

AMERICAN INTERNATIONAL VENTURES INC /DE/
Form 10-Q
January 19, 2010

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 period ended November 30, 2009

Commission File Number 0-30368

American International Ventures, Inc.

(Name of Small Business Issuer in its charter)

Delaware

22-3489463

(State or other jurisdiction of

(I.R.S. Employer Identification no.)

incorporation or organization)

4058 Histed Way, Evergreen, Colorado 80439

(Address of principal executive offices)

303-670-7378

(Registrant's telephone number, including area code)

Securities registered under Section 12 (b) of the Act:

Title of each class to be registered	Name of exchange on which each class is to be registered
None	None

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

Common Stock

(Title of Class)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15 (d) of the Securities Exchange Act of 1934 during the proceeding 12 months and (2) has been subject to such filing requirements for the past 90 days. (1) ☒ Yes ☐ No (2) ☒ Yes ☐ No

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). ☐ 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. See the definitions of large accelerated filer, accelerated filer and smaller reporting company in Rule 12b-2 of the Exchange Act.

☒ 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

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of January 5, 2009 is
19,345,044 shares of Common Stock, \$.00001 par value.

PART I FINANCIAL INFORMATION

Item 1. Financial Statements (Unaudited):

- Balance Sheets at August 31, 2009 (unaudited)
and November 30, 2009 (audited)

4

- Statements of Operations for the six month periods ended November 30, 2009
and November 30, 2008 (unaudited)

5

- Statements of Operations for the three month periods ended November 30, 2009
and November 30, 2008 (unaudited)

6

- Statements of Cash Flows for the six month periods
ended August 31, 2009 and August 31, 2008 (unaudited)

7

- Notes to Financial Statements

8

Item 2. Management's Discussion and Analysis or Plan of Operations

10

Item 3. Quantitative and Qualitative Disclosures About Market Risk

10

Item 4. Controls and Procedures

10

Item 4A(T). Controls and Procedures

10

PART II - OTHER INFORMATION

Item 6. Exhibits and Reports on Form 8-K.

11

Signatures

12

AMERICAN INTERNATIONAL VENTURES, INC.

BALANCE SHEETS

	November 30, 2009	May 31, 2009
	(Unaudited)	(Audited)
<u>ASSETS</u>		
Current Assets		
Cash	\$ <u>7,074</u>	\$ <u>14,084</u>
Total current assets	<u>7,074</u>	<u>14,084</u>
Fixed Assets		
Office furniture and equipment	11,567	11,567
Less, accumulated depreciation	<u>11,567</u>	<u>11,567</u>
Net fixed assets	<u>-</u>	<u>-</u>
Other Assets		
Mining rights	<u>5,397</u>	<u>5,397</u>
Total other assets	<u>5,397</u>	<u>5,397</u>
TOTAL ASSETS	\$ <u>12,471</u>	\$ <u>19,481</u>

LIABILITIES AND STOCKHOLDERS' EQUITY

Current Liabilities		
Accrued liabilities	\$ <u>11,000</u>	\$ <u>6,988</u>
Total current liabilities	<u>11,000</u>	<u>6,988</u>
Stockholders' Equity		
Common stock authorized, 400,000,000		
shares of \$.00001par value; issued and		
outstanding 19,345,044 shares	193	193
Capital in excess of par value	1,293,355	1,293,355
Additional paid in capital options	70,762	48,262

Additional paid in capital warrants	42,315	42,315
Accumulated deficit	<u>(1,405,154)</u>	<u>(1,371,632)</u>
Total stockholders' equity	<u>1,471</u>	<u>12,493</u>
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	<u>\$ 12,471</u>	<u>\$ 19,481</u>

-

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

AMERICAN INTERNATIONAL VENTURES, INC.

