Pacific Ventures Group, Inc.
Form 10-Q
August 14, 2015

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

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

For the quarterly period ended June 30, 2015

[ ] TRANSITION REPORT UNDER SECTION 13 OR 15(d) OF THE EXCHANGE ACT

For the transition period from __________ to __________

Commission File Number 000-54584

Pacific Ventures Group, Inc.

(Exact name of registrant as specified in its charter)

Delaware	75-2100622
(State or other jurisdiction of	(IRS Employer Identification No.)

incorporation or organization)

200 Camelia Court, Vero Beach, Florida

32963

(Address of principal executive offices)

(Zip Code)

(772) 231-1244

(Registrant s telephone number, including area code)

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 [X] No [ ]

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes [X] No [ ]

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See definitions of large accelerated filer, accelerated filer, and smaller reporting company in Rule 12b-2 of the Exchange Act.

Large Accelerated filer ¨

Accelerated filer ¨

Non-accelerated filer ¨

Smaller reporting company x

(Do not check if a smaller reporting company)

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

Yes [X] No [ ]

Indicate the number of shares outstanding of each of the issuer s classes of common equity, as of the latest practicable date.

384,031 shares of $0.001 par value common stock on August 14, 2015

Part I FINANCIAL INFORMATION

Item 1. Financial Statements

Pacific Ventures Group, Inc.

FINANCIAL STATEMENTS

June 30, 2015

The unaudited financial statements included herein have been prepared by the Company pursuant to the rules and regulations of the Securities and Exchange Commission. Certain information and footnote disclosures normally included in financial statements prepared in accordance with generally accepted accounting principles have been condensed or omitted. However, in the opinion of management, all adjustments (which include only normal recurring accruals) necessary to present fairly the financial position and results of operations for the periods presented have been made. These financial statements should be read in conjunction with the accompanying notes, and with the historical financial information of the Company.

PACIFIC VENTURES GROUP, INC.

Balance Sheets

Assets		**June 30, 2015** (unaudited)		**December, 31 2014**
Current Assets:				
Cash	$		$	
Total Current Assets				
Total assets	$		$	
Liabilities and Stockholders Equity (Deficit)				
Current Liabilities:				
Accounts payable	$	11,059	$	7,471
Notes Payable		20,522		14,576
Notes Payable due to officer		800		400
Interest Payable		343		173
Interest Payable due to officer		10		6
Total current liabilities		32,734		22,626
Stockholders equity (deficit):				
Preferred Stock, 10,000,000 shares authorized, $0.001 par value:				
Series E Preferred stock, 1,000,000 shares authorized, issued and outstanding		1,000		1,000
Common stock, $0.001 par value; 100,000,000 shares authorized; 384,031 shares issued and outstanding		384		384
Additional paid-in capital		47,075,200		47,075,200
Accumulated earnings (deficit)		(47,109,318)		(47,099,210)
Total stockholder s equity (deficit)		(32,734)		(22,626)
Total liabilities and stockholders equity (deficit)	$		$	

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

PACIFIC VENTURES GROUP, INC.

Statements of Operations

(unaudited)

	For the Three Months Ended June 30, 2015	For the Three Months Ended June 30, 2014	For the Six Months Ended June 30, 2015	For the Six Months Ended June 30, 2014
Revenue	$ -	$ -	$ -	$ -
Operating expenses:				
General and administrative	9,534	5,588	9,934	10,027
Total operating expenses	9,534	5,588	9,934	10,027
Loss from operations	(9,534)	(5,588)	(9,934)	(10,027)
Other Income (Expense)				
Interest income	-	-	-	-
Interest expense	(99)	(46)	(174)	(57)
Total other income (expense)	(99)	(46)	(174)	(57)
Net income (loss)	$ (9,633)	$ (5,634)	$ (10,108)	$ (10,084)
Net income (loss) per share of common stock	$ (0.03)	$ (0.01)	$ (0.03)	$ (0.03)
Weighted average number of common shares	384,031	384,031	384,031	384,031

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

PACIFIC VENTURES GROUP, INC.

Statements of Cash Flows

(unaudited)

	For the Six Months Ended June 30, 2015	For the Six Months Ended June 30, 2014
Cash flows from operating activities:		
Net income (loss)	$ (10,108)	$ (10,084)
Adjustments to reconcile net loss to net cash used by operating activities		
Changes in operating assets and liabilities:		
Increase (decrease) in accounts payable	3,588	2,748
Increase (decrease) in accrued interest	174	57
Net cash used in operating activities	(6,346)	(7,279)
Cash flows from financing activities:		
Proceeds - related party payable	400	400
Proceeds from notes payable	5,946	6,872
Net cash provided by financing activities	6,346	7,272
Net change in cash	-	(7)
Cash, beginning of period	-	7
Cash, end of period	$ -	$ -
Supplemental disclosure of cash flow information:		
Cash paid during the period for:		
Income Taxes	$ -	$ -
Interest	$ -	$ -

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

Pacific Ventures Group, Inc.

