

HURON VENTURES INC
Form 10QSB/A
May 19, 2004

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

FORM 10-QSB/A

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

For the quarterly period ended March 31, 2004

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

Commission File number 000-50386

HURON VENTURES INC.

(Exact name of small business issuer as specified in charter)

Delaware
(State or other jurisdiction of
Incorporation or organization)

98 0401645
(I.R.S. Employer
Identification No.)

Suite 2000, 1066 West Hastings Street
Vancouver, British Columbia V6E 3X2
(Address of principal executive offices) (Zip Code)

(604) 601 8206
(Issuer's telephone number)

N/A
(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 Securities Exchange Act of 1934 during the past 12 months (or for such shorter period that the registrant was required to file such reports) Yes No and (2) has been subject to filing requirements for the past 90 days. Yes No

APPLICABLE ONLY TO CORPORATE ISSUERS:

State the number of shares outstanding of each of the issuer's classes of common equity, as of the last practicable date.

<u>Class</u>	<u>Outstanding as of March 31, 2004</u>
Common Stock, \$0.0001 per share	6,982,204
Transitional Small Business Disclosure Format (Check one): Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	

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PART 1 FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

The accompanying consolidated balance sheets of Huron Ventures Inc at March 31, 2004 and June 30, 2003 and the consolidated statements of losses and consolidated statements of cash flows for the nine months ended March 31, 2004 and 2003 have been prepared by the Company's management in conformity with accounting principles generally accepted in the United States of America. In the opinion of management, all adjustments considered necessary for a fair presentation of the results of operations and financial position have been included and all such adjustments are of a normal recurring nature.

Operating results for the nine months ended March 31, 2004, are not necessarily indicative of the results that can be expected for the year ending June 30, 2004.

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HURON VENTURES INC.

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HURON VENTURES INC.
CONDENSED CONSOLIDATED BALANCE SHEETS

	March 31, 2004 (unaudited)	June 30, 2003 (audited)
Assets		
Current assets :		
Cash and cash equivalents	\$ 2,830	\$ 20,000
Total current assets	\$ 2,830	\$ 20,000
Liabilities and (Deficiency in) Stockholders Equity		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 3,500	\$ 2,661
Advance from related party (Note D)	70,000	-
Total current liabilities	73,500	2,661
(Deficiency in) stockholders equity:		
Preferred stock, par value \$.0001 per share; 5,000,000 authorized, 600 shares issued and outstanding at March 31, 2004 and June 30, 2003		
	-	-
Common stock, par value \$.0001 per share; 50,000,000 authorized, 6,982,204 issued and outstanding at March 31, 2004 and June 30, 2003		
	698	698
Additional paid-in capital	6,249,754	6,249,754
Accumulated deficit	(6,321,122)	(6,233,113)
Total (deficiency in) stockholders equity	(70,670)	17,339
	\$ 2,830	\$ 20,000

See accompanying notes to unaudited condensed consolidated financial statements.

HURON VENTURES INC.
CONDENSED CONSOLIDATED STATEMENTS OF LOSSES
UNAUDITED

	<u>For the three months</u>		<u>For the nine months ended</u>	
	<u>March 31,</u>		<u>March 31,</u>	
	<u>2004</u>	<u>2003</u>	<u>2004</u>	<u>2003</u>
Operating expenses:				
Selling, general and administrative expenses	\$ 59,901	\$ -	\$ 88,009	\$ -
Total operating expenses	59,901	-	88,009	-
Loss from operations	(59,901)	-	(88,009)	-
Interest income (expenses)	-	-	-	-
Income (taxes) benefit	-	-	-	-
Net loss	\$ (59,901)	\$ -	\$ (88,009)	\$ -
Loss per share	\$ (0.01)	\$ (0.00)	\$ (0.01)	\$ (0.00)
Weighted Average Shares				
Outstanding	6,982,204	89,211	6,982,204	89,211

