

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

Form 10-Q

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

For the quarterly period ended July 31, 2011

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934  
For the transition period from \_\_\_\_\_ to \_\_\_\_\_

000-52452

Commission File Number

DUSSAULT APPAREL INC.

(Exact name of registrant as specified in its charter)

Nevada

(State or other jurisdiction of incorporation or organization)

98-0513727

(I.R.S. Employer Identification No.)

1308 Factory Place, Suite 311, Los Angeles, CA

(Address of principal executive offices)

90013

(Zip Code)

(323) 843-2186

(Registrant's telephone number, including area code)

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

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the 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  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  No

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

Large accelerated filer

Accelerated filer

Non-accelerated filer

Smaller reporting company

(Do not check if a smaller reporting company)

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

Yes [ ] No [ **X** ]

APPLICABLE ONLY TO ISSUERS INVOLVED IN BANKRUPTCY  
PROCEEDINGS DURING THE PRECEDING FIVE YEARS:

Indicate by check mark whether the registrant filed all documents and reports required to be filed by Section 12, 13 or 15(d) of the Securities Exchange Act of 1934 subsequent to the distribution of securities under a plan confirmed by a court.

Yes [ ] No [ ]

APPLICABLE ONLY TO CORPORATE ISSUERS

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**148,890,257 shares of common stock issued and outstanding as of September 15th, 2011.**

*(Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.)*

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**ITEM 1. FINANCIAL STATEMENTS**

The accompanying unaudited financial statements have been prepared in accordance with generally accepted accounting principles for interim financial information and with the instructions for Form 10-Q and Article 210 8-03 of Regulation S-X. Accordingly, they do not include all of the information and footnotes required by generally accepted accounting principles for complete financial statements. In the opinion of management, all adjustments considered necessary for a fair presentation have been included. All such adjustments are of a normal recurring nature. Operating results for the nine month period ended July 31, 2011, are not necessarily indicative of the results that may be expected for the fiscal year ending October 31, 2011. For further information refer to the financial statements and footnotes thereto included in the Company's Annual Report on Form 10-K for the fiscal year ended October 31, 2010.

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**DUSSAULT APPAREL INC.**  
**Balance Sheets**

	July 31, 2011 (Unaudited)	October 31, 2010 (Audited)
<b>ASSETS</b>		
<b>Current assets</b>		
Cash	\$ 13,360	\$ 30,833
Other receivable	3,915	4,016
Inventory	40,251	41,548
GST receivable	8,930	-
Total current assets	<u>66,456</u>	<u>76,397</u>
Notes Receivable	74,898	112,127
Property and Equipment, net	3,204	6,552
Trademark	193,239	183,859
Damage deposits	1,933	1,933
Total assets	<u>\$ 339,730</u>	<u>\$ 380,868</u>
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
<b>Current liabilities</b>		
Accounts payable and accrued liabilities	78,221	13,972
<b>Total current liabilities</b>	<u>78,221</u>	<u>13,972</u>
<b>Other Liabilities</b>		
Loan payable – related party	11,948	-
Loan payable	81,000	88,000
Total Liabilities	<u>171,169</u>	<u>101,972</u>
<b>Shareholders' Equity</b>		
Common stock - \$0.001 par value, authorized 200,000,000 shares; 142,461,686 and 111,990,000 shares issued and outstanding as at July 31, 2011 and October 31, 2010, respectively	142,461	111,990
Additional paid in capital	12,006,500	11,845,352
Accumulated deficit during the development stage	(10,656,773)	(10,656,773)
Deficit	(1,310,389)	(1,028,400)
Accumulated other comprehensive income (loss)	(13,238)	6,727
<b>Total Shareholders' Equity</b>	<u>168,561</u>	<u>278,896</u>
<b>Total Liabilities and Shareholders' Equity</b>	<u>\$ 339,730</u>	<u>\$ 380,868</u>

The accompanying notes are an integral part of these financial statements

**DUSSAULT APPAREL INC.**  
**Statements of Operations and Comprehensive Loss**

	For the three months ended		For the nine months ended	
	July 31,	2010	July 31,	2010
	2011		2011	
<b>Revenue</b>	\$ 8,244	\$ 32,388	\$ 38,446	\$ 209,301
Cost of Sales	2,007	11,942	28,981	81,125
Gross Profit	<u>6,237</u>	<u>20,446</u>	<u>9,465</u>	<u>128,176</u>
<b>General and Administrative Expenses:</b>				
Professional Fees	20,084	17,987	46,691	54,850
Consulting	1,554	-	61,334	-
Salary & wages	-	-	-	201
Advertising	-	10,010	2,734	15,748
Depreciation	1,033	-	3,788	1,337
Other Administrative Expenses	24,645	43,178	97,898	124,105
<b>Total Expenses</b>	<u>47,316</u>	<u>71,175</u>	<u>212,445</u>	<u>196,241</u>
Operating Income (Loss)	(41,079)	(50,729)	(202,980)	(68,065)
<b>Other Income (expense)</b>				
Interest Expense	(8,152)	-	(79,009)	-
<b>Net Income (Loss)</b>	<u>\$ (49,231)</u>	<u>\$ (50,729)</u>	<u>\$ (281,989)</u>	<u>\$ (68,065)</u>
Loss Per Common Share, basic	<u>\$ (0.00)</u>	<u>\$ (0.00)</u>	<u>\$ (0.00)</u>	<u>\$ (0.00)</u>
Weighted Average Number of Common Shares	<u>141,264,502</u>	<u>51,687,000</u>	<u>125,793,895</u>	<u>67,212,000</u>
<b>Comprehensive loss</b>				
Loss	\$ (49,231)	\$ (50,729)	\$ (281,989)	\$ (68,065)
Foreign currency translation adjustment	(8,653)	(92,772)	(19,965)	79,862
<b>Comprehensive income (loss)</b>	<u>\$ (57,884)</u>	<u>\$ (143,501)</u>	<u>\$ (301,954)</u>	<u>\$ 11,797</u>