Notes to Unaudited Financial Statements

June 30, 2015

Note 1: Basis of Presentation and Summary of Significant Accounting Policies

Organization Pacific Ventures Group, Inc. (the Company or Pacific Ventures) was incorporated under the laws of the State of Delaware on October 3, 1986, under the name AOA Corporation. On November 12, 1991, the Company changed its name to American Eagle Group, Inc. On October 22, 2012, the Company changed its name to Pacific Ventures Group, Inc.

Going Concern The Company s financial statements have been prepared using accounting principles generally accepted in the United States of America applicable to a going concern, which contemplates the realization of assets and liquidation of liabilities in the normal course of business. The Company has not generated any revenue for several years and the sole officer and director of the Company has provided capital to pay prior and current obligations. The Company requires additional capital to continue its limited operations. Furthermore, the Company s officer and director serves without compensation. The Company assumes that these arrangements and the availability of future capital sources will continue into the future, but no assurance thereof can be given. A change in these circumstances would have a material adverse effect on the Company s ability to continue as a going concern. The accompanying financial statements do not include any adjustments that might result from the outcome of this uncertainty.

Income Taxes

The Company utilizes the liability method of accounting for income taxes as set forth in ASC 740-20, *Accounting for Income Taxes.* Under the liability method, deferred taxes are determined based on the difference between the financial statement and tax bases of assets and liabilities using enacted tax rates in effect in the years in which the differences are expected to reverse. An allowance against deferred tax assets is recorded when it is more likely than not that such tax benefits will not be realized.

Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents

For purposes of reporting cash flows, the Company considers all highly-liquid debt instruments purchased with an original maturity of three months or less to be cash equivalents.

Pacific Ventures Group, Inc.

Notes to Unaudited Financial Statements

June 30, 2015

(continued)

Revenue Recognition

The Company plans to recognize revenue when the following four conditions are present: (1) persuasive evidence of an agreement exists, (2) the price is fixed or determinable, (3) delivery has occurred or services are rendered, and (4) collection is reasonably assured.

Income (Loss) Per Common Share

Income (Loss) per common share is computed by dividing net loss available to common stockholders by the weighted average number of common shares outstanding during the periods presented. The Company has no potentially dilutive securities. Accordingly, basic and dilutive loss per common share are the same.

Fair Value

The carrying values of cash and cash equivalents, and accounts payable and accrued liabilities approximate their fair values because of the short-term maturity of these financial instruments.

Recently Issued Accounting Pronouncements

The Company has reviewed recently issued, but not yet adopted, accounting standards in order to determine their effects, if any, on its results of operations, financial position or cash flows. Based on that review, the Company believes that none of these pronouncements will have a significant effect on its financial statements.

Note 2: Income Taxes

Due to losses at June 30, 2015 and 2014, the Company had no income tax liability. At June 30, 2015 and 2014, the Company had available unused operating loss carry forwards of approximately $134,599 and $118,278, respectively, which may be applied against future taxable income and which expire in various years through 2035.

The amount of and ultimate realization of the benefits from the operating loss carry forwards for income tax purposes is dependent, in part, upon the tax laws in effect, the future earnings of the Company and other future events, the effects of which cannot be determined at this time. Because of the uncertainty surrounding the realization of the loss carry forwards, the Company has established a valuation allowance equal to the tax effect of the loss carry forwards and, therefore, no deferred tax asset has been recognized for the loss carry forwards. The net deferred tax assets are approximately $50,205 and $48,118 as of June 30, 2015 and 2014, respectively, with an offsetting valuation allowance of the same amount resulting in a change in the valuation allowance of approximately $3,771 during the six months ended June 30, 2015.

Pacific Ventures Group, Inc.

Notes to Unaudited Financial Statements

June 30, 2015

(continued)

Components of income tax are as follows:

	Six Months Ended June 30			
	2015		2014	
Current	$	-	$	-
Federal		-		-
State		-		-
		-		-
Deferred		-		-
	$	-	$	-

A reconciliation of the provision for income tax expense with the expected income tax computed by applying the federal statutory income tax rate to income before provision for income taxes as follows:

	Six Months Ended June 30			
	2015		2014	
Income tax computed at Federal statutory tax rate of 34%	$	(3,437)	$	(3,429)
State taxes (net of federal benefit) of 3.3%		(334)		(332)
Deferred taxes and other		3,771		3,761
			$	-

$

-

The Company has no tax positions at June 30, 2015 and 2014, for which the ultimate deductibility is highly certain but for which there is uncertainty about the timing of such deductibility. The Company recognizes interest accrued related to unrecognized tax benefits in interest expense and penalties in operating expenses. During the period ended June 30, 2015 and 2014, the Company recognized no interest and penalties. The Company had no accruals for interest and penalties at June 30, 2015 and 2014. Under the rules of the Internal Revenue Service, the Company's tax returns for the previous three years remain open for examination.

