

AVRA INC.  
Form 10-Q  
December 19, 2014

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

**FORM 10-Q**

(Mark One)

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

For the quarterly period ended October 31, 2014

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: 333-182130

**AVRA INC.**

(Exact name of registrant as specified in its charter)

**Nevada**  
(State or other jurisdiction of  
incorporation or organization)

**36-4789798**  
(I.R.S. Employer  
Identification No.)

**3790 El Camino Real, Suite 291, Palo Alto, California**  
(Address of principal executive offices)

**94306**  
(Zip Code)

**844-287-2462**

(Registrant's telephone number, including area code)

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Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the 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.

Yesx Noo

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, 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).

Yesx Noo

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See definitions of “large accelerated filer,” “accelerated filer” and “smaller reporting company” in Rule 12b-2 of the Exchange Act.

Large accelerated filer	<input type="radio"/>	Accelerated filer	<input type="radio"/>
Non-accelerated filer	<input type="radio"/> (Do not check if a smaller reporting company)	Smaller reporting company	<input checked="" type="radio"/>

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes o Nox

Indicate the number of shares outstanding of each of the issuer’s classes of common stock as of the latest practicable date.

Class	Shares outstanding as of December 18, 2014
Common stock, \$0.00001 par value	62,797,084



**PART 1 - FINANCIAL INFORMATION**

**Item 1. Financial Statements.**

**Avra Inc.**

**October 31, 2014**

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**Avra Inc.**  
**Balance Sheets**  
**(Unaudited)**

	October 31,	January 31,
	2014	2014
<b>ASSETS</b>		
Current Assets		
Cash and cash equivalents	\$	-\$ 1,071
Total Assets	\$	-\$ 1,071
<b>LIABILITIES AND STOCKHOLDERS' DEFICIT</b>		
Current Liabilities		
Accounts payable and accrued liabilities	\$ 24,765	\$ 14,638
Short-term loans	63,105	37,440
Due to related party	3,038	-
Total Liabilities	90,908	52,078
Contingencies and Commitments		
Stockholders' Deficit		
Preferred stock, 100,000,000 shares authorized, \$0.00001 par value; no shares issued and outstanding	-	-
Common stock, 300,000,000 shares authorized, \$0.00001 par value; 62,797,084 shares issued and outstanding	628	628
Additional paid-in capital	44,068	44,068
Accumulated deficit	(135,604)	(95,703)
Total Stockholders' Deficit	(90,908)	(51,007)

Total Liabilities and Stockholders' Deficit	\$	-\$	1,071
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The accompanying notes are an integral part of these unaudited financial statements.

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## Avra Inc.

## Statements of Operations

(Unaudited)

	For the Three Months Ended October 31, 2014	For the Three Months Ended October 31, 2013	For the Nine Months Ended October 31, 2014	For the Nine Months Ended October 31, 2013
Expenses				
Bank charges and interest	\$ 38	\$ -	\$ 344	\$ -
General and administrative	1,919	-	2,432	-
Marketing and advertising	500	-	2,400	-
Transfer agent and filing fees	1,557	1,900	6,087	6,635
Professional fees	4,978	4,240	25,633	18,479
Total Operating Expenses	8,992	6,140	36,896	25,114
Other income (expense)				
Foreign exchange gain	76	76	38	241
Interest expense	(1,200)	(170)	(3,043)	(170)
Total other income (expense)	(1,124)	(94)	(3,005)	71
Net Loss	\$ (10,116)	\$ (6,234)	\$ (39,901)	\$ (25,043)
Net Loss Per Common Share – Basic and Diluted	\$ (0.00)	\$ (0.00)	\$ (0.00)	\$ (0.00)
Weighted Average Common Shares Outstanding – Basic and Diluted	62,797,084	62,797,084	62,797,084	62,797,084

The accompanying notes are an integral part of these unaudited financial statements.

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**Avra Inc.**  
**Statements of Cash Flows**  
**(Unaudited)**

	For the Nine Months Ended October 31, 2014	For the Nine Months Ended October 31, 2013
Cash Flows from Operating Activities		
Net loss	\$ (39,901)	\$ (25,043)
Adjustments to reconcile net loss to net cash used in operating activities:		
Changes in operating assets and liabilities:		
Prepaid expense	-	650
Accounts payable and accrued liabilities	10,127	2,072
Net Cash Used in Operating Activities	(29,774)	(22,321)
Cash Flows from Financing Activities		
Proceeds from short-term loans	25,665	22,440
Proceeds from related party advances	3,038	-
Net Cash Provided by Financing Activities	28,703	22,440
(Decrease) increase in cash and cash equivalents	(1,071)	119
Cash and cash equivalents - Beginning of Period	1,071	-
Cash and cash equivalents - End of Period	\$ -	\$ 119
Supplementary Information:		
Interest paid	\$ -	\$ -
Income taxes paid	\$ -	\$ -

The accompanying notes are an integral part of these unaudited financial statements.