The accompanying notes are an integral part of these financial statements

**DUSSAULT APPAREL INC.**  
**Statements of Cash Flows**

	For the nine months ended July 31,	
	2011	2010
<b>Cash flows from operating activities:</b>		
Net (loss)	\$ (281,989)	\$ (68,065)
Adjustments to reconcile net loss to net cash used by operating activities:		
Consulting services issued by shares	61,030	-
Depreciation	3,349	1,337
Accrued interest	79,009	-
Occupancy fee against loan receivable	37,229	-
Change in operating assets and liabilities:		
Accounts receivable	101	11,787
Account payable	64,249	(62,600)
Inventory	1,297	(7,189)
GST receivable	(8,930)	-
Deposits	-	(6,536)
Customer Deposits	-	(5,986)
Net cash flows used by operating activities	<u>(44,216)</u>	<u>(137,252)</u>
<b>Cash From Investing Activities:</b>		
Purchase of trade mark	(9,380)	(44,484)
Net cash (used by) investing activities	<u>(9,380)</u>	<u>(44,484)</u>
<b>Cash flows from financing activities:</b>		
Loan to Dayton Boots	-	4,156
Proceeds from related party loan	15,293	86,775
Repayment of related party loan	(3,345)	-
Loan payable	44,580	-
Net cash flows from financing activities	<u>56,528</u>	<u>90,931</u>
<b>Effect of exchange rates on cash</b>	(20,405)	79,862
Net increase (decrease) in cash	(17,473)	(10,943)
Cash and equivalents, beginning of period	30,833	52,991
<b>Cash, end of period</b>	<u>\$ 13,360</u>	<u>\$ 42,048</u>
<b>Supplemental cash flow disclosures:</b>		
Cash paid for interest	\$ -	\$ -
Cash paid for income taxes	\$ -	\$ -
<b>Non cash transactions:</b>		
Convert loan payable to common stock	<u>\$ 50,000</u>	<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

**DUSSAULT APPAREL INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE NINE MONTHS ENDED JULY 31, 2011**  
**(Unaudited – prepared by Management)**

**Note 1 – Basis of Presentation and Nature of Operations**

These interim financial statements as of and for the nine months ended July 31, 2011 reflect all adjustments which, in the opinion of management, are necessary to fairly state the Company's financial position and the results of its operations for the periods presented in accordance with the accounting principles generally accepted in the United States of America. All adjustments are of a normal recurring nature.

These interim financial statements should be read in conjunction with the Company's financial statements and notes thereto included in the Company's fiscal year end October 31, 2010 report. The Company assumes that the users of the interim financial information herein have read, or have access to, the audited financial statements for the preceding period, and that the adequacy of additional disclosure needed for a fair presentation may be determined in that context. The results of operations for the nine month period ended July 31, 2011 are not necessarily indicative of results for the entire year ending October 31, 2011.

Organization

The financial statements presented are those of Dussault Apparel Inc. (the Company). The Company was incorporated under the laws of the State of Nevada on August 1, 2006 as Release Your Lease Inc. Business operations had not commenced when in May, 2007, control of the company changed hands. Jason Dussault bought 1,500,000 common shares of the majority shareholder and assumed the offices of President, CEO, CFO, Secretary and Treasurer, and a Director.

On June 11, 2007 Release Your Lease Inc. effected a reverse forward merger with Dussault Apparel, Inc., a Nevada shell company. The name was changed to Dussault Apparel Inc. The Company changed its orientation toward the retail fashion clothing business. The Company opened a retail clothing and accessory store on Melrose Avenue in Los Angeles in November, 2007. Designs were produced in the Vancouver, Canada office, manufactured in China and warehoused in Los Angeles. The Company closed this store in November, 2008 in the wake of declining sales and deteriorating economic conditions.

Current Business of the Company

The Company moved operations to Vancouver in 2009. In the spring of 2011 its design head office moved to Los Angeles California where it now primarily designs apparel for its licensing partner, the Company continues to wholesale in very limited collections its luxury apparel to retail outlets and to individuals in Canada. Our Apparel is designed in Los Angeles and samples manufactured by our licensing partner in North America. The Company has transitioned from being a manufacturer – wholesaler toward licensing its trademark to other wholesalers in the primarily in the Canadian market, while promoting its marque. The Company also entered into an agreement to purchase the trademark of a cosmetics line. Currently no sales, production or sampling of the cosmetic line has occurred or is planned.

**Note 2 – Summary of Significant Accounting Policies**

Use of Estimates

The preparation of financial statements in accordance with generally accepted accounting principles in the United States of America requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities known to exist as of the date the financial statements are published, and the reported amounts of revenues and expenses during the reporting period. Uncertainties with respect to such estimates and assumptions are inherent in the preparation of the Company's financial statements; accordingly, it is possible that the actual results could differ from these estimates and assumptions and could have a material effect on the reported amounts of the Company's financial position and results of operations.

DUSSAULT APPAREL INC.  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE NINE MONTHS ENDED JULY 31, 2011  
(Unaudited – prepared by Management)

**Note 2 – Summary of Significant Accounting Policies (continued)**

Foreign Currency Translation

The functional currency of the Company is the Canadian Dollar. The Company uses the United States dollar as its reporting currency. All transactions initiated in Canadian Dollars are translated to U.S. Dollars in accordance with ASC 830-10-20 “*Foreign Currency Translation*” as follows:

- Revenue and expense items at the average rate of exchange in effect on the transaction date;
- Non-monetary assets and liabilities at historical exchange rates, unless such items are carried at market, in which case they are translated at the exchange rate in effect on the balance sheet date; and
- Monetary assets and liabilities at the exchange rate at the balance sheet date.

Adjustments arising from such translations are deferred until realization and are included as a separate component of stockholders’ equity (deficit) as a component of comprehensive income (loss). Therefore, translation adjustments are not included in determining net income but reported as other comprehensive income.

For foreign currency transactions, the Company translates these amounts to the Company’s functional currency at the exchange rate effective on the invoice date. If the exchange rate changes between the time of purchase and the time actual payment is made, a foreign exchange transaction gain or loss results which is included in determining net income for the period.

Fair value of financial instruments

The Financial Accounting Standards Board issued ASC (Accounting Standards Codification) 820-10 (SFAS No. 157), “*Fair Value Measurements and Disclosures*” for financial assets and liabilities. ASC 820-10 provides a framework for measuring fair value and requires expanded disclosures regarding fair value measurements. FASB ASC 820-10 defines fair value as the price that would be received for an asset or the exit price that would be paid to transfer a liability in the principal or most advantageous market in an orderly transaction between market participants on the measurement date. FASB ASC 820-10 also establishes a fair value hierarchy which requires an entity to maximize the use of observable inputs, where available. The following summarizes the three levels of inputs required by the standard that the Company uses to measure fair value:

- Level 1: Quoted prices in active markets for identical assets or liabilities.
- Level 2: Observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active, or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the related assets or liabilities.
- Level 3: Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

The carrying amounts of the Company’s financial instruments as of July 31, 2011, reflect

- Cash: Level One measurement based on bank reporting.
- Loans Receivable, Loans Payable: Level 2 based on promissory notes and terms.

