PACIFIC SOFTWARE, INC.
Form 10-K
December 13, 2012

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-K

(Mark one)

X . **ANNUAL REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934.**

For the fiscal year ended September 30, 2012

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 No: 001-34379

PACIFIC SOFTWARE, INC.

(Exact name of registrant as specified in its charter)

Nevada	**41-2190974**
(State or Other Jurisdiction	(I.R.S. Employer

of Incorporation or Organization)	Identification No.)
123 West Nye Lane, Suite 129, Carson City, Nevada	**89706**
(Address and telephone number of Principal Executive Offices)	(Zip Code)

(714) 966-8807

(Issuer s Telephone Number, Including Area Code)

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

Securities registered under Section 12(g) of the Exchange Act: Common Stock, $0.001 par value

Indicate by check mark if the registrant is a well-known seasonal issuer, as defined in Rule 405 of the Securities Act.

Yes . No X .

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 X .

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Exchange Act during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes X . 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. X .

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a small reporting company.

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

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

Yes X . No .

The aggregate market value of the voting and non-voting common equity held by non-affiliates computed by reference to the average of the last bid and asked price of such common equity, as of December 3, 2012, was $573,075.

The number of shares outstanding of the registrant s common stock as of December 3, 2012, was 4,049,000.

PACIFIC SOFTWARE, INC.

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PART I

Item 1. Business

General

We were formed as Pacific Mining, Inc., a Nevada corporation, on October 12, 2005. On November 28, 2006, we changed our name to Pacific Software, Inc. and were engaged in the business of developing and marketing a large file transfer software package named LargeFilesASAP. In December 2009, our management changed and the new management discontinued our business of developing and marketing LargeFilesASAP.

Our Business

In December 2009, we ceased operations and are now focusing our efforts on seeking a business opportunity. The Company will attempt to locate and negotiate with a business entity for the merger of that target company into the Company. In certain instances, a target company may wish to become a subsidiary of the Company or may wish to contribute assets to the Company rather than merge. We have had discussions with a number of potential target companies in the past. Most recently, in August 2012, a letter of intent with an enterprise was entered into, and it expired in November 2012. No assurances can be given that the Company will be successful in locating or negotiating with any target company. The Company will provide a method for a foreign or domestic private company to become a reporting (public) company whose securities are qualified for trading in the United States secondary market.

The Company intends to seek, investigate, and if warranted, acquire an interest in a business opportunity. We are not restricting our search to any particular industry or geographical area. We may therefore engage in essentially any business in any industry. Our management has unrestricted discretion in seeking and participating in a business opportunity, subject to the availability of such opportunities, economic conditions and other factors.

The selection of a business opportunity in which to participate is complex and extremely risky and will be made by management in the exercise of its business judgment. There is no assurance that we will be able to identify and acquire any business opportunity which will ultimately prove to be beneficial to our company and stockholders.

Because we have no specific business plan or expertise, our activities are subject to several significant risks. In particular, any business acquisition or participation we pursue will likely be based on the decision of management without the consent, vote, or approval of our stockholders.

Sources of Opportunities

We anticipate that business opportunities may arise from various sources, including officers and directors, professional advisers, securities broker-dealers, venture capitalists, members of the financial community, and others who may present unsolicited proposals.

We will seek potential business opportunities from all known sources, but will rely principally on the personal contacts of our officers and directors as well as indirect associations between them and other business and professional people. Although we do not anticipate engaging professional firms specializing in business acquisitions or reorganizations, we may retain such firms if management deems it in our best interests. In some instances, we may publish notices or advertisements seeking a potential business opportunity in financial or trade publications.

Criteria

We will not restrict our search to any particular business, industry or geographical location. We may acquire a business opportunity in any stage of development. This includes opportunities involving start up or new companies. In seeking a business venture, management will base their decisions on the business objective of seeking long-term capital appreciation in the real value of our company. We will not be controlled by an attempt to take advantage of an anticipated or perceived appeal of a specific industry, management group, or product.

In analyzing prospective business opportunities, management will consider the following factors:

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available technical, financial and managerial resources;

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working capital and other financial requirements;

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the history of operations, if any;

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prospects for the future;

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the nature of present and expected competition;

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the quality and experience of management services which may be available and the depth of the management;

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the potential for further research, development or exploration;

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the potential for growth and expansion;

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the potential for profit;

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the perceived public recognition or acceptance of products, services, trade or service marks, name identification; and

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other relevant factors.

Generally, our management will analyze all available factors and make a determination based upon a composite of available facts, without relying on any single factor.

Methods of Participation of Acquisition

Management will review specific businesses and then select the most suitable opportunities based on legal structure or method of participation. Such structures and methods may include, but are not limited to, leases, purchase and sale agreements, licenses, joint ventures, other contractual arrangements, and may involve a reorganization, merger or consolidation transaction. Management may act directly or indirectly through an interest in a partnership, corporation, or other form of organization.

Procedures

As part of the our investigation of business opportunities, officers and directors may meet personally with management and key personnel of the firm sponsoring the business opportunity. We may visit and inspect material facilities, obtain independent analysis or verification of certain information provided, check references of management and key personnel, and conduct other reasonable measures.

We will generally ask to be provided with written materials regarding the business opportunity. These materials may include the following:

1.

descriptions of product, service and company history;

2.

management resumes;

3.

financial information;

4.

available projections with related assumptions upon which they are based;

5.

an explanation of proprietary products and services;

6.

evidence of existing patents, trademarks or service marks or rights thereto;

7.

present and proposed forms of compensation to management;

8.

a description of transactions between the prospective entity and its affiliates;

9.

relevant analysis of risks and competitive conditions;

10.

a financial plan of operation and estimated capital requirements; and

11.

and other information deemed relevant.

Competition

We expect to encounter substantial competition in our efforts to acquire a business opportunity. The primary competition is from other companies organized and funded for similar purposes, small venture capital partnerships and corporations, small business investment companies and wealthy individuals.

Employees

As of September 30, 2011, we have no employees. We expect we will utilize independent contractors, consultants, and other personnel from time to time to assist in our business efforts. We are not a party to any employment agreements.

RISK FACTORS

Ownership of our common stock involves a high degree of risk; you should consider carefully the factors set forth below, as well as other information contained in this Annual Report.

RISKS RELATED TO OUR BUSINESS

An investment in our securities is extremely risky. You should carefully consider the following risks, in addition to the other information presented in this Form 10-K, before deciding to buy our securities. If any of the following risks actually materialize, our business and prospects could be seriously harmed and, as a result, the price and value of our securities could decline and you could lose all or part of your investment. The risks and uncertainties described below are intended to be the material risks that are specific to us and to our industry.

Because we are a new business and we have not proven our ability to generate profit, an investment in our company is risky.