See accompanying notes to unaudited condensed consolidated financial statements

HURON VENTURES INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
UNAUDITED

	For the nine months ended March 31,	
	<u>2004</u>	<u>2003</u>
Cash Flows from Operating Activities		
Net loss from operating activities	\$ (88,009)	\$ -
Adjustments to reconcile net loss to net cash (used in) operating activities:		
Increase in accounts payable and accrued liabilities	839	-
Net cash (used in) operating activities	(87,170)	-
Cash Flows from Investing Activities		
	-	-
Cash Flows from Financing Activities		
Advance from related party	70,000	-
Net cash provided by financing activities	70,000	-
Net (decrease) in cash and cash equivalents	(17,170)	-
Cash and cash equivalents at beginning of period	20,000	-
Cash and cash equivalents at end of period	\$ 2,830	\$ -
Supplemental Disclosures of Cash Flow Information:		
Cash paid during the period for interest	\$	\$
Cash paid during the period for taxes		

See accompanying notes to unaudited condensed consolidated financial statements

HURON VENTURES INC.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
MARCH 31, 2004
(UNAUDITED)

NOTE A - SUMMARY OF ACCOUNTING POLICIES

General

The accompanying unaudited condensed financial statements have been prepared in accordance with the instructions to Form 10-QSB, and therefore, do not include all the information necessary for a fair presentation of financial position, results of operations and cash flows in conformity with accounting principles generally accepted in the United States of America for a complete set of financial statements.

In the opinion of management, all adjustments (consisting of normal recurring accruals) considered necessary for a fair presentation have been included. The results from operations for the nine-month period ended March 31, 2004 are not necessarily indicative of the results that may be expected for the year ended June 30, 2004. The unaudited condensed consolidated financial statements should be read in conjunction with the June 30, 2003 financial statements and footnotes thereto included in the Company's Securities and Exchange Commission Form 10-SB.

Business and Basis of Presentation

Huron Ventures, Inc. (the Company) was formed on March 29, 2003 under the laws of the State of Delaware. The Company is inactive with no significant operations and is seeking to merge or acquire an interest in business opportunities. The Company's predecessor, Calypso Enterprises, Inc. (CEI), was incorporated under the laws of the State of Delaware in March, 1997. CEI, formerly known as Americlean, Inc., operated a dry clean supply distribution business from its inception until December 2000 through its wholly owned subsidiaries, Boggs & Company, Inc. and JKG Group, Inc. In December 2000, CEI's principal lender foreclosed on substantially all of its assets and CEI ceased operations. From the foreclosure through June 2003 CEI was an inactive company with no significant operations.

The consolidated financial statements include the accounts of the Company, and its wholly owned subsidiaries, CEI and Calypso Merger, Inc. Significant intercompany transactions have been eliminated in consolidation.

Stock Based Compensation

In December 2002, the FASB issued Statement of Financial Accounting Standards No. 148 (SFAS No. 148), "Accounting for Stock Based Compensation Transition and Disclosure an amendment of SFAS 123." This statement amends SFAS No. 123, "Accounting for Stock Based Compensation," to provide alternative methods of transition for a voluntary change to the fair value based method of accounting for stock based employee compensation. In addition, this statement amends the disclosure requirements of SFAS No. 123 to require prominent disclosures in both annual and interim financial statements about the method of accounting for stock based employee compensation and the effect of the method used on reported results. The Company has chosen to continue to account for stock based compensation using the intrinsic value method prescribed in APB Opinion No. 25 and related interpretations. Accordingly, compensation expense for stock options is measured as the excess, if any, of the fair market value of the Company's stock at the date of the grant over the exercise price of the related option. The Company has adopted the annual disclosure provisions of SFAS No. 148 in its financial reports for the year ended June 30, 2003 and adopted the interim disclosure provisions for its financial reports for the subsequent periods.

HURON VENTURES INC.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
MARCH 31, 2004
(UNAUDITED)

NOTE A - SUMMARY OF ACCOUNTING POLICIES (Continued)Stock Based Compensation (Continued)

Had compensation costs for the Company's stock options been determined based on the fair value at the grant dates for the awards, the Company's net loss and losses per share would have been as follows:

	For the three months ended March 31,		For the nine months ended March 31,	
	<u>2004</u>	<u>2003</u>	<u>2004</u>	<u>2003</u>
Net loss as reported	\$ (59,901)	\$ -	\$ (88,009)	\$ -
Add: Total stock based employee compensation expense as reported under intrinsic value method (APB. No. 25)	-	-	-	-
Deduct: Total stock based employee compensation expense as reported under fair value based method (SFAS No. 123)	-	-	-	-
Net loss Pro Forma	\$ (59,901)	\$ -	\$ (88,009)	\$ -
Net loss attributable to common stockholders				
Pro forma	\$ (59,901)	\$ -	\$ (88,009)	\$ -
Basic (and assuming dilution) loss per share as reported	\$ (0.01)	\$ (0.00)	\$ (0.01)	\$ (0.00)
Basic (and assuming dilution) loss per share Pro forma	\$ (0.01)	\$ (0.00)	\$ (0.01)	\$ (0.00)