Note 3: Capital Stock

<u>Preferred Stock and Common Stock</u>   The Company s Board of Directors is expressly granted the authority to issue, without stockholder action, the authorized shares of the Company s preferred and common stock. The Board of Directors may issue shares and determine the powers, preferences, limitations, and relative rights of any class of shares before the issuance thereof.

Pacific Ventures Group, Inc.

Notes to Unaudited Financial Statements

June 30, 2015

(continued)

Preferred Stock On October 22, 2012, the Company filed a Restated and Amended Certificate of Incorporation increasing the authorized Preferred Stock to 10,000,000 shares, par value $.001 per share.

Series E Preferred Stock was authorized October 2006 for up to 1,000,000 shares. Under the rights, preferences and privileges of the Series E Preferred Stock, the holders of the preferred stock receive a 10 to 1 voting preference over common stock. Accordingly, for every share of Series E Preferred Stock held, the holder received the voting rights equal to 10 shares of common stock. The Series E Preferred Stock is not convertible into any other class of stock of the Company and has no preference to dividends or liquidation rights. As of June 30, 2015, and December 31, 2014, there were 1,000,000 Series E Preferred shares outstanding.

Common Stock On October 22, 2012, the Company filed a Restated and Amended Certificate of Incorporation increasing the authorized common stock to 100,000,000 shares, par value $.001 per share. Effective November 8, 2012, there was a reverse split of the issued and outstanding common stock of the Company on a basis of fifty (50) to one (1). All fractional shares were rounded up to the nearest whole share, with no shareholder falling below 100 shares. There were 43,089 shares issued for rounding. The effects of which have been included in these financial statements as if the split had occurred at the beginning of the first period presented. As of June 30, 2015, and December 31, 2014, there were 384,031 shares of common stock outstanding.

Note 4: Related Party Transactions

On March 31, 2014, Brett Bertolami, the sole officer and director of the Company converted advanced money to the Company into a promissory note for $400. On March 31, 2015, Mr. Bertolami converted an additional $400 advanced to the Company into a promissory note. All of the money was used to pay operating expenses. The notes accrue interest at 2% annually until repaid.

For 2015 and 2014, the sole officer and director of the Company has provided office space at no cost to the Company.

Note 5: Notes Payable

On March 31, 2014, Brett Bertolami, the sole officer and director of the Company converted advanced money to the Company into a promissory note for $400. On March 31, 2015, Mr. Bertolami converted an additional $400 advanced to the Company into a promissory note. All of the money was used to pay operating expenses. The notes accrue interest at 2% annually until repaid. The balance of the notes payable, with interest, is $810.

Pacific Ventures Group, Inc.

Notes to Unaudited Financial Statements

June 30, 2015

(continued)

From December, 2013, to June 30, 2015, the Company has borrowed funds from a private corporation to pay operating expenses. These amounts were converted into the following promissory notes. The balance of the notes payable, with interest, is $20,865 at June 30, 2015.

Date	Principal Amount	Interest Rate Until Paid
June 30, 2015	$4,500	2%
March 31, 2015	$1,446	2%
September 30, 2014	$5,630	2%
April 1, 2014	$2,500	2%
March 31, 2013	$4,372	2%
December 31, 2013	$2,074	2%

Note 6: Subsequent Events

ASC 855-16-50-4 establishes accounting and disclosure requirements for subsequent events. ASC 855 details the period after the balance sheet date during which we should evaluate events or transactions that occur for potential recognition or disclosure in the financial statements, the circumstances under which we should recognize events or transactions occurring after the balance sheet date in our financial statements and the required disclosures for such events.

Share Exchange

On August 14, 2015, the Company entered into that certain Share Exchange Agreement ("Exchange Agreement") with Snobar Holdings, Inc., a Delaware corporation ("Snobar"), and the shareholders of Snobar ("Snobar Shareholders") who hold of record (i) at least 99% and up to 100% of the total issued and outstanding shares of Snobar s Class A Common Stock (Snobar Class A Common Stock) and (ii) 100% of the total issued and outstanding shares of Snobar s Class B Common Stock (Snobar Class B Common Stock). In accordance with the terms and provisions of the Exchange Agreement, the Company shall acquire (i) at least 99% and up to 100% of the total issued and outstanding shares of Snobar Class A Common Stock and (ii) 100% of the total issued and outstanding shares of Snobar Class B

Common Stock from the Snobar Shareholders, thus making Snobar a majority-owned subsidiary or wholly-owned subsidiary, in exchange for the issuance to the Snobar Shareholders of at least 22,285,000 and up to 22,500,000 shares of restricted common stock of the Company (the "Exchange") for each share of common stock of Snobar while simultaneously issuing 2,500,000 shares of restricted common stock of the Company (Other Issuance) to certain other persons (Other Persons).