We have a short operating history and must be considered in the development stage. We have no history of earnings or profits and there is no assurance that we will operate profitably in the future. There is no meaningful historical financial data upon which to base planned operating expenses. As a result of this limited operating history, it is difficult to accurately forecast our potential revenue. We have accumulated a total loss of $309,347from October 12, 2005 through September 30, 2012. We have changed our business strategy and are now focusing our efforts on seeking a business opportunity. If we are not able to complete the successful development of our business plan, generate significant revenues, and attain sustainable profitable operations, then our business will fail.

Our auditors have expressed substantial doubt as to whether our company can continue as a going concern.

We have generated no revenues since our inception and have incurred substantial losses. We have had losses of approximately $309,347 from our inception in October 2005 through September 30, 2012, and also a negative cash flow of $110,540. These factors among others indicate that we may be unable to continue as a going concern, particularly in the event that we cannot generate sufficient cash flow or raise sufficient capital to conduct our operations. Our financial statements do not include any adjustments to the value of our assets or the classification of our liabilities that might result if we would be unable to continue as a going concern.

The costs to meet our reporting requirements as a public company subject to the Securities Exchange Act of 1934 are substantial and may result in us having insufficient funds to operate our potential business.

We will incur ongoing expenses associated with professional fees for accounting and legal expenses associated with remaining a public company. Those obligations will reduce and possibly eliminate our ability and resources to fund our operations and may prevent us from meeting our normal business obligations.

There is considerable risk embedded in business acquisition, which may materially adversely affect our business, financial condition or results of operations.

We will attempt to locate and negotiate with a business entity for the merger of, or the contribution of the assets of, another company into us. Any business acquisition could present a number of risks, including incorrect assumptions regarding the future results of acquired operations or assets and insufficient knowledge of the operation and market of an acquired business. Furthermore, any business acquisition or participation we pursue will likely be based on the decision of management without the consent, vote, or approval of our stockholders.

No assurances can be given that we will be successful in locating or negotiating with any target company. If we are unsuccessful in completing any such acquisition of another business, operations, or assets or if such business opportunity does not arise, our future growth, business, financial condition or results of operations could be materially adversely affected. In the event that a target company is located, we cannot guaranty that an acquisition of such target company will assist us in realizing out business objectives.

RISKS ASSOCIATED WITH OUR COMMON STOCK

There is a thin trading market for our common stock and if a market for our common stock does not develop further, our investors will be unable to sell their shares.

There currently is a thin trading market for our common stock and such a market may not develop further or be sustained. The OTC Bulletin Board is not a listing service or exchange, but is instead a dealer quotation service for subscribing members. If our common stock does not continue to be quoted on the OTC Bulletin Board or the public market for our common stock does not develop further, then investors may not be able to resell the shares of our common stock that they have purchased and may lose all of their investment. Even if we establish a stronger trading market for our common stock, the market price of our common stock may be significantly affected by factors such as actual or anticipated fluctuations in our operating results, general market conditions and other factors. In addition, the stock market has from time to time experienced significant price and volume fluctuations that have particularly affected the market prices for the shares of developmental stage companies, which may materially adversely affect the market price of our common stock.

Because we do not intend to pay any dividends on our common shares, investors seeking dividend income or liquidity should not purchase shares in this offering.

We do not currently anticipate declaring and paying dividends to our stockholders in the near future. It is our current intention to apply net earnings, if any, in the foreseeable future to increasing our working capital. Prospective investors seeking or needing dividend income or liquidity should, therefore, not purchase our common stock. There can be no assurance that we will ever have sufficient earnings to declare and pay dividends to the holders of our shares, and in any event, a decision to declare and pay dividends is at the sole discretion of our board of directors, who currently do not intend to pay any dividends on our common shares for the foreseeable future.

Our stock is a penny stock. 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.

Our stock is a penny stock. The Securities and Exchange Commission has adopted Rule 15g-9 which generally defines 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.

Because there is a thin trading market for our stock, an investment in our shares may be illiquid.

There is a thin trading market for our stock and there can be no assurance that a stronger market market will develop. The market for our stock is likely to be limited, sporadic and highly volatile. Approximately 95% of our outstanding shares are restricted securities under Rule 144, which means that they are subject to restrictions on resale in the public market. Future sale of the restricted stock after these restrictions lapse or are satisfied, could have a depressive effect on the price of the stock in any public market that develops and the liquidity of your investment. Public trading of the common stock is covered by Rule 15c2-6 of the Securities Exchange Act of 1934, which imposes certain sales practice requirements on broker-dealers who sell certain designated securities to persons other than established customers and certain categories of investors. For transactions covered by the rule, the broker-dealer must make a suitability determination for the purchaser and receive the purchaser s written agreement to the transaction prior to sale. Under certain circumstances, the purchaser may enjoy the right to rescind the transaction within a certain period of time. Consequently, so long as the common stock is a designated security under the rule, the ability of broker-dealers to effect certain trades may be affected adversely, thereby impeding the development of a meaningful market in the stock.

Shares of stock that are eligible for sale by our stockholders may decrease the price of our stock.

We have 4,049,000 shares outstanding, of which 209,000 shares are freely tradable. The remaining 3,840,000 shares are restricted shares and may not be sold under Rule 144 until one year after we file a Current Report on Form 8-K following the closing of a qualifying transaction, as to which closings we cannot provide any assurances, or unless such shares have been registered for resale with the Securities and Exchange Commission. If a public market for our stock should develop and if those holders are able to sell substantial amounts of our stock, then the market price of our stock could decrease.

We may issue more stock without stockholder input or consent which could dilute the book value of your investment.

The board of directors has authority, without action by or vote of the stockholders, to issue all or part of the authorized but unissued shares. In addition, the board of directors has authority, without action by or vote of the stockholders, to fix and determine the rights, preferences, and privileges of the preferred stock, which may be given voting rights superior to that of the common stock in this offering. Any issuance of additional shares of common stock or preferred stock will dilute the ownership percentage of stockholders and may further dilute the book value of our shares. It is likely we will seek additional capital in the future to fund operations. Any future capital will most likely reduce investors in this offerings percentage of ownership.

<u>You will not receive dividend payments</u>.

We have not paid and do not plan to pay dividends in the foreseeable future even if our operations are profitable. Earnings, if any, will be used to expand our operations, hire additional staff, and pay operating expenses and salaries, rather than to make distributions to stockholders. Future value of an investment will be tied to an increase in Princeton enterprise value and/or market price of our common stock, if trading on an exchange or market.

Item 2. Properties

We do not currently own any property. We utilize office space in the residence of our President at no cost. We will not seek independent office space until we are involved in ongoing business operations.

Item 3. Legal Proceedings

We are not a party to any pending or, to our knowledge, threatened legal proceedings.

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

No matter was submitted to a vote of security holders during the fiscal year ended September 30, 2012, through the solicitation of proxies or otherwise.