DUSSAULT APPAREL INC.  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE NINE MONTHS ENDED JULY 31, 2011  
(Unaudited – prepared by Management)

**Note 2 – Summary of Significant Accounting Policies (continued)**

Loss Per Share

Net loss per share is calculated in accordance with FASB ASC 260, *Earnings Per Share*, for the periods presented. Basic net loss per share is based upon the weighted average number of common shares outstanding. Diluted net loss per share is based on the assumption that all dilutive convertible shares and stock options were converted or exercised. The Company has potentially dilutive securities in convertible loans payable; however the conversion would be anti-dilutive and is not considered in the calculation.

Recent Accounting Pronouncements

In April 2010, the FASB codified the consensus reached in Emerging Issues Task Force Issue No. 08-09, "Milestone Method of Revenue Recognition." FASB ASU No. 2010-29 "Revenue Recognition – Milestone Method (Topic 605)" provides guidance on defining a milestone and determining when it may be appropriate to apply the milestone method of revenue recognition for research and development transactions. FASB ASU No. 2010 – 17 is effective for fiscal years beginning on or after June 15, 2010, and is effective on a prospective basis for milestones achieved after the adoption date. The Company does not expect this ASU has a material impact on its financial position or results of operations at this time.

Going Concern

The Company's financial statements are 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 as at July 31, 2011 had not established an ongoing source of revenues sufficient to cover its operating costs and to allow it to continue as a going concern.

As shown in the accompanying financial statements, the Company continues to incur losses. Its ability to continue as a going concern is dependent on the successful stimulation of wholesale sales or in other areas in order to fund operating losses and become profitable. If the Company is unable to make it profitable, the Company could be forced to cease development of operations. Management cannot provide any assurances that the Company will be successful in its retail operation. The accompanying financial statements do not include any adjustments that might be necessary if the Company is unable to continue as a going concern.

Development-Stage Company

The Company was considered a development-stage company until the current fiscal year, having demonstrated consistent ability to generate sales.

Reclassification

Certain prior years amounts have been reclassified for consistency with current period presentation. These reclassifications had no effect on reported results of operations.

**Note 3 - Trademark**

On April 9, 2010 the Company entered into an asset acquisition agreement with Open Sundaes Ventures Ltd. ("Open Sundaes") for the acquisition of certain assets relating to the business of the production and development of beauty and bath products including inventory, intellectual property and business knowhow. In consideration for the acquisition of these assets, the Company paid \$43,860 and agreed to issue an aggregate of 4,000,002 shares of its common stock to the shareholders of Open Sundaes. The asset acquisition agreement was approved by the shareholders of Open Sundaes at a special meeting held on April 22, 2010. On December 14, 2010, the Company issued a total of 1,026,841 shares pursuant to the asset acquisition agreement. As at the date of these financial statements, the Company has provided the transfer agent with a treasury order to issue the remaining 2,973,161 shares for the acquisition, which would bring the total shares issued pursuant to this agreement, 4,000,002 shares to the shareholders of Open Sundaes and 5,000,000 shares to a creditor of Open Sundaes in settlement of certain debt related to Open Sundaes and agreed to be paid between the parties.

**DUSSAULT APPAREL INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE NINE MONTHS ENDED JULY 31, 2011**  
**(Unaudited – prepared by Management)**

**Note 3 – Trademark (continued)**

The Company recorded the fair value of Trade Mark based on the fair value of shares issued and cash payments. The total value of the trade mark was \$193,239 as of July 31, 2011.

We assess the Trade mark for impairment when events or circumstances indicate that the carrying value may not be recoverable, or, at a minimum, on an annual basis.

**Note 4 - Inventory**

Inventory was moved to the Vancouver office after the retail outlet in Los Angeles was closed in November, 2008.

Inventories are stated at the lower of cost or market value. Market value represents net realizable value. Inventory is priced according to the FIFO "first in first out" method, and counted periodically. Current inventory at July 31, 2011 is \$40,251.

**Note 5 - Note Receivable**

On April 16, 2008 the Company entered into a bridge loan agreement under a promissory note from Dayton Boot Co. Enterprises Ltd. of Vancouver, Canada for \$300,000 in Canadian funds. The terms of the note were that the principal amount, plus 6% simple interest, would be due and payable on the earlier date of a merger transaction concluding between the two parties, or December 31, 2008. The note is accompanied by restrictions on Dayton Boot regarding the acquisition of stock or votes or control of the Company or selling its stock to the Company.

The anticipated merger did not take place. By mutual agreement the requirement to pay interest will not be enforced, and the note is being amortized by monthly rent charged in the amount of CAD\$4,000 by Dayton for Company offices at Dayton premises. Management analyzed the note for impairment and decided to write down the note by \$109,735 or approximately 50% to \$112,127 based upon the expected recovery of the note through rent charges. As of July 31, 2011, the balance of the note receivable is \$74,898.

**Note 6 - Notes Payable**

On April 1, 2010 the Company issued a promissory note to Perati Finance Corporation for \$38,000. The note matures in five years and accrues interest at 8%. The loan is convertible to common stock at a conversion price of 58% of the market price. The balance on this note as at July 31, 2011 is \$38,000 plus accrued interest which is reflected in accounts payable of \$3,518.

