, above, we plan to begin to place purchase orders for saleable inventory. As mentioned, the bulk of potential suppliers have very lenient purchase requirements; thus, we expect to require no more than \$2,000, in funds with which to begin to purchase inventory.

3. Establish a Website: Previously, we relied upon word of mouth and personal sales to generate brand awareness and drive purchases. Obviously, that did not provide any measurable success. Therefore, we have reserved the domain www.eteacherspet.com, whereupon we plan to establish an e-commerce website. We currently have no pages published. Upon attaining sufficient financing, we plan to immediately begin development and publication of an operating e-commerce store. Due to the depressed economy and relatively plentiful amount of web developers in the marketplace, we expect to be able to establish a functional website for no more than \$3,000. However, numerous factors will influence the actual price paid for full development, such as complexity of the build, number of products to be listed and other variables we may not foresee.
4. Develop a Sales and Marketing Strategy: Upon establishing a presence on the web, we plan to develop a sales and marketing strategy to generate awareness of our brand and website. We believe this will be the single most difficult initiative, as we will have significantly limited control over its success. At this time, we plan to utilize Google AdWords, establish sales accounts with Amazon.com and/or Buy.com, as well as attempt to establish link exchanges to facilitate the development organic Internet traffic. This is our current strategy, though there can be no assurance that we will revise or develop a completely different plan. We anticipate allocating, based upon a \$10,000 financing commitment, up to \$5,000 toward our Internet marketing strategy.
5. Identify and Appoint Additional Employees or Executives: Our sole officer and director may not have sufficient experience or foresight to be able to direct every aspect of our business. We intend to seek additional personnel, to employ or appoint to executive officer status, that can provide additional expertise or, at a minimum, the ability to segregate responsibilities to have more effective internal controls. Unfortunately, the \$10,000 minimum financing amount is insufficient to complete this initiative. However, our sole officer and director believes she has contacts with educators or stay-at-home parents that could volunteer time or expertise to our operations on a part time basis until our finances permit hiring full-time or more qualified personnel.

There are no known trends, events or uncertainties, other than those disclosed heretofore, that have had or that are reasonably expected to have a material impact on our revenues from continuing operations.

Controls and Procedures

Management's Report On Internal Control Over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting. Internal control over financial reporting is defined in Rule 13a-15(f) or 15d-15(f) promulgated under the Securities Exchange Act of 1934 as a process designed by, or under the supervision of, the company's principal executive and principal financial officers and effected by the company's 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 accounting principles generally accepted in the United States of America and includes those policies and procedures that:

1. Pertain to the maintenance of records that in reasonable detail accurately and fairly reflect the transactions and dispositions of the assets of the company;
2. Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with accounting principles generally accepted in the United States of America and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and

3. 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.

12

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate. All internal control systems, no matter how well designed, have inherent limitations. Therefore, even those systems determined to be effective can provide only reasonable assurance with respect to financial statement preparation and presentation. Because of the inherent limitations of internal control, there is a risk that material misstatements may not be prevented or detected on a timely basis by internal control over financial reporting. However, these inherent limitations are known features of the financial reporting process. Therefore, it is possible to design into the process safeguards to reduce, though not eliminate, this risk.

As of March 31, 2010, management assessed the effectiveness of our internal control over financial reporting based on the criteria for effective internal control over financial reporting established in Internal Control--Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission ("COSO") and SEC guidance on conducting such assessments. Based on that evaluation, they concluded that, during the period covered by this report, such internal controls and procedures were not effective to detect the inappropriate application of US GAAP rules as more fully described below. This was due to deficiencies that existed in the design or operation of our internal controls over financial reporting that adversely affected our internal controls and that may be considered to be material weaknesses.

The matters involving internal controls and procedures that our management considered to be material weaknesses under the standards of the Public Company Accounting Oversight Board were:

1. Lack of a functioning audit committee due to a lack of a majority of independent members and a lack of a majority of outside directors on our board of directors, resulting in ineffective oversight in the establishment and monitoring of required internal controls and procedures;
2. Inadequate segregation of duties consistent with control objectives; and
3. Ineffective controls over period end financial disclosure and reporting processes.

The aforementioned material weaknesses were identified by our Chief Executive Officer in connection with the review of our financial statements as of March 31, 2010.

Management believes that the material weaknesses set forth in items (2) and (3) above did not have an effect on our financial results. However, management believes that the lack of a functioning audit committee and the lack of a majority of outside directors on our board of directors results in ineffective oversight in the establishment and monitoring of required internal controls and procedures, which could result in a material misstatement in our financial statements in future periods.

Management's Remediation Initiatives

In an effort to remediate the identified material weaknesses and other deficiencies and enhance our internal controls, we have initiated, or plan to initiate, the following series of measures:

1. We plan to form an audit committee, which we expect to take place in the first quarter of 2010.
2. We are seeking to add additional personnel, who may be appointed to our board of directors as outside members and/or serve in a capacity to allow us to better segregate job responsibilities.

3. We have developed internal control procedures over financial disclosure and reporting. However, these procedures are, and will continue to be, ineffective without additional personnel.

Changes in internal controls over financial reporting

There was no change in our internal controls over financial reporting that occurred during the period covered by this report, which has materially affected, or is reasonably likely to materially affect, our internal controls over financial reporting.

PART II – OTHER INFORMATION

Exhibits and Reports on Form 8-K

Exhibit Number	Name and/or Identification of Exhibit
3	Articles of Incorporation & By-Laws (a) Articles of Incorporation * (b) By-Laws *
31	Rule 13a-14(a)/15d-14(a) Certifications
32	Certification under Section 906 of the Sarbanes-Oxley Act (18 U.S.C. Section 1350)

* Incorporated by reference to the Registration Statement on Form SB-2, previously filed with the SEC on November 24, 2006.

SIGNATURES

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

TEACHER'S PET, INC.
(Registrant)

Signature	Title	Date
/s/ Tracie Hadama Tracie Hadama	Chief Executive Officer and President	May 14, 2010
/s/ Tracie Hadama Tracie Hadama	Treasurer and Chief Financial Officer	May 14, 2010
/s/ Tracie Hadama Tracie Hadama	Chief Accounting Officer	May 14, 2010