PART II

Item 5. Market for Registrant s Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities

Market Information

Commencing on September 18, 2008, our common stock was eligible for quotation on the OTC Bulletin Board. Because of a lack of quotations by a broker-dealer, on November 17, 2009, we lost our eligibility. Commencing on October 11, 2010, our common stock was again eligible for quotation on the OTC Bulletin Board, where it currently is quoted. As of December 3, 2012, there were 65 shareholders of record of our common stock.

On January 27, 2010, the British Columbia Securities Commission issued a Canadian Cease Trade Order due to its belief that we had become a reporting issuer in the province of British Columbia in November of 2009. After various communication with member of the British Columbia Securities Commission, we filed certain documents on the SEDAR System and on September 9, 2010, we were notified that our application for removal of such Order had been granted as of that date. A copy of the British Columbia Securities Commission s Revocation Order of its previous Canadian Cease Trade Order and our related press release, both dated September 9, 2010, are attached as exhibits 99.1 and 99.2, respectively, to this Annual Report.

Our common stock is quoted on the OTC Bulletin Board under the symbol PFSF . It also is traded on the OTCQB. On December 3, 2012, the quote for our common stock on the OTCBB was $0.00 bid and $0.00 ask. Also, on December 3, 2012, the quote for our common stock on the OTCQB was $0.60 bid and $0.75 ask. The table below sets forth the high and low bid prices per share of our common stock for each quarter of our two most recently completed fiscal years. These quotations represent inter-dealer quotations without retail markup, markdown, or commission and may not necessarily represent actual transactions. This information was obtained from the OTCBB Monthly Trade And Quote Summary. It does not include information from the OTCQB.

Fiscal Year 2012	High Bid	Low Bid
First Quarter	0.20	0.10
Second Quarter	[no quotes]	[no quotes]
Third Quarter	[no quotes]	[no quotes]
Fourth Quarter	[no quotes]	[no quotes]

Fiscal Year 2011	High Bid	Low Bid
First Quarter	[no quotes]	
Second Quarter	0.55	0.00
Third Quarter	1.01	0.55
Fourth Quarter	[no quotes]	

Reports to Security Holders

We file annual, quarterly and current reports with the Securities and Exchange Commission, or SEC. The public may read and copy any materials filed with the Securities and Exchange Commission at the Securities and Exchange Commission s Public Reference Room at 100 F Street, N.E., Washington, D.C. 20549. The public may also obtain information on the operation of the Public Reference Room by calling the Securities and Exchange Commission at 1-800-SEC-0330. The Securities and Exchange Commission maintains an Internet site that contains reports, proxy and information statements, and other information regarding issuers that file electronically with the Securities and Exchange Commission. The address of that site is http://www.sec.gov.

Dividends

We have never declared any cash dividends with respect to our common stock. Future payment of dividends is within the discretion of our board of directors and will depend on our earnings, capital requirements, financial condition and other relevant factors. Although there are no material restrictions limiting, or that are likely to limit, our ability to pay dividends on our common stock, we presently intend to retain future earnings, if any, for use in our business and have no present intention to pay cash dividends on our common stock.

There are no restrictions in our articles of incorporation or bylaws that prevent us from declaring dividends. The Nevada Revised Statutes, however, do prohibit us from declaring dividends where, after giving effect to the distribution of the dividend:

1. We would not be able to pay our debts as they become due in the usual course of business; or

2. Our total assets would be less than the sum of our total liabilities plus the amount that would be needed to satisfy the rights of stockholders who have preferential rights superior to those receiving the distribution.

Equity Compensation Plan Information

We have no authorized equity compensation plans and no outstanding options, warrants or similar rights.

Recent Sales of Unregistered Securities

On December 3, 2009, we sold and issued 3,200,000 shares of our common stock to our then-President, Harrysen Mittler, and an aggregate of 640,000 shares to four otherwise unaffiliated persons, all at par value. The issuances were made pursuant to Section 4(2) of the Securities Act of 1933, as amended. We believe that such exemption was available because (i) no advertising or general solicitation was employed in offering the shares, (ii) the offers and sales were made solely to accredited investors known to one or more of our directors, the largest of which investors concurrently became one of our directors and executive officers, and (iii) transfers were restricted in accordance with the requirements of such Act (including by legending of certificates representing the securities).

Purchases of Equity Securities by the Issuer and Affiliated Purchasers

We did not purchase any of our shares of common stock or other securities during the years ended September 30, 2012 or 2011. During the fiscal year ended September 30, 2010, effective December 3, 2009, we entered into a Contribution Agreement with Marinus Jellema, a then-executive officer and director of the Company, in connection with which he contributed to our treasury, for cancellation, 3,840,000 shares.

Item 7. Management s Discussion and Analysis of Financial Condition and Results of Operations

THE FOLLOWING PRESENTATION OF OUR MANAGEMENT S DISCUSSION AND ANALYSIS SHOULD BE READ IN CONJUNCTION WITH THE FINANCIAL STATEMENTS AND OTHER FINANCIAL INFORMATION INCLUDED ELSEWHERE IN THIS REPORT.

Results of Operations

We are a development stage corporation. We have generated no revenues from our business operations since inception and have incurred $309,367 in expenses from inception through September 30, 2012.

The following table provides selected financial data about our company for the fiscal years ended September 30, 2012 and 2011, respectively.

Balance Sheet Data	September 30, 2012		September 30, 2011	
Prepaid Expenses	$	-0-	$	1,000
Total assets	$	-0-	$	1,000
Total liabilities	$	162,457	$	111,540
Stockholders equity	$	(162,457)	$	(110,540)

Plan of Operation

The following plan of operation should be read in conjunction with our financial statements and the notes thereto included elsewhere in this report. Statements contained herein which are not historical facts are forward-looking statements, as that term is defined by the Private Securities Litigation Reform Act of 1995, including statements relating to our plans, objectives, expectations and intentions. Although we believe that the expectations reflected in such forward-looking statements are reasonable, forward-looking statements are subject to risks and uncertainties that could cause actual results to differ from those projected. We caution investors that any forward-looking statements made by us are not guarantees of future performance and that actual results may differ materially from those in the forward-looking statements. Such risks and uncertainties include, without limitation: established competitors who have substantially greater financial resources and operating histories, regulatory delays or denials, ability to compete as a start-up company in a highly competitive market, and access to sources of capital.

We are a start-up, development stage corporation and have not yet generated or realized any revenues from our business operations.

In its report on our September 30, 2012 audited financial statements, our independent registered public accounting firm expressed an opinion that there is substantial doubt about our availability to continue as a going concern. See Note 1 to our financial statements. Our financial statements do not include any adjustments that may result from the outcome of this uncertainty. We have been in the development stage and have had no revenues since inception.