STATEMENTS OF OPERATIONS

For the Six Month Periods Ended November 30,

(Unaudited)

2009

2008

Revenue	\$ -	\$ -
Administrative expenses	33,549	9,782
Operating loss	<u>(33,549)</u>	<u>(9,782)</u>
Other income:		
Other income	13	-
Interest income	<u>14</u>	<u>24</u>
Total other income:	<u>27</u>	<u>24</u>
Net Loss	<u>\$(33,522)</u>	<u>\$(9,758)</u>
Loss Per Share Basic and Diluted	\$ <u>-</u>	\$ <u>-</u>
Weighted Average Number of Shares Outstanding	19,345,044	19,345,044

The following are included in administrative expenses for the six month periods:

	<u>2009</u>	<u>2008</u>
Professional fees	\$ 9,887	\$ 8,916
Value of options issued for services	22,500	-
Licenses and permits	401	406
Other expenses	<u>761</u>	<u>460</u>
	\$ <u>33,549</u>	\$ <u>9,782</u>

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

AMERICAN INTERNATIONAL VENTURES, INC.

STATEMENTS OF OPERATIONS

For the Three Month Periods Ended November 30,

(Unaudited)

	<u>2009</u>	<u>2008</u>
Revenue	\$ -	\$ -
Administrative expenses	27,880	3,458
Operating loss	<u>(27,880)</u>	<u>(3,458)</u>
Other income::		
Other income	13	-
Interest income	<u>6</u>	<u>5</u>
Total Other Income:	<u>19</u>	<u>5</u>
Net loss	<u>\$(27,861)</u>	<u>\$(3,453)</u>
Loss Per Share Basic and Diluted	<u>\$ -</u>	<u>\$ -</u>
Weighted Average Number of Shares Outstanding	19,345,044	19,345,044

The following are included in administrative expenses for the three month periods:

	<u>2009</u>	<u>2008</u>
Value of options issued for services	\$ 22,500	\$ -
Professional fees	4,637	2,816
Licenses and permits	-	406
Other expenses	<u>743</u>	<u>236</u>
	\$ <u>27,880</u>	\$ <u>3,458</u>

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

AMERICAN INTERNATIONAL VENTURES, INC.

STATEMENTS OF CASH FLOWS

For the Six Month Periods Ended November 30,

(Unaudited)

	<u>2009</u>	<u>2008</u>
Cash Flows From Operating Activities		
Net loss	\$(33,522)	\$ (9,758)
Adjustments to reconcile net loss to net cash consumed by operating activities:		
	-	-
Charges not requiring an outlay of cash:		
	-	-
=	-	-
Value of options issued for services	22,500	-
Changes in assets and liabilities:		
Increase in accrued liabilities	4,012	720
Decrease in prepaid expenses		
	_____	_____
Net cash consumed by operating activities		
	<u>(7,010)</u>	<u>(9,038)</u>
Cash Flows From Investing Activities		
Cash Flows From Financing Activities		
	-	-
Net decrease in cash	(7,010)	(9,038)
Cash balance, beginning of period	14,084	12,773
	_____	_____
Cash balance, end of period	<u>\$ 7,074</u>	<u>\$ 3,735</u>

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

AMERICAN INTERNATIONAL VENTURES, INC.

NOTES TO FINANCIAL STATEMENTS

November 30, 2009

1.

BASIS OF PRESENTATION

The unaudited interim financial statements of American International Ventures, Inc. (the Company) as of November 30, 2009 and for the three and six month periods ended November 30, 2009 and 2008 have been prepared in accordance with U.S. generally accepted accounting principles. In the opinion of management, such information contains all adjustments, consisting only of normal recurring adjustments, necessary for a fair presentation of the results of such periods. The results of operations for the six month period ended November 30, 2009 are not necessarily indicative of the results to be expected for the full fiscal year ending May 31, 2010.

Certain information and disclosures normally included in the notes to financial statements have been condensed or omitted as permitted by the rules and regulations of the Securities and Exchange Commission, although the Company believes the disclosure is adequate to make the information presented not misleading. The accompanying unaudited financial statements