1st Home Buy & Sell Ltd.
Form 10-Q
February 23, 2009

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

FORM 10 – Q

[mark one]

x QUARTERLY REPORT UNDER SECTION 13 OR 15(D) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended: December 31, 2008

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

For the transition period from ______________ to ______________

Commission File Number: 000-52936

1st HOME BUY & SELL LTD.
(Name of Small Business Issuer in Its Charter)

Nevada (State or Other Jurisdiction of Incorporation or Organization)	26-3530392 IRS Employer Identification Number

2300 W. Sahara Ave. Suite 800
Las Vegas, NV 89102
702-357-8867
(Address and Telephone Number of Principal Executive Offices)

Securities registered under Section 12(b) of the Exchange Act:

Title of each class registered:	Name of each exchange on which registered:
None	Over-the-Counter Bulletin Board

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

with a copy to:
Carrillo Huettel, LLP

501 W. Broadway, Suite 800
San Diego, CA 92101
Telephone (619) 399-3090
Telecopier (619) 330-1888

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Indicate by checkmark 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 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 o NO x

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 definitions of "large accelerated filer," "accelerated filer," and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer o	Accelerated filer o
Non-accelerated filer o (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 Exchange Act). YES x NO o

The registrant has 19,222,011 shares of common stock outstanding as of December 31, 2008.

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Quarterly Report on FORM 10-Q

For The Period Ended
December 31, 2008

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1st Home Buy & Sell Ltd.

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PART I.

Item 1. FINANCIAL STATEMENTS

1st Home Buy and Sell Ltd.
(A Development Stage Company)
Consolidated Balance Sheets
(In Canadian Dollars)
UNAUDITED

	December 31, 2008	June 30, 2008
ASSETS		
Current Assets		
Cash of continuing operations	$ 482	$ 28,498
Cash of discontinued operations	0	6,130
Accounts Receivable	0	0
Other current assets of discontinued operations	0	2,768
Total Current Assets	482	37,395
Fixed Assets		
Equipment, net of accumulated depreciation	$ 0	$ 0
Patents, net of accumulated amortization	0	0
Fixed assets of discontinued operations	0	6,421
Total Fixed Assets	0	6,421
TOTAL ASSETS	$ 482	$ 43,817
LIABILITIES		
Current Liabilities		
Accounts payable	$ 17,958	$ 12,183
Accrued liabilities	1,837	4,584
Shareholders' Loans	3,304	12,669
Demand loans payable to related parties	153,176	153,176
Current liabilities of discontinued operations	0	4,209
Total Current Liabilities	$ 176,274	$ 186,821
STOCKHOLDERS' DEFICIENCY		
Capital Stock		
Preferred Stock		
Authorized: 10,000,000 shares with USD 0.001 par value		
Issued: Nil	0	0
Common Stock		
Authorized: 100,000,000 common shares with USD 0.001 par value		
Issued: 19,222,011 (December 31, 2008) 20,122,011 (June 30, 2008)	20,965	21,922
Additional paid-in capital	12,677	27,261
Comprehensive Loss	(17,248)	(42,053)
Retained Earnings	(192,187)	(150,134)
	(175,792)	(143,004)
	$ 482	$ 43,817

The accompanying notes are an integral part of these consolidated financials statements.

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For the Three and Six Months Ended December 31, 2008 and 2007
(In Canadian Dollars)
UNAUDITED

	Three Months Ended December 31, 2008	Three Months Ended December 31, 2007	Six Months Ended December 31, 2008	Six Months Ended December 31, 2007	Cumulative from date of entering Development Stage (September 1, 2008) through December 31, 2008
Revenue	-	-	-	-	-
Expenses					
Bank Charges	39	0	100	0	100
Filing Fees	1,545	10	3,994	480	3,994
General and Administrative	696	0	1,215	0	1,215
Management Fees	0	0	0	15,000	0
Professional Fees	1,837	4,482	12,367	5,982	3,427
Total Expenses	4,117	4,491	17,675	21,462	8,735
	(4,117)	(4,491)	(17,675)	(21,462)	(8,735)
Income (loss) from continuing operations					0
Income (loss) from discontinued operations	0	(9,616)	53	(23,341)	0
Other Income (Expense)					
Provision for Income Taxes	0	0	0	0	0
Net Income (Loss)	$ (4,117)	(14,108)	$ (17,622)	(44,803)	(8,735)
	$ (0.00)	(0.00)	$ (0.00)	(0.00)	(0.00)
Loss per Share – Basic and Diluted					0.00
	19,975,272	15,900,000	19,975,272	15,750,000	19,975,272
Weighted Average Shares Outstanding					0
Comprehensive Income (Loss)					
Net Loss	(4,117)	(14,108)	(17,622)	(44,803)	(8,735)
Gain (loss) on foreign exchange translation	(85)	91	374	91	374
Total Comprehensive Loss	(4,201)	(14,016)	(17,248)	(44,712)	(8,361)

The accompanying notes are an integral part of these consolidated financials statements.