Period from October 12, 2005 (inception) to September 30, 2012

We did not generate any revenue from October 12, 2005 (inception) to September 30, 2012. From inception to September 30, 2012, our expenses were $309,347. Expenses consisted of professional fees, and administrative and management fees, as well as travel and promotion. The professional fees were, to a large extent, to our auditors and legal counsel initially for preparation of our registration statement and subsequently for certain other U.S. and Canadian regulatory issues.

Period from October 1, 2011 to September 30, 2012

We did not generate any revenue from October 1, 2011 to September 30, 2012. From October 1, 2011 to September 30, 2012, as compared to the year-earlier period, our expenses increased by $6,090, which includes an increase of

$3,113 in professional fees in respect of certain U.S. and Canadian regulatory issues, an increase of $3,340 in interest expense, and an increase of $4,393 in transfer and filing fees, as partially offset by a decrease in management fees of $5,000. Our net loss increased to $51,917 from $45,827 for the periods ended September 30, 2012 and 2011, respectively.

Liquidity and Capital Resources

Since inception of the Company on October 12, 2005, to September 30, 2012, the Company has issued 7,889,000 common shares, of which 4,049,000 remain outstanding, for total proceeds of approximately $117,940.

At September 30, 2012 we had total assets of $-0-. Total current liabilities at September 30, 2012 consisted of $162,457, of which $113,367 was payable to a related party and the balance consisted of accounts payable and accrued liabilities. As of December 3, 2009, we were released of an obligation to a different related party in the amount of $18,150.

We do not anticipate any capital expenditures in the next twelve months.

Off-Balance Sheet Arrangements

We do not have any off-balance sheet arrangements that have or 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 is material to investors.

Item 8. Financial Statements and Supplementary Data

Our financial statements required to be included in Item 8 are set forth in the Index to Financial Statements set forth on page F-1 of this Annual Report.

Item 9. Changes In and Disagreements With Accountants on Accounting and Financial Disclosure

Not applicable.

Item 9A(T). Controls and Procedures

Disclosure Controls and Procedures

Our management, with the participation of our Principal Executive Officer and Principal Financial Officer, has evaluated the effectiveness of our disclosure controls and procedures (as such term is defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended (the Exchange Act), as of September 30, 2012. Based on this evaluation, our Principal Executive Officer and our Principal Financial Officer concluded that our disclosure controls and procedures were effective, at the reasonable assurance level, during the period and as of the end of the period covered by this Annual Report to ensure that information required to be disclosed by us in reports that we file or submit under the Exchange Act is recorded, processed, summarized, and reported within the time periods specified in the Securities and Exchange Commission rules and forms and that such information is accumulated and communicated to our management as appropriate to allow timely decisions regarding required disclosures.

Our management, including our Principal Executive Officer and Principal Financial Officer, does not expect that our disclosure controls or procedures will prevent all error and all fraud. A control system, no matter how well conceived and operated, can provide only reasonable, not absolute assurance that the objectives of the control system are met. Our disclosure controls and procedures are designed to provide reasonable assurance of achieving their objectives. Further, the benefits of controls must be considered relative to their costs. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, within us have been detected. Also, 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.

Management s Report on Internal Control Over Financial Reporting

Our internal controls over financial reporting are designed by, or under the supervision of our Principal Executive Officer and Principal Financial Officer or persons performing similar functions, and effected by our board of directors and management, 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. Management has the responsibility to establish and maintain adequate internal controls over financial reporting. Our internal control over financial reporting includes those policies and procedures that:

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Pertain to the maintenance of records that in reasonable detail accurately and fairly reflect the transactions and dispositions of our assets;

.

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 and that our receipts and expenditures are being made only in accordance with authorizations of our management and directors; and

.

Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition or disposition of our assets that could have a material effect on the financial statements.

Our management has evaluated the effectiveness of our internal control over financial reporting as of September 30, 2012, based on the control criteria established in a report entitled *Internal Control Integrated Framework*, issued by the Committee of Sponsoring Organizations of the Treadway Commission. Based on this evaluation, our management concluded that our internal control over financial reporting was effective as of September 30, 2012.

Changes in Internal Control over Financial Reporting

There has been no change in our internal control over financial reporting (as such term is defined in Rules 13a-15(f) and 15(d)-15(f) under the Exchange Act) during the fiscal year ended September 30, 2012 that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

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

Item 9B. Other Information

Not applicable.

PART III

Item 10. Directors, Executive Officers and Corporate Governance

Executive Officers and Directors

Our business will be managed by our officers and directors. The following table sets forth certain information, as of December 4, 2012 with respect to our sole officer and director:

Name	Age	Position	Since
Bruce Thomsen	73	President, Chief Financial Officer, Secretary, Director	June 22, 2010

Effective June 22, 2010, Bruce Thomsen was appointed as our President, Chief Financial Officer, and Secretary and as a member of our board of directors. For more than the past five years, Mr. Thomsen has been a self-employed business consultant through Asia Millennium Investments, Inc., where he serves as its President and CEO. In addition, he and his wife each owns 50 percent of Solutions For Life, Inc., a distributor of Shaklee products in the United States and China, and he serves as Chairman of the Board of Golden Peach Corporation, a company devoted to providing senior care management to active living facilities in Mainland China. Mr. Thomsen holds a Bachelor of Science in Business Administration from Northeastern University with a double major in Marketing and Economics.

Immediately upon the effectiveness of Mr. Thomsen s appointment, Harrysen Mittler resigned his positions as our President and Secretary and as a member of our board of directors. Mr. Mittler s resignation was not the result of any disagreement with our policies, practices, or procedures.

Effective March 26, 2010, Marinus Jellema resigned his positions as our Chief Financial Officer and as a member of our board of directors. Mr. Jellema s resignation was not the result of any disagreement with our policies, practices, or procedures.

There are no family relationships among Messrs. Thomsen, Mittler, and Jellema.

Involvement in Certain Legal Proceedings

To our knowledge, during the past five years, no present or former director or executive officer of our company: (1) filed a petition under the federal bankruptcy laws or any state insolvency law, nor had a receiver, fiscal agent or similar officer appointed by a court for the business or present of such a person, or any partnership in which he was a general partner at or within two years before the time of such filing, or any corporation or business association of which he was an executive officer within two years before the time of such filing; (2) was convicted in a criminal proceeding or named subject of a pending criminal proceeding (excluding traffic violations and other minor offenses); (3) was the subject of any order, judgment or decree, not subsequently reversed, suspended or vacated, of any court of competent jurisdiction, permanently or temporarily enjoining him from or otherwise limiting the following activities: (i) acting as a futures commission merchant, introducing broker, commodity trading advisor, commodity pool operator, floor broker, leverage transaction merchant, associated person of any of the foregoing, or as an investment advisor, underwriter, broker or dealer in securities, or as an affiliated person, director of any investment company, or engaging in or continuing any conduct or practice in connection with such activity; (ii) engaging in any type of business practice; (iii) engaging in any activity in connection with the purchase or sale of any security or commodity or in connection with any violation of federal or state securities laws or federal commodity laws; (4) was the subject of any order, judgment or decree, not subsequently reversed, suspended or vacated, of any federal or state authority barring, suspending or otherwise limiting for more than 60 days the right of such person to engage in any activity described above under this Item, or to be associated with persons engaged in any such activity; (5) was found by a court of competent jurisdiction in a civil action or by the Securities and Exchange Commission to have violated any federal or state securities law and the judgment in subsequently reversed, suspended or vacate; (6) was found by a court of competent jurisdiction in a civil action or by the Commodity Futures Trading Commission to have violated any federal commodities law, and the judgment in such civil action or finding by the Commodity Futures Trading Commission has not been subsequently reversed, suspended or vacated.

