

TAURIGA SCIENCES, INC.  
Form 10-Q  
February 19, 2014

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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 December 31, 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 Immunovative, Inc.)  
(Exact name of registrant as specified in its charter)

Florida 65-1102237  
(State or other (I.R.S.  
jurisdiction Employer or  
of Identification organization)  
No.)

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, \$0.00001 Par Value  
(Title of class)

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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  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 February 18, 2014 the registrant had 522,934,923 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

	December 31, 2013	March 31, 2013
<b>ASSETS</b>		
Current assets:		
Cash	\$57,628	\$143,034
Other receivables	1,991	7,906
Investments - available for sale securities	50,000	-
Prepaid expenses	-	19,534
Total current assets	109,619	170,474
Equipment, net of depreciation	26,853	28,382
Other assets:		
Deferred financing costs	85,434	-
Advance to acquire Pilus Energy LLC	70,000	-
License agreements, net of amortization	1,373,431	-
Total assets	\$1,665,337	\$198,856
<b>LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIT)</b>		
Current liabilities:		
Notes payable	\$96,425	\$225,000
Convertible notes, net of discounts	558,773	106,425
Accounts payable	302,488	277,053
Accrued interest	51,343	8,004
Accrued expenses	143,737	148,348
Accrued professional fees	233,965	418,668
Total current liabilities	1,386,731	1,183,498
Stockholders' equity (deficit)		
Common stock, par value \$0.00001; 1,000,000,000 shares authorized, 401,363,096 and 226,449,077 issued and outstanding at December 31, 2013 and March 31, 2013	4,013	2,264
Additional paid-in capital	37,943,812	31,000,267
Accumulated deficit from prior operations	(16,244,237)	(16,244,237)
Accumulated deficit during development stage	(21,230,874)	(15,741,675)
Accumulated other comprehensive loss	(194,108 )	(1,261 )
Total stockholders' deficit	278,606	(984,642 )
Total liabilities and stockholders' equity (deficit)	\$1,665,337	\$198,856

See accompanying notes to unaudited consolidated financial statements.

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

	For the Three Months ended		For the Nine Months Ended		Period from December 12, 2011 (Inception of Development) to December 31, 2013
	December 31,		December 31,		
	2013	2012	2013	2012	2013
Operating expenses					
General and administrative	\$1,162,138	\$2,703,686	\$4,460,880	\$5,479,420	\$ 16,602,528
Impairment of advances to Immunovative Therapies, Ltd. for future stock ownership	-	885,000	-	2,714,049	3,533,214
Depreciation and amortization expense	32,077	587	48,084	8,245	94,671
Total operating expenses	1,194,215	3,589,273	4,508,964	8,201,714	20,230,403
Loss from operations	(1,194,215 )	(3,589,273 )	(4,508,964 )	(8,201,714 )	(20,230,413 )
Other income (expense)					
Interest expense	(7,540 )	(3,410 )	(57,839 )	(5,922 )	(74,249 )
Loss on conversion of debt	-	-	(321,000 )	-	(321,000 )
Gain on settlement of law suit	-	-	-	-	20,000
Amortization of debt discount	(397,404 )	-	(601,396 )	-	(625,212 )
Total other income (expense)	(404,944 )	(3,410 )	(980,235 )	(5,922 )	(1,000,461 )
Net loss	(1,599,159 )	(3,592,683 )	(5,489,199 )	(8,207,636 )	(21,230,874 )
Other comprehensive income (loss)					
Translation adjustment	5,627	(5,706 )	7,153	-	7,153
Impairment on available for sale investments	(77,500 )	-	(200,000 )	-	(200,000 )
Total other comprehensive income (loss)	(71,873 )	(5,706 )	(192,847 )	-	(192,847 )
Comprehensive loss	\$1,671,032	\$(3,598,389 )	\$(5,682,046 )	\$(8,207,636 )	\$(21,423,721 )
Net loss per share (basic and diluted)	\$(0.00 )	\$(0.02 )	\$(0.02 )	\$(0.05 )	

Weighted average common shares  
outstanding

Basic and diluted	347,748,207	196,957,424	258,387,696	156,677,929
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See accompanying notes to unaudited consolidated financial statements.