(A Development Stage Company)
Consolidated Statements of Stockholders' Equity
From Inception through December 31, 2008
(In Canadian Dollars)
UNAUDITED

	Common Stock Shares	Amount	Additional Paid-in Capital	Accumulated deficit prior to entering Development Stage on September 1, 2008	Accumulated deficit since entering Development Stage on September 1, 2008	Total Stockholders' Deficiency
Balances, August 10, 2006 (Inception)	-	-	-	-		-
Stock Subscription at par value USD 0.001 (CDN 0.001115) per share	15,000,000	16,731	(11,154)			5,577
Recapitalization of Pacific Coast Development Corp.				(9,271)		(9,271)
Loss for the year				(140,915)		(140,915)
Foreign currency translation adjustment				52		52
Balance - June 30, 2007	15,000,000	16,731	(11,154)	(150,134)		(144,557)
Stock issued for services at market value, USD 0.01667 (CDN 0.01667) per share	900,000	900	14,100			15,000
Stock issued for cash, USD 0.00667 (CDN 0.00678) per share	4,222,011	4,291	24,315			28,606
Loss for the year				(41,451)		(41,451)
Foreign currency translation adjustment				(602)		(602)
Balance - June 30, 2008	20,122,011	21,922	27,261	(192,187)		(143,004)
Contributed capital adjustment related to split-off			399			399
Stock retired in split-off at market value, USD 0.01667 (CDN 0.01771) per share	(900,000)	(956)	(14,983)			(15,939)
Profit (Loss) for the period				53	(13,559)	(13,505)
Foreign currency translation adjustment					459	459
Balance - September 30, 2008	19,222,011	20,965	12,677	(192,133)	(13,100)	(171,591)
Loss for the period					(4,117)	(4,117)
					(85)	(85)

Foreign currency translation adjustment						
Balance - December 31, 2008	19,222,011	20,965	12,677	(192,133)	(17,301)	(175,792)

The accompanying notes are an integral part of these consolidated financials statements.

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1st Home Buy and Sell Ltd.
(A Development Stage Company)
Consolidated Statements of Cash Flows
For the Six Months ended December 31, 2008
(In Canadian Dollars)
UNAUDITED

	2008	2007	Cumulative from date of entering Development Stage (September 1, 2008) through December 31, 2008
Operating			
Net Loss	$ (17,622)	$ (44,803)	$ (8,735)
Items not involving cash:			
Shares issued for services	-	15,000	-
Changes in non-cash working capital items:			
Accounts payable from continuing operations	5,775	5,890	7,297
Accrued liabilities from continuing operations	(2,747)	-	(2,747)
Effects of changes to accounts receivable from discontinued operations	2,768	-	-
Effects of changes to fixed assets from discontinued operations	6,421	695	-
Effects of changes to accounts payable from discontined operations	(4,209)	5,402	-
Net cash flows provided by (used in) operations	(9,614)	(17,816)	(4,185)
Investing	-	-	-
Net cash flows from investing activities	0	0	0
Financing			
Proceeds from shareholder loans	3,304	11,688	3,304
Payments on shareholder loans	(12,669)	(1,353)	(12,669)
Shares retired in split-off of discontinued operations	(15,540)	-	-
Net cash flows from financing activities	(24,906)	10,335	(9,366)
Effect of exchange rate changes	374	91	374
Change in Cash	(34,146)	(7,389)	(13,176)
Cash - Beginning	34,628	9,502	13,659
Cash - Ending	$ 482	$ 2,113	482
Supplemental Cash Flow Information			
Cash paid for:			
Income Taxes	$ -	$ -	$ -
Interest	$ -	$ -	$ -

The accompanying notes are an integral part of these consolidated financials statements.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(In Canadian Dollars)
December 31, 2008

Note 1 - The Company and Significant Accounting Policies

The Company

1st Home Buy and Sell Ltd. (the "Company") was incorporated under the laws of the state of Nevada on August 10, 2006. The Company is a shell corporation as a result of a spin-off of its operating subsidiary, Pacific Coast Development Corp., on August 31, 2008. This split-off is described in more detail in Note 6.

The Company does not currently have any ongoing business operations. The historical results of the split-off subsidiary have been reclassified as discontinued operations in these financial statements.

Interim Financial Statements

The accompanying unaudited interim financial statements have been prepared in accordance with generally accepted accounting principles for interim financial information, with the instructions to Form 10-Q, and with Regulation S-B. Accordingly, they do not include all the information and footnotes required by generally accepted accounting principles for complete financial statements. The results of operations reflect interim adjustments, all of which are of a normal recurring nature and which, in the opinion of management, are necessary for a fair presentation of the results for such interim period. The results reported in these interim financial statements should not be regarded as necessarily indicative of results that may be expected for the entire year. Certain information and note disclosure normally included in financial statements prepared in accordance with generally accepted accounting principles have been condensed or omitted pursuant to the Securities and Exchange Commission's rules and regulations. These unaudited interim financial statements should be read in conjunction with the audited annual financial statements for the year ended June 30, 2008.

Foreign Currrency Translation

All of the Company's transactions are denominated in Canadian currency so the Company has adopted the Canadian dollar as its functional and reporting currency. All transactions initiated in other currencies are re-measured into the functional currency as follows:

- Assets and liabilities at the rate of exchange in effect at the balance sheet date,
- Equity at historical rates, and
- Revenue and expense items at the prevailing rate on the date of the transaction.