On May 12, 2010 the Company issued a promissory note to Asher Enterprises, Inc., a Delaware corporation, for \$50,000. The note matured February 14, 2011 and accrues interest at 8% or alternately 22% in the event of default. The loan is convertible to common stock at a conversion price of 58% of the market price. Pursuant to the terms of the convertible note, Asher Enterprises, Inc. issued the following conversion notices during the period covered by this report:

- November 30, 2010 - \$8,000 was converted by the issuance of 1,739,130 common shares at a deemed price of \$0.0046
- January 3, 2011 - \$10,000 was converted by the issuance of 3,448,276 common shares at a deemed price of \$0.0029
- January 10, 2011 - \$4,000 was converted by the issuance of 1,379,310 common shares at a deemed price of \$0.0029
- February 15, 2011 - \$10,000 was converted by the issuance of 3,030,303 common shares at a deemed price of \$0.0033
- March 15, 2011 - \$10,000 was converted by the issuance of 4,347,826 common shares at a deemed price of \$0.0023
- April 30, 2011 - \$5,000 was converted by the issuance of 6,250,000 common shares at a deemed price of \$0.0008
- May 17, 2011 - \$3,000 was converted by the issuance of 5,000,000 common shares at a deemed price of \$0.0006

**DUSSAULT APPAREL INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE NINE MONTHS ENDED JULY 31, 2011**  
**(Unaudited – prepared by Management)**

**Note 6 – Notes Payable (continued)**

The difference of \$77,434 between the market value of shares and the deemed price of shares are recorded as an interest expense.

As at July 31, 2011, the balance owing on this note was \$3,000 plus accrued interest which is reflected as accounts payable of \$ 3,035.

On December 2, 2010 the Company issued a promissory note to Asher Enterprises, Inc., a Delaware corporation, for \$40,000. The note matures September 1, 2011 and accrues interest at 8% or alternately 22% in the event of default. The loan is convertible to common stock at a conversion price of 58% of the market price. The balance on this note as at July 31, 2011 is \$40,000 plus accrued interest of \$1,748 which is reflected in accounts payable.

**Note 7 – Prepaid Expenses**

On October 1, 2010, the Company entered into a consulting agreement with Roger Agyagos whereby Roger Agyagos agreed to provide the Company with media relations and marketing services for a six month period. Under the consulting agreement the Company was required to issue 2,000,000 restricted common shares. The Company had previously recorded the consulting services as a prepaid expense in the amount of \$32,200 effected on October 1, 2010. During the period ended April 30, 2011, the Company recorded \$32,200 as consulting fees, thus eliminating the prepaid expense. The Company issued 2,000,000 shares of common stock on January 31, 2011 to Roger Agyagos.

On November 1, 2010, the Company entered a consulting agreement with Sam Pearlman whereby Sam Pearlman has agreed to provide the Company with marketing services for a six month period. Under the consulting agreement the Company was required to issue 1,000,000 restricted common shares. The Company had previously recorded the consulting services as a prepaid expense in the amount of \$10,000 effected on November 1, 2010. During the period ended April 30, 2011, the Company recorded the \$10,000 as consulting fees, thus eliminating the prepaid expense. The Company issued 1,000,000 shares of common stock on December 14, 2010 to Sam Pearlman.

**Note 8 – Common Stock**

On February 15, 2011, Asher Enterprises, Inc. converted the amount of \$10,000 pursuant to their May 12, 2010 convertible promissory note into a total of 3,030,303 common shares of the Company at a deemed price of \$0.0033 per common share.

On March 14, 2011, Asher Enterprises, Inc. converted the amount of \$10,000 pursuant to their May 12, 2010 convertible promissory note into a total of 4,347,826 common shares of the Company at a deemed price of \$0.0023 per common share.

On April 20, 2011, Asher Enterprises, Inc. converted the amount of \$5,000 pursuant to their May 12, 2010 convertible promissory note into a total of 6,250,000 common shares of the Company at a deemed price of \$0.0008 per common share.

On May 17, 2011, Asher Enterprises, Inc. converted the amount of \$3,000 pursuant to their May 12, 2010 convertible promissory note into a total of 5,000,000 common shares of the Company at a deemed price of \$0.0006 per common share.

On May 1, 2011, the Company approved the issuance of the remaining 2,973,161 shares of common stock related to the asset acquisition agreement between the Company and Open Sundaes Ventures Ltd. described above under Note 3 – Trademarks. On June 13, 2011, the Company provided the transfer agent with a treasury order requesting the issuance of the shares. Of the 2,973,161 shares issued, a total of 2,961,858 will be issued to a related party, Jason Sundar who is an officer of the Company. Mr. Sundar will hold the shares in trust to be distributed to various shareholders of Open Sundaes Ventures Ltd. As of the date of this financial statement the shares remain un-issued.

**DUSSAULT APPAREL INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE NINE MONTHS ENDED JULY 31, 2011**  
**(Unaudited – prepared by Management)**

**Note 9 – Related Party Transactions**

During the three month period ended January 31, 2011, the President of the Company, Jason Dussault advanced funds in the amount of \$15,959 (CAD\$16,696) to the Company for working capital. The Company has repaid \$4,011 (CAD\$4,196) to Jason Dussault, leaving \$11,948(CAD\$12,500) on the balance sheet as loan payable – related parties.

**Note 10 – Subsequent Events**

On August 15, 2011, Asher Enterprises, Inc. converted \$4,500 pursuant to their May 12, 2010 convertible promissory note into a total of 6,428,571 common shares of the Company at a deemed price of \$0.0007 per common share.

The Company has evaluated subsequent events from the balance sheet date through the date that the financial statements were issued and determined that there are no additional events to disclose.

## ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

This Quarterly Report on Form 10-Q contains forward-looking statements relating to future events or our future financial performance. In some cases, you can identify forward-looking statements by terminology such as "may", "should", "intends", "expects", "plans", "anticipates", "believes", "estimates", "predicts", "potential", or "continue" or the negative of these terms or other comparable terminology. These statements are only predictions and involve known and unknown risks, uncertainties and other factors which may cause our or our industry's actual results, levels of activity or performance to be materially different from any future results, levels of activity or performance expressed or implied by these forward-looking statements.

Such factors include, among others, the following: international, national and local general economic and market conditions; demographic changes; the ability of the Company to sustain, manage or forecast its growth; the ability of the Company to successfully make and integrate acquisitions; raw material costs and availability; new product development and introduction; existing government regulations and changes in, or the failure to comply with, government regulations; adverse publicity; competition; the loss of significant customers or suppliers; fluctuations and difficulty in forecasting operating results; changes in business strategy or development plans; business disruptions; the ability to attract and retain qualified personnel; the ability to protect technology; and other factors referenced in this and previous filings.

Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee future results, levels of activity or performance. Except as required by applicable law, including the securities laws of the United States, we do not intend to update any of the forward-looking statements to conform these statements to actual results.