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**Avra, Inc.**

**Notes to the Financial Statements**

**(Unaudited)**

1. Nature of Business and Continuance of Operations

We have changed our business direction with the Company now being focused on solutions in the cryptocurrency and digital currency markets, particularly in offering payment solutions to businesses worldwide. However, the company has not completely abandoned its business of marketing and distributing of Smart TV boxes to home consumers throughout the United States. Smart TV boxes are hardware devices that allow consumers to combine all of the benefits of the Internet with the large size and high definition capabilities of TV screens. The Company's new website has been launched and can be found at [www.avraworld.com](http://www.avraworld.com). However, after new initiatives to expand internationally, the company will re-brand and re-launch its new domain to be [www.avraglobal.com](http://www.avraglobal.com). The Company's business model can be broken down into four distinct categories, as follows: AvraPay: To develop a complete, turn-key and painless way for merchants to accept Bitcoin as Payment; AvraATM: To promote usage and acceptance of digital currencies through the Company's proposed network of ATMs; AvraTourism: To provide cryptocurrency payment processing solutions for merchants such as hotels and casinos; AvraNews: To provide a news portal focusing on digital currency news.

These financial statements have been prepared on a going concern basis, which assumes the Company will continue to realize its assets and discharge its liabilities in the normal course of business. The continuation of the Company as a going concern is dependent upon the continued financial support from its shareholders, the ability of the Company to obtain necessary equity financing to continue operations, and the attainment of profitable operations. As of October 31, 2014, the Company has working capital deficit of \$90,908 and has incurred losses totaling \$135,604 since inception, and has not yet generated any revenue from operations. These factors raise substantial doubt regarding the Company's ability to continue as a going concern. These financial statements do not include any adjustments to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary should the Company be unable to continue as a going concern.

The Company's management plans to raise funds in the next 12 months through a combination of debt financing and equity financing by way of private placements.

2. Summary of Significant Accounting Policies

a) Basis of Presentation

These financial statements of the Company have been prepared in accordance with generally accepted accounting principles in the United States and are expressed in US dollars. The Company's fiscal year end is January 31.

b) Interim Financial Statements

The accompanying unaudited interim financial statements of the Company have been prepared in accordance with accounting principles generally accepted in the United States of America and the rules of the Securities and Exchange

Commission ("SEC"), and should be read in conjunction with the audited financial statements and notes thereto contained elsewhere in this prospectus. In the opinion of management, all adjustments, consisting of normal recurring adjustments, necessary for a fair presentation of financial position and the results of operations for the interim periods presented have been reflected herein. The results of operations for interim periods are not necessarily indicative of the results to be expected for the full year. Notes to the financial statements which would substantially duplicate the disclosure contained in the audited financial statements for the most recent fiscal year end January 31, 2014 have been omitted.

c) Use of Estimates

The preparation of financial statements in conformity with United States generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. The Company regularly evaluates estimates and assumptions related to deferred income tax asset valuation allowances. The Company bases its estimates and assumptions on current facts, historical experience and various other factors that it believes 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 the Company may differ materially and adversely from the Company's estimates. To the extent there are material differences between the estimates and the actual results, future results of operations will be affected.

d) Cash and Cash Equivalents

The Company considers all highly liquid instruments with maturity of three months or less at the time of issuance to be cash equivalents.

2. Summary of Significant Accounting Policies (continued)

e) Financial Instruments

The Company's financial instruments consist principally of cash, and accounts payable and accrued liabilities and short term loans. Pursuant to ASC 820, *Fair Value Measurements and Disclosures* and ASC 825, *Financial Instruments* the fair value of the Company's cash equivalents is determined based on "Level 1" inputs, which consist of quoted prices in active markets for identical assets.

f) Earnings (Loss) Per Common Share

Basic EPS is computed by dividing net income (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. At October 31, 2014, the Company has no potentially dilutive securities outstanding.

g) Foreign Currency Translation

The Company's planned operations will be in the United States, which results in exposure to market risks from changes in foreign currency exchange rates. The financial risk is the risk to the Company's operations that arise from fluctuations in foreign exchange rates and the degree of volatility of these rates. Currently, the Company does not use derivative instruments to reduce its exposure to foreign currency risk. The Company's functional currency for all operations worldwide is the U.S. dollar. Nonmonetary assets and liabilities are translated at historical rates and monetary assets and liabilities are translated at exchange rates in effect at the end of the year. Revenues and expenses are translated at average rates for the year. Gains and losses from translation of foreign currency financial statements into U.S. dollars are included in current results of operations.