Translation adjustments resulting from translation of balances are accumulated as a separate component of shareholders' equity and reported as a component of comprehensive income or loss.

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Principles of Consolidation

The consolidated financial statements include the accounts of the discontinued operation as indicated.

Cash

Cash consists of funds in checking accounts held by financial institutions in Canada or in trust with the Company's legal counsel.

Revenue Recognition

The Company is a non-operating shell with no revenues.

Earnings (Loss) per Share

Basic earnings (loss) per share is computed by dividing the net income (loss) available to common stockholders by the weighted average number of common shares outstanding in the period. Diluted earnings per share takes into consideration common shares outstanding (computed under basic earnings per share) and potentially dilutive securities. Common stock issuable is considered outstanding as of the original approval date for purposes of earnings per share computations. As of December 31, 2008 and 2007, there were no potentially dilutive securities outstanding.

Estimates

The preparation of these consolidated financial statements in conformity with accounting principles generally accepted in the United States 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 these consolidated financial statements and the reported amounts of revenue and expenses during the period. Actual results could differ from these estimates.

Equipment

Equipment with a life of more than one year and a cost in excess of $500 are capitalized and depreciated. Depreciation is computed using the declining balance method based on the estimated useful lives of the assets.

Income Taxes

The Company accounts for income taxes under the asset and liability method. Under this method, deferred assets and liabilities are recognized based on anticipated future tax consequences attributable to differences between financial statement carrying amounts of assets and liabilities and their respective tax bases. The Company establishes a valuation allowance to the extent that it is more likely than not that deferred tax assets will not be recoverable against future taxable income

New Accounting Pronouncements

In May 2008, the Financial Accounting Standards Board ("FASB") issued SFAS No. 163, "Accounting for Financial Guarantee Insurance Contracts-and interpretation of FASB Statement No. 60". SFAS No. 163 clarifies how Statement 60 applies to financial guarantee insurance contracts, including the recognition and measurement of premium revenue and claims liabilities. This statement also requires expanded disclosures about financial guarantee insurance contracts. SFAS No. 163 is effective for fiscal years beginning on or after December 15, 2008, and interim periods within those years. SFAS No. 163 has no effect on the Company's financial position, statements of operations, or cash flows at this time.

In May 2008, the Financial Accounting Standards Board ("FASB") issued SFAS No. 162, "The Hierarchy of Generally Accepted Accounting Principles". SFAS No. 162 sets forth the level of authority to a given accounting pronouncement or document by category. Where there might be conflicting guidance between two categories, the more authoritative category will prevail. SFAS No. 162 will become effective 60 days after the SEC approves the PCAOB's amendments to AU Section 411 of the AICPA Professional Standards. SFAS No. 162 has no effect on the Company's financial position, statements of operations, or cash flows at this time.

In March 2008, the Financial Accounting Standards Board, or FASB, issued SFAS No. 161, Disclosures about Derivative Instruments and Hedging Activities—an amendment of FASB Statement No. 133. This standard requires companies to provide enhanced disclosures about (a) how and why an entity uses derivative instruments, (b) how derivative instruments and related hedged items are accounted for under Statement 133 and its related interpretations, and (c) how derivative instruments and related hedged items affect an entity's financial position, financial performance, and cash flows. This Statement is effective for financial statements issued for fiscal years and interim periods beginning after November 15, 2008, with early application encouraged. The Company has not yet adopted the provisions of SFAS No. 161, but does not expect it to have a material impact on its consolidated financial position, results of operations or cash flows.

In December 2007, the SEC issued Staff Accounting Bulletin (SAB) No. 110 regarding the use of a "simplified" method, as discussed in SAB No. 107 (SAB 107), in developing an estimate of expected term of "plain vanilla" share options in accordance with SFAS No. 123 (R), Share-Based Payment. In particular, the staff indicated in SAB 107 that it will accept a company's election to use the simplified method, regardless of whether the company has sufficient information to make more refined estimates of expected term. At the time SAB 107 was issued, the staff believed that more detailed external information about employee exercise behavior (e.g., employee exercise patterns by industry and/or other categories of companies) would, over time, become readily available to companies. Therefore, the staff stated in SAB 107 that it would not expect a company to use the simplified method for share option grants after December 31, 2007. The staff understands that such detailed information about employee exercise behavior may not be widely available by December 31, 2007. Accordingly, the staff will continue to accept, under certain circumstances, the use of the simplified method beyond December 31, 2007. The Company currently uses the simplified method for "plain vanilla" share options and warrants, and will assess the impact of SAB 110 for fiscal year 2009. It is not believed that this will have an impact on the Company's consolidated financial position, results of operations or cash flows.

In December 2007, the FASB issued SFAS No. 160, Noncontrolling Interests in Consolidated Financial Statements—an amendment of ARB No. 51. This statement amends ARB 51 to establish accounting and reporting standards for the noncontrolling interest in a subsidiary and for the deconsolidation of a subsidiary. It clarifies that a noncontrolling interest in a subsidiary is an ownership interest in the consolidated entity that should be reported as equity in the consolidated financial statements. Before this statement was issued, limited guidance existed for reporting noncontrolling interests. As a result, considerable diversity in practice existed. So-called minority interests were reported in the consolidated statement of financial position as liabilities or in the mezzanine section between liabilities and equity. This statement improves comparability by eliminating that diversity. This statement is effective for fiscal years, and interim periods within those fiscal years, beginning on or after December 15, 2008 (that is, January 1, 2009, for entities with calendar year-ends). Earlier adoption is prohibited. The effective date of this statement is the same as that of the related Statement 141 (revised 2007). The Company will adopt this Statement beginning March 1, 2009. It is not believed that this will have an impact on the Company’s consolidated financial position, results of operations or cash flows.