Board of Directors

None of our directors receives any remuneration for acting as such. Directors may however be reimbursed their expenses, if any, for attendance at meetings of the Board of Directors. Our Board of Directors may designate from among its members an executive committee and one or more other committees. No such committees have been appointed to date. Accordingly, we do not have an audit committee or an audit committee financial expert. We are presently not required to have an audit committee financial expert and do not believe we otherwise need one at this time due to our lack of material business operations. Similarly we do not have a nominating committee or a committee performing similar functions. Our entire board serves the functions of an audit committee and a nominating committee. We have not implemented procedures by which our security holders may recommend board nominees to us but expect to do so in the future, when and if we engage in material business operations.

We are not presently required to have independent directors. Our sole director is not independent. If we ever become a listed issuer whose securities are listed on a national securities exchange or on an automated inter-dealer quotation system of a national securities association, which has independent director requirements, we intend to comply with all applicable requirements relating to director independence.

Section 16(a) Beneficial Ownership Reporting Compliance

None of our executive officers, directors and persons who beneficially own more than 10% of our common stock failed to file, in a timely manner, an initial report of ownership or a report of changes in ownership with the SEC under Section 16(a) of the Exchange Act.

Compensation of Directors

None of our directors receives any compensation for serving as such, for serving on committees of the Board of Directors or for special assignments. During the fiscal year ended September 30, 2012, there were no other arrangements between us and our directors that resulted in our making payments to any of our directors for any services provided to us by them as directors.

Indemnification

Under our bylaws, the Company will indemnify any person who was or is a party or is threatened to be made a party to any proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of the Company) by reason of the fact that such person is or was a director, trustee, officer, employee or agent of the Company, or is or was serving at the request of the Company as a director, trustee, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against expenses (including attorneys fees), judgment, fines and amounts paid in settlement actually and reasonably incurred by such person in connection with such action, suit or proceeding if such person acted in good faith and in a manner such person reasonable believed to be in or not opposed to the best interests of the Company, and with respect to any criminal action or proceeding, had no reasonable cause to believe such person s conduct was unlawful. The termination of any action, suit or proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent, will not, of itself, create a presumption that the person did not act in good faith and in a manner which such person reasonably believed to be in or not opposed to the best interests of the Company, and with respect to any criminal action proceeding, had reasonable cause to believe that such person s conduct was unlawful.

Regarding indemnification for liabilities arising under the Securities Act, which may be permitted to directors or officers under Nevada law, we are informed that, in the opinion of the Securities and Exchange Commission, indemnification is against public policy, as expressed in the Act and is, therefore, unenforceable.

Item 11. Executive Compensation

The following table sets forth information concerning the total compensation paid or accrued by us during the two years ended September 30, 2012 to our principal executive officer or anyone acting in a similar capacity during the last completed fiscal year:

		Annual Compensation			Long Term Compensation Awards		Payouts	
					Restricted	Securities		
				Other Annual Compensation	Stock Awards	Underlying Options/	LTIP Payouts	All Other Compensation
Name and Principal Position	Year Ended	Salary ($)	Bonus ($)	($)	($)	SARs(#)	($)	($)
Bruce Thomsen, President, Secretary, Chief Financial Officer, Director [1]	9-30-12 9-30-11	0	0	6,000	0	0	0	0

1. Mr. Thomsen became our President, Secretary, and Chief Financial Officer during the fiscal year ended September 30, 2010. Beginning in July 2010, and through December 2012, he was paid $500 per month. In 2012, he is serving without compensation.

<u>Employment and Consulting Agreements</u>

There were no employment contracts or consulting agreements with our directors or officers during the years ended September 30, 2012 and 2011, except for a month-to-month arrangement with Bruce Thomsen, the President, Secretary, Chief Financial Officer and sole director of the Company, who receives $500 per month on a month-to-month basis for serving in those positions. Mr. Thomsen has been serving under this arrangement, as an independent contractor, since July 2010.

Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters

The following table sets forth information with respect to the beneficial ownership of our common stock known by us as of December 3, 2012 by (i) each person or entity known by us to be the beneficial owner of more than 5% of our common stock, (ii) each of our directors, (iii) each of our executive officers, and (iv) all of our directors and executive officers as a group. The percentages in the table have been calculated on the basis of treating as outstanding for a particular person, all shares of our common stock outstanding on such date and all shares of our common stock issuable to such holder in the event of exercise of outstanding options, warrants, rights or conversion privileges owned by such person at said date which are exercisable within 60 days of such date. Except as otherwise indicated, the persons listed below have sole voting and investment power with respect to all shares of our common stock owned by them, except to the extent such power may be shared with a spouse.

Name and Address of Beneficial Owner	Amount and Nature of Beneficial Relationship	Percentage of Outstanding Common Stock(1)
Harrysen Mittler 4040 Creditview Road Suite 11-183 Mississauga Ontario, Canada L5C 3Y8	3,200,000	79%
Bruce Thomsen 12503 Saratoga Woods Lane Humble, Texas 77346	0	0%
All officers and Directors, as a group (one individual)	0	0%

(1)

The percentage ownership is calculated based on 4,049,000 shares of our common stock issued and outstanding as of December 3, 2012.

Item 13. Certain Relationships and Related Transactions, and Director Independence

In December 2009, we entered into a Contribution Agreement with Marinus Jellema, our founder, who then was an executive officer and member of our board of directors, pursuant to which he discharged and released us of our $25,015 debt in his favor and contributed to our treasury for cancellation the 3,840,000 shares of our common stock that he owned of record or beneficially, and we transferred to him substantially all of the assets that we had acquired from him on October 30, 2006. The assets consisted of the LargeFilesASAP software package, all rights, title and interest in and to the LargeFilesASAP.com domain, and all intellectual property rights related to the LargeFilesASAP products and trademarks and the computer asset.

In December 2009, we also sold and issued 3,200,000 shares of our common stock to Harrysen Mittler, who, at that time, was our President, Secretary, and a member of our board of directors.

