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

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

FORM 10-Q

(Mark One)

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

For the quarterly period ended September 30, 2009

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	**N/A**
(State or other jurisdiction of incorporation or organization)	(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.
[X] 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

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Large accelerated filer [ ] Accelerated filer [ ]
Non-accelerated filer [ ] (Do not check if a smaller reporting company) Smaller reporting company [X]
Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act
[ ] YES [X] NO

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 three month period ended September 30, 2009 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 (unaudited)

	September 30, 2009	June 30, 2009
ASSETS		
CURRENT ASSETS		
Cash	$ -	$ -
Total Current Assets	**-**	**-**
Other Assets		
Interer in Oil and Gas Properties	-	-
	$ -	**$ -**
LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES		
Accounts payable	$ 15,396	$ 15,396
Note payable - related party	85,391	85,391
TOTAL CURRENT LIABILITIES	**100,787**	**100,787**
STOCKHOLDERS' EQUITY		
Common stock, par value $0.001, Authorized - 75,000,000, Authorized - 75,000,000 $0.001 par value common shares	6,095	6,095
Issued - 6,095,000 as of September 30, 2009 and 6,095,000 as of June 30, 2009.		
Additional paid-in capital	587,405	583,405
Retained Earnings	(694,287)	(690,287)
TOTAL STOCKHOLDERS' EQUITY	**(100,787)**	**(100,787)**
	$ -	**$ -**

See Accompanying Notes to Unaudited Financial Statements

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TORO VENTURES, INC.
STATEMENT OF OPERATIONS

	Three Months Ended		Cumulative from Date of Inception on April 11, 2005 to
	September 30, 2009	September 30, 2008	September 30, 2009
OIL AND GAS REVENUES	$—	$14,295	$—
OPERATING EXPENSES			
Regulatory and transfer agent fees	—	650	2,380
Management Fees	3,000	10,642	50,843
Professional Fees	—	59,542	246,538
Rent	1,000	111	51,243
Amortization	—	625	8,125
Impairment Charge	—	16,875	334,375
Bank Charges and Interest	—	45	783
Total Operating Expenses	4,000	88,490	364,787
INCOME (LOSS(BEFORE INCOME TAXES	(4,000)	(74,195)	(692,287)
PROVISION FOR INCOME TAXES	—	—	—
NET INCOME (LOSS)	$(4,000)	$(74,195)	$(692,287)
NET INCOME (LOSS) PER SHARE	$(0.00)	$(0.01)	
WEIGHTED AVERAGE NUMBER OF COMMON SHARES (Diluted)	6,095,000	6,128,750	

See Accompanying Notes to Unaudited Financial Statements

Toro Ventures Inc.
Statements of Operations

	Three months Ended September 30		Cumulative from Date of Inception on April 11, 2005 to September 30, 2009
	2009	2008	
CASH FLOWS FROM OPERATING ACTIVITIES			
Net income (loss)	$(4,000)	$(189,551)	$(694,287)
Adjustments to reconcile net income (loss) to net cash used in operating activities			
Amortization Expense	—	2,500	8,125
Expense charged to Contributed Surplus	4,000	—	16,000
Write-off of Properties	—	—	359,375
Shares issued for Properties	—	—	342,500
Increase (decrease) in			
Subscriptions receivable	—	(50,000)	—
Accounts payable	—	(2,198)	15,396
Net Cash Provided (Used) by Operating Activities	—	(239,249)	47,109
CASH FLOWS FROM INVESTING ACTIVITIES			
Investment in Franchise	—	—	(25,000)
Investment in Oil and Gas Properties	—	—	(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)	250,000	239,000
Loan from Shareholder	50,000	10,100	85,391
Net Cash Provided (Used) by Financing Activities	—	260,100	324,391
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(21,809)	20,851	—
CASH AND CASH EQUIVALENTS			
Beginning	21,809	958	—
Ending	$—	$21,809	$—
Supplemental Disclosures of Cash Flow Information:			
Stock issued for properties	$—	$—	$342,500
Interest	$—	$—	$—
Taxes	$—	$—	$—

See Accompanying Notes to Unaudited Financial Statements

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Toro Ventures Inc.