Given these uncertainties, readers of this Quarterly Report on Form 10-Q and investors are cautioned not to place undue reliance on such forward-looking statements. The Company disclaims any obligation to update any such factors or to publicly announce the result of any revisions to any of the forward-looking statements contained herein to reflect future events or developments.

All dollar amounts stated herein are in US dollars unless otherwise indicated.

The management's 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 of America ("GAAP"). The following discussion of our financial condition and results of operations should be read in conjunction with our audited financial statements for the year ended July 31, 2010, together with notes thereto.

As used in this quarterly report, the terms "we", "us", "our", and the "Company" mean Dussault Apparel Inc.

### *Corporate History*

We were incorporated on August 1, 2006 in the State Nevada under the name Release Your Lease Inc. Our initial business plan was to create a web-based service for buyers and sellers of leased automobiles. Our stock was listed for trading on the OTC Bulletin Board on March 14, 2007 under the symbol "RLYL". A decision was made by new management, to change the corporate direction of the Company and to pursue opportunities in the retail fashion industry.

Effective June 11, 2007, we completed a merger with our wholly subsidiary Dussault Apparel, Inc. As a result, we changed our name from "Release Your Lease Inc." to "Dussault Apparel Inc." We changed the name of the Company to better reflect the anticipated direction and business of the Company. On June 11, 2007, our symbol changed to "DUSS". The subsidiary was created solely for the purpose of the merger and change of name.

Effective June 11, 2007 we effected a fourteen (14) for one (1) forward stock split of our authorized, issued and outstanding shares. As a result, our authorized capital increased from 75,000,000 shares of common stock with a par value of \$0.001 to 10,050,000,000 shares of common stock with a par value of \$0.001. Our issued and outstanding share capital increased from 3,060,000 shares of common stock to 49,000,000 shares of common stock.

On November 8, 2007, we opened our first retail location on Melrose Avenue, Los Angeles, California. Our Melrose location featured women's and men's Ready-To-Wear collections as well as jewelry, luggage and headwear. On October 31, 2008, we elected to close our store located on Melrose Avenue in Los Angeles, California and ceased all operations relating to this location. Given the losses associated with our Melrose location, and the current market circumstances for retailers, management was of the view such closure was necessary to prevent further losses and conserve working capital.

On April 15, 2009, the Company entered into an assignment of royalty with Jason Dussault. The assignment of royalty provided for the payment by Jason Dussault of 5% of the royalties received by him pursuant to a merchandising license agreement with Gene Simmons Company and USPA Accessories LLC for the license of "Moneybag" intellectual property and related products, pursuant to and in accordance with the terms and conditions of a merchandising license agreement. Jason Dussault agreed to provide sales and design services under a merchandising license agreement in consideration for royalty payments from 4.5% to 7.5% of gross income from sales derived under a merchandising license agreement. From any royalty payments that may become due and payable to Jason Dussault, Mr. Dussault has agreed to assign to our company 5% of the gross income and has agreed to assign to the Company his rights, title and interest in and to the amount of the royalty. We have been advised that the underlying license agreement with Gene Simmons Company and USPA Accessories LLC has been terminated. As a result we will not be receiving any assigned royalty payments.

Between May 15, 2009 and July 10, 2009, we entered into consulting agreements with four (4) consultants, wherein, each of the consultants agreed to provide consulting services to the Company. Pursuant to the terms of the consulting agreements, we have agreed to issue an aggregate of 2,750,000 restricted shares of our company's common stock.

On October 31, 2009, the Company entered into a merchandising license agreement with USPA Accessories, LLC, wherein, we agreed to provide design services under a merchandising license agreement in consideration for royalty payments of 10% of the gross income from the sales derived under a merchandising license agreement. Our head ware collection, "Decuce", is distributed pursuant to this agreement with USPA Accessories, LLC, doing business as Concept One.

On November 10, 2009, the Company entered into a distribution agreement with EHM Holdings for a term of two years, wherein, EHM Holdings holds distribution rights to Deuce Custom Ink brand throughout Canada. Our Deuce collection is distributed pursuant to this agreement with EHM Holdings, pursuant to which we split the gross profit margin from the product sales with them.

On April 9, 2010 our Company entered into an Asset Acquisition Agreement with Open Sundaes Ventures Ltd. ("Open Sundaes") for the acquisition of certain assets relating to the business of the production and development of beauty and bath products including inventory, intellectual property and business knowhow. In consideration for the acquisition of these assets, our company paid \$43,860 and agreed to issue an aggregate of 4,000,002 shares of its common stock to the shareholders of Open Sundaes. The Asset Acquisition Agreement was approved by the shareholders of Open Sundaes at a special meeting held on April 22, 2010.

On January 10, 2011, we announced that we would create a custom design wrap, embroidered interior, and custom metal work for a champion towboat offered by Centurion World Championship Towboats and distributed through award-winning boat dealer, Breakwater Marine. The custom design wrap was unveiled during day one at the 2011 Vancouver International Boat Show, returning February 9th to 13th at its new venue, the Vancouver Convention Centre in Vancouver, British Columbia. The custom one-of-a-kind Dussault Centurion ENZO watercraft, valued at \$150,000.00, was sold to the highest bidder at the end of the Show, with partial proceeds benefiting Canuck Place Children's Hospice and the Make A Wish Foundation. As part of the design project, Jason Dussault also created two custom life jackets and a custom surfboard wrap. These items were on display throughout the show and then awarded to show attendees through a random draw.

We own and operate the following registered internet domain names:

- [www.dussaultapparel.com](http://www.dussaultapparel.com);
- [www.dussualtink.com](http://www.dussualtink.com); and
- [www.deuceink.com](http://www.deuceink.com)
- [www.dussaultjeans.com](http://www.dussaultjeans.com),

We own and operate the following trademark:

- Dussault Custom Ink Trademark.

In addition, we acquired all rights to the trade name "Open Sundaes." As of the date of this report no formal filing reserving this trade name has been made, but it is anticipated that applicable filings will be undertaken in the very near future in order to perfect our rights to this trade name.