We are not presently required to have independent directors. Our sole director is not independent. If we ever become a listed issuer whose securities are listed on a national securities exchange or on an automated inter-dealer quotation system of a national securities association, which has independent director requirements, we intend to comply with all applicable requirements relating to director independence.

Item 14. Principal Accountant Fees and Services

<u>Audit Fees</u>.

The aggregate fees billed by our independent registered public accountant for services performed during the fiscal years ended September 30, 2010 and 2011, respectively, are set forth in the table below:

Fee Category		Year ended September 30, 2011		Year ended September 30, 2012
Audit fees (1)	$	13,500	$	13,000
Audit-related fees (2)		0		0
Tax fees (3)		0		0
All other fees (4)		0		0
Total fees	$	13,500	$	13,000

(1) Audit fees consists of fees incurred for professional services rendered for the audit of annual financial statements, for reviews of interim financial statements included in our quarterly reports on Form 10-Q and for services that are normally provided in connection with statutory and regulatory filings or engagements.

(2) Audit-related fees consists of fees billed for professional services that are reasonably related to the performance of the audit or review of our financial statements, but are not reported under Audit fees.

(3) Tax fees consists of fees billed for professional services relating to tax compliance, tax advice and tax planning, consisting of preparation of our corporate tax returns for the periods ended September 30, 2011 and 2012.

<u>Audit Committee s Pre-Approval Policies and Procedures</u>

We do not at this time have an audit committee, therefore, no policies or procedures other than those required by SEC rules on auditor independence, have been implemented. The Board of Directors will have to pre-approve the engagement of our principal independent accountants to provide non-audit services. No non-audit services, except for the preparation of corporate tax returns, for which pre-approval has been obtained, were provided by our principal independent accountants in 2012 and 2011. Section 10A(i) of the Securities Exchange Act of 1934 prohibits our auditors from performing audit services for us as well as any services not considered to be audit services unless such services are pre-approved by the board of directors (in lieu of the audit committee) or unless the services meet certain de minimus standards.

Item 15. Exhibits, Financial Statement Schedules

The financial statements required by Item 8 are presented in the following order:

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To the Board of Directors and Shareholders

Pacific Software, Inc.

Carson City, Nevada

Report of Independent Registered Public Accounting Firm

We have audited the balance sheets of Pacific Software, Inc. a development stage company as of September 30, 2012, and 2011 and the related statements of operations, statement of shareholders deficit and cash flows for the years ending September 30, 2012 and 2011. 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 audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. 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 audit provides reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Pacific Software, Inc. as of September 30, 2012 and 2011, and, the results of operations, statement of shareholders deficit and its cash flows for the years then ended, in conformity with generally accepted accounting principles 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 1 to the financial statements, the Company has incurred net losses since inception, a retained deficit of $309,000 and no working capital, which raise substantial doubt about its ability to continue as a going concern. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

/S/ R.R. Hawkins and Associates International, a PC

November 28, 2012

Los Angeles, CA

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PACIFIC SOFTWARE INC.
(A Development Stage Company)
BALANCE SHEET

	September 30, 2012	September 30, 2011
ASSETS		
Current		
Cash	$ -	$ -
Prepaid expenses	-	1,000
Equipment Note 4	-	-
Technology rights Note 5	-	-
	$ -	$ 1,000
LIABILITIES		
Current		
Accounts payable and accrued liabilities	$ 49,090	$ 39,618
Accrued interest - related party	12,754	5,161
Due to related party Notes 5 and 7	100,613	66,761
	162,457	111,540
STOCKHOLDERS EQUITY (DEFICIENCY)		
Capital stock Note 6		
Authorized:		
100,000,000 common shares authorized, $0.001 par value		
10,000,000 preferred shares, $0.001 par value		
Issued and outstanding		
4,049,000 common shares (September 30, 2011 4,049,000)	4,049	4,049
Additional paid-in capital	142,841	142,841
Share subscriptions receivable	-	-
Deficit accumulated during the development stage	(309,347)	(257,430)
Total Stockholders' Equity	(162,457)	(110,540)

Total Liabilities and Stockholders' Equity	$ -	$ 1,000

Going concern Note 1

The accompanying notes are an integral part of these financial statements

PACIFIC SOFTWARE INC.
(A Development Stage Company)
STATEMENTS OF OPERATIONS

	Twelve months ended September 30, 2012	Twelve months ended September 30, 2011	October 12, 2005 (inception) to September 30, 2012
Expenses			
Depreciation	$ -	$ -	$ 532
Impairment of technology rights	-	-	14,151
Interest	7,594	4,254	14,961
Management fees	1,000	6,000	26,685
Office and general	471	227	6,690
Professional fees	35,109	31,996	221,980
Transfer and filing fees	7,743	3,350	19,098
Website development	-	-	5,250
Net loss	$ 51,917	$ 45,827	$ 309,347
Basic and diluted loss per share	$ (0.01)	$ (0.01)	
Weighted average number of shares outstanding basic and diluted	4,049,000	4,049,000	

The accompanying notes are an integral part of these financial statements

PACIFIC SOFTWARE INC.
(A Development Stage Company)
STATEMENT OF CASH FLOWS

	Twelve months ended September 30, 2012	Twelve months ended September 30, 2011	October 12, 2005 (inception) to September 30, 2012
Operating Activities			
Net loss	$ (51,917)	$ (45,827)	$ (309,347)
Adjustments to reconcile net loss to net cash used in operating activities			
Accounts Payable	9,472	6,468	49,090
Depreciation	-	-	1,060
Impairment of technology rights	-	-	-
Management fees accrued	-	1,000	-
Subscriptions receivable	-	-	-
Rounding errors	-	-	-
Change in non-cash working capital items	7,593	4,254	12,754
Change in Related Party notes	-	-	-
Non-cash expenses	-	-	-
Increase in prepaid expenses	1,000	(1,000)	-
			-
	(33,852)	(35,105)	(246,443)
Investing Activities			
Purchase of equipment	-	-	(1,060)
	-	-	(1,060)
Financing Activities			
Proceeds from issuance of common stock	-	-	142,115
Advances from (repayments to) related party	33,852	35,105	60,442
Cash used in settlement of promissory note	-	-	44946
	33,852	35,105	247,503
Increase (decrease) in cash	-	-	-
Cash, beginning	-	-	-
Cash, ending	$ -	$ -	$ -

Supplementary disclosure of cash flow information:			
Cash paid for:			
Interest	-	-	2,074
Income taxes	-	-	-

The accompanying notes are an integral part of these financial statements

PACIFIC SOFTWARE INC.

