

GAMMACAN INTERNATIONAL INC  
Form 10QSB  
February 09, 2007

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

**FORM 10-QSB**

(Mark One)

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

**For the Quarterly Period Ended December 31, 2006**

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

**For the Transition Period from \_\_\_\_\_ to \_\_\_\_\_**

**Commission file number: 0-32835**

**GAMMACAN INTERNATIONAL, INC.**  
(Exact name of registrant as specified in its charter)

**Delaware**                                 **33-0956433**  
(State or other jurisdiction of (IRS Employer Identification  
incorporation or organization)                 No.)

**Kiryat Ono Mall  
Azorim Center A  
39 Jerusalem st.,  
55423 Kiryat Ono, Israel**  
(Address of principal executive offices)

**+ 972 3 7382616**  
(Registrant's telephone number, including area code)

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

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

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

**APPLICABLE ONLY TO CORPORATE ISSUERS:**

State the number of shares outstanding of each of the registrant's classes of common equity, as of the latest practicable date: 28,625,164 shares issued and outstanding as of February 5, 2007.

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***Forward Looking Statements***

This Form 10-QSB includes a number of forward-looking statements that reflect management's current views with respect to future events and financial performance. Those statements include statements regarding the intent, belief or current expectations of GammaCan and members of its management team as well as the assumptions on which such statements are based. Prospective investors are cautioned that any such forward-looking statements are not guarantees of future performance and involve risk and uncertainties, and that actual results may differ materially from those contemplated by such forward-looking statements. Readers are urged to carefully review and consider the various disclosures made in this report and in our other reports filed with the Securities and Exchange Commission. Important factors currently known to Management could cause actual results to differ materially from those in forward-looking statements. We undertake no obligation to update or revise forward-looking statements to reflect changed assumptions, the occurrence of unanticipated events or changes in the future operating results over time. GammaCan believes that its assumptions are based upon reasonable data derived from and known about its business and operations and the business and operations of GammaCan. No assurances are made that actual results of operations or the results of GammaCan's future activities will not differ materially from its assumptions.

**ITEM 1. - FINANCIAL STATEMENTS**

**GAMMACAN INTERNATIONAL INC.**  
(A Development Stage Company)  
**INTERIM FINANCIAL STATEMENTS**  
AS OF DECEMBER 31, 2006

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**GAMMACAN INTERNATIONAL INC.**  
(A Development Stage Company)

CONDENSED CONSOLIDATED BALANCE SHEETS  
(US \$, except share data)

	December 31, 2006 (Unaudited)	September 30, 2006 (Audited)
<b>A s s e t s</b>		
<b>CURRENT ASSETS:</b>		
Cash and cash equivalents	\$ 516,545	\$ 538,738
Prepaid expenses	33,750	-
Other	8,010	12,494
T o t a l current assets	558,305	551,232
<b>FUNDS IN RESPECT OF EMPLOYEE RIGHTS UPON RETIREMENT</b>		
	26,735	21,071
<b>LONG TERM DEPOSITS</b>	18,791	22,270
<b>PROPERTY AND EQUIPMENT, NET</b>	23,748	25,247
T o t a l assets	\$ 627,579	\$ 619,820
<b>Liabilities and stockholders' equity</b>		
<b>CURRENT LIABILITIES:</b>		
Accounts payable	\$ 383,956	\$ 279,857
Convertible promissory note	353,145	-
Payroll and related accruals	57,637	49,242
T o t a l current liabilities	794,738	329,099
<b>LIABILITY FOR EMPLOYEE RIGHTS UPON RETIREMENT</b>	38,339	31,531
<b>STOCKHOLDERS' EQUITY (CAPITAL DEFICIENCY):</b>		
Preferred stock, \$ 0.0001 par value (20,000,000 shares authorized; none issued and outstanding)		
Common stock, \$ 0.0001 par value (100,000,000 authorized shares; 28,496,590 and 28,453,732 shares issued and outstanding as of December 31, 2006 and September 30, 2006, respectively)	2,849	2,845
Additional paid-in capital	3,515,007	3,172,284
Warrants	861,474	861,474
Deficit accumulated during the development stage	(4,584,828)	(3,777,413)
T o t a l stockholders' equity (capital deficiency)	(205,498)	259,190
T o t a l liabilities and stockholders' equity	\$ 627,579	\$ 619,820

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



**GAMMACAN INTERNATIONAL INC.**

(A Development Stage Company)

**CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS**

(US \$, except share data)

	<b>Three months ended December 31</b>		<b>Period from October 6, 1998* through December 31, 2006</b>
	<b>2006</b>	<b>2005</b>	<b>(Unaudited)</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>	<b>(Unaudited)</b>
<b>RESEARCH AND DEVELOPMENT COSTS</b>	\$ 167,972	\$ 225,161	\$ 1,683,146
<b>GENERAL AND ADMINISTRATIVE EXPENSES</b>	632,866	212,775	2,921,577
<b>OPERATING LOSS</b>	800,838	437,936	4,604,723
<b>FINANCIAL INCOME</b>	(4,827)	(8,058)	(69,660)
<b>FINANCIAL EXPENSES</b>	7,048	3,036	29,162
<b>LOSS BEFORE TAXES ON INCOME</b>	803,059	432,914	4,564,225
<b>TAXES ON INCOME</b>	4,356	-	32,978
<b>LOSS FROM OPERATIONS OF THE COMPANY AND ITS CONSOLIDATED SUBSIDIARY</b>	807,415	432,914	4,597,203
<b>MINORITY INTERESTS IN LOSSES OF A SUBSIDIARY</b>	-	-	(12,375)
<b>NET LOSS FOR THE PERIOD</b>	\$ (807,415)	\$ (432,914)	\$ (4,584,828)