Toro Ventures Inc.
Form 10QSB
May 14, 2008

U.S. Securities and Exchange Commission

Washington, D.C. 20549

FORM - 10QSB

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

For the quarterly period ended March 31, 2008

or

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

For the transition period from ____________________

Commission File No.

Toro Ventures Inc.

(Name of small business issuer in its charter)

Nevada	**N/A**
(State of Incorporation)	(I.R.S. Employer Identification No.)

Suite 106, 2820 Elliot Ave., Seattle, WA, 98121

(Address of principal executive offices)

206-686-1757

(Registrant's telephone number, including area code)

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

Check whether the issuer (1) filed all reports required to be filed by Section 13 or 15 (d) of the Exchange Act during the past 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes [x] No [ ]

Indicate by check mark whether the registrant is a shell company (as defined by Rule 12b-2 of the Exchange Act). Yes [ ] No [x]

The number of shares of the registrant's common stock, par value $0.001 per share, outstanding as of March 31, 2008 was 6,070,000.

Transitional Small Business Disclosure Format (Check One): Yes [ ] No [x]

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Toro Ventures Inc.

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Part I - FINANCIAL INFORMATION

Toro Venture Inc.

(A Nevada Corporation)

Balance Sheet

March 31, 2008

(Unaudited- Prepared by Managment)

(With Comparative Figures at June 30, 2007)

(Expressed in US Dollars)

	March 31 2008 (Unaudited)	**June 30 2007 (Audited)**
ASSETS		
Current Assets		
Cash	$69,555	$958
Total Current Assets	69,555	958

Investment in Franchise	25,000	25,000
Accumulated Amortization	(6,875)	(5,000)
	18,125	20,000
Interest in Oil and Gas Properties (Note 4)	250,000	-
Total Assets	**$337,680**	**$20,958**

LIABILITIES AND STOCKHOLDERS' EQUITY

Current Liabilities		
Accounts payable and accrued liabilities	$16,545	$17,079
Total Current Liabilities	16,545	17,079
Shareholder Loan (Note 8)	35,951	25,291
Total Liabilities	**51,936**	**42,370**

SHAREHOLDERS' EQUITY (DEFICIT)

Stockholders' Equity (Deficit)		
Capital Stock (Note 6)		
Authorized:		
75,000,000 common shares at $0.001 par value		
Issued and fully paid		
6,070,000 common shares at par value	6,070	5,845
Additional paid in capital	503,930	54,155
Deficit, accumulated during the exploration stage	(224,256)	(81,412)
Total Stockholders' Equity (Deficit)	285,744	(21,412)
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**$337,680**	**$20,958**

Approved on Behalf of the Board
"Frederick Graham", Director and Chief Executive Officer

See Accompanying Notes

TORO VENTURES INC.

(A Nevada Corporation)

Statement of Operations

(Expressed in US Dollars)

(Unaudited - Prepared by Management)

	Three Months Ended March 31, 2008	**Three Months Ended March 31, 2007**	**Nine Months Ended March 31, 2008**	**Inception Date of April 11 2005 to March 31, 2008**
General and Administrative Expenses				
Professional Fees	124,340	-	127,680	165,645
Facilities Costs	3,000	3,000	9,000	36,000
Management Fees	4,111	-	4,111	13,611
Amortization	625	625	1,875	6,875
Regulatory and Transfer Agent Fees	-	375	-	1,545
Bank Charges and Interest	101	33	179	581
Total Expenses	132,176	4,033	142,845	224,256
Net Profit (Loss) for the Period	(132,176)	(4,033)	(142,845)	(224,256)
Net Loss per Share				
Basic Weighted Average Loss Per Share	0.00	0.00		
Fully Diluted Weighted Average Loss Per Share	0.00	0.00		
Weighted Average Number of Shares (Basic and Diluted)	6,070,000	5,845,000		

See Accompanying Notes

TORO VENTURES INC.