New Accounting Pronouncements

On December 17, 2003, the SEC staff released Staff Accounting Bulletin (SAB) No. 104, *Revenue Recognition*. The staff updated and revised the existing revenue recognition in Topic 13, *Revenue Recognition*, to make its interpretive guidance consistent with current accounting guidance, principally EITF Issue No. 00-21, *Revenue Arrangements with Multiple Deliverables*. Also, SAB 104 incorporates portions of the *Revenue Recognition in Financial Statements Frequently Asked Questions and Answers* document that the SEC staff considered relevant and rescinds the remainder. The company's revenue recognition policies are consistent with this guidance; therefore, this guidance did not have an immediate impact on the company's consolidated financial statements.

On March 31, 2004, the Financial Accounting Standards Board (FASB) issued a proposed Statement, *Share-Based Payment, an amendment of FASB Statements No. 123 and 95*, that would require companies to account for stock-based compensation to employees using a fair value method as of the grant date. The proposed statement addresses the accounting for transactions in which a company receives employee services in exchange for equity instruments such as stock options, or liabilities that are based on the fair value of the company's equity instruments or that may be settled through the issuance of such equity instruments, which includes the accounting for employee stock purchase plans. This proposed statement would eliminate a company's ability to account for share-based awards to employees using APB Opinion 25, *Accounting for Stock Issued to Employees* but would not change the accounting for transactions in which a company issues equity instruments for services to non-employees or the accounting for employee stock ownership plans. The proposed statement, if adopted, would be effective for awards that are granted, modified, or settled in fiscal years beginning after December 15, 2004. The Company is in the process of assessing the potential impact of this proposed statement to the consolidated financial statements.

HURON VENTURES INC.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
MARCH 31, 2004
(UNAUDITED)

NOTE B - CAPITAL STOCK

The Company has authorized 50,000,000 shares of common stock, with a par value of \$.0001 per share. The Company has also authorized 5,000,000 shares of preferred stock, with a par value of \$.0001 per share. In October 2001, the Company's Board of Directors approved a one (1) share for seventy five (75) share reverse stock split on its common stock. All common stock share information has been adjusted retroactively in the accompanying consolidated financial statements for all periods presented.

As of March 31, 2004, the Company has 6,982,204 shares of common stock and 600 shares of preferred stock issued and outstanding. The latter designated as Series A Convertible Preferred Stock. Each share of preferred stock may be converted into shares of the Company's common stock, at any time, on the basis of one share of preferred stock for that number of shares of common stock equal to \$ 1,000 divided by the average closing bid price of the Company's common stock for the five trading days immediately prior to the date of conversion, less a 25% discount. The preferred stock does not pay dividends and carries no dividend or voting rights.

In March, 2004 the Company's President recommended to the holders of the Company's Series A Convertible Preferred Stock that they convert their shares into common stock. Subsequent to the date of financial statements, all shareholders of the Company's Series A Convertible Preferred Stock agreed to convert their shares into common stock at an effective price of \$0.06 per share.

NOTE C - STOCK OPTIONS

The following table summarizes the changes in options outstanding and the related prices for the shares of the Company's common stock issued to employees of the Company under a non-qualified employee stock option plan.

	<u>Options Outstanding</u>			<u>Options Exercisable</u>	
	<u>Exercise Prices:</u>	<u>Number Outstanding</u>	<u>Weighted Average Remaining Contractual Life (Years)</u>	<u>Number Exercisable</u>	<u>Weighted Average Exercise Price</u>
	\$ 300.00	1,392	6.75	1,392	\$ 300.00

Transactions involving stock options issued to employees are summarized as follows:

	<u>Number of Shares</u>	<u>Weighted Average Exercise Price</u>
Outstanding at July 1, 2001	1,392	\$ 300.00
Granted	-	-
Exercised	-	-
Cancelled	-	-
Outstanding at June 30, 2002	1,392	\$ 300.00
Granted	-	-
Exercised	-	-