Our current business is primarily limited to licensing our Deuce Collection of apparel such as hats and t-shirts, we also will continue to produce limited collections of our Dussault luxury hoodies and Dussault Headwear when deemed economically viable. We also design skateboards and swimwear for promotional events. We outsource the manufacturing of promotional items to third parties. We have also begun selling limited edition prints of our artwork through our company website. Any limited collections of Dussault hoodies and headwear are only produced based upon demand. We outsource the manufacturing of these orders to third parties. Upon submission and receipt of the order the client / retailer is required to prepay 50% of the order, with the balance payable on delivery. When we place the order with a manufacturer for production, we pay for the manufacturing costs upon completion. We do not have any agreements in place for manufacturing, given this model. Given this order by order business model, we can function without maintaining large inventories and reduced warehousing of products. We do incur costs of sample production. Our design functions are carried out at our head office location. Any Dussault hoodies that are produced are manufactured in Canada, licensed products are managed entirely by our license partners we only incur cost of design and sampling the license tee shirts are manufactured in the United States, Canada and China, our licensed headwear is manufactured in China.

We do have distribution agreements in regards to our "Deuce" collection in Canada, and for our headwear collection in the United States as follows:

- On November 10, 2009, our Company entered into a distribution agreement with EHM Holdings for a term of two years, wherein, EHM Holdings holds distribution rights to Deuce Custom Ink brand throughout Canada. Our Deuce collection is distributed pursuant to this agreement with EHM Holdings, pursuant to which we split the gross profit margin from the product sales with them.
- On October 31, 2009, our Company entered into a merchandising license agreement with USPA Accessories, LLC, wherein, our Company agreed to provide design services under a merchandising license agreement in consideration for royalty payments of 10% of the gross income from the sales derived under a merchandising license agreement. Our headwear collection is distributed pursuant to this agreement with USPA Accessories, LLC, doing business as Concept One.

Both of the foregoing distribution/merchandising agreements are non-exclusive.

At present, our products are available in approximately 200 retail locations across the United States and Canada, through approximately 40 different retailers. Of these locations, approximately 140 are Hatworld, which carries our headwear collection. Given that such retailers only carry our products on an order by order basis, we can provide no assurances that such retailers will continue to purchase and carry our products on any ongoing basis.

We will continue to focus on our remaining operations and distribution arrangements and will seek additional opportunities in the apparel retail sector.

In the spring of 2011 its design and head office moved to Los Angeles California where it now primarily designs apparel for its licensing partner, the Company continues to wholesale in very limited collections its luxury apparel to retail outlets and to individuals in Canada.

The Company recently added two additional directors to assist with a review of the current business of the Company as sales have been decreasing and the Company cannot continue to operate its current business unless management can find some potential opportunities to increase sales.

Management has requested a report to the Board so as to evaluate the benefits of maintaining the current business or whether to consider a restructure and to seek other potential business opportunities that may be more profitable and increase stockholder value.

#### **Material Changes in Financial Condition**

##### ***Liquidity & Capital Resources***

As of July 31, 2011, our cash balance was \$13,360, which is a decrease from our cash balance of \$30,833 as of October 31, 2010. The cash balance relates primarily to a loan in the amount of \$40,000 which was negotiated in December, 2010 with Asher Enterprises Inc. We also have other receivables of \$3,915 and a tax receivable of \$8,930. During the nine month period ending July 31, 2011 we used a portion of the loan to pay various operating expenses related to the ongoing management of the Company.

Presently, our revenues are not sufficient to meet our operating and capital expenses. Our capital requirements are difficult to plan in light of our current strategy to limit our operations and our products. Since our inception, we have been dependent on investment capital as an important source of liquidity. Our operations presently are generating negative cash flow, and we do not expect positive cash flow from operations in the near term. We need to secure additional working capital in the short-term in order to sustain our operations and execute our business plan. We have incurred operating losses since inception, and this is likely to continue into the fiscal year ending October 31, 2011. There can be no assurance that additional financing will be available to us when needed or, if available, that it can be obtained on commercially reasonable terms. If we are not able to obtain the additional financing on a timely basis should it be required, or generate significant material revenues from operations, we will not be able to meet our other obligations as they become due and we will be forced to scale down or perhaps even cease our operations.

The management of the Company has appointed other members to join the Board of Directors who may provide assistance in planning the forward strategy of the Company and in assisting in raising capital so that the Company may continue operations.

##### ***Material Changes in Results of Operations***

We are a company primarily in the business of the design of apparel for our licensing partners. We continue to wholesale limited collections of our luxury apparel to retail outlets in Canada. The Company has transitioned from being a manufacturer – wholesaler toward licensing its trademark to other wholesalers in the Canada-U.S. market, while promoting its marque. The Company also entered into an agreement to purchase the trademark of a cosmetics line. To date we have suffered recurring losses from our operations.

Our expenses for the nine month period ending July 31, 2011, were \$212,445, as compared to the same period in 2010 of \$196,241. This increase in expenses was largely attributable to an increase in consulting fees from \$nil (2010) to \$61,334 (2011) and an increase in occupancy costs from \$31,681 (2010) to \$50,369 (2011) and were offset by a decrease in professional fees from \$54,850 (2010) to \$46,691 (2011) and administration expenses from \$72,857 (2010) to \$42,449 (2011). Our revenues for the nine months periods decreased from \$209,301 (2010) to \$38,446 (2011). This decrease was due to the fact that we have limited operations and are not undertaking any marketing campaigns for our products or attaining new customers due to a lack of working capital. We had a net operating loss of (\$202,980) for the nine month period ending July 31, 2011 as compared to a net loss of (\$68,065) for the comparable period ending July 31, 2010. As well we had interest expense for the nine months ended July 31, 2011 in the amount of \$79,009 as compared to no interest expense during the comparable period in 2010.

Net losses for the nine months ended July 31, 2011 were (\$281,989) as compared to (\$68,065) for July 31, 2010, due largely to the changes in operating expenses as detailed above and the interest expense and the substantial decrease in revenues in 2011.

For the three month periods ended July 31, 2011 as compared to July 31, 2010, there were operating losses were (\$41,079) and (\$50,729) respectively, the decrease in operating losses for the period ended July 31, 2011 were largely due to a decrease in administration expenses. Revenues decreased from \$20,446 (2010) to \$6,237 (2011) and interest expense increased from \$nil (2010) to \$8,152 (2011) bringing our net loss to \$49,231 (2011) from \$50,729 (2010).

### ***Off-Balance Sheet Arrangements***

The Company presently does not have any off-balance sheet arrangements.