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

	For the Nine Months Ended		Period from December 12, 2011 (Inception of Development) to December 31, 2013
	December 31, 2013	2012	2013
Cash flows from operating activities			
Net loss	\$(5,489,199)	\$(8,207,636)	\$(21,230,874)
Adjustments to reconcile net loss to cash provided by (used in) operating activities:			
Stock-based compensation	3,101,043	2,924,227	11,498,376
Shares issued in Settlement Agreement	-	-	153,000
Impairment of advances to Immunovative Therapies, LTD, for future stock ownership	-	2,665,050	3,533,214
Amortization of debt discount to interest expense	539,001	3,410	562,817
Depreciation and amortization	48,083	8,245	94,670
Loss on conversion of debt	321,000	-	321,000
Decrease (increase) in assets			
Other receivables	5,915	(109,900 )	(1,991 )
Prepaid expenses	19,534	(14,928 )	16,758
Increase (decrease) in liabilities			
Accounts payable	85,435	147,524	232,977
Accrued salaries and wages	-	7,846	-
Accrued interest	53,339	(31,600 )	41,191
Accrued expenses	(4,611 )	96,678	86,277
Accrued professional fees	(184,703 )	(98,832 )	(96,437 )
Related party payables	-	90,000	(96,884 )
Cash used in operating activities	(1,505,163)	(2,519,916)	(4,885,906 )
Cash flows from investing activities			
Purchase of equipment	(5,134 )	(2,940 )	(28,954 )
Purchase of intangible asset - domain name	-	(7,893 )	(7,893 )
Purchase of license	(168,750 )	-	(168,750 )
Advance to acquire Pilus Energy, LLC	(70,000 )	-	(70,000 )
Advances to Immunovative Therapies LTD, for future stock ownership	-	(2,665,050)	(3,533,214 )
Cash used in investing activities	(243,884 )	(2,675,883)	(3,808,811 )
Cash flows from financing activities			
Proceeds from notes payable	136,425	150,000	361,425

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Repayment of note payable to former chief executive officer	-	(52,364 )	(125,503 )
Sale of common stock	141,350	5,191,123	7,402,827
Proceeds from convertible debentures	1,378,713	-	1,553,713
Commissions paid on sale of common stock	-	(643,956 )	(643,956 )
Cash provided by financing activities	1,656,488	4,644,803	8,548,506
Foreign currency translation effect	7,153	2,243	34,296
Net increase / (decrease) in cash	(85,406 )	(548,753 )	(111,915 )
Cash, beginning of period	143,034	619,624	169,543
Cash, end of period	\$57,628	\$70,871	\$ 57,628

See accompanying notes to unaudited consolidated financial statements.

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

	For the Nine Months Ended		Period from December 12, 2011 (Inception of Development) to December 31, 2013
	December 31, 2013	2012	2013
<b>SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:</b>			
Interest and Taxes Paid	\$-	\$-	\$ -
<b>NON CASH ITEMS</b>			
Conversion of accounts payable to common stock	\$-	\$(65,000 )	\$ (95,559 )
Conversion of convertible notes payable to common stock	\$(1,378,354)	\$(179,572 )	\$ (1,557,926 )
Issuance of common stock to settle commissions on private placement offering	\$-	\$(689,000 )	\$ (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 )
Investments in available for sale securities	\$(250,000 )	\$-	\$ (250,000 )
Impairment of available for sale securities	\$(200,000 )	\$-	\$ (200,000 )
Comprehensive loss	\$200,000	\$-	\$ 200,000
Investment in Green Hygienics, Inc.	\$(106,250 )	\$-	\$ (106,250 )
Issuance of common stock	\$778	\$88	\$ 876
Additional paid in capital	\$2,788,242	\$1,004,731	\$ 3,823,522
Beneficial conversion features	\$(848,014 )	\$(37,500 )	\$ (940,405 )
Additional paid in capital	\$848,014	\$37,500	\$ 940,405
Deferred financing costs	\$85,435		\$ 85,435
Licensing Agreement - Warrant	\$(1,139,851)		\$ (1,139,851 )

See accompanying notes to unaudited consolidated financial statements.

TAURIGA SCIENCES, INC. AND SUBSIDIARY  
(Formerly Immunovative, Inc. and Subsidiary)  
(A DEVELOPMENT STAGE COMPANY)  
CONSOLIDATED STATEMENT OF STOCKHOLDERS' EQUITY (DEFICIT)  
For the period from inception December 12, 2011 to December 31, 2013

	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 debt 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 December 11, 2011				(1,650,711 )				(1,650,711)
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, 2012	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								