

TAURIGA SCIENCES, INC.
Form 10-Q
August 19, 2013

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 June 30, 2013

OR

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

For the transition period from _____ to _____

Commission file number 000-53723

TAURIGA SCIENCES, INC.
(f/k/a Novo Energies Corporation)
(Exact name of registrant as specified in its charter)

Florida
(State or other jurisdiction of Identification
No.)

65-1102237
(I.R.S. Employer or organization)

39 Old Ridgebury Road
Danbury, CT 06180
(Address of principal executive offices) (Zip Code)

(917) 796-9926
(Registrant's telephone number, including area code)

Securities registered under Section 12(b) of the Exchange Act:
None

Securities registered under Section 12(g) of the Exchange Act:

Common Stock, \$.00001 Par Value
(Title of class)

Check whether the issuer (1) filed all reports required to be filed by Section 13 or 15(d) of the Exchange Act during

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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 No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Website, 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 filer. See definition 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

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

As of July 31, 2013 the registrant had 277,064,604 shares of its Common Stock, \$0.00001 par value, outstanding.

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ITEM 1 FINANCIAL STATEMENTS

TAURIGA SCIENCES, INC. AND SUBSIDIARY
(Formerly Immunovative, Inc. and Subsidiary)
(A DEVELOPMENT STAGE COMPANY)
CONSOLIDATED BALANCE SHEETS

	June 30, 2013 (unaudited)	March 31, 2013
ASSETS		
Current assets:		
Cash	\$ 91,277	\$ 143,034
Other receivables	16,697	7,906
Prepaid expenses	11,792	19,534
Total current assets	119,766	170,474
Equipment, net of depreciation	28,815	28,382
License Agreement, net of amortization	126,604	-
Total other assets	-	-
Total assets	\$ 275,185	\$ 198,856
LIABILITIES AND STOCKHOLDERS' DEFICIT		
Current liabilities:		
Notes payable	\$ 361,425	\$ 225,000
Convertible notes, net of discounts	373,849	106,425
Accounts payable	279,874	277,053
Accrued interest	13,623	8,004
Accrued expenses	148,726	148,348
Accrued professional fees	417,360	418,668
Total current liabilities	1,594,857	1,183,498
Stockholders' deficit		
Common stock, par value \$0.00001; 1,000,000,000 shares authorized, 259,461,968 and 226,449,077 issued and outstanding at June 30, 2013 and March 31, 2013	2,594	2,264
Additional paid-in capital	33,111,580	31,000,267
Accumulated deficit from prior operations	(16,244,237)	(16,244,237)
Accumulated deficit during development stage	(18,192,788)	(15,741,675)
Accumulated other comprehensive loss	3,179	(1,261)
Total stockholders' deficit	(1,319,672)	(984,642)
Total liabilities and stockholders' deficit	\$ 275,185	\$ 198,856

See accompanying notes to unaudited consolidated financial statements.

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TAURIGA SCIENCES, INC. AND SUBSIDIARY
(Formerly Immunovative, Inc. and Subsidiary)
(A DEVELOPMENT STAGE COMPANY)
CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS

(unaudited)

	For the Three Months Ended June 30,		Period from December 12, 2011 (Inception of Development) to June 30, 2013
	2013	2012	
Operating expenses			
General and administrative	\$2,043,713	\$623,601	\$ 14,185,361
Impairment of advances to Immunovative Therapies, Ltd. for future stock ownership	-	243,050	3,533,214
Depreciation and amortization expense	4,343	3,280	50,930
Total operating expenses	2,048,056	869,931	17,769,505
Loss from operations	(2,048,056)	(869,931)	(17,769,505)
Other income (expense)			
Interest expense	(5,615)	(2,502)	(22,025)
Loss on extinguishment of debt	(321,000)	-	(321,000)
Gain on settlement of law suit	-	-	20,000
Amortization of debt discount	(76,442)	-	(100,258)
Total other income (expense)	(403,057)	(2,502)	(423,283)
Net loss	(2,451,113)	(872,433)	(18,192,788)
Other comprehensive income			
Translation adjustment	4,440	(920)	3,179
Comprehensive loss	\$(2,446,673)	\$(873,353)	\$(18,189,609)
Net loss per share (basic and diluted)	\$(0.01)	\$(0.01)	
Weighted average common shares outstanding			
Basic and diluted	239,674,781	122,304,734	

See accompanying notes to unaudited consolidated financial statements.