### ***Going Concern***

We have suffered recurring losses from operations and are dependent on our ability to raise capital from stockholders or other sources to meet our obligations and repay our liabilities arising from normal business operations when they become due. In their report on our audited financial statements for the year ended October 31, 2010, our independent auditors included an explanatory paragraph regarding concerns about our ability to continue as a going concern. Our financial statements as presented in our Form 10-K filed with the SEC on February 14, 2011 contain additional note disclosure describing the circumstances that lead to this disclosure by our independent auditors.

We anticipate that additional funding will be required in the form of equity financing from the sale of our common stock or by loans. At this time, we cannot provide investors with any assurance that we will be able to raise sufficient funding from the sale of our common stock or through a loan from our directors or others to meet our obligations over the next twelve months.

### **ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK**

A smaller reporting company is not required to provide the information required by this Item.

### **ITEM 4T. CONTROLS AND PROCEDURES**

#### *Evaluation of Disclosure Controls and Procedures*

Our management, under supervision and with the participation of the Mr. Jason Dussault, Principal Executive Officer and Mr. Robert Mintak, Principal Financial Officer, evaluated the effectiveness of our disclosure controls and procedures, as defined under Exchange Act Rule 13a-15(e). Based upon this evaluation, the Principal Executive Officer and Principal Financial Officer concluded that, as of July 31, 2011, because of the material weakness in our internal control over financial reporting ("ICFR") described below, our disclosure controls and procedures were not effective.

Disclosure controls and procedures are controls and other procedures that are designed to ensure that required information to be disclosed in our reports filed or submitted under the Securities Exchange Act is recorded, processed, summarized and reported within the 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 required information to be disclosed in our reports filed under the Exchange Act is accumulated and communicated to our management, including our principal executive officer and our principal financial officer, as appropriate, to allow timely decisions regarding required disclosure.

#### *Management's Report on Internal Control over Financial Reporting*

Our management is responsible for establishing and maintaining adequate internal control over financial reporting, as defined under Exchange Act Rules 13a-15(f) and 14d-14(f). Our internal control over financial reporting is designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.

All internal control systems, no matter how well designed, have inherent limitations and may not prevent or detect misstatements. Therefore, even those systems determined to be effective can only provide reasonable assurance with respect to financial reporting reliability and financial statement preparation and presentation. In addition, projections of any evaluation of effectiveness to future periods are subject to risk that controls become inadequate because of changes in conditions and that the degree of compliance with the policies or procedures may deteriorate.

Management assessed the effectiveness of our internal control over financial reporting as of July 31, 2011. In making the assessment, management used the criteria issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) in Internal Control-Integrated Framework. Based on its assessment, management concluded that, as of July 31, 2011, our internal control over financial reporting was not effective and that material weaknesses in ICFR existed as more fully described below.

As defined by Auditing Standard No. 5, "An Audit of Internal Control Over Financial Reporting that is Integrated with an Audit of Financial Statements" established by the Public Company Accounting Oversight Board ("PCAOB"), a material weakness is a deficiency or combination of deficiencies that results in more than a remote likelihood that a material misstatement of annual or interim financial statements will not be prevented or detected. In connection with the assessment described above, management identified the following control deficiencies that represent material weaknesses as of July 31, 2011:

- 1) Lack of an independent audit committee or audit committee financial expert, and no independent directors. We do not have an audit committee. This factor may be counter to corporate governance practices as defined by the various stock exchanges and may lead to less supervision over management;
- 2) Inadequate staffing and supervision within our bookkeeping operations. We have a consulting firm involved in bookkeeping functions. The fact that the accounting staff providing bookkeeping functions are all from the same firm of consultants prevents us from segregating duties within our internal control system. The inadequate segregation of duties is a weakness because it could lead to the untimely identification and resolution of accounting and disclosure matters or could lead to a failure to perform timely and effective reviews. This may result in a failure to detect errors in spreadsheets, calculations or assumptions used to compile the financial statements and related disclosures as filed with the SEC;
- 3) Outsourcing of our accounting operations. Because there are no employees in our administration, we have outsourced all of our accounting functions to an independent firm. The employees of this firm are managed by supervisors within the firm and are not answerable to the Company's management. This is a material weakness because it could result in a disjunction between the accounting policies adopted by our Board of Directors and the accounting practices applied by the independent firm;
- 4) Insufficient written policies and procedures for accounting and financial reporting with respect to the requirements and application of US GAAP and SEC disclosure requirements.

#### *Changes in Internal Control over Financial Reporting*

As of July 31, 2011, management assessed the effectiveness of our internal control over financial reporting. Based on that evaluation, it was concluded that during the quarter ended and to date, the internal controls and procedures were not effective due to deficiencies that existed in the design or operation of our internal controls over financial reporting. However, management believes these weaknesses did not have an effect on our financial results. During the course of their evaluation, management did not discover any fraud involving management or any other personnel who play a significant role in our disclosure controls and procedures or internal controls over financial reporting.

Due to a lack of financial and personnel resources, we are not able to, and do not intend to, immediately take any action to remediate these material weaknesses. We will not be able to do so until, if ever, we acquire sufficient financing and staff to do so. We will implement further controls as circumstances, cash flow, and working capital permits. Notwithstanding the assessment that our ICFR was not effective and that there were material weaknesses as identified in this report, we believe that our financial statements contained in our Quarterly Report on Form 10-Q for the period ended July 31, 2011, fairly present our financial position, results of operations, and cash flows for the periods covered, as identified, in all material respects.

Management believes that the material weaknesses set forth above were the result of the scale of our operations and intrinsic to our small size. Management also believes that these weaknesses did not have an effect on our financial results.

We are committed to improving our financial organization. As part of this commitment, we will, as soon as funds are available to the Company (1) appoint outside directors to our board of directors sufficient to form an audit committee and who will undertake the oversight in the establishment and monitoring of required internal controls and procedures; (2) create a position to segregate duties consistent with control objectives and to increase our personnel resources. We will continue to monitor and evaluate the effectiveness of our internal controls and procedures and our internal controls over financial reporting on an ongoing basis and are committed to taking further action and implementing additional enhancements or improvements, as necessary, and as funds allow.

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

During the quarter ended July 31, 2011, there were no changes (including corrective actions with regard to significant deficiencies or material weaknesses) in our internal controls over financial reporting that occurred that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

## **PART II – OTHER INFORMATION**

### **ITEM 1. LEGAL PROCEEDINGS**

None

### **ITEM 1A. RISK FACTORS**

A smaller reporting company is not required to provide the information required by this Item.