An initial closing date (Initial Closing Date) is anticipated to close by no later than August 31, 2015 but in no event before the Exchange Agreement has been signed by Snobar Shareholders holding at least 80% of the shares of SNO common stock outstanding. Subsequent to the Initial Closing Date, the Company may complete one or more additional Closings to complete the exchanges provided for in the Exchange Agreement to allow the Company to complete the acquisition of at least 99% and up to 100% of the SNO common stock for a period of up to 30 days after the Initial Closing Date. Upon completion of this part of the acquisition, Snobar will become our majority-owned or wholly-owned subsidiary and the Company s pro-forma shares of common stock outstanding giving effect to the acquisition of Snobar is expected to be approximately at least 25,172,000 and up to 25,387,000 shares of common stock of the company outstanding with at least 22,285,000 and up to 22,500,000 shares or approximately 89% thereof owned by the Snobar Shareholders and 1,000,000 shares of the Company's Series E Preferred Stock" (with a 10 to 1 voting preference over common stock) with 100% thereof owned by a Snobar Shareholder, namely Shannon Masjedi.

Also in accordance with the terms and provisions of the Exchange Agreement: (i) Bob Smith shall be appointed as the Chief Executive Officer and a member of the Board of Directors of the Company; (ii) Shannon Masjedi shall be appointed as the President and Secretary and a member of the Board of Directors of the Company; (iii) Marc Shenkman shall be appointed as the Executive Vice President and a member of the Board of Directors of the Company; and (iv) Brett Bertolami shall resign from all of his positions as an officer of the Company, including, but not limited to, Chief Executive Officer, Chief Financial Officer, Principal Accounting Officer, President and Secretary, and as a member of the Board of Directors of the Company.

Thus, the share exchange will represent a change in control of the Company and a change in business operations. Therefore, based on the change in control of the Company, the business operations of the Company will change to that of Snobar. Snobar is the sole beneficiary of Snobar Trust, a California trust ("Trust"). The Trust owns 100% of the shares of International Production Impex Corporation, a California corporation ("IPIC"). IPIC is the owner of the licenses and trade names "Snobar" and is in the business of selling and distributing alcohol-infused ice creams and ice-pops through its distributors (the "Business"). As a result of the foregoing chain of ownership, Snobar is the beneficiary of all assets, liabilities and any income received from the Business of IPIC.

Through the operations of IPIC, Snobar produces and distributes through third party manufacturers and distributors Snobar alchohol infused popsicles, which are original frozen beverage alcohol bars similar to popsicles on a stick, but created in a way that they are made with premium liquors, such as tequila and vodka. Margarita, Cosmopolitan and Mojito are just a few of the manufactured cocktails that currently exist in the market. The alcohol freezing technology of Snobar can be applied to almost any cocktail/alcohol type and mixture, presenting significant market potential and an almost unlimited variety of quality flavors and employment of premium brands.

In addition, through the operations of IPIC, Snobar produces and distributes through third party manufacturers and distributors Snobar alchohol infused Ice Cream products, which are premium quality ice cream and sorbets that are also distilled spirit cocktails containing 20-30% quality liqueurs and liquors. Currently, there are 50 different Liquor Ice Cream flavors in development in classic ice cream drink flavors such as Irish Cream Ice Cream, Mojito Sorbet, Sherry Ice Cream, Brandy Alexander and Strawberry Margarita Sorbet.

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Snobar products have been through extensive consumer testing across all age groups and sexes over 21 years of age. According to the results of the consumer testing, there is a large untapped market potential for frozen alcohol desserts.

The foregoing is a summary description of the terms and conditions of the Exchange Agreement and does not purport to be complete and is qualified in its entirety by reference to the Exchange Agreement, which is filed as Exhibits 10.1 to this Quarterly Report on Form 10-Q and incorporated by reference herein.

As permitted by Form 8-K, upon the initial closing occurring on August 31, 2015, the Company anticipates filing a Form 8-K on September 4, 2015 pertaining to the consummation of the Share Exchange, including Form 10 information as required by Item 2.01 of Form 8-K.

Amendment to Bylaws

Pursuant to authorization of the Board as permitted by the Delaware General Corporation Law and the provisions of the Company s bylaws (Bylaws), the Bylaws were amended (the Bylaws Amendment) effective as of August 14, 2015 to reflect a change in the name of the Company to Pacific Ventures Group, Inc. (the Company). The Bylaws Amendment replaces all references in the Bylaws to American Eagle Group, Inc. with references to Pacific Ventures Group, Inc. A copy of the Bylaws Amendment is attached to this Quarterly Report on Form 10-Q as Exhibit 3 (iii).

