

Toro Ventures Inc.
Form 10-Q
June 18, 2013

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

FORM 10-Q

(Mark One)

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

For the quarterly period ended December 31, 2008

or

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

For the transition period from _____ to _____

Commission File Number 000-51974

TORO VENTURES INC.

(Exact name of registrant as specified in its charter)

Nevada

(State or other jurisdiction of incorporation or organization)

N/A

(IRS Employer Identification No.)

Suite 632, 22837 Pacific Coast Highway, Malibu, California 90265

(Address of principal executive offices)

(Zip Code)

310-887-6391

(Registrant's telephone number, including area code)

N/A

(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 is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a small 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 (Do not check if a smaller reporting company) 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

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

Check whether the registrant has filed all documents and reports required to be filed by Sections 12, 13 or 15(d) of the Exchange Act after the distribution of securities under a plan confirmed by a court.
 YES NO

APPLICABLE ONLY TO CORPORATE ISSUERS

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date 16,095,000 common shares issued and outstanding as of June 10, 2013

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PART 1 – FINANCIAL INFORMATION

Item 1. Financial Statements.

Our unaudited interim financial statements for the six month period ended December 31, 2008 form part of this quarterly report. They are stated in United States Dollars (US\$) and are prepared in accordance with United States generally accepted accounting principles.

Toro Ventures Inc.

Balance Sheets

	December 31, 2008 (unaudited)	June 30, 2008 (audited)
ASSETS		
CURRENT ASSETS		
Cash	\$—	\$21,809
Accounts Receivable	14,295	—
Subscription Receivable	—	50,000
Total Current Assets	14,295	71,809
Other Assets		
Investment in Franchise	—	25,000
Accumulated Amortization	—	(7,500)
Net Investment in Franchise	—	17,500
Interer in Oil and Gas Properties	317,500	317,500
	\$331,795	\$406,809
LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES		
Accounts payable	\$15,396	\$14,880
Note payable - related party	85,391	35,391
TOTAL CURRENT LIABILITIES	100,787	50,271
STOCKHOLDERS' EQUITY		
Common stock, par value \$0.001, Authorized - 75,000,000 \$0.001 par value common shares Issued - 6,095,000 as of December 31, 2008 and 6,128,750 common shares as of June 30, 2008.	6,095	6,129
Additional paid-in capital	575,405	621,371
Retained Earnings	(350,492)	(270,962)
TOTAL STOCKHOLDERS' EQUITY	231,008	356,538
	\$331,795	\$406,809

See Accompanying Notes to Unaudited Financial Statements

Toro Ventures Inc.
Statement of Operations

	Three Months Ended		Six Months Ended		Cumulative from Date of Inception on April 11, 2005 to 31-Dec-08
	31-Dec-08	31-Dec-07	31-Dec-08	31-Dec-07	31-Dec-08
OIL AND GAS REVENUES	\$—	\$—	\$14,295	\$—	\$14,295
COST OF SALES	—	—	—	—	—
GROSS PROFIT	—	—	14,295	—	14,295
OPERATING EXPENSES					
Regulatory and transfer agent fees	—	—	650	—	2,380
Management Fees	3,000	—	13,642	—	41,843
Professional Fees	—	3,309	59,542	3,339	246,538
Rent	2,335	—	2,446	3,000	48,243
Amortization	—	—	625	625	8,125
Impairment Charge	—	—	16,875	—	16,875
Bank Charges and Interest	—	—	45	24	783
Total Operating Expenses	5,335	3,309	93,825	6,988	364,787
INCOME (LOSS) (BEFORE INCOME TAXES)	(5,335)	(3,309)	(79,530)	(6,988)	(350,492)
PROVISION FOR INCOME TAXES	—	—	—	—	—
NET INCOME (LOSS)	\$(5,335)	\$(3,309)	\$(79,530)	\$(6,988)	\$(350,492)
NET INCOME (LOSS) PER SHARE	\$(0.00)	\$(0.00)	\$(0.01)	\$(0.00)	
WEIGHTED AVERAGE NUMBER OF COMMON SHARES (Diluted)	6,095,000	6,128,750	6,095,000	6,128,750	