Notes to Unaudited Financial Statements
For the Three Months Ended September 30, 2009
(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 September 30, 2009 or June 30, 2009, respectively.

Asset Retirement Obiligation (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 September 30, 2009 - $Nil and June 30, 2009 - $Nil.

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Toro Ventures Inc.

Notes to Unaudited Financial Statements
For the Three Months Ended September 30, 2009
(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 financial statements because the Company cannot be assured it is more likely than not it will utilize the net operating losses carried forward in future years.

Comprehensive Loss- ASC 220, *Comprehensive Income*, establishes standards for the reporting and display of comprehensive loss and its components in the financial statements. As of September 30, 2009 and 2008, the Company has no items that represent comprehensive loss and, therefore, has not included a schedule of comprehensive loss in the financial statements.

Stock Based Compensation- ASC 718, S*tock-based compensation*, establishes standards for the reporting and display of stock based compensation in the financial statements. During the three months ended September 30, 2009, there was no stock based compensation.

Loss per Common Share- The Company computes net loss per share in accordance with ASC 260, *Earnings Per Share,* which requires presentation of both basic and diluted earnings per share (EPS) on the face of the income statement. Basic EPS is computed by dividing net loss available to common shareholders (numerator) by the weighted average number of shares outstanding (denominator) during the period. Diluted EPS gives effect to all dilutive potential common shares outstanding during the period using the treasury stock method and convertible preferred stock using the if-converted method. In computing Diluted EPS, the average stock price for the period is used in determining the number of shares assumed to be purchased from the exercise of stock options or warrants. Diluted EPS excludes all dilutive potential shares if their effect is anti-dilutive.

Fair Value of Financial Instruments- ASC 820, "*Fair Value Measurements*" and ASC 825, Financial Instruments, requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. It establishes a fair value hierarchy based on the level of independent, objective evidence surrounding the inputs used to measure fair value. A financial instrument's categorization within the fair value hierarchy is based upon the lowest level of input that is significant to the fair value measurement. It prioritizes the inputs into three levels that may be used to measure fair value:

Level 1

Level 1 applies to assets or liabilities for which there are quoted prices in active markets for identical assets or liabilities.

Level 2

Level 2 applies to assets or liabilities for which there are inputs other than quoted prices that are observable for the asset or liability such as quoted prices for similar assets or liabilities in active markets; quoted prices for identical assets or liabilities in markets with insufficient volume or infrequent transactions (less active markets); or model-derived valuations in which significant inputs are observable or can be derived principally from, or corroborated by, observable market data.

Level 3

Level 3 applies to assets or liabilities for which there are unobservable inputs to the valuation methodology that are significant to the measurement of the fair value of the assets or liabilities.

The following schedule summarizes the valuation of financial instruments at fair value on a recurring basis in the balance sheets as of September 30, 2009 and June 30, 2009

Toro Ventures Inc.

Notes to Unaudited Financial Statements
For the Three Months Ended September 30, 2009
(Expressed in U.S. Dollars)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fair Value Measurement at September 30, 2009

	Level 1	Level 2	Level 3
Liabilities			
Asset Retirement Obligations	$ -	$ -	$ -
	$ -	$ -	$ -

Fair Value Measurement at June 30, 2009

	Level 1	Level 2	Level 3
Liabilities			
Asset Retirement Obligations	$ -	$ -	$ -
	$ -	$ -	$ -

There were no transfers of financial assets or liabilities between Level 1 and Level 2 inputs for the three months ended September 30, 2009 and 2007

Recently Adopted Accounting Pronouncements

In July 2012, the FASB issued ASU 2012-02, "Intangibles – Goodwill and Other (Topic 350): Testing Indefinite-Lived Intangible Assets for Impairment" in Accounting Standards Update No. 2012-02. This update amends ASU 2011-08, Intangibles – Goodwill and Other (Topic 350): Testing Indefinite-Lived Intangible Assets for Impairment and permits an entity first to assess qualitative factors to determine whether it is more likely than not that an indefinite-lived intangible asset is impaired as a basis for determ