Item 2. Management s Discussion and Analysis of Financial Condition and Results of Operations

Special Note Regarding Forward-Looking Statements

This periodic report contains certain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 with respect to the Plan of Operations provided below, including information regarding the Company s financial condition, results of operations, business strategies, operating efficiencies or synergies, competitive positions, growth opportunities, and the plans and objectives of management. The statements made as part of the Plan of Operations that are not historical facts are hereby identified as "forward-looking statements."

Critical Accounting Policies and Estimates

The preparation of financial statements and related disclosures in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the unaudited Financial Statements and accompanying notes. Management bases its estimates on historical experience and on various other assumptions that are believed to be reasonable under the circumstances. Actual results could differ from these estimates under different assumptions or conditions. The Company believes there have been no significant changes during the six month period ended June 30, 2015, to the items disclosed as significant accounting policies in management's Notes to the Financial Statements in the Company's Annual Report on Form 10-K for the year ended December 31, 2014.

Corporate History

Pacific Ventures Group, Inc. (Pacific Ventures or the Company) was incorporated under the laws of the State of Delaware on October 3, 1986. Pacific Ventures operated as an insurance holding company that, through its subsidiaries, marketed and underwrote specialized property and casualty coverage in the general aviation insurance marketplace. Historically, the Company's business has been organized into three divisions. In 1997, after selling several of its divisions, the Company s remaining insurance operations were placed into receivership and the Company ceased operating its insurance business. Since the Company terminated its business operations, management has been focused on settling debts and closing outstanding operations.

Since the termination of its prior business, the Company has had no operations other than seeking an acquisition or merger to bring an operating entity into the Company. The Company does not propose to restrict its search for a business opportunity to any particular industry or geographical area and may, therefore, engage in essentially any business in any industry. The Company 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 risky. Additionally, the Company has only limited resources and may find it difficult to locate good opportunities. There can be no assurance that the Company will be able to identify and acquire any business opportunity which will ultimately prove to be beneficial to the Company and its stockholders. The Company will select any potential business opportunity based on management's business judgment.

Currently, the Company is in the process of investigating potential business ventures which, in the opinion of management, will provide a source of eventual profit to the Company. Such involvement may take many forms, including the acquisition of an existing business or the acquisition of assets to establish subsidiary businesses. At this time, the Company s management has been focused on investigating whether there are merger and acquisition activities in certain targeted industries. To this end, management has focused on the medical and green energy industries. These efforts have been focused on discussions with management in these industries and research.

The Company is not currently conducting any business, nor has it conducted any business for several years. Therefore, it does not possess products or services, distribution methods, competitive business positions, or major customers. The Company does not possess any unexpired patents or trademarks and any and all of its licensing and royalty agreements from the insurance it sought to market in the past have since expired, and are not currently valid. The Company does not employ any employees.

The activities of the Company are subject to several significant risks which arise primarily as a result of the fact that the Company has no specific business and may acquire or participate in a business opportunity based on the decision of management which potentially could act without the consent, vote, or approval of the Company's stockholders. The risks faced by the Company are further increased as a result of its lack of resources and its inability to provide a prospective business opportunity with significant capital.

Plan of Operations

Overview:

The Company has not received any revenue from operations in each of the last two fiscal years. The Company s current operations have consisted of taking such action as management believes necessary to prepare to seek an acquisition or merger with an operating entity. Current and prior officers and directors of the Company have financed the Company's current operations, which have consisted primarily of maintaining in good standing the Company's corporate status, in fulfilling its filing requirements with the Securities and Exchange Commission, including the audit of its financial statements, and in changing the marketplace of its securities.

The financial statements contained in this interim report have been prepared assuming that the Company will continue as a going concern. The Company is not engaged in any revenue producing activities and has not established any source of revenue other than described herein. These factors raise substantial doubt that the Company will be able to continue as a going concern even though management believes that sufficient funding is available to meet its operating needs during the next twelve months. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

Risks associated with the plan of operations:

In its search for a business opportunity, management anticipates that the Company will incur additional costs for legal and accounting fees to locate and complete a merger or acquisition. Other than previously discussed, the Company does not have any revenue producing activities whereby it can meet the financial requirements of seeking a business opportunity. As of June 30, 2015, the Company has approximately $32,734 in current liabilities, and may further obligate itself as it pursues its plan of operations. There can be no assurance that the Company will receive any benefits from the efforts of management to locate a business opportunity.

The Company does not propose to restrict its search for a business opportunity to any particular industry or geographical area and may, therefore, attempt to acquire any business in any industry. The Company has unrestricted discretion in seeking and participating in a business opportunity, subject to the availability of such opportunities, economic conditions, and other factors. Consequently, if and when a business opportunity is selected, such business opportunity may not be in an industry that is following general business trends.