(A Nevada Corporation)

Statement of Cash Flows

(Expressed in US Dollars)

(Unaudited - Prepared by Management)

	Nine Months Ended March 31, 2008	Inception Date of April 11 2005 to March 31, 2008
Cash Provided by (Used for) Operating Activities		
Net Profit (Loss) for the period	(142,845)	(224,256)
Adjustment for items not requiring the use of cash		
Amortization Expense	1,875	6,875
Changes in non-cash working capital items		
Accounts Payable and Accrued Liabilities	(533)	16,545
Cash used for operating activities	(141,503)	(200,836)
Cash used in Investing Activities		
Investment in Franchise	-	(25,000)
Investment in Oil and Gas Properties	(250,000)	(250,000)
Cash used for Investing Activities	(250,000)	(275,000)
Cash from Financing Activities		
Issuance of Capital Stock	225	6,070
Paid-In Capital	449,775	503,930
Loan from Stockholder	10,100	35,391
Cash provided by financing activities	460,100	545,391
Cash increase (decrease) during the period	68,597	69,555
Cash, beginning of period	958	-
Cash, end of period	69,555	69,555
Supplementary Information		
Interest Paid	-	-
Income Taxes Paid	-	-

See Accompanying notes

TORO VENTURES INC.

(A Nevada Corporation)

Statement of Stockholder's Equity (Deficiency)

For the Period Ended April 11, 2005 (Date of Incorporation) to March 31, 2008

(Unaudited - Prepared by Management)

(Expressed in U.S. Dollars)

	Number of Common Shares	Par Value	Additional Paid-in Capital	Retained Earnings (Deficit)	Total Stockholders' Equity
Capital Stock Issued for Cash					
- at $0.001	3,000,000	3,000	-	-	3,000
- at $0.01	2,500,000	2,500	22,500		25,000
- at $0.10	70,000	70	6,930		7,000
Shares issued for Investment in Franchise	275,000	275	24,725		25,000
Net loss for the period from date of inception to June 30, 2005				(9,562)	(9,562)
Balance, as at June 30, 2005	5,845,000	5,845	54,155	(9,562)	50,438
Net loss for the period ended June 30, 2006				(48,096)	(48,096)
Balance, as at June 30, 2006	5,845,000	5,845	54,155	(57,658)	2,342
Net loss for the period ended June 30, 2007				(23,754)	(23,754)
Balance, as at June 30, 2007	5,845,000	5,845	54,155	(81,412)	(21,412)
Net loss for the period ended September 30, 2007				(3,679)	(3,679)
Balance, as at September 30, 2007	5,845,000	5,845	54,155	(85,091)	(25,091)
Net loss for the period ended December 31, 2007				(6,989)	(6,989)
Balance, as at December 31, 2007	5,845,000	5,845	54,155	(92,080)	(32,080)
Capital Stock issued for Cash		225	449,775		450,000
- at $2.00					
Net loss for the period ended March 31, 2008				(132,176)	(132,176)

Balance, as at March 31, 2008	6,070,000	6,070	503,930	(224,256)	285,744

See Accompanying Notes

TORO VENTURES INC.

(A Development Stage Company)

NOTES TO THE FINANCIAL STATEMENTS

(Unaudited - Prepared by Management)

(Expressed in USA Dollars)

FOR THE THREE MONTHS ENDED MARCH 31, 2008

1. INCORPORATION AND OPERATING ACTIVITIES

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

U.S.A. Operations, as a development stage company started on that date, i.e., 11 April 2005.

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

Foreign Currency Translation

Monetary assets and liabilities denominated in foreign currencies are translated into USA dollars at the period end exchange rate, non-monetary assets are translated at historical exchange rates and all income and expenses are translated at average exchange rates prevailing during the period. Foreign currency translation adjustments are included in income.

Loss Per Share

Loss per share has been calculated based on the weighted average number of shares outstanding.

Fair Value of Financial Instruments

The respective carrying value of certain on-balance sheet financial instruments approximate their fair values. These financial statements include cash, investment in franchise, oil and gas properties, accounts payable and accrued liabilities and loan from shareholder. Unless otherwise noted, it is management's opinion that the Company is not exposed to significant interest, currency or credit risks arising from these financial instruments. Unless otherwise noted, fair values were assumed to approximate carrying values for these financial instruments since they are short term in nature and their carrying amounts approximate fair values or they are receivable or payable on demand.

Use of Estimates

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

Reporting on the costs of start-up activities

Statement of Position 98-5 (SOP 98-5)

, "Reporting on the Costs of Start-Up Activities," which provides guidance on the financial reporting of start-up costs and organizational costs, to be expensed as incurred. SOP 98-5 is effective for fiscal years beginning after 15 December 1998. With the adoption of SOP 98-5, there has been little or no effect on the Company's financial statements.