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TAURIGA SCIENCES, INC. AND SUBSIDIARY
(Formerly Immunovative, Inc. and Subsidiary)
(A DEVELOPMENT STAGE COMPANY)
CONSOLIDATED STATEMENTS OF CASH FLOWS

(unaudited)

	For the Three Months Ended June 30,		Period from December 12, 2011 (Inception of Development) to June 30, 2013
	2013	2012	2013
Cash flows from operating activities			
Net loss	\$(2,451,113)	\$(872,433)	\$(18,192,788)
Adjustments to reconcile net loss to cash provided by (used in) operating activities:			
Stock-based compensation	1,391,112	304,969	9,718,012
Shares issued in Settlement Agreement	-	-	153,000
Impairment of advances to Immunovative Therapies, LTD, for future stock ownership	-	-	3,533,214
Amortization of debt discounts to interest expense	6,009	-	100,258
Depreciation and amortization	4,343	3,280	50,931
Loss on extinguishment of debt	321,000	-	321,000
Decrease (increase) in assets			
Other receivables	(8,791)	-	(16,697)
Prepaid expenses	7,742	-	4,966
Increase (decrease) in liabilities			
Accounts payable	2,821	52,506	150,363
Accrued interest	5,615	2,502	(6,533)
Accrued expenses	378	26,088	91,266
Accrued professional fees	(1,308)	(52,552)	86,958
Related party payables	-	(2,500)	(96,884)
Cash used in operating activities	(722,192)	(538,140)	(4,102,934)
Cash flows from investing activities			
Purchase of equipment	(2,630)	-	(26,450)
Purchase of intangible asset - domain name	-	(7,893)	(7,893)
Purchase of intangible asset - licensing fee	(128,750)	-	(128,750)
Purchase of marketable securities	-	(300,000)	-
Advances to Immunovative Therapies LTD, for future stock ownership	-	-	(3,533,214)
Cash used in investing activities	(131,380)	(307,893)	(3,696,307)
Cash flows from financing activities			
Proceeds from notes payable	-	-	361,425
Repayment of note payable to former chief executive officer	-	(10,000)	(125,503)

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Sale of common stock	119,200	926,876	7,380,677
Proceeds from convertible debentures	678,175	-	716,750
Commissions paid on sale of common stock	-	(120,000)	(643,956)
Cash provided by financing activities	797,375	796,876	7,689,393
Foreign currency translation effect	4,440	(920)	31,582
Net increase / (decrease) in cash	(51,757)	(50,077)	(78,266)
Cash, beginning of period	143,034	619,624	169,543
Cash, end of period	\$91,277	\$569,547	\$ 91,277

See accompanying notes to unaudited consolidated financial statements.

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TAURIGA SCIENCES, INC. AND SUBSIDIARY
(Formerly Immunovative, Inc. and Subsidiary)
(A DEVELOPMENT STAGE COMPANY)
CONSOLIDATED STATEMENTS OF CASH FLOWS

(unaudited)