h) Revenue Recognition

Sales are recorded when products are shipped to customers. Provisions for discounts and rebates to customers, estimated returns and allowances, and other adjustments are provided for in the same period the related sales are recorded. No provision for discounts or rebates to customers, estimated returns and allowances or other adjustments were recognized during the nine months ended October 31, 2014. In instances where products are configured to customer requirements, revenue is recorded upon the successful completion of the Company's final test procedures and the customer's acceptance. The Company has not made any sales as at October 31, 2014.

i) Income Taxes

The Company accounts for income taxes using the asset and liability method in accordance with ASC 740, *Income Taxes*. The asset and liability method provides that deferred tax assets and liabilities are recognized for the expected future tax consequences of temporary differences between the financial reporting and tax bases of assets and liabilities, and for operating loss and tax credit carryforwards. Deferred tax assets and liabilities are measured using the currently enacted tax rates and laws that will be in effect when the differences are expected to reverse. The Company records a valuation allowance to reduce deferred tax assets to the amount that is believed more likely than not to be realized.

j) Subsequent Events

The Company's management reviewed all material events from October 31, 2014 through the issuance date of these financial statements for disclosure consideration.

k) Recent Accounting Pronouncements

In June 2014, the FASB issued ASU 2014-10, *Development Stage Entities (Topic 915): Elimination of Certain Financial Reporting Requirements*. ASU 2014-10 eliminates the distinction of a development stage entity and certain related disclosure requirements, including the elimination of inception-to date information on the statements of operations, cash flows and stockholders' equity. The amendments in ASU 2014-10 will be effective prospectively for annual reporting periods beginning after December 15, 2014, and interim periods within those annual periods, however early adoption is permitted. The Company evaluated and adopted ASU 2014-10 for the reporting period ended October 31, 2014 .

3. Short-term Loans

On August 1, 2013, the Company entered into a loan agreement in which the note holder agreed to provide a loan to the Company in the principal amount of up to \$50,000. The loan is unsecured, bears interest at 8% per annum and payable on August 1, 2014. On August 31, 2014, the loan agreement was amended to increase the loan amount to \$75,000 and extend the maturity date to August 1, 2015. As at October 31, 2014, the note holder has provided \$63,105 to the Company.



#### 4. Related Party Transactions

As of October 31, 2014, the Company has an aggregate of \$3,038 in non-interest bearing advances payable to Stephen Shepherd, CEO of the Company.

#### 5. Stockholders' Equity

The Company's authorized capital consisted of 300,000,000 shares of common stock with a par value of \$0.00001 per share and 100,000,000 shares of preferred stock with a par value of \$0.00001 per share.

On June 10, 2014, the board of directors approved a forward split of the issued and outstanding shares on the basis of 3 new shares for each 1 existing share. Upon effectiveness of the forward split, the issued and outstanding shares of common stock increased from 47,097,800 to 141,293,400. Concurrent with the forward split, the Company also increased its authorized shares of stock to 400,000,000 shares, consisting of 300,000,000 shares of common stock with a par value of \$0.00001 per share and 100,000,000 shares of preferred stock with a par value of \$0.00001 per share. All share and per share amounts have been retroactively adjusted to reflect the forward stock split.

#### 6. Subsequent Events

a) On November 1, 2014, the Company entered into a consulting agreement with a consultant who will provide compliance reviews, advise on reporting requirements and procedures, and co-ordinate SEC filings in consideration for \$7,000 per month for a 1-year term, ending on December 1, 2015. The consulting fee is payable as follows:

i. \$3,500 per month settled in shares which will be converted at a 50% discount of the lowest 3 trading prices for the Company's common stock during the last 10 trading days of each month.

ii. \$3,500 per month payable in cash at the end of each month in which the consultant also has the option to convert into shares at a market price less a 50% discount of the lowest 3 trading prices for the Company's common stock during the last 10 trading days from the date of conversion.

b) On November 17, 2014, the board of directors approved a reverse split of the issued and outstanding shares on the basis of 1 new share for each 2.25 existing shares. Upon effectiveness of the reverse split, the issued and outstanding shares of common stock decreased from 141,293,400 to 62,797,084. All share and per share amounts have been retroactively adjusted to reflect the reverse stock split as the Company obtained approval from FINRA regarding the stock split.

c) On November 17, 2014, the Company entered into a Services Contract with a non-related third party who will provide public relations and marketing services in consideration of \$25,000 for an initial term of 3 months. At the end of the initial term, the Contract shall remain in force on a month-to-month basis for consideration of \$3,000 per month.

d) On November 26, 2014, David Bailey, the former majority shareholder of the Company, sold 35,333,333 shares of the Company to Stephen Shepherd, the Chief Executive Officer and Director of the Company, pursuant to a share purchase agreement. In lieu of payment, Mr. Bailey was granted the rights to market the Company's intellectual properties in the Country of Jamaica within the next 12 months of the signing of the agreement. Mr. Bailey also agreed to waive all amounts owed to him as officer advances. In connection with the share purchase agreement, Stephen Shepherd also entered into an assignment agreement with the Company to assign all his proprietary

information related to bitcoin and cryptocurrencies to the Company.