Investment in franchise

The investment in a franchise is considered as an intangible asset with a finite life of ten years. In accordance to FAS-142, the intangible asset has been evaluated for impairment by using discounted expected cash flows. No impairment of the intangible asset existed and as a result there is no amortization provided in the current period. The impairment, if any, will be will be tested and evaluated at least on an annual basis for impairment.

The investment in a franchise is stated at cost less accumulated amortization. Amortization is recorded on straight-line basis over the period of benefit which is considered to be the asset's finite life of ten years.

Future Income Taxes

The company recognizes income taxes using an asset and liability approach. Future income tax assets and liabilities are computed annually for differences between the financial statements and bases using enacted tax laws and rates applicable to the periods in which the differences are expressed to affect taxable income.

Year end and Comparative Figures

The Company has adopted June 30 as its fiscal year end. These unaudited financial statements should read in conjunction with the Company's audited financial statements for the year ended June 30, 2007

3. GOING CONCERN

The Company's financial statement are prepared using the generally accepted accounting principles applicable to a going concern, which contemplates the realization of assets and liquidation of liabilities in the normal course of business. However, the Company has not commenced its planned principal operations and has generated no revenues. In order to obtain the necessary capital, the Company is in the process of raising funds from private placement subscriptions. The Company is dependent upon its ability to secure equity and/or debt financing and there are no assurances that the Company will be successful, without sufficient financing it would be unlikely for the Company to continue as a going concern.

The sole officer and director is involved in other business activities and may, in the future, become involved in other business opportunities. If a specific business opportunity becomes available, such persons may face a conflict in selecting between the Company and their other business interests. The Company has not formulated a policy for the resolution of such conflicts.

4. INTEREST IN OIL AND GAS PROPERTIES

a)

By a letter of intent dated March 1, 2008, the Company agreed to acquire a 60% working interest in the Quinlan #3 Oil and Gas lease in Pottowatomie County, Oklahoma in consideration for the payments totaling $450,000.

b) By a turnkey agreement effectively dated March 29, 2008, the Company acquired a 60% working interest in an oil and gas leases known as the Crown Oil and Gas Lease in Pottowatomie County, Oklahoma for $250,000.

5. INVESTMENT IN FRANCHISE

On May 15, 2005, the company entered into an agreement with a Canadian company to acquire the right to establish franchise outlets in parts of the People's Republic of China. The agreement is for 10 years with an option to renew for an additional 10 years after the termination of the initial term. The consideration given for the Right is 275,000 common shares. In addition a 5% royalty is to be paid on all outlet gross sales to the franchisers along with 3% advertising royalty on all outlet gross sales.

At the period end, management believes that there is no impairment of value in the investment, because, the franchise agreement was signed just before the fiscal period end and management performed a calculation using discounted cash flow analysis, to support the lack of impairment. Furthermore, the Company is actively seeking a location for the first franchisee in the Provinces of Hubei or Beijing.

	March 31, 2008	June 30, 2007
Investment In Franchise	25,000	25,000
Accumulated Amortization	6,875	5,000
	18,125	20,000

6. CAPITAL STOCK

Authorized

- 75,000,000 common shares with a par value of $0.001 per share.

Issued

- 6,070,000 common shares at varying subscription prices.

	SHARES

	#	$
For cash	5,795,000	$485,000
For acquisition of franchise	275,000	$25,000
Balance, as of March 31, 2008	6,070,000	$510,000

Although the shares have not been certificated, the By-Laws of the Company treats all uncertificated shares as certificated.

7. INCOME TAXES

The Company has tax losses of $224,256 which may be applied against future taxable income. The Company has not recorded a corresponding future tax asset.

8. LOAN FROM SHAREHOLDER AND RELATED PARTY TRANSACTIONS

A shareholder has loaned the company $35,391, without interest and fixed term of repayment. The loan is unsecured.

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

The following discussion and analysis provides information which management of Toro Ventures Inc. (the "Company") believes to be relevant to an assessment and understanding of the Company's results of operations and financial condition. This discussion should be read together with the Company's financial statements and the notes to financial statements, which are included in this report.