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In December 2007, the FASB, issued FAS No. 141 (revised 2007), Business Combinations.'This Statement replaces FASB Statement No. 141, Business Combinations, but retains the fundamental requirements in Statement 141. This Statement establishes principles and requirements for how the acquirer: (a) recognizes and measures in its financial statements the identifiable assets acquired, the liabilities assumed, and any noncontrolling interest in the acquiree; (b) recognizes and measures the goodwill acquired in the business combination or a gain from a bargain purchase; and (c) determines what information to disclose to enable users of the financial statements to evaluate the nature and financial effects of the business combination. This statement applies prospectively to business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after December 15, 2008. An entity may not apply it before that date. The effective date of this statement is the same as that of the related FASB Statement No. 160, Noncontrolling Interests in Consolidated Financial Statements. The Company will adopt this statement beginning March 1, 2009. It is not believed that this will have an impact on the Company's consolidated financial position, results of operations or cash flows.

In February 2007, the FASB, issued SFAS No. 159, The Fair Value Option for Financial Assets and Liabilities—Including an Amendment of FASB Statement No. 115. This standard permits an entity to choose to measure many financial instruments and certain other items at fair value. This option is available to all entities. Most of the provisions in FAS 159 are elective; however, an amendment to FAS 115 Accounting for Certain Investments in Debt and Equity Securities applies to all entities with available for sale or trading securities. Some requirements apply differently to entities that do not report net income. SFAS No. 159 is effective as of the beginning of an entities first fiscal year that begins after November 15, 2007. Early adoption is permitted as of the beginning of the previous fiscal year provided that the entity makes that choice in the first 120 days of that fiscal year and also elects to apply the provisions of SFAS No. 157 Fair Value Measurements. The Company will adopt SFAS No. 159 beginning March 1, 2008 and is currently evaluating the potential impact the adoption of this pronouncement will have on its consolidated financial statements.

In September 2006, the FASB issued SFAS No. 157, Fair Value Measurements This statement defines fair value, establishes a framework for measuring fair value in generally accepted accounting principles (GAAP), and expands disclosures about fair value measurements. This statement applies under other accounting pronouncements that require or permit fair value measurements, the Board having previously concluded in those accounting pronouncements that fair value is the relevant measurement attribute. Accordingly, this statement does not require any new fair value measurements. However, for some entities, the application of this statement will change current practice. This statement is effective for financial statements issued for fiscal years beginning after November 15, 2007, and interim periods within those fiscal years. Earlier application is encouraged, provided that the reporting entity has not yet issued financial statements for that fiscal year, including financial statements for an interim period within that fiscal year. The Company will adopt this statement March 1, 2008, and it is not believed that this will have an impact on the Company's consolidated financial position, results of operations or cash flows.

Note 2 - Uncertainty as a Going Concern

The accompanying consolidated financial statements have been prepared assuming that the Company will continue as a going concern. However, the Company has suffered recurring losses from operations and has a net capital deficiency that raises substantial doubt about its ability to continue as a going concern.

The Company's ability to continue as a going concern is dependent upon its ability to generate profitable operations in the future and/or obtain the necessary financing to meet its obligations and repay its liabilities arising from normal business operations when they come due. Management has plans to seek additional capital through a private placement and public offering of its common stock. These plans, if successful, will mitigate the factors which raise substantial doubt about the Company's ability to continue as a going concern.

The consolidated financial statements do not include any adjustments that might result from the outcome of this uncertainty.

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Note 3 – Related Party Transactions

Effective July 1, 2006, the Company entered into a loan agreement with a related party. At December 31, 2008, the balance owing is $153,176. The loan does not bear interest and is due on demand.

A shareholder has agreed to loan funds to the company as needed to cover expenses. As of December 31, 2008, the balance owing is $3,304. The loan does not bear interest and is due on demand.

Note 4 - Preferred Stock

The Company has 10,000,000 shares of preferred stock authorized with a $0.001 par value but no shares are issued. This class of stock is a “blank check” class which means that the rights of this stock will be established at the time of its issuance.

Note 5 - Common Stock

On September 15, 2008, the Company effected a 3-for-1 stock dividend of its issued and outstanding common stock. The per share data in these financial statements are presented on a post-dividend basis.

Note 6 – Acquisition and Split-off

The Company was incorporated on Aug 10, 2006 under the laws of the State of Nevada. Initial operations were conducted under the name Pacific Coast Development Corp. (“PCD”), a British Columbia corporation operating out of Surrey, British Columbia. On July 1, 2006, prior to incorporating, a 70%, non-dilutive interest in PCD for $100,000 was acquired. At incorporation, this pre-incorporation contract with PCD was ratified and assumed by the Company by unanimous written consent of its Board of Directors.