The selection of a business opportunity in which to participate is complex and risky. Additionally, the Company has only limited resources and this fact may make it more difficult to find any such opportunities. There can be no assurance that the Company will be able to identify and acquire any business opportunity which will ultimately prove to be beneficial to the Company and its stockholders. The Company will select any potential business opportunity based on management's business judgment. The Company may acquire or participate in a business opportunity based on the decision of management that potentially could act without the consent, vote, or approval of the Company's stockholders.

Since its inception, the Company has not generated any revenue and it is unlikely that any revenue will be generated until such time as the Company locates a business opportunity to acquire or with which it can merge. However, the Company is not restricting its search to those business opportunities that have profitable operations. Even though a business opportunity is acquired that has revenues or gross income, there is no assurance that profitable operations or net income will result therefrom. Consequently, even though the Company may be successful in acquiring a business opportunity, such acquisition does not assume that a profitable business opportunity is being acquired or that stockholders will benefit through an increase in the market price of the Company's common stock.

The acquisition of a business opportunity, no matter what form it may take, will almost assuredly result in substantial dilution for the Company's current stockholders. Inasmuch as the Company only has its equity securities (its common and preferred stock) as a source to provide consideration for the acquisition of a business opportunity, the Company's issuance of a substantial portion of its authorized common stock is the most likely method for the Company to consummate an acquisition. The issuance of any shares of the Company's common stock will dilute the ownership percentage that current stockholders have in the Company.

The Company does not intend to employ anyone in the future, unless its present business operations were to change. At the present time, management does not believe it is necessary for the Company to have an administrative office and utilizes the mailing address of the Company's president for business correspondence.

Liquidity and Capital Resources

As of June 30, 2015, the Company had a negative $32,734 in working capital with assets of $0 and liabilities of $32,734. If the Company cannot find a new business, it will have to seek additional capital either through the sale of its shares of common stock or through a loan from its officer, stockholders or others. The Company has only incidental ongoing expenses primarily associated with maintaining its corporate status and professional fees associated with accounting and legal costs. The Company will be in need of additional funds to pay ongoing expenses.

Management anticipates that the Company will incur more costs including legal and accounting fees to locate and complete a merger or acquisition. At the present time the Company does not have the assets to meet these financial requirements. Additionally, the Company does not have substantial assets to entice potential business opportunities to enter into transactions with the Company.

It is unlikely that any revenue will be generated until the Company locates a business opportunity that it may acquire or with which it may merge. Management of the Company will be investigating various business opportunities. These efforts may cost the Company not only out of pocket expenses for its management but also expenses associated with legal and accounting costs. There can be no guarantee that the Company will receive any benefits from the efforts of management to locate business opportunities.

If and when the Company locates a business opportunity, management of the Company will give consideration to the dollar amount of that entity s profitable operations and the adequacy of its

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working capital in determining the terms and conditions under which the Company would consummate such an acquisition. Potential business opportunities, no matter which form they may take, will most likely result in substantial dilution for the Company's stockholders as it has only limited capital and no operations.

Results of Operations

For the three months ended June 30, 2015, the Company had a net loss of $9,633 compared to a net loss for the three months ended June 30, 2014, of $5,634. For the six months ended June 30, 2015, the Company had a net loss of $10,108 compared to a net loss for the six months ended June 30, 2014, of $10,084. The Company had no revenue during the three or six months ended June 30, 2015. The Company does not anticipate any revenue until it locates a new business opportunity. The decrease in operating loss for the six months ended June 30, 2015 compared to June 30, 2014 is insignificant.

Off-balance sheet arrangements

The Company does not have any off-balance sheet arrangements and it is not anticipated that the Company will enter into any off-balance sheet arrangements.

Forward-looking Statements

The Private Securities Litigation Reform Act of 1995 (the Act) provides a safe harbor for forward-looking statements made by or on behalf of the Company. The Company and its representatives may from time to time make written or oral statements that are forward-looking, including statements contained in this Quarterly Report and other filings with the Securities and Exchange Commission and in reports to the Company s stockholders. Management believes that all statements that express expectations and projections with respect to future matters, as well as from developments beyond the Company s control including changes in global economic conditions are forward-looking statements within the meaning of the Act. These statements are made on the basis of management s views and assumptions, as of the time the statements are made, regarding future events and business performance. There can be no assurance, however, that management s expectations will necessarily come to pass. Factors that may affect forward-looking statements include a wide range of factors that could materially affect future developments and performance, including the following:

Changes in Company-wide strategies, which may result in changes in the types or mix of businesses in which our Company is involved or chooses to invest; changes in U.S., global or regional economic conditions, changes in U.S. and global financial and equity markets, including significant interest rate fluctuations, which may impede the Company s access to, or increase the cost of, external financing for our operations and investments; increased competitive pressures, both domestically and internationally, legal and regulatory developments, such as regulatory actions affecting environmental activities, the imposition by foreign countries of trade restrictions and changes in international tax laws or currency controls; adverse weather conditions or natural disasters, such as hurricanes and earthquakes, labor disputes, which may lead to increased costs or disruption of operations.