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

On August 15, 2011, Asher Enterprises, Inc. converted an additional \$4500 pursuant to their May 12, 2010 convertible promissory note into a total of 6,428,571 common shares of the Company at a deemed price of \$0.0007 per common share.

The Company claims an exemption from the registration requirements of the Securities Act of 1933, as amended, for the issuance of shares to Asher Enterprises, Inc. pursuant to Section 4(2) of the Act and/or Rule 506 of Regulation D promulgated thereunder since, among other things, the transaction does not involve a public offering, the purchasers are "accredited investors" and/or qualified institutional buyers, the purchasers have access to information about the Company and its purchase, the purchasers will take the securities for investment and not resale.

### **ITEM 3. DEFAULTS UPON SENIOR SECURITIES**

None.

### **ITEM 4. (REMOVED AND RESERVED)**

### **ITEM 5. OTHER INFORMATION**

On June 22, 2011, Ms. Myung-Ah Melanie Kim and Ms. Maria Kostakou were appointed to the Board of Directors of the Company.

ITEM 6. EXHIBITS

NO.	IDENTIFICATION OF EXHIBIT	
3.1	Articles of Incorporation	Incorporated by reference to our Registration Statement on Form SB-2 filed on January 11, 2007.
3.2	Bylaws	Incorporated by reference to our Registration Statement on Form SB-2 filed on January 11, 2007.
3.3	Articles of Merger	Incorporated by reference to our Form 8-K filed on June 16, 2007.
3.4	Certificate of Change	Incorporated by reference to our Form 8-K filed on June 16, 2007.
10.1	Distribution Agreement dated November 10, 2009, between our company and EHM Holdings.	Incorporated by reference to our Quarterly Report on Form 10-Q filed on March 22, 2010.
10.2	Merchandising License Agreement dated October 31, 2009, between our company and USPA Accessories, LLC.	Incorporated by reference to our Quarterly Report on Form 10-Q filed on March 22, 2010.
10.3	Convertible loan agreement between the Company and Perati Finance Corp dated December 15, 2009	Incorporated by reference to our Form 8-K filed on January 27, 2011
10.4	Asset Acquisition Agreement dated April 9, 2010 between the Company and Open Sundaes Ventures Ltd.	Incorporated by reference to our Form 8-K filed on February 8, 2011
31.1	Certification of Principal Executive Officer filed pursuant to Section 302 of the Sarbanes-Oxley Act of 2002	Filed herewith
31.2	Certification of Principal Financial Officer filed pursuant to Section 302 of the Sarbanes-Oxley Act of 2002	Filed herewith
32.1	Certification of Principal Executive Officer pursuant to 18 U.S.C. Section 1350 as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002	Filed herewith
32.2	Certification of Principal Financial Officer pursuant to 18 U.S.C. Section 1350 as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002	Filed herewith

**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.

**DUSSAULT APPAREL INC.**

**Date:** September 14, 2011

**By:** /s/ Jason Dussault  
**Name:** Jason Dussault  
**Title:** Chief Executive Officer and President (Principal Executive Officer)

**By:** /s/ Robert Mintak  
**Name:** Robert Mintak  
**Title:** Chief Financial Officer (Principal Financial Officer and Principal Accounting Officer)

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**RULE 13A-14(A)/15D-14(A) CERTIFICATION**

I, Jason Dussault, certify that:

(1) I have reviewed this quarterly report on Form 10-Q of Dussault Apparel Inc.;

(2) Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

(3) Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

(4) The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

(5) The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Registrant's ability to record, process, summarize and report financial information; and

(b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: September 14, 2011

By: /s/ Jason Dussault

Name: Jason Dussault

Title: Principal Executive Officer

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**RULE 13A-14(A)/15D-14(A) CERTIFICATION**

I, Robert Mintak, certify that:

- (1) I have reviewed this quarterly report on Form 10-Q of Dussault Apparel Inc.;
- (2) Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
- (3) Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
- (4) The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - (a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - (b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - (c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - (d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
- (5) The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - (a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Registrant's ability to record, process, summarize and report financial information; and
  - (b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: September 14, 2011

By: /s/ Robert Mintak

Name: Robert Mintak

Title: Principal Financial and Principal Accounting Officer

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EXHIBIT 32

DUSSAULT APPAREL INC.

CERTIFICATION PURSUANT TO  
18 U.S.C. Section 1350,  
AS ADOPTED PURSUANT TO  
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Dussault Apparel Inc. (the "Company") on Form 10-Q for the period ending July 31, 2011 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Jason Dussault, as Principal Executive Officer of the Company, hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in this Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: September 14, 2011

By: /s/ Jason Dussault

Name: Jason Dussault

Title: Principal Executive Officer

A signed original of this written statement required by Section 1350 of Title 18 of the United States Code has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

The foregoing certification is being furnished as an exhibit to the Report pursuant to Item 601(b)(32) of Regulation S-K and Section 1350 of Title 18 of the United States Code and, accordingly, is not being filed with the Securities and Exchange Commission as part of the Report and is not to be incorporated by reference into any filing of the Company under the Securities Act of 1933 or the Securities Exchange Act of 1934 (whether made before or after the date of the Report, irrespective of any general incorporation language contained in such filing.)

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EXHIBIT 32

DUSSAULT APPAREL INC.

CERTIFICATION PURSUANT TO  
18 U.S.C. Section 1350,  
AS ADOPTED PURSUANT TO  
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Dussault Apparel Inc. (the "Company") on Form 10-Q for the period ending July 31, 2011 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Robert Mintak, as Principal Financial Officer and Principal Accounting Officer of the Company, hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in this Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: September 14, 2011

By: /s/Robert Mintak  
Name: Robert Mintak  
Title: Principal Financial Officer and Principal Accounting Officer

A signed original of this written statement required by Section 1350 of Title 18 of the United States Code has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

The foregoing certification is being furnished as an exhibit to the Report pursuant to Item 601(b)(32) of Regulation S-K and Section 1350 of Title 18 of the United States Code and, accordingly, is not being filed with the Securities and Exchange Commission as part of the Report and is not to be incorporated by reference into any filing of the Company under the Securities Act of 1933 or the Securities Exchange Act of 1934 (whether made before or after the date of the Report, irrespective of any general incorporation language contained in such filing.)

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