The Company has had a history of losses from this operation. Due to the Company’s financial condition and inability to continue operations with current cash flow, along with its debt obligations, the Company’s Board of Directors determined that it was in the best interests of the Company to split-off the operating subsidiary.

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On September 5, 2008, the Board of Directors approved a Split-Off Agreement (the "Agreement") between the Company and Steve Neil, a minority shareholder of PCD. Under the terms of the Agreement, effective August 31, 2008, Mr. Neil would acquire all the shares of PCD owned by the Company in exchange for 900,000 shares of the Company owned by Mr. Neil. Furthermore, the Company agreed to forgive all debts owed by PCD to the Company. The following table summarizes the consideration received and the net assets disposed of:

Fair Value of shares received		
900,000 shares @ USD 0.01667	$	15,939
Total Fair Value of consideration received		15,939
Assets		
Cash	$	1,731
Accounts Receivable		8,925
Property & Equipment		2,703
Patents		3,719
Other Assets		236
Total Assets Disposed of		17,313
Liabilities		
Accounts Payable		1,773
Total Liabilities disposed of		1,773
Net Assets disposed of	$	15,540
Excess of fair value of consideration over net assets disposed of	$	399

Note 7 - Income Taxes

The Company is liable for taxes in the United States. As of December 31, 2008, the Company did not have any income for tax purposes and therefore, no tax liability or expense has been included in these consolidated financial statements.

Note 8 - Subsequent Events

There were no subsequent events expected to have a material impact on the Company's financial statements.

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ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS AND PLAN OF OPERATION

This discussion and analysis should be read in conjunction with the accompanying Financial Statements and related notes. Our discussion and analysis of our financial condition and results of operations are based upon our financial statements, which have been prepared in accordance with accounting principles generally accepted in the United States. The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires us to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of any contingent liabilities at the financial statement date and reported amounts of revenue and expenses during the reporting period. On an on-going basis we review our estimates and assumptions. Our estimates are based on our historical experience and other assumptions that we believe to be reasonable under the circumstances. Actual results are likely to differ from those estimates under different assumptions or conditions, but we do not believe such differences will materially affect our financial position or results of operations. Our critical accounting policies, the policies we believe are most important to the presentation of our financial statements and require the most difficult, subjective and complex judgments, are outlined below in ‘‘Critical Accounting Policies,’’ and have not changed significantly.

In addition, certain statements made in this report may constitute “forward-looking statements”. These forward-looking statements involve known or unknown risks, uncertainties and other factors that may cause the actual results, performance, or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Specifically, 1) our ability to obtain necessary regulatory approvals for our products; and 2) our ability to increase revenues and operating income, is dependent upon our ability to develop and sell our products, general economic conditions, and other factors. You can identify forward-looking statements by terminology such as "may," "will," "should," "expects," "intends," "plans," "anticipates," "believes," "estimates," "predicts," "potential," "continues" or the negative of these terms or other comparable terminology. Although we believe that the expectations reflected-in the forward-looking statements are reasonable, we cannot guarantee future results, levels of activity, performance or achievements.

Background

On August 10, 2006, 1st Home Buy & Sell Ltd. was formed as a Nevada corporation. Initial operations commenced under the name Pacific Coast Development Corp., a British Columbia corporation operating out of Surrey, British Columbia. Prior to incorporating, we acquired, on July 1, 2006, a 70%, non-dilutive interest in PCDC in exchange for $100,000. This pre-incorporation contract with PCDC was ratified by our Board of Directors immediately after we were formally incorporated on August 10, 2006. The Company conducted all operations through its majority owned operational subsidiary, PCDC. The acquisition of PCDC shall be referred to hereinafter as the “PCDC Transaction.”

On July 1, 2008, the Company announced that it had entered into an agreement with the DK Group N.A.N.V., a corporation organized under the laws of the Netherland Antilles (“DK Group”) whereby the Company agreed to purchase all of the assets and liabilities of DK Group in exchange for shares of the Company’s common stock (the “Acquisition Shares”). Additionally and as part of the DK Group transaction, the Company agreed to effectuate a three for one (3:1) forward split of the Company’s common stock. The forward split took place and became effective as of September 15, 2008. The transaction with the DK Group was expected to close on or before September 30, 2008, the parties agreed to extend the closing until December 31, 2008.

Subsequently, as of February 16, 2009, the Company and the DK Group halted negotiations due to the continued inability to reach a mutually beneficial agreement.

On August 31, 2008, the Company announced that due to continued ongoing and significant losses incurred by PCDC, that the Company had entered into an agreement with PCDC (the “PCDC Transaction”) whereby the holder of a non-controlling 30% interest of PCDC (the “Purchaser”) would repurchase the 70% controlling interest in PCDC.

Pursuant to the terms of the agreement, the Company relinquished all of the shares of PCDC then owned by the Company and forgave all debts owed by PCDC to the Company in exchange for the return of 300,000 shares of the Company's common stock held by the Purchaser.

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As a result of this transaction the Company believes that, as of August 31, 2008, the Company would be considered a "shell" company as that term is defined in Rule 12b-2 of the Securities Exchange Act of 1934.

The Company shall continue to undertake efforts to develop a business or merge with or acquire an operating company with operating history and assets. The exact form and nature of any investment or activity that the Company may undertake has not yet been determined. If the Company does not successfully pursue some form of operating business, then the primary activity of the Company will likely involve seeking merger or acquisition candidates with whom it can either merge or acquire.