(A Development Stage Company)

STATEMENT OF STOCKHOLDERS EQUITY (DEFICIENCY)

for the period October 12, 2005 (Inception) to September 30, 2012

	Common Shares Number	Par Value	Additional Paid-in Capital	Stock Subscriptions Receivable	Deficit Accumulated During the Development Stage	Total
Balance, October 12, 2005 (Inception)	-	$ -	$ -	$ -	$ -	$ -
Issued for cash: Common stock August, 2006 at $0.001	3,200,000	3,200	-	-	-	3,200
Issued for cash: Common stock August, 2006 at $0.01	640,000	640	5,760		-	6,400
Net (loss)	-	-	-	-	(8,074)	(8,074)
Balance, September 30, 2006	3,840,000	3,840	5,760	-	(8,074)	1,526
Net (loss)	-	-	-	-	(36,205)	(36,205)
Balance, September 30, 2007	3,840,000	3,840	5,760	-	(44,279)	(34,679)
Issued for cash: Common stock December 2007 at $0.50	209,000	209	104,291	-	-	104,500
Net (loss)	-	-	-	-	(39,189)	(39,189)
Balance, September 30, 2008	4,049,000	4,049	110,051	-	(83,468)	30,632
Net (loss)	-	-	-	-	(53,203)	(53,203)
Balance, September 30, 2009	4,049,000	4,049	110,051	-	(136,671)	(22,571)

Cancellation of Common Stock	(3,840,000)	(3,840)	-	-	-	(3,840)
Issued for cash: Common Stock	3,840,000	3,840	-	(3,840)	-	-
Receipt of stock receivable	-	-	-	3,840	-	3,840
Gain realized on divestiture of related party	-	-	27,961	-	-	27,961
Contributed debt - related party	-	-	4,775	-	-	4,775
Contributed capital - legal debt	-	-	54	-	-	54
Net (loss)	-	-	-	-	(74,932)	(74,932)
Balance, September 30, 2010	4,049,000	4,049	142,841	-	(211,603)	(64,713)
Net (loss)	-	-	-	-	(45,827)	(45,827)
Balance, September 30, 2011	4,049,000	4,049	142,841	-	(257,430)	(110,540)
Net (loss)	-	-	-	-	(51,917)	(51,917)
Balance, September 30, 2012	4,049,000	$ 4,049	$ 142,841	$ -	$ (309,347)	$ (162,457)

The accompanying notes are an integral part of these financial statements

PACIFIC SOFTWARE INC.

(A Development Stage Company)

NOTES TO THE FINANCIAL STATEMENTS

September 30, 2012 and 2011

Note 1

Nature and Continuance of Operations

Nature and Continuance of Operations

The Company was incorporated in the State of Nevada, United States of America on October 12, 2005, and its fiscal year-end is September 30. The Company was in the development stage and has acquired the rights to a software package named LargeFilesASAP software and the LargeFilesASAP.com domain name. In December 2009, the Company had a change in management; it ceased pursuing the software venture, returned the rights to a related party in exchange for assumption of debt, and is currently in the market for an acquisition or merger. To date, no revenues have been generated.

Going Concern

These financial statements have been prepared on a going concern basis. The Company has a negative working capital deficit of $162,457 as of September 30, 2012 and has accumulated a deficit of $309,347 since inception. Further losses are anticipated in developing the Company s business plans. The ability to continue as a going concern is dependent upon raising the necessary capital to develop its business, meet its obligations and repay its liabilities arising from normal business operations when they come due and ultimately upon generating profitable operations. The outcome of these matters cannot be predicted with any certainty at this time. These factors raise substantial doubt that the Company will be able to continue as a going concern. Management plans to continue to provide for its capital needs by the issuance of common stock and related party advances. These financial statements do not include any adjustments to the amounts and classification of assets and liabilities that may be necessary should the Company be unable to continue as a going concern.

Note 2

Summary of Significant Accounting Policies

The financial statements of the Company have been prepared in accordance with generally accepted accounting principles in the United States of America. Because a precise determination of many assets and liabilities is dependent upon future events, the preparation of financial statements for a period necessarily involves the use of estimates which have been made using careful judgment. Actual results may vary from these estimates.

The financial statements have, in management s opinion, been properly prepared within reasonable limits of materiality and within the framework of the significant accounting policies summarized below:

Development Stage Company

The Company is a development stage company. All losses accumulated since inception have been considered as part of the Company s development stage activities.

Fair Value of Financial Instruments

The carrying value of the Company s financial instruments consisting of cash and amounts due to related parties approximate their carrying value due to the short-term maturity of such instruments. Unless otherwise noted, it is management s opinion that the Company is not exposed to significant interest, currency or credit risks arising from these financial instruments.

Use of Estimates

The preparation of financial statements in conformity with United States generally accepted accounting principles 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 amount of revenues and expenses during the reporting period. Actual results could differ from those estimates. Significant areas requiring management s estimates and assumptions are the valuation of technology rights and deferred tax balances.

Impairment of Long-lived Assets

Capital assets are reviewed for impairment whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. An impairment charge is recognized for the amount, if any, which the carrying value of the asset exceeds the fair value.

Foreign Currency Translation

The Company s functional currency and reporting currency is the U.S. dollar. Foreign denominated monetary assets and liabilities are translated to their U.S. dollar equivalents using foreign exchange rates which prevailed at the balance sheet date. Revenue and expenses are translated at average rates of exchange during the year. Related translation adjustments are reported as a separate component of stockholders equity, whereas gains or losses resulting from foreign currency transactions are included in results of operations.

Net Loss per Share

Basic loss per share includes no dilution and is computed by dividing loss available to common stockholders by the weighted average number of common shares outstanding for the period. Dilutive loss per share reflects the potential dilution of securities that could share in the losses of the Company. Because the Company does not have any potentially dilutive securities diluted loss per share is equal to basic loss per share.

Income Taxes

The Company uses the asset and liability method of accounting for income taxes. Deferred tax assets and liabilities are recognized for the future tax consequences attributable to temporary differences between the financial statements carrying amounts of existing assets and liabilities and loss carry-forwards and their respective tax bases. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled.

The effect of a change in tax rules on deferred tax assets and liabilities is recognized in operations in the year of change. A valuation allowance is recorded when it is more likely-than-not that a deferred tax asset will not be realized.

Stock-based Compensation

The Company has not adopted a stock option plan and has not granted any stock options. Accordingly no stock-based compensation has been recorded to date.

Note 3

Financial Instruments

The Company adopted new authoritative guidance on October 1, 2008 for all financial assets and liabilities and nonfinancial assets and liabilities that are recognized or disclosed at fair value in the financial statements on a recurring basis (at least annually). This guidance defines fair value, establishes a framework for measuring fair value, and expands disclosures about fair value measurements.

Fair value is defined as the price that would be received upon sale of an asset or paid upon transfer of a liability in an orderly transaction between market participants at the measurement date and in the principal or most advantageous market for that asset or liability. The fair value should be calculated based on assumptions that market participants would use in pricing the asset or liability, not on assumptions specific to the entity. In addition, the fair value of liabilities should include consideration of non-performance risk including our own credit risk.