	For the Three Months Ended June 30,		Period from December 12, 2011 (Inception of Development) to June 30, 2013
	2013	2012	2013
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:			
Interest and Taxes Paid	\$-	\$-	\$ -
NON CASH ITEMS			
Conversion of accounts payable to common stock	\$-	\$-	\$ (95,559)
Conversion of note payable to common stock	\$(175,000)	\$(179,572)	\$ (354,572)
Issuance of common stock to settle commissions on private placement offering	\$-	\$-	\$ (689,000)
Conversion of accrued interest on Caete Invest & Trade, S.A. to common stock	\$-	\$(46,247)	\$ (46,247)
Purchase of intangible asset - domain name with common stock	\$-	\$(25,000)	\$ (25,000)
Issuance of common stock	\$99	\$29	\$ 197
Additional paid in capital	\$174,901	\$250,790	\$ 1,210,181
Beneficial conversion features	\$(105,331)	\$-	\$ (212,940)
Additional paid in capital	\$105,331	\$-	\$ 212,940

See accompanying notes to unaudited consolidated financial statements.

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TAURIGA SCIENCES, INC. AND SUBSIDIARY
(Formerly Immunovative, Inc. and Subsidiary)
(A DEVELOPMENT STAGE COMPANY)
CONSOLIDATED STATEMENT OF STOCKHOLDERS' DEFICIT
For the period from inception December 12, 2011 to June 30, 2013

(unaudited)

	Number of shares	Amount	Additional paid-in capital	Deficit accumulated from prior operations	Deficit accumulated during the development stage	Accumulated other comprehensive income (loss)	Total stockholders' deficit
Balance at December 11, 2012 (Inception)	82,924,466	\$ 829	\$ 15,602,529	\$ (14,593,526)		\$ (31,157)	\$ 978,675
Sale of common stock under private placement agreements at \$0.05 per share	6,624,332	66	331,150				331,216
Issuance of shares under consulting agreements between \$0/10 and \$0.14 per share	14,845,000	148	2,008,152				2,008,300
Issuance of shares in connection with settlement agreements at \$0.14 per share	1,565,000	16	199,484				199,500
Vesting of stock-based compensation			137,247				137,247
Conversion of accrued expenses to common stock	709,090	7	77,993				78,000
Conversion of convertible debts to common stock	10,000,000	100	1,013,950				1,014,050
Issuance of stock options			1,400,000				1,400,000
Net loss for the period April 1, 2011 to				(1,650,711)			(1,650,711)

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December 11, 2011							
Net loss for the period December 12, 2011 (inception of development to March 31, 2012)					\$ (4,595,168)		(4,595,168)
Translation adjustment						28,914	28,914
Balance March 31, 2013	116,667,888	\$ 1,166	\$ 20,770,505	\$ (16,244,237)	\$ (4,595,168)	\$ (2,243)	\$ (69,977)
Sale of common stock under private placement agreements at \$0.10 to \$0.15 per share	48,844,286	489	5,190,633				5,191,122
Amendment to former chief executive officer's employment agreement at \$0.10 per share	2,500,000	25	249,975				250,000
Issuance of shares under consulting contract for strategic planning officer at \$0.10 per share	2,500,000	25	249,975				250,000
Issuance of shares to purchase domain name at \$0.125 per share	200,000	2	24,998				25,000
Issuance of shares under consulting contracts at \$0.10 to \$0.29 per share	30,878,983	308	4,505,881				4,506,189
Issuance of shares to convert Caete Invest & Trade, S.A. debt under	2,720,000	27	225,792				225,819

conversion agreement				
Conversion of accounts payable at \$0.10 per share	1,592,920	16	95,559	95,575
Stock issued for commissions under private placement agreements	5,335,000	53	688,947	689,000
Commission expense paid with stock issuances under private placements			(689,000)	(689,000)
Commission paid under private placement agreements in cash			(643,956)	(643,956)
Issuance of shares to CEO under employment contract for achieving capital raise goal of \$7,500,000 at \$0.25 per share	2,500,000	25	624,975	625,000
Issuance of shares to former CEO under employment contract for achieving capital raise goal of \$7,500,000 at \$0.25 per share	2,500,000	25	624,975	625,000
Issuance of shares to CEO in lieu of salary at a price of \$0.04 to \$0.24 per share	360,000	4	47,396	