Description of Property

Our executive office is located at 2300 W. Sahara Ave. Suite 800, Las Vegas, NV 89102, this is generic office space that we rent pursuant to a one year lease. We believe that this existing space is adequate for our current needs. Should we require additional space, we believe that such space can be secured on commercially reasonable terms.

Employees

As of December 31, 2008, we employed one (1) person on a full-time basis and one (1) person on a part time basis.

Because of the nature of our business, we do not expect to hire any new employees in the foreseeable future, but anticipate that we will be conducting most of our business through agreements with consultants and third parties.

Reporting Currency

All of the Company's transactions are denominated in Canadian currency so the Company has adopted the Canadian dollar as its functional and reporting currency. Transaction gains and losses that arise from exchange rate fluctuations on transactions denominated in a currency other than the local functional currency are included in "General and Administrative Expenses" in the statement of operations, which amounts were not material for 2007 or 2006.

The Department of Corporation Finance in its advisory letter titled International Financial Reporting and Disclosure Issues, dated May 1, 2001 has stated, "Regulation S-X presumes that a US-incorporated registrant will present its financial statements in US dollars. In rare instances, the staff has not objected to the use of a different reporting currency. Those instances have been limited to situations where the US-incorporated registrant had little or no assets and operations in the US, substantially all the operations were conducted in a single functional currency other than the US dollar, and the reporting currency selected was the same as the functional currency. In these circumstances, reporting in the foreign currency would produce little or no foreign currency translation effects under FASB Statement No. 52."

First, the Company has its only facilities located Canada, and therefore has no assets or operations in the US. Second, all operations of the Company are conducted only in Canadian currency. Third, the reporting currency is in Canadian dollars which is the same currency that all operations were conducted in. Therefore, reporting in Canadian dollars would produce little or no foreign currency translation effects under FASB Statement No. 52.

Critical Accounting Policies and Estimates

Management has identified the following policies and estimates as critical to the Company's business operations and the understanding of the Company's results of operations. Note that the preparation of this Form 10-Q requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the Company's financial statements, and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates, and the differences could be material.

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RESULTS OF OPERATIONS

RESULTS OF OPERATIONS FOR THE THREE MONTHS ENDED DECEMBER 31, 2008 (UNAUDITED) COMPARED TO THE THREE MONTHS ENDED DECEMBER 31, 2007 (UNAUDITED).

REVENUE

We have not earned any revenue as result of our discontinuing operations.

OPERATING EXPENSES

Our total operating expenses for the three months ended December 31, 2008 were CDN$4,117 compared to CDN$14,108 for the same period in the prior year. Expenses consisted primarily of general operating expenses including professional fees. The decrease is our operating expenses are attributable to our discontinuing operations.

NET LOSS

As a result of the foregoing, we had a net loss of CDN$4,117 for the three months ended December 31, 2008 compared to a net loss of $14,108 for the same period in the prior year.

LIQUIDITY AND CAPITAL RESOURCES

At December 31, 2008, our cash balance was CDN$482. This represents a decrease in our financial position since June 30, 2008 when we reported cash of CDN$28,498.

A related party had loaned the Company CDN$153,176. This loan is payable on demand, unsecured and does not accrue interest.

Off-Balance Sheet Arrangements

The Company has no material transactions, arrangements, obligations (including contingent obligations), or other relationships with unconsolidated entities or other persons that have or are reasonably likely to have a material current or future impact on its financial condition, changes in financial condition, results of operations, liquidity, capital expenditures, capital resources, or significant components of revenues or expenses.

Market Risk

In the normal course of business, the Company is exposed to foreign currency exchange rate and interest rate risks that could impact its results of operations.

The Company plans to sell its services via the internet, and a substantial portion of its net sales, cost of sales and operating expenses could be denominated in foreign currencies. This exposes the Company to risks associated with changes in foreign currency exchange rates that can adversely impact revenues, net income and cash flow.

Cash Requirements

Our cash on hand as of December 31, 2008 is CDN $482. We will require additional within the next twelve (12) months. We presently do not have any arrangements for additional financing, and no potential lines of credit or sources of financing are currently available. We face expenses or other circumstances such that we will have additional financing requirements. The amount of additional capital we may need to raise will depend on a number of factors. These factors primarily include the extent to which we can achieve revenue growth, the profitability of such revenues, operating expenses, research and development expenses, and capital expenditures. Given the number of programs that we have ongoing and not complete, it is not possible to predict the extent or cost of these additional financing requirements.

Notwithstanding the numerous factors that our cash requirements depend on, and the uncertainties associated with each of the major revenue opportunities that we have, we believe that our plan of operation can build long-term value if we are able to demonstrate clear progress toward our objectives.

The failure to secure any necessary outside funding would have an adverse affect on our development and results therefrom and a corresponding negative impact on shareholder liquidity.

Revenue Recognition

SAB No. 104 requires that four basic criteria be met before revenue can be recognized: (1) persuasive evidence of an arrangement exists; (2) delivery has occurred or services have been rendered; (3) the fee is fixed or determinable; and (4) collectability is reasonably assured. Should changes in conditions cause management to determine that these criteria are not met for certain future transactions, revenue recognized for a reporting period could be adversely affected.