As a result, Stephen Shepherd now owns an aggregate of 35,333,333 shares of common stock, or 56.27% of our total voting power of all of our outstanding voting securities.

e) On December 1, 2014, the Company entered into an investor relations agreement with an investor relations firm who will provide investor relations services in consideration for cash payments of \$2,500 per month for a 6 month term ending May 31, 2015.

f) On December 5, 2014, the Company entered into a subscription agreement whereby the Company will receive proceeds of \$150,000 in exchange for (i) 600,000 common shares of the Company at a purchase price of \$0.25 per share and (ii) a warrant to purchase 600,000 common shares of the Company with an exercise price of \$0.50 per share for a period of one year.

g) On December 8, 2014, the Company entered into a software and information technology agreement with a consulting company who will provide information technology support, software development and integration, hosting services and solutions, marketing strategies, and digital currencies solution services in consideration for cash payments of \$5,000 per month for a 6-month term ending May 1, 2015.

## **Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.**

### **Forward-Looking Statements**

This report on Form 10-Q contains certain forward-looking statements. All statements other than statements of historical fact are “forward-looking statements” for purposes of these provisions, including any projections of earnings, revenues, or other financial items; any statements of the plans, strategies, and objectives of management for future operation; any statements concerning proposed new products, services, or developments; any statements regarding future economic conditions or performance; statements of belief; and any statement of assumptions underlying any of the foregoing. Such forward-looking statements are subject to inherent risks and uncertainties, and actual results could differ materially from those anticipated by the forward-looking statements.

These forward-looking statements involve significant risks and uncertainties, including, but not limited to, the following: competition, promotional costs and the risk of declining revenues. Our actual results could differ materially from those anticipated in such forward-looking statements as a result of a number of factors. These forward-looking statements are made as of the date of this filing, and we assume no obligation to update such forward-looking statements. The following discusses our financial condition and results of operations based upon our unaudited financial statements which have been prepared in conformity with accounting principles generally accepted in the United States. It should be read in conjunction with our financial statements and the notes thereto included elsewhere herein.

Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee future results, levels of activity, performance or achievements. Except as required by applicable law, including the securities laws of the United States, we do not intend to update any of the forward-looking statements to conform these statements to actual results.

Our financial statements are stated in United States Dollars (US\$) and are prepared in accordance with United States Generally Accepted Accounting Principles.

In this quarterly report, unless otherwise specified, all dollar amounts are expressed in United States Dollars (US\$) and all references to “common shares” refer to the common shares in our capital stock.

As used in this quarterly report, the terms “we”, “us”, “our” and “our company” refer to Avra Inc., unless otherwise indicated.

## General Overview

We were incorporated on December 1, 2010 under the laws of the State of Nevada. Our principal executive offices are located at 3790 El Camino Real, Suite 291, Palo Alto, California, 94306. Our telephone number is 866-287-2462. Our fiscal year end is January 31.

We have changed our business direction with the Company now being focused on solutions in the cryptocurrency and digital currency markets, particularly in offering payment solutions to businesses worldwide. However, the company has not completely abandoned its business of marketing and distributing of Smart TV boxes to home consumers throughout the United States. Smart TV boxes are hardware devices that allow consumers to combine all of the benefits of the Internet with the large size and high definition capabilities of TV screens in the comfort of consumers' living rooms. The Company's new website has been launched and can be found at [www.avraworld.com](http://www.avraworld.com). However, after new initiatives to expand internationally, the company will re-brand and re-launch its new domain to be [www.avraglobal.com](http://www.avraglobal.com). The Company's business model can be broken down into four distinct categories, as follows:

**AvraPay** – Is the Company's cryptocurrency payment solution. It plans to offer the technology in order for merchants to accept digital payments in their businesses, with AvraPay being the payment processor. The business will be able to accept payments online or in person through the AvraPay technology and be paid in government declared legal tender or better known as FIAT or cryptocurrency depending on the businesses preference. Avra plans to charge a percentage of the transaction in the same way as a credit card provider.

**AvraATM** – Is another technology solution planned by the Company is called AvraATM, which it plans to develop a software to be integrated with kiosks which will allow the kiosk to have the ability to accept payments, effectively converting the existing kiosk into a purchase point (ATM) for bitcoin and other cryptocurrencies. The planned revenue model is one where a percentage fee will be charged for the purchase of currency which will vary depending on the expectations of the individual owners of each kiosk network.