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Cancelled	-	-
Outstanding at June30, 2003	1,392	\$ 300.00
Granted	-	-
Exercised	-	-
Cancelled	-	-
Outstanding at March 31, 2004	1,392	\$ 300.00

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HURON VENTURES INC.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
MARCH 31, 2004
(UNAUDITED)

NOTE C - STOCK OPTIONS (Continued)

If the Company recognized compensation cost for the non-qualified employee stock option plan in accordance with SFAS No. 123, the Company's pro forma net loss and net loss per share would have been \$(88,009) and \$(0.01) per share for the period ended March 31, 2004 and \$(0) and \$(0.00) per share for the period ended March 31, 2003, respectively.

NOTE D - TRANSACTIONS WITH RELATED PARTIES

In January, 2004 the Company's President and principal shareholder advanced to the Company a total of \$70,000 for working capital purpose. The advances are unsecured, payable upon demand and do not bear interest. No formal repayments terms or arrangements exist.

ITEM 2. PLAN OF OPERATION

Huron Ventures, Inc. (the "Company", "we" or "us") is a development stage company whose principal business purpose is to seek, investigate and, if such investigation warrants, merge or acquire an interest in business opportunities presented to us by persons or companies who or which desire to seek the perceived advantages of a Securities Exchange Act of 1934 registered corporation.

Background

We were incorporated on May 29, 2003 as a wholly owned subsidiary of Calypso Enterprises, Inc., a Delaware corporation ("CEI"). On June 3, 2003 we were re organized pursuant to s.251(g) of the Delaware General Corporations Act as the parent holding company of Calypso Merger, Inc. ("CMI") the surviving company of a merger between CEI and CMI (the "Merger"). Prior to the Merger CMI was a wholly owned subsidiary of ours. See "Formation of Holding Company" below. CEI was incorporated in 1997 and its predecessors operations date back to 1941. Until 2000 CEI, through its wholly owned subsidiary Boggs & Company, Inc., operated a dry cleaning and commercial laundry supply business.

Calypso Enterprises, Inc.

CEI was incorporated in March of 1997 as Americlean, Inc. During the period from incorporation to March, 1999 its management was engaged in developing a business model for the dry cleaning and commercial laundry supply industry and negotiating to acquire companies in the dry cleaning industry.

On March 3, 1999 CEI acquired substantially all of the assets of Boggs & Company, Inc. and JKG Group, Inc. (collectively, "Boggs & Company") a dry cleaning supply distribution business with approximately 40 employees located in Charlotte, North Carolina with offices in Jacksonville, Florida. As consideration for the acquisition, CEI paid to Boggs & Company's stockholders a total of \$100,000 in cash and 161,446 shares of CEI's common stock.

As part of this acquisition CEI assumed approximately \$725,000 in liabilities in excess of assets purchased. In addition, CEI agreed to guarantee a credit facility provided by The CIT Group ("CIT") to Boggs & Company in the amount of up to \$3,000,000.

During the period from March, 1999 through November, 1999 the business of Boggs & Company declined significantly and on November 17, 1999 CIT terminated the above reference credit facility effective February 15, 2000. Attempts by Boggs & Company to secure an alternative credit facility during the period November, 1999 through February, 2000 were unsuccessful and CIT terminated its credit facility pursuant to its agreement with Boggs & Company.

Following termination of the credit facility CIT took possession of the assets of Boggs & Company and liquidated same pursuant to the terms of the credit facility. In November of 2000 CIT presented CEI with a demand, pursuant to its guarantee of Boggs & Company's debts, in the amount of \$347,983.94.

In December, 2000 CIT obtained a default judgement against CEI in the amount of \$323,149.66 plus interest, attorneys fees and costs.

Following the liquidation of Boggs & Company by CIT, CEI did not engage in any business operations until August of 2001, at which time it filed its delinquent annual franchise tax filings with the Delaware Secretary of State.

Reorganization and Change of Name

On October 3, 2001 certain of CEI's stockholders holding a majority of its then outstanding common stock approved resolutions amending its Certificate of Incorporation by changing its name from Americlean, Inc. to "Calypso Enterprises, Inc." and consolidating its outstanding common stock by way of reverse stock split on the basis of 1 new share for each 75 then outstanding shares. The amended Certificate of Incorporation was filed with the Delaware Secretary of State on October 5, 2001. As a result of the foregoing, the number of CEI's issued and outstanding common stock was reduced to 89,211.