Goodwill

The Company has not attributed any value to goodwill.

Accounting for Income Taxes

The Company accounts for income taxes under the asset and liability method. Under this method, deferred assets and liabilities are recognized based on anticipated future tax consequences attributable to differences between financial statement carrying amounts of assets and liabilities and their respective tax bases. The Company establishes a valuation allowance to the extent that it is more likely than not that deferred tax assets will not be recoverable against future taxable income.

Code of Ethics

We have adopted a Code of Ethics and Business Conduct for Officers, Directors and Employees that applies to all of our officers, directors and employees.

Recently Issued Accounting Pronouncement

In May 2008, the Financial Accounting Standards Board ("FASB") issued SFAS No. 163, "Accounting for Financial Guarantee Insurance Contracts-and interpretation of FASB Statement No. 60". SFAS No. 163 clarifies how Statement 60 applies to financial guarantee insurance contracts, including the recognition and measurement of premium revenue and claims liabilities. This statement also requires expanded disclosures about financial guarantee insurance contracts. SFAS No. 163 is effective for fiscal years beginning on or after December 15, 2008, and interim periods within those years. SFAS No. 163 has no effect on the Company's financial position, statements of operations, or cash flows at this time.

In May 2008, the Financial Accounting Standards Board ("FASB") issued SFAS No. 162, "The Hierarchy of Generally Accepted Accounting Principles". SFAS No. 162 sets forth the level of authority to a given accounting pronouncement or document by category. Where there might be conflicting guidance between two categories, the more authoritative category will prevail. SFAS No. 162 will become effective 60 days after the SEC approves the PCAOB's amendments to AU Section 411 of the AICPA Professional Standards. SFAS No. 162 has no effect on the Company's financial position, statements of operations, or cash flows at this time.

In March 2008, the Financial Accounting Standards Board, or FASB, issued SFAS No. 161, Disclosures about Derivative Instruments and Hedging Activities—an amendment of FASB Statement No. 133. This standard requires companies to provide enhanced disclosures about (a) how and why an entity uses derivative instruments, (b) how derivative instruments and related hedged items are accounted for under Statement 133 and its related interpretations, and (c) how derivative instruments and related hedged items affect an entity's financial position, financial performance, and cash flows. This Statement is effective for financial statements issued for fiscal years and interim periods beginning after November 15, 2008, with early application encouraged. The Company has not yet adopted the provisions of SFAS No. 161, but does not expect it to have a material impact on its consolidated financial position, results of operations or cash flows.

In December 2007, the SEC issued Staff Accounting Bulletin (SAB) No. 110 regarding the use of a "simplified" method, as discussed in SAB No. 107 (SAB 107), in developing an estimate of expected term of "plain vanilla" share options in accordance with SFAS No. 123 (R), Share-Based Payment. In particular, the staff indicated in SAB 107 that it will accept a company's election to use the simplified method, regardless of whether the company has sufficient information to make more refined estimates of expected term. At the time SAB 107 was issued, the staff believed that more detailed external information about employee exercise behavior (e.g., employee exercise patterns by industry and/or other categories of companies) would, over time, become readily available to companies. Therefore, the staff stated in SAB 107 that it would not expect a company to use the simplified method for share option grants after December 31, 2007. The staff understands that such detailed information about employee exercise behavior may not be widely available by December 31, 2007. Accordingly, the staff will continue to accept, under certain circumstances, the use of the simplified method beyond December 31, 2007. The Company currently uses the simplified method for "plain vanilla" share options and warrants, and will assess the impact of SAB 110 for fiscal year 2009. It is not believed that this will have an impact on the Company's consolidated financial position, results of operations or cash flows.

In December 2007, the FASB issued SFAS No. 160, Noncontrolling Interests in Consolidated Financial Statements—an amendment of ARB No. 51. This statement amends ARB 51 to establish accounting and reporting standards for the noncontrolling interest in a subsidiary and for the deconsolidation of a subsidiary. It clarifies that a noncontrolling interest in a subsidiary is an ownership interest in the consolidated entity that should be reported as equity in the consolidated financial statements. Before this statement was issued, limited guidance existed for reporting noncontrolling interests. As a result, considerable diversity in practice existed. So-called minority interests were reported in the consolidated statement of financial position as liabilities or in the mezzanine section between liabilities and equity. This statement improves comparability by eliminating that diversity. This statement is effective for fiscal years, and interim periods within those fiscal years, beginning on or after December 15, 2008 (that is, January 1, 2009, for entities with calendar year-ends). Earlier adoption is prohibited. The effective date of this statement is the same as that of the related Statement 141 (revised 2007). The Company will adopt this Statement beginning March 1, 2009. It is not believed that this will have an impact on the Company's consolidated financial position, results of operations or cash flows.