**AvraTourism** – Is where the Company plans on offering a tailored version of AvraPay to international holiday destinations, focused on tourism, such as hotels, casinos, airlines, restaurants, bars, and spas. In addition to offering a specific solution which is to "buy-back" unused local currency from departing tourists, and in exchange we intend to provide tourists with digital currency to for them to use upon their return home through dedicated ATMs installed in key points such as airports.

**AvraNews** – In addition to Avra’s website, the Company is developing its own news portal, which will provide up to the minute news and analysis on the cryptocurrency industry. The business will be supported by funneling business to Avra’s own business solutions, in addition to paid advertising and affiliate schemes. There will also be a section to connect investors and start-ups companies, which at some point in the future will be monetized through a subscription system.

To date the Company has been involved in initial discussions with other cryptocurrency providers in order to establish what the service proposition would be. In addition, the company has been involved in market research and has had initial discussions with potential clients to ensure that the services that will be provided are in demand and appropriately presented.

Avra plans to develop the ATM project with a provider throughout Central America, which is a part of a larger group operating in over 20 countries across Europe which we hope to be the next stages of expansion of the project. The company has spoken with several large hotel chains, casinos and other tourism related businesses in the Caribbean’s largest tourist destination in Punta Cana and has established that many of these establishments could be interested in such a product subject to the terms that would be offered. The Company has also identified several other large tourist destinations throughout the Americas where the expectation is to expand the service offering over the next 12 months.

Avra’s planned operations over the next 12 months are as follows:

Avra’s next stages of operation will be to ensure compliance with US and local authorities, to ensure the company has a legally approved AML/KYC policy and monitoring practices, as well as the development of the company’s central system (API) where all the services will connect and operate from.

The Avra news portal is being developed and is expected to become live within the next 60 days, providing daily news events and analysis, products information and fund raising opportunities for startups in the space.

The company is planning to have its systems and first ATM client live before the end of January 2015, as well as at least one of the large hotel chains actively using the system online and in-house. On completion of first phase and successful beta testing we intend to roll out the system at an accelerated rate through a network of sales agents working in strategic locations, a generous referral program, a strong social media presence as well as online advertising.

Once the established core businesses are operating and the sales process working, we intend to develop the product portfolio, working with remittance companies to allow remittances-by-bitcoin as well as regional bill-pay-by-bitcoin

solutions, through portals that Avra will be developing further. We would expect these products to roll out between April-June 2015.

Operationally we expect to hire sales managers in 2015 to oversee sales for each of the brands AvraPay and AvraATM. We also plan to hire an in house technology person who would monitor and develop the API and provide service to existing and new clients. The timing of the requirement of people for these positions will be variable depending on workloads and whether we can continue to use consultants at a cheaper rate.

From July to October 2015, we expect to be in a full marketing phase, expecting to increase users, business, the ATM network, solidifying the brand and awareness as well as bringing the company to solid profit margins in order to expand further.

Beyond 2015 and with the user base expected, we would hope to reduce our dependence on other providers for exchange and services, and start to provide those services ourselves, thereby increasing margins and ensuring that Avra is completely independent of other providers.

## **Recent Development**

### *Change of Control*

On November 26, 2014, David Bailey, the former majority shareholder of the Company, sold 35,333,333 shares of the Company to Stephen Shepherd, the Chief Executive Officer and Director of the Company, pursuant to a share purchase agreement. In lieu of payment, Mr. Bailey was granted the rights to market the Company's intellectual properties in the Country of Jamaica within the next 12 months of the signing of the agreement. Mr. Bailey also agreed to waive all amounts owed to him as officer advances. In connection with the share purchase agreement, Stephen Shepherd also entered into an assignment agreement with the Company to assign all his proprietary information related to bitcoin and cryptocurrencies to the Company.

As a result, Stephen Shepherd now owns an aggregate of 79,500,000 pre-reverse stock split shares of common stock, or 56.27% of our total voting power of all of our outstanding voting securities.

### ***Reverse Stock Split***

On November 17, 2014, the Company filed a Certificate of Amendment to amend its Articles of Incorporation so that each two point two five (2.25) shares of common stock issued and outstanding shall, automatically and without any action on the part of the respective holders thereof, be combined and converted into one (1) share of common stock (the "Reverse Stock Split"). The Reverse Stock Split was approved by the majority shareholder holding 58.39% of then issued and outstanding common stock of the Company and by the board of directors through unanimous written consent on November 11, 2014. No fractional shares shall be issued in connection with the Reverse Stock Split. Stockholders who otherwise would be entitled to receive fractional shares of common stock shall be rounded up to the next whole share of common stock. We have obtained approval from Financial Industry Regulatory Authority regarding the Reverse Stock Split and the corporation action took effect on December 11, 2014.