See Accompanying Notes to Unaudited Financial Statements

Toro Ventures Inc.
Statements of Operations

	Six months Ended		Cumulative from Date of Inception on April 11, 2005 to 31-Dec-08
	31-Dec-08	31-Dec-07	31-Dec-08
CASH FLOWS FROM OPERATING ACTIVITIES			
Net income (loss)	\$(79,530)	\$(6,988)	\$(350,492)
Adjustments to reconcile net income (loss) to net cash used in operating activities			
Amortization Expense	625	625	8,125
Expense charged to Contributed Surplus	4,000	—	—
Write-off of Franchise Fee	16,875	—	16,875
Shares issued for Properties	317,500	—	342,500
Increase (decrease) in			
Accounts receivable	(14,295)	—	(14,295)
Subscriptions receivable	50,000	—	—
Accounts payable	516	4,931	15,396
Net Cash Provided (Used) by Operating Activities	295,691	(1,432)	18,109
CASH FLOWS FROM INVESTING ACTIVITIES			
Investment in Franchise	—	—	(25,000)
Investment in Oil and Gas Properties	(317,500)	—	(317,500)
Net Cash Provided (Used) by Investing Activities	(317,500)	—	(342,500)
CASH FLOWS FROM FINANCING ACTIVITIES			
Issuance of Capital Stock for cash	(50,000)	—	239,000
Contributed Surplus	—	—	—
Loan from Shareholder	50,000	7,600	85,391
Net Cash Provided (Used) by Financing Activities	—	7,600	324,391
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(21,809)	6,168	—
CASH AND CASH EQUIVALENTS			
Beginning	21,809	958	—
Ending	\$—	\$7,126	\$—
Supplemental Disclosures of Cash Flow Information:			
Stock issued for properties	\$—	\$—	\$342,500
Interest	\$—	\$—	\$—
Taxes	\$—	\$—	\$—

See Accompanying Notes to Unaudited Financial Statements

Toro Ventures Inc.

**Notes to Unaudited Financial Statements
For the Six Months Ended December 31, 2008
(Expressed in U.S. Dollars)**

1. INCORPORATION AND OPERATING ACTIVITIES

Toro Ventures Inc. was incorporated on 11 April 2005, under the laws of the State of Nevada,

The Company is in the development stage and through joint ventures is in the process of exploring its oil and gas properties located in the U.S.A. The recoverability of amounts shown for oil and gas properties are dependent upon the discovery of economically recoverable reserves, confirmation of the Company's interest in the properties, the ability of the Company to obtain necessary finances to complete the development and upon future profitable production or proceeds from the disposition thereof.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Resource Properties - Company follows the successful efforts method of accounting for its oil and gas properties. Unproved oil and gas properties are periodically assessed and any impairment in value is charged to exploration expense. The costs of unproved properties, which are determined to be productive are transferred to proved resource properties and amortized on an equivalent unit-of-production basis. Exploratory expenses, including geological and geophysical expenses and delay rentals for unevaluated resource properties, are charged to expense as incurred. Exploratory drilling costs are charged as expenses until it is determined that the company has proven oil and gas reserves.

Basis of Presentation -These financial statements and related notes are presented in accordance with accounting principles generally accepted in the United States, and are expressed in U.S. dollars. The Company's fiscal year-end is June 30.

Use of Estimates - The preparation of financial statements in accordance with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of net revenue and expenses in the reporting period. We regularly evaluate our estimates and assumptions related to the useful life and recoverability of long-lived assets, stock-based compensation and deferred income tax asset valuation allowances. We base our estimates and assumptions on current facts, historical experience and various other factors that we believe to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities and the accrual of costs and expenses that are not readily apparent from other sources. The actual results experienced by us may differ materially and adversely from our estimates. To the extent there are material differences between our estimates and the actual results, our future results of operations will be affected.

Cash and Cash Equivalents - The Company considers all highly liquid instruments with original maturities of three months or less when acquired, to be cash equivalents. We had no cash equivalents at December 31, 2008 or June 30, 2008, respectively.

Asset Retirement Obligation (ARO) - The estimated costs of restoration and removal of facilities are accrued. The fair value of a liability for an asset's retirement obligation is recorded in the period in which it is incurred and the corresponding cost capitalized by increasing the carrying amount of the related long-lived asset. The liability is accreted to its then present value each period, if the liability is settled for an amount other than the recorded amount, a gain or loss is recognized. The ARO at December 31, 2008 - \$Nil and June 30, 2008 - \$Nil.

Toro Ventures Inc.

**Notes to Unaudited Financial Statements
For the Six Months Ended December 31, 2008
(Expressed in U.S. Dollars)**

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Income Taxes - Potential benefits of income tax losses are not recognized in the accounts until realization is more likely than not. The Company has adopted ASC 740, *Income Taxes*, as of its inception. Pursuant to ASC 740, the Company is required to compute tax asset benefits for net operating losses carried forward. The potential benefits of net operating losses have not been recognized in these financ