Purchase of CIT Debt

In May of 2002 Big Sky Management Ltd. of Vancouver, British Columbia ("Big Sky"), approached CIT with the aim of acquiring the interest of CIT in CEI and Boggs & Company, including the credit facility, the guarantee and the judgement referred to above. Big Sky is a British Columbia corporation which is wholly owned by Mr. Eric Boehnke, a Vancouver based businessman.

On June 27, 2002 Big Sky entered into a purchase and sale agreement with CIT pursuant to which CIT agreed to sell to Big Sky all of its right, title and interest in and to the debts and other obligations of CEI and Boggs & Company to CIT for \$15,000. This transaction closed on July 2, 2002 by the payment by Big Sky to CIT of the sum of \$15,000.

Change of Control

On May 6, 2003 CEI's sole director appointed Mr. Eric Boehnke to our board of directors and immediately thereafter resigned. CEI's board of directors then appointed Mr. Boehnke as our President, Secretary and Treasurer.

On May 7, 2003 CEI issued to Big Sky 6,462,993 shares of its common stock at a price of \$0.05 per share in full and complete settlement of CEI's obligations to Big Sky. Big Sky concurrently forgave all obligations of Boggs & Company to it. Also on May 7, 2003 CEI issued to Big Sky 430,000 shares of its common stock at a price of \$0.05 per share for \$21,500 cash. As a result of the foregoing, Big Sky owned 6,892,993 shares of CEI's common stock, being 98.72% of CEI's issued and outstanding common stock.

The price per share of \$0.05 was determined by CEI's board of directors by reference to the bid and ask prices of its common stock on the over the counter market and was approved by a majority of CEI's stockholders.

Formation of Holding Company

On May 29, 2003 we entered into an Agreement and Plan of Merger with CEI and CMI. Prior to the Merger we were a wholly owned subsidiary of CEI and CMI was a wholly owned subsidiary of ours. The Company and CMI were both incorporated on May 29, 2003 pursuant to the laws of the State of Delaware. Pursuant to the terms of the Merger and s. 251(g) of the Delaware General Corporation Law, CEI was merged with and into CMI, with CMI being the surviving company. As consideration for the Merger, each common stockholder of CEI was issued one share of our common stock and each preferred stockholder of CEI was issued one share of preferred stock in exchange for the shares of CEI held by them. The rights and preferences of the common stock and preferred stock issued in the Merger were identical to the rights and preferences of the common stock and preferred stock of CEI that these shares were exchanged for. The Agreement and Plan of Merger was filed with the Delaware Secretary of State on June 3, 2003 and was effective on that date. As a result of the foregoing CMI became our wholly owned subsidiary. The reorganization was effected for the purpose of reorganizing us as a holding company under which we were the parent company of CMI with the exact same shareholder base as CEI had before the reorganization. Immediately after the reorganization, all of the assets and liabilities of CEI continued to be held by CMI.

Disposal of CMI

On June 15, 2003 we entered into a Transfer and Assignment agreement with Osaka Chemical Corp. ("Osaka") of Hong Kong pursuant to which we agreed to sell to Osaka all of our interest in and to CMI for \$20,000. At the time of the sale, CMI had substantial accounts payable from its past business activities and no material assets other than cash of approximately \$12,000 and certain chemical formulas used in the dry cleaning industry. The Transfer and Assignment agreement was approved by Big Sky, our majority shareholder, as required by s.271 of the Delaware General Corporation Law. Osaka is at arms length to us.

Current Operations

Since our reorganization as a holding company, we have not undertaken any business operations. Our plan of business is to seek, investigate and, if such investigation warrants, merge or acquire an interest in business opportunities presented to us by persons or companies who or which desire to seek the perceived advantages of a Securities Exchange Act of 1934 registered corporation.

In order to facilitate the foregoing, on January 16, 2004 we entered into a one year Consulting Agreement with Kashner Davidson Securities Corporation, a registered broker-dealer in Sarasota, Florida, pursuant to which Kashner Davidson agreed to assist us in (i) developing, studying and evaluating business opportunities and merger and acquisition proposals, (ii) obtaining financing. Pursuant to the Consulting Agreement we paid Kashner Davidson the sum of \$50,000.

Liquidity and Capital Resources

As of March 31, 2004, we had a working capital deficit of \$70,670. As a result of our operating losses during the nine month period ended March 31, 2004, we generated a cash flow deficit of \$87,170 from operating activities. No cash flow was provided by investing activities during the nine month period ended March 31, 2004.

Additional financing is required in order to meet our current and projected cash flow deficits from operations and development. We are seeking financing in the form of equity in order to provide the necessary working capital. We currently have no commitments for financing. There is no guarantee that we will be successful in raising the funds required.

The independent auditors report on our June 30, 2003 financial statements states that our recurring losses raise substantial doubts about our ability to continue as a going concern.

In January, 2004 our President, Secretary and Treasurer advanced to us by way of loan a total of \$70,000. The advances are unsecured, payable upon demand and do not bear interest. The advances were used to pay the consideration due pursuant to our Consulting Agreement with Kashner Davidson and for general working capital purposes.

In order to clarify the Company's capital structure and enhance the Company's appeal to a potential merger candidate, in March, 2004 the Company's President recommended to the holders of the Company's Series A Convertible Preferred Stock that they convert their shares into common stock at a price of \$0.06 per share.

In May, 2004 all of the holders of Series A Convertible Preferred Stock submitted conversion notices to convert their preferred shares into an aggregate of 10,000,000 shares of the Company's common stock.

Recent Accounting Pronouncements

On December 17, 2003, the SEC staff released Staff Accounting Bulletin (SAB) No. 104, *Revenue Recognition*. The staff updated and revised the existing revenue recognition in Topic 13, *Revenue Recognition*, to make its interpretive guidance consistent with current accounting guidance, principally EITF Issue No. 00-21, *Revenue Arrangements with Multiple Deliverables*. Also, SAB 104 incorporates portions of the *Revenue Recognition in Financial Statements Frequently Asked Questions and Answers* document that the SEC staff considered relevant and rescinds the remainder. The company's revenue recognition policies are consistent with this guidance; therefore, this guidance did not have an immediate impact on the company's consolidated financial statements.

On March 31, 2004, the Financial Accounting Standards Board (FASB) issued a proposed Statement, *Share-Based Payment, an amendment of FASB Statements No. 123 and 95*, that would require companies to account for stock-based compensation to employees using a fair value method as of the grant date. The proposed statement addresses the accounting for transactions in which a company receives employee services in exchange for equity instruments such as stock options, or liabilities that are based on the fair value of the company's equity instruments or that may be settled through the issuance of such equity instruments, which includes the accounting for employee stock purchase plans. This proposed statement would eliminate a company's ability to account for share-based awards to employees using APB Opinion 25, *Accounting for Stock Issued to Employees* but would not change the accounting for transactions in which a company issues equity instruments for services to non-employees or the accounting for

employee stock ownership plans. The proposed statement, if adopted, would be effective for awards that are granted, modified, or settled in fiscal years beginning after December 15, 2004. The Company is in the process of assessing the potential impact of this proposed statement to the consolidated financial statements.

Product Research and Development

We do not anticipate incurring research and development expenditures during the next 12 months.

Acquisition or Disposition of Plant and Equipment

We do not anticipate the sale of any significant property, plant or equipment during the 12 months. We do not anticipate the acquisition of any significant property, plant or equipment during the next 12 months.

Management and Number of Employees

We are in the development stage and currently have no full time employees. We do not anticipate hiring any full time employees during the next 12 months.

Eric Boehnke is our sole officer and director. There are no persons other than Mr. Boehnke who devote any of their time to our affairs. All references herein to our management are to Eric Boehnke. Mr. Boehnke is also the sole shareholder of Big Sky Management Ltd. Mr. Boehnke, as our president, has agreed to allocate a limited portion of his time to our activities after the effective date of this registration statement without compensation. Potential conflicts may arise with respect to the limited time commitment by Mr. Boehnke and the potential demands of our activities.