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In December 2007, the FASB, issued FAS No. 141 (revised 2007), Business Combinations.'This Statement replaces FASB Statement No. 141, Business Combinations, but retains the fundamental requirements in Statement 141. This Statement establishes principles and requirements for how the acquirer: (a) recognizes and measures in its financial statements the identifiable assets acquired, the liabilities assumed, and any noncontrolling interest in the acquiree; (b) recognizes and measures the goodwill acquired in the business combination or a gain from a bargain purchase; and (c) determines what information to disclose to enable users of the financial statements to evaluate the nature and financial effects of the business combination. This statement applies prospectively to business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after December 15, 2008. An entity may not apply it before that date. The effective date of this statement is the same as that of the related FASB Statement No. 160, Noncontrolling Interests in Consolidated Financial Statements. The Company will adopt this statement beginning March 1, 2009. It is not believed that this will have an impact on the Company's consolidated financial position, results of operations or cash flows.

In February 2007, the FASB, issued SFAS No. 159, The Fair Value Option for Financial Assets and Liabilities—Including an Amendment of FASB Statement No. 115. This standard permits an entity to choose to measure many financial instruments and certain other items at fair value. This option is available to all entities. Most of the provisions in FAS 159 are elective; however, an amendment to FAS 115 Accounting for Certain Investments in Debt and Equity Securities applies to all entities with available for sale or trading securities. Some requirements apply differently to entities that do not report net income. SFAS No. 159 is effective as of the beginning of an entities first fiscal year that begins after November 15, 2007. Early adoption is permitted as of the beginning of the previous fiscal year provided that the entity makes that choice in the first 120 days of that fiscal year and also elects to apply the provisions of SFAS No. 157 Fair Value Measurements. The Company will adopt SFAS No. 159 beginning March 1, 2008 and is currently evaluating the potential impact the adoption of this pronouncement will have on its consolidated financial statements.

In September 2006, the FASB issued SFAS No. 157, Fair Value Measurements This statement defines fair value, establishes a framework for measuring fair value in generally accepted accounting principles (GAAP), and expands disclosures about fair value measurements. This statement applies under other accounting pronouncements that require or permit fair value measurements, the Board having previously concluded in those accounting pronouncements that fair value is the relevant measurement attribute. Accordingly, this statement does not require any new fair value measurements. However, for some entities, the application of this statement will change current practice. This statement is effective for financial statements issued for fiscal years beginning after November 15, 2007, and interim periods within those fiscal years. Earlier application is encouraged, provided that the reporting entity has not yet issued financial statements for that fiscal year, including financial statements for an interim period within that fiscal year. The Company will adopt this statement March 1, 2008, and it is not believed that this will have an impact on the Company's consolidated financial position, results of operations or cash flows.

Available Information

We file electronically with the Securities and Exchange Commission our annual reports on Form 10-K, quarterly reports on Form 10-Q, and current reports on Form 8-K, pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934. You may obtain a free copy of our reports and amendments to those reports on the day of filing with the SEC by going to http://www.sec.gov.

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ITEM 4(T). CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

As required by Rule 13a-15 under the Exchange Act, we have carried out an evaluation of the effectiveness of the design and operation of our disclosure controls and procedures as of the end of the period covered by this quarterly report. This evaluation was carried out under the supervision and with the participation of our management, including our principal executive officer and principal financial officer. Based upon that evaluation, our principal executive officer and principal financial officer concluded that our disclosure controls and procedures are effective as at the end of the period covered by this quarterly report to ensure that information required to be disclosed by us in the reports that we file or submit under the Exchange Act is recorded, processed, summarized and reported within the time periods specified by the rules and forms of the SEC.

Disclosure controls and procedures are controls and other procedures that are designed to ensure that information required to be disclosed in our reports filed or submitted under the Exchange Act is recorded, processed, summarized and reported, within time periods specified in the Securities and Exchange Commission's rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed in our reports filed under the Exchange Act is accumulated and communicated to management, including our principal executive officer and principal financial officer, as appropriate, to allow timely decisions regarding required disclosure.

Changes In Internal Controls Over Financial Reporting

During the quarter, the Company used an outside consulting firm to assist in the preparation of financial statements in accordance with US Generally Accepted Accounting Principles. This outside consulting firm also reviews account reconciliations and all equity transactions. Other than the described changes, no other Changes in internal controls over financial reporting occurred during the current period that have materially affected, or are reasonably likely to materially affect, our internal controls over financial reporting.

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PART II.

ITEM 1. LEGAL PROCEEDINGS

None.

ITEM 1(A). RISK FACTORS

Not required.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS.

None.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

None.

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

None.

ITEM 5. OTHER INFORMATION

None.

ITEM 6. EXHIBITS AND REPORTS ON FORM 8-K

(a) Exhibits.

EXHIBIT NUMBER	DESCRIPTION	LOCATION
3.1 - 3.2	Articles of Incorporation and Bylaws	Previously Filed.
31.1	Rule 13a-14(a)/15d-14(a) Certification (CEO)	Filed herewith
31.2	Rule 13a-14(a)/15d-14(a) Certification (CFO)	Filed herewith
32.1	Section 1350 Certification (CEO)	Filed herewith
32.2	Section 1350 Certification (CFO)	Filed herewith

(b) Reports on Form 8-K.

None.

Subsequent to the period ended December 31, 2008, we filed reports on Form 8-K on the following dates:

None.

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SIGNATURES

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

DATE: February 18, 2009	1st Home Buy & Sell Ltd. (Registrant)
By:	/s/ Martha Jimenez Martha Jimenez Director, CEO and President

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