### ***Financing***

On December 5, 2014, we closed a financing transaction by entering into a subscription agreement dated with a non-U.S. investor (the "Purchaser") for aggregate investment proceeds of \$150,000. Pursuant to the subscription agreement, we issued the following to the Purchaser: (i) 600,000 shares of the Company's common stock at a purchase price of \$0.25 per share, and (ii) a warrant to purchase an aggregate of 600,000 shares of the Company's common stock, for an exercise price of \$0.50 per share for a period of one year from the closing date. The securities were offered and sold without registration under the Securities Act of 1933 (the "Securities Act") in reliance on the exemptions provided by Section 4(a)(2) of the Securities Act and/or Regulation S promulgated thereunder and in reliance on similar exemptions under applicable state laws.

### **Critical Accounting Policies**

The discussion and analysis of our financial condition and results of operations are based upon our financial statements, which have been prepared in accordance with the accounting principles generally accepted in the United States of America. Preparing financial statements requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenue, and expenses. These estimates and assumptions are affected by management's application of accounting policies. We believe that understanding the basis and nature of the estimates and assumptions involved with the following aspects of our financial statements is critical to an understanding of our financial statements.

### ***Foreign Currency Translation***

The Company's planned operations will be in the United States, which results in exposure to market risks from changes in foreign currency exchange rates. The financial risk is the risk to the Company's operations that arise from fluctuations in foreign exchange rates and the degree of volatility of these rates. Currently, the Company does not use derivative instruments to reduce its exposure to foreign currency risk. The Company's functional currency for all operations worldwide is the U.S. dollar. Nonmonetary assets and liabilities are translated at historical rates and monetary assets and liabilities are translated at exchange rates in effect at the end of the year. Revenues and expenses are translated at average rates for the year. Gains and losses from translation of foreign currency financial statements into U.S. dollars are included in current results of operations.

### ***Revenue Recognition***

Sales are recorded when products are shipped to customers. Provisions for discounts and rebates to customers, estimated returns and allowances, and other adjustments are provided for in the same period the related sales are recorded. No provision for discounts or rebates to customers, estimated returns and allowances or other adjustments were recognized during the nine months ended October 31, 2014. In instances where products are configured to customer requirements, revenue is recorded upon the successful completion of the Company's final test procedures and the customer's acceptance. The Company has not made any sales as at October 31, 2014.

### **Recent Accounting Pronouncements**

In June 2014, the FASB issued ASU 2014-10, Development Stage Entities (Topic 915): Elimination of Certain Financial Reporting Requirements. ASU 2014-10 eliminates the distinction of a development stage entity and certain related disclosure requirements, including the elimination of inception-to date information on the statements of operations, cash flows and stockholders' equity. The amendments in ASU 2014-10 will be effective prospectively for annual reporting periods beginning after December 15, 2014, and interim periods within those annual periods, however early adoption is permitted. The Company evaluated and adopted ASU 2014-10 for the reporting period ended October 31, 2014.



## Results of Operations

The following summary of our results of operations should be read in conjunction with our financial statements for the quarter ended October 31, 2014, which are included herein.

Our operating results for the three and nine months ended October 31, 2014 and 2013 are summarized as follows:

		Three Months Ended October 31,		Nine Months Ended October 31	
		2014	2013	2014	2013
Revenue	\$	Nil	Nil	\$	Nil
Bank charges and interest	\$	38	Nil	\$	344
General and administrative	\$	1,919	Nil	\$	2,432
Marketing and advertising	\$	500	Nil	\$	2,400
Transfer agent and filing fees	\$	1,557	1,900	\$	6,087
Foreign exchange loss (gain)	\$	(76)	(76)	\$	(38)
Professional fees	\$	4,978	4,240	\$	25,633
Interest expense	\$	1,200	170	\$	3,043
Net Loss	\$	(10,116)	(6,234)	\$	(39,901)

We have not earned any revenues since our inception and we do not anticipate earning revenues in the upcoming quarter.

Our net loss for the three-month period ended October 31, 2014 increased primarily due to increases in general and administrative expenses, professional fees and interest expenses. Our net loss for the nine-month period ended October 31, 2014 increased primarily due to an increase in marketing, advertising, professional fees and interest expenses. Our net loss from inception is \$135,604.

## Liquidity and Capital Resources

Working Capital

	<b>At</b>		<b>At</b>	
	<b>October 31, 2014</b>		<b>January 31, 2014</b>	
Current Assets	\$	Nil	\$	1,071
Current Liabilities	\$	90,908	\$	52,078
Working Capital Deficit	\$	(90,908)	\$	(51,007)

Our total current assets as of October 31, 2014 were \$0 as compared to total current assets of \$1,071 as of January 31, 2014. Our total current liabilities as of October 31, 2014 were \$90,908 as compared to total current liabilities of \$52,078 as of January 31, 2014. The increase in current liabilities was attributed to increases in accounts payable, accrued liabilities, short-term loans, and payable due to related party.