This list of factors that may affect future performance and the accuracy of forward-looking statements is illustrative, but by no means exhaustive. Accordingly, all forward-looking statements should be evaluated with the understanding of their inherent uncertainty.

Item 3. Quantitative and Qualitative Disclosures About Market Risk.

NA-Smaller Reporting Company

Item 4. Controls and Procedures.

Evaluation of Disclosure Controls and Procedures

Mr. Bertolami, the CEO and Principal Financial Officer, evaluated the effectiveness of our disclosure controls and procedures as of the end of the period covered by this report. Based on that evaluation, he concluded that our disclosure controls and procedures as of the end of the period covered by this report were effective such that the information required to be disclosed by the Company in reports filed under the Exchange Act is (i) recorded, processed, summarized and reported within the time periods specified in the SEC s rules and forms and (ii) accumulated and communicated to the CEO and Principal Financial Officer, as appropriate to allow timely decisions regarding disclosure.

Management s Report on Internal Control over Financial Reporting

Management is responsible for establishing and maintaining adequate internal control over financial reporting (as defined in Rule 13a-15(f) under the Exchange Act). Our internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with accounting principles generally accepted in the United States.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Therefore, even those systems determined to be effective can provide only reasonable assurance of achieving their control objectives.

Changes in internal control over financial reporting

There have been no changes in internal control over financial reporting that occurred during the last fiscal quarter that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

PART II - OTHER INFORMATION

ITEM 1. Legal Proceedings

None

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

Recent Sales of Unregistered Securities

The Company has not sold any restricted securities during the three months ended June 30, 2015.

Use of Proceeds of Registered Securities

None; not applicable.

Purchases of Equity Securities by Us and Affiliated Purchasers

During the three months ended June 30, 2015, the Company has not purchased any equity securities nor have any officers or directors of the Company.

ITEM 3. Defaults Upon Senior Securities

The Company is not aware of any defaults upon senior securities.

ITEM 4. Mine Safety Disclosures

None; not applicable.

ITEM 5. Other Information.

<u>Subsequent Events</u>

Share Exchange

On August 14, 2015, the Company entered into that certain Share Exchange Agreement ("Exchange Agreement") with Snobar Holdings, Inc., a Delaware corporation ("Snobar"), and the shareholders of Snobar ("Snobar Shareholders") who hold of record (i) at least 99% and up to 100% of the total issued and outstanding shares of Snobar s Class A Common Stock (Snobar Class A Common Stock) and (ii) 100% of the total issued and outstanding shares of Snobar s Class B Common Stock (Snobar Class B Common Stock). In accordance with the terms and provisions of the Exchange Agreement, the Company shall acquire (i) at least 99% and up to 100% of the total issued and outstanding shares of Snobar Class A Common Stock and (ii) 100% of the total issued and outstanding shares of Snobar Class B Common Stock from the Snobar Shareholders, thus making Snobar a majority-owned subsidiary or wholly-owned subsidiary, in exchange for the issuance to the Snobar Shareholders of at least 22,285,000 and up to 22,500,000 shares of restricted common stock of the Company (the "Exchange") for each share of common stock of Snobar while simultaneously issuing 2,500,000 shares of restricted common stock of the Company (Other Issuance) to certain other persons (Other Persons).

An initial closing date (Initial Closing Date) is anticipated to close by no later than August 31, 2015 but in no event before the Exchange Agreement has been signed by Snobar Shareholders holding at least 80% of the shares of SNO common stock outstanding. Subsequent to the Initial Closing Date, the Company may complete one or more additional Closings to complete the exchanges provided for in the Exchange Agreement to allow the Company to complete the acquisition of at least 99% and up to 100% of the SNO common stock for a period of up to 30 days after the Initial Closing Date. Upon completion of this part of the acquisition, Snobar will become our majority-owned or wholly-owned subsidiary and the Company s pro-forma shares of common stock outstanding giving effect to the acquisition of Snobar is expected to be approximately at least 25,172,000 and up to 25,387,000 shares of common stock of the company outstanding with at least 22,285,000 and up to 22,500,000 shares or approximately 89% thereof owned by the Snobar Shareholders and 1,000,000 shares of the Company's Series E Preferred Stock" (with a 10 to 1 voting preference over common stock) with 100% thereof owned by a Snobar Shareholder, namely Shannon Masjedi.