In addition to defining fair value, the guidance expands the disclosure requirements around fair value and establishes a fair value hierarchy for valuation inputs. The hierarchy prioritizes the inputs into three levels based on the extent to which inputs used in measuring fair value are observable in the market. Each fair value measurement is reported in one of the three levels which is determined by the lowest level input that is significant to the fair value measurement in its entirety. These levels are:

Level 1 inputs are based upon unadjusted quoted prices for identical instruments traded in active markets.

Level 2 inputs are based upon significant observable inputs other than quoted prices included in Level 1, such as quoted prices for identical or similar instruments in markets that are not active, and model-based valuation techniques for which all significant assumptions are observable in the market or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

Level 3 inputs are generally unobservable and typically reflect management s estimates of assumptions that market participants would use in pricing the asset or liability. The fair values are therefore determined using model-based techniques that include option pricing models, discounted cash flow models, and similar techniques.

The carrying value of the Company s financial assets and liabilities which consist of cash, accounts payable and accrued liabilities and promissory note payable, in management s opinion approximate their fair value due to the short maturity of such instruments. There financial assets and liabilities are valued using level 1 inputs. Unless otherwise noted, it is management s opinion that the Company is not exposed to significant interest, exchange or credit risks arising from these financial instruments.

Note 4

<u>New accounting pronouncements</u>

The following accounting pronouncements if implemented would have no effect on the financial statements of the Company.

In May 2011, the FASB issued new authoritative guidance to provide a consistent definition of fair value and ensure that fair value measurements and disclosure requirements are similar between GAAP and International Financial Reporting Standards. This guidance changes certain fair value measurement principles and enhances the disclosure requirements for fair value measurements. This guidance is effective for interim and annual periods beginning after December 15, 2011 and is applied prospectively. The Company does not expect that the adoption of this guidance will have a material impact on its financial statements.

In June 2011, the FASB issued new guidance on the presentation of comprehensive income. The new guidance allows an entity to present components of net income and other comprehensive income in one continuous statement, referred to as the statement of comprehensive income, or in two separate, but consecutive statements. The new guidance eliminates the current option to report other comprehensive income and its components in the statement of changes in stockholders equity. While the new guidance changes the presentation of comprehensive income, there are no changes to the components that are recognized in net income or other comprehensive income from that of current accounting guidance. This new guidance is effective for fiscal years and interim periods beginning after December 15, 2011. Upon adoption, the Company will present its consolidated financial statements under this new guidance. The Company does not expect the adoption of this accounting guidance to have a material impact on its consolidated financial statements and related disclosures.

In December 2011, the Financial Accounting Standards Board ("FASB") issued authoritative guidance related to balance sheet offsetting. The new guidance requires disclosures about assets and liabilities that are offset or have the potential to be offset. These disclosures are intended to address differences in the asset and liability offsetting requirements under U.S. GAAP and International Financial Reporting Standards. This new guidance will be effective for us for interim and annual reporting periods beginning January 1, 2013, with retrospective application required. The adoption of this guidance is not expected to have a material impact on the Company s results of operations or financial position.

Other accounting standards that have been issued or proposed by the FASB or other standards-setting bodies that do not require adoption until a future date are not expected to have a material impact on the Company s financial statements upon adoption.

Recently Issued Accounting Standards

In July 2012, the FASB issued ASU 2012-02, Testing Indefinite-Lived Intangible Assets for Impairment. This ASU amends ASC 350, Intangibles Goodwill and Other to allow entities an option to first assess qualitative factors to determine whether it is necessary to perform the quantitative impairment test. Under that option, an entity no longer would be required to calculate the fair value of the intangible asset unless the entity determines, based on that qualitative assessment, that it is more likely than not that its fair value is less than its carrying amount. The amendments in this ASU are effective for annual and interim impairment tests performed for fiscal years beginning after September 15, 2012, with early adoption permitted. The Company does not believe adoption of this guidance will have a material impact on its consolidated financial statements.

Note 5

Related Party Transactions

As of September 30, 2012 and 2011, related parties have loaned the company $100,613 and $66,761 for operational expenses. These notes are on demand notes and bear an interest rate of 10%. As of September 30, 2012 and 2011, no loans have been repaid. Related parties advanced the Company funds totaling over $33,800 for the year ended September 20, 2012.

Note 6

Capital Stock

The total number of shares authorized to be issued by the Company is 100,000,000 common shares with a par value of $0.001 and 10,000,000 preferred shares with a par value of $0.001. There are 4,049,000 shares issued and outstanding as of September 30, 2012 and 2011.

As of September 30, 2012 and 2011, the Company has not granted any stock options or recorded any stock-based compensation.

Note 7

Income Taxes

The Company has a deferred tax asset of approximately $100,000 and a 100% allowance against that deferred tax asset. The deferred tax asset arises from the operating losses the Company has sustained since inception and management does not foresee a time that the deferred tax asset will be realized. The operating losses expire beginning in 2025.

Note 8

Subsequent events

Management performed an evaluation of the Company s activity through the date these financials were issued to determine if they must be reported. The Management of the Company determined that there were no other reportable subsequent events to be disclosed.

INDEX TO EXHIBITS

Exhibit	Description of Exhibit
10.1	Contribution Agreement, effective as of December 3, 2009, by and between Pacific Software Inc., a Nevada corporation, and Marinus Jellema. (Incorporated by reference to Exhibit 10.1 of our Annual Report on Form 10-K filed February 11, 2010.)
17.1	Resignation of Harrysen Mittler. (Incorporated by reference to Exhibit 17.1 of our Current Report on Form 8-K filed June 22, 2010.)
17.2	Resignation of Marinus Jellema. (Incorporated by reference to Exhibit 17.2 of our Current Report on Form 8-K filed June 22, 2010.)
31.1*	Certification of President and Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1*	Certification of President and Chief Financial Officer pursuant to 18 U.S.C. § 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
99.1	Revocation Order by the British Columbia Securities Commission, dated September 9, 2010, of its Cease Trade Order, dated January 27, 2010. (Incorporated by reference to Exhibit 99.1 of our Current Report on Form 8-K filed September 10, 2010.)
99.2	Press Release dated September 9, 2010, as released in Canada and filed on the SEDAR System. (Incorporated by reference to Exhibit 99.2 of our Current Report on Form 8-K filed September 10, 2010.)

* Filed herewith.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) 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.

PACIFIC SOFTWARE, INC.

By:

/s/ BRUCE THOMSEN ______________

Bruce Thomsen

President, Secretary, Chief Financial

Officer, and Sole Director

Date: December 12, 2012

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

Signature	Title	Date
/s/ BRUCE THOMSEN Bruce Thomsen	President, Secretary, Chief Financial Officer, and Sole Director	December 12, 2012

(Principal Executive Officer)

(Principal Accounting Officer)

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