Caution about Forward-Looking Statements

This management's discussion and analysis or plan of operation should be read in conjunction with the financial statements and notes thereto of the Company for the quarter ended March 31, 2008. Because of the nature of a relatively new and growing company the reported results will not necessarily reflect the future.

This section includes a number of forward-looking statements that reflect our current views with respect to future events and financial performance. Forward-looking statements are often identified by words like: believe, expect, estimate, anticipate, intend, project and similar expressions, or words which, by their nature, refer to future events. You should not place undue certainty on these forward-looking statements, which apply only as of the date of this prospectus. These forward-looking statements are subject to certain risks and uncertainties that could cause actual results to differ materially from historical results or our predictions.

Overview

The Company is an exploration stage company engaged in the acquisition and exploration of gas and oil properties. The Company is attempting to acquire interests in the properties and working interests in the production owned by established oil and gas production companies, whether public or private, in the United States oil producing areas. The Company will ensure that the production in which it invests is operated to internationally accepted standards.

The Company intends to continue to acquire high quality oil and gas properties. The Company sees significant opportunities in acquiring properties with proven producing reserves and undeveloped acreage in fields that have a long history of production. The Company will also explore low-risk development drilling and work-over opportunities with experienced, strong operators. The Company will attempt to finance oil and gas operations through a combination of privately placed debt and/or equity. There can be no assurance that the Company will be successful in finding financing, or even if financing is found, that the Company will be successful in acquiring oil and/or gas assets that result in profitable operations.

Results of Operations

The Company experienced general and administration expenses of $132,176 for the quarter ended March 31, 2008, compared to $4,033 for the quarter ended March 31, 2007. The majority of the expenses were related to professional fees incurred by the Company, which totaled $124,340 for the quarter.

For the quarter ended March 31, 2008, the company experienced a net loss of $132,176, and of the period from April 11, 2005 (Inception) to March 31, 2008, the company experienced a net loss of $224,256.

Liquidity and Capital Resources

During the three month period ended March 31, 2008, the Company satisfied its working capital needs by using cash generated from operations and equity from shareholder's initial seed financing. As of March 31, 2008, the Company has cash on hand in the amount of $69,555. Management does not expect that the current level of cash on hand will be sufficient to fund our operations for the next twelve month period. In the event that additional funds are required to maintain operations, our sole officer and director have agreed to advance us sufficient capital to allow us to continue operations. We may also be able to obtain loans from our shareholders, but there are no agreements or understandings in place currently.

We believe we will require additional funding to expand our business and ensure its future profitability. We anticipate that any additional funding will be in the form of equity financing from the sale of our common stock. However, we do not have any arrangements in place for any future equity financing. In the event we are not successful in selling our common stock, we may also seek to obtain short-term loans from our director.

Item 3. Controls and Procedures

(a) Evaluation of Disclosure Controls and Procedures.

Disclosure controls and procedures are designed to ensure that information required to be disclosed in the reports filed or submitted under the Exchange Act is recorded, processed, summarized and reported, within the time period specified in the Commission's rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed in the reports filed under the Exchange Act is accumulated and communicated to management, as appropriate, to allow timely decisions regarding required disclosure. Our current principal executive officer, who is also our principal financial officer, evaluated the effectiveness of our disclosure controls and procedures as of the end of the quarterly period covered by this report pursuant to Rule 15d-15(b) promulgated under the Exchange Act. Based upon that evaluation, our principal executive and financial officer has concluded that our disclosure controls and procedures were effective in alerting management in a timely fashion to all material information required to be included in our periodic filings with the Commission.

(b) Changes in Internal Controls.

There were no significant changes in our internal control over financial reporting (as defined in Rule 13a-15(f) of the Exchange Act) that occurred during the period covered by this report that have materially affected, or are reasonably likely to materially affect, our internal controls over financial reporting.

PART II: OTHER INFORMATION

Items 1, 2, 3, 4 , and 5 are inapplicable.

Item 6: Exhibits

(a) The following exhibit is filed as part of this report:

31.1 Certification of Chief Executive Officer and Chief Financial Officer of Periodic Report pursuant to Rule 13a-14a and Rule 15d-14(a).

32.1 Certification of Chief Financial Officer and Chief Executive Officer of pursuant of Section 1350.

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 May 14, 2008

May 14, 2008	/s/ "Frederick Graham" Mr. Frederick Graham, President