Also in accordance with the terms and provisions of the Exchange Agreement: (i) Bob Smith shall be appointed as the Chief Executive Officer and a member of the Board of Directors of the Company; (ii) Shannon Masjedi shall be appointed as the President and Secretary and a member of the Board of Directors of the Company; (iii) Marc Shenkman shall be appointed as the Executive Vice President and a member of the Board of Directors of the Company; and (iv) Brett Bertolami shall resign from all of his positions as an officer of the Company, including, but not limited to, Chief Executive Officer, Chief Financial Officer, Principal Accounting Officer, President and Secretary, and as a member of the Board of Directors of the Company.

Thus, the share exchange will represent a change in control of the Company and a change in business operations. Therefore, based on the change in control of the Company, the business operations of the Company will change to that of Snobar. Snobar is the sole beneficiary of Snobar Trust, a California trust ("Trust"). The Trust owns 100% of the shares of International Production Impex Corporation, a California corporation ("IPIC"). IPIC is the owner of the licenses and trade names "Snobar" and is in the business of selling and distributing alcohol-infused ice creams and ice-pops through its distributors (the "Business"). As a result of the foregoing chain of ownership, Snobar is the beneficiary of all assets, liabilities and any income received from the Business of IPIC.

Through the operations of IPIC, Snobar produces and distributes through third party manufacturers and distributors Snobar alchohol infused popsicles, which are original frozen beverage alcohol bars similar to popsicles on a stick, but created in a way that they are made with premium liquors, such as tequila and vodka. Margarita, Cosmopolitan and Mojito are just a few of the manufactured cocktails that currently exist in the market. The alcohol freezing technology of Snobar can be applied to almost any cocktail/alcohol type and mixture, presenting significant market potential and an almost unlimited variety of quality flavors and employment of premium brands.

In addition, through the operations of IPIC, Snobar produces and distributes through third party manufacturers and distributors Snobar alchohol infused Ice Cream products, which are premium quality ice cream and sorbets that are also distilled spirit cocktails containing 20-30% quality liqueurs and liquors. Currently, there are 50 different Liquor Ice Cream flavors in development in classic ice cream drink flavors such as Irish Cream Ice Cream, Mojito Sorbet, Sherry Ice Cream, Brandy Alexander and Strawberry Margarita Sorbet.

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Snobar products have been through extensive consumer testing across all age groups and sexes over 21 years of age. According to the results of the consumer testing, there is a large untapped market potential for frozen alcohol desserts.

The foregoing is a summary description of the terms and conditions of the Exchange Agreement and does not purport to be complete and is qualified in its entirety by reference to the Exchange Agreement, which is filed as Exhibits 10.1 to this Quarterly Report on Form 10-Q and incorporated by reference herein.

As permitted by Form 8-K, upon the initial closing occurring on August 31, 2015, the Company anticipates filing a Form 8-K on September 4, 2015 pertaining to the consummation of the Share Exchange, including Form 10 information as required by Item 2.01 of Form 8-K.

Amendment to Bylaws

Pursuant to authorization of the Board as permitted by the Delaware General Corporation Law and the provisions of the Company s bylaws (Bylaws), the Bylaws were amended (the Bylaws Amendment) effective as of August 14, 2015 to reflect a change in the name of the Company to Pacific Ventures Group, Inc. (the Company). The Bylaws Amendment replaces all references in the Bylaws to American Eagle Group, Inc. with references to Pacific Ventures Group, Inc. A copy of the Bylaws Amendment is attached to this Quarterly Report on Form 10-Q as Exhibit 3 (iii).

ITEM 6. Exhibits

a) Index of Exhibits:

Exhibit

Table #

Title of Document

Location

3 (i)

Restated and Amended Certificate of Incorporation

This filing

3 (ii)

Bylaws

Incorporated by reference*

3 (iii)

Amendment to Bylaws

This filing

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Specimen Stock Certificate

This filing

10.1

Share Exchange Agreement, dated August 14, 2015,

by and among Pacific Ventures Group, Inc., Snobar

Holdings, Inc., and certain shareholders of Snobar

Holdings, Inc.

This filing

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Computation of loss per share

Notes to financial statements

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Rule 13a-14(a)/15d-14a(a) Certification	CEO & CFO	
This filing		

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Section 1350 Certification CEO & CFO

This filing

101.INS

XBRL Instance

101.XSD

XBRL Schema

101.CAL

XBRL Calculation

101.DEF

XBRL Definition

101.LAB

XBRL Label

101.PRE

XBRL Presentation

* Incorporated by reference from the Company's registration statement on Form 10 filed with the Commission, SEC File No. 000-54584.

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.

Pacific Ventures Group, Inc.

(Registrant)

Dated: August 14, 2015

By: /s/Brett Bertolami

Brett Bertolami

CEO, Principal Financial Officer