The amount of time spent by Eric Boehnke on our activities is not predictable. Such time may vary widely from an extensive amount when reviewing a target company to an essentially quiet time when activities of management focus elsewhere, or some amount in between. It is impossible to predict with any precision the exact amount of time Mr. Boehnke will actually be required to spend to locate a suitable target company. Mr. Boehnke estimates that our business plan can be implemented by devoting approximately 10 to 25 hours per month over the course of several months but such figure cannot be stated with precision, and he will not perform any services on our behalf until after this registration statement has been cleared by the Commission.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

The Company is not exposed to foreign currency risk due to the Company's revenue transactions being conducted in U.S. dollars.

ITEM 4. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

The Company's Chief Executive and its Chief Financial Officer, after evaluating the effectiveness of the Company's disclosure controls and procedures (as defined in the Securities Exchange Act of 1934 Rules 13a-14(c) and 15d-14(c) as of a date within 90 days of the filing date of this quarterly report on Form 10-QSB (the "Evaluation Date"), have concluded that as of the Evaluation Date, the Company's disclosure controls and procedures were adequate and effective to ensure that material information relating to the Company would be made known to it by others within the Company, particularly during the period in which this quarterly report on Form 10-QSB was being prepared.

Changes in Internal Controls

There were not significant changes in the Company's internal controls or in other factors that could significantly affect the Company's disclosure controls and procedures subsequent to the Evaluation Date, nor any significant deficiencies or material weaknesses in such disclosure controls and procedures requiring corrective actions.

PART II OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

Our management is not aware of any legal proceedings contemplated by any governmental authority or any other party involving the Company. No director, officer or affiliate of the Company is (i) a party adverse to the Company in any legal proceedings, or (ii) has an adverse interest to the Company in any legal proceedings. Management is not aware of

any other legal proceedings pending or that have been threatened against the Company.

ITEM 2. CHANGES IN SECURITIES AND USE OF PROCEEDS

The Company has outstanding 6,982,204 shares of common stock and stock options entitling the holders hereof to purchase an additional 1,392 shares as at March 31, 2004. Except as stated herein, there have been no changes in securities since the Company's fiscal year end. The stock options are exercisable at a price of \$300 per share and expire in 2009. The stock option agreements provide for the appropriate adjustment in the class and number of shares issued upon exercise of the options upon the occurrence of certain events, including any subdivision, consolidation or reclassification of the Company's share capital.

We currently have outstanding 600 shares of Series A Convertible Preferred Stock which are held by 21 stockholders. Each share of Series A Convertible Preferred Stock may be converted into shares of our common stock, at any time, on the basis of one share of preferred stock for that number of shares of common stock equal to \$1,000 divided by the average closing bid price of our common stock for the five trading days immediately prior to the date of conversion, less a 25% discount. The Series A Convertible Preferred Stock does not pay dividends and carries no dividend or voting rights. As there are no limits on the number of shares of our common stock that could be issued upon conversion of our preferred stock, the lower the closing bid price of our common stock the greater number of shares of our common stock which could be issued upon conversion of our preferred stock.

In order to clarify the Company's capital structure and enhance the Company's appeal to a potential merger candidate, in March, 2004 the Company's President recommended to the holders of the Company's Series A Convertible Preferred Stock that they convert their shares into common stock.

In May, 2004 all of the holders of Series A Convertible Preferred Stock submitted conversion notices to convert their preferred shares into an aggregate of 10,000,000 shares of the Company's common stock.

ITEM 3. DEFAULT UPON SENIOR SECURITIES

No report is required.

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

Not applicable

ITEM 5. OTHER INFORMATION

Not applicable.

ITEM 6. EXHIBITS AND REPORTS ON FORM 8-K

(a) Exhibits required to be attached by Item 601 of Regulation S-B are listed below and are incorporated herein by this reference.

<u>Exhibit</u> <u>31.1</u>	<u>Certificate pursuant to section 302 of the Sarbanes-Oxley Act of 2002.</u>
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<u>Exhibit</u> <u>31.2</u>	<u>Certificate pursuant to section 302 of the Sarbanes-Oxley Act of 2002.</u>
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	<u>Certificate pursuant to section 906 of the Sarbanes-Oxley Act of 2002.</u>
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Exhibit

32.1

(b) Reports on Form 8-K.

None.

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SIGNATURE

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.

HURON VENTURES INC.

May 18, 2004

/s/ Eric Boehnke

Eric Boehnke
President, Chief Financial Officer, Secretary and Director