#### Cash Flows

	<b>Nine Months Ended</b>			
	<b>October 31,</b>			
	<b>2014</b>	<b>2013</b>	<b>2014</b>	<b>2013</b>
Net Cash Used in Operating Activities	\$	(29,774)	\$	(22,321)
Net Cash Provided by Financing Activities	\$	28,703	\$	22,440
(Decrease) Increase in Cash During the Period	\$	(1,071)	\$	119

#### *Operating Activities*

Cash used in operating activities during the nine-month period ended October 31, 2014 was \$29,774 due to the operating expenses incurred. Cash used in operating activities during the nine-month period ended October 31, 2013 was \$22,321 due to the operating expenses incurred.

*Investing Activities*

We did not have any investing activities during the nine months ended October 31, 2014 and 2013.

*Financing Activities*

The increase in cash provided by financing activities during the nine-month period ended October 31, 2014 compared to the same period in 2013 was due to proceeds from a short-term loan and from a related party.

**Plan of Operation**

We are only beginning our operations. We anticipate that we will meet our ongoing cash requirements through equity or debt financing. We estimate that our expenses over the next 12 months (beginning January 2015) will be approximately \$480,000 as described in the table below. These estimates may change significantly depending on the nature of our future business activities and our ability to raise capital from shareholders or other sources.

Description	Estimated Completion Date	Estimated Expenses (\$)
Legal and accounting fees	12 months	\$50,000
SEC Compliance and filing fees	12 months	\$36,000
Purchase of inventory for testing	12 months	\$12,000
Platform & IT Costs	12 months	\$24,000
Website and marketing strategies	12 months	\$25,000
Management and operating costs	12 months	\$60,000
Digital Currency Compliance Consulting Fees	12 months	\$54,000
Salaries and consulting fees	12 months	\$90,000
Investor relations and capital raising	12 months	\$30,000
Fixed asset purchases	12 months	\$29,000
Social media and online sales marketing	12 months	\$30,000
General and administrative expenses	12 months	\$40,000
<b>Total</b>		<b>\$480,000</b>

We intend to meet our cash requirements for the next 12 months through a combination of debt financing and equity financing by way of private placements. We decided to become a reporting company to be better equipped to raise

capital by providing the transparency to the public of our operations and development. We currently do not have any arrangements in place to complete any private placement financings and there is no assurance that we will be successful in completing any such financings on terms that will be acceptable to us.

If we are not able to raise the full \$480,000 to implement our business plan as anticipated, we will scale our business development in line with available capital. Our primary priority will be to retain our reporting status with the SEC which means that we will first ensure that we have sufficient capital to cover our legal and accounting expenses. Once these costs are accounted for, in accordance with how much financing we are able to secure, we will focus on product acquisition, testing and servicing costs as well as marketing and advertising of our products. We will likely not expend funds on the remainder of our planned activities unless we have the required capital.

If we are able to raise the required funds to fully implement our business plan, we plan to implement the below business actions in the order provided below. If we are not able to raise all required funds, we will prioritize our corporate activities as chronologically laid out below because the activity which needs to be undertaken in the initial months is prerequisite for future operations. We anticipate that the implementation of our business will occur as follows:

January 2015 to March 2015:

- Continual Testing of the Smart box units acquired from various suppliers by us as technology is changing very quickly.
- Complete our AML/KYC Policies to ensure regulatory compliance.
- Develop or acquire an e-Wallet.
- Implement AvraATM's first roll out with Mango Pay.
- Continue development of other ATM partners.

- Complete development of the platform, API and technical requirements.
- Design marketing materials.
- Purchase and implement at least 2 ATMs owned and operated by Avra.
- Develop a global sales strategy for distribution of products.
- Look at other Complementary technologies to add to the sales and marketing strategy.

April 2015 to December 2015:

- Begin the roll out AvraPay payment solution through online, channel distribution and tourism strategies.
- If initial testing of ATMs is a success, proceed to purchase and implement more ATM locations.
- Continue partner development worldwide for ATM/Kiosk operations.
- Continue development of industry specific solutions for digital currencies.
- Attend trade shows.
- Hire personnel to market our products.
- If initial testing is successful, order additional units from Smart box suppliers and manufacturers.
- Test and market new products that complement the existing line of Smart Boxes.

### **Off-Balance Sheet Arrangements**

We have no off-balance sheet arrangements that have or are reasonably likely to have a current or future effect on our financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources that is material to stockholders.

### **Item 3. Quantitative and Qualitative Disclosure About Market Risk.**

Not applicable because we are a small reporting company.

#### **Item 4. Controls and Procedures.**

##### **Evaluation of Disclosure Controls and Procedures**

We maintain disclosure controls and procedures, as defined in Rule 13a-15(e) promulgated under the Securities Exchange Act of 1934 (the "Exchange Act"), that are designed to ensure that information required to be disclosed by us in the reports that we file or submit under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the Securities and Exchange Commission's rules and forms and that such information is accumulated and communicated to our management, including our president (our principal executive officer, principal financial officer and principal accounting officer), as appropriate to allow timely decisions regarding required disclosure.

We carried out an evaluation, under the supervision and with the participation of our management, including our president (our principal executive officer, principal financial officer and principal accounting officer), of the effectiveness of the design and operation of our disclosure controls and procedures as of quarter covered by this report. Based on the evaluation of these disclosure controls and procedures the president (our principal executive officer, principal financial officer and principal accounting officer) concluded that our disclosure controls and procedures were not effective as of the end of the period covered by this quarterly report due to the lack of adequate segregation of duties and the absence of an audit committee.

##### **Changes in Internal Controls**

During the quarter covered by this report there were no changes in our internal control over financial reporting that materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.



**PART II - OTHER INFORMATION**

**Item 1. Legal Proceedings.**

None.

**Item 1A. Risk Factors.**

Not applicable because we are a small reporting company.

**Item 2. Unregistered Sales of Equity Securities and Use of Proceeds.**

On December 5, 2014, we closed a financing transaction by entering into a subscription agreement dated with a non-U.S. investor (the "Purchaser") for aggregate investment proceeds of \$150,000. Pursuant to the subscription agreement, we issued the following to the Purchaser: (i) 600,000 shares of the Company's common stock at a purchase price of \$0.25 per share, and (ii) a warrant to purchase an aggregate of 600,000 shares of the Company's common stock, for an exercise price of \$0.50 per share for a period of one year from the closing date. The securities were offered and sold without registration under the Securities Act of 1933 (the "Securities Act") in reliance on the exemptions provided by Section 4(a)(2) of the Securities Act and/or Regulation S promulgated thereunder and in reliance on similar exemptions under applicable state laws.

**Item 3. Defaults Upon Senior Securities.**

None.

**Item 4. Mine Safety Disclosures.**

Not applicable.



**Item 5. Other Information.**

*Change of Control*

On November 26, 2014, David Bailey, the former majority shareholder of the Company, sold 35,333,333 shares of the Company to Stephen Shepherd, the Chief Executive Officer and Director of the Company, pursuant to a share purchase agreement. In lieu of payment, Mr. Bailey was granted the rights to market the Company's intellectual properties in the Country of Jamaica within the next 12 months of the signing of the agreement. Mr. Bailey also agreed to waive all amounts owed to him as officer advances. In connection with the share purchase agreement, Stephen Shepherd also entered into an assignment agreement with the Company to assign all his proprietary information related to bitcoin and cryptocurrencies to the Company.

As a result, Stephen Shepherd now owns an aggregate of 35,333,333 shares of common stock, or 56.27% of our total voting power of all of our outstanding voting securities.

*Reverse Stock Split*

On November 17, 2014, the Company filed a Certificate of Amendment to amend its Articles of Incorporation so that each two point two five (2.25) shares of common stock issued and outstanding shall, automatically and without any action on the part of the respective holders thereof, be combined and converted into one (1) share of common stock (the "Reverse Stock Split"). The Reverse Stock Split was approved by the majority shareholder holding 58.39% of then issued and outstanding common stock of the Company and by the board of directors through unanimous written consent on November 11, 2014. No fractional shares shall be issued in connection with the Reverse Stock Split. Stockholders who otherwise would be entitled to receive fractional shares of common stock shall be rounded up to the next whole share of common stock. We have obtained approval from Financial Industry Regulatory Authority regarding the Reverse Stock Split and the corporation action took effect on December 11, 2014.

**Item 6. Exhibits.**

<b>Exhibit No.</b>	<b>Description</b>
31.1	Certification Required by Rule 13a-14(a) (17 CFR 240.13a-14(a)) Certification Pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 *
32.1	
101.INS	XBRL Instance Document †
101.SCH	XBRL Taxonomy Extension Schema Document †
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document †
101.DEF	XBRL Taxonomy Extension Definition Linkbase Document †
101.LAB	XBRL Taxonomy Extension Label Linkbase Document †
101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document †

\* In accordance with SEC Release 33-8238, Exhibits 32.1 is furnished and not filed.

†Furnished herewith. XBRL (eXtensible Business Reporting Language) information is furnished and not filed or a part of a registration statement or prospectus for purposes of Sections 11 or 12 of the Securities Act of 1933, as amended, is deemed not filed for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, and otherwise is not subject to liability under these sections.





**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.

**AVRA, INC.**

Date: December 19, 2014

By:

/s/ Stephen Shepherd  
Stephen Shepherd

Chief Executive Officer and Chief  
Financial Officer

(Principal Executive Officer and Principal  
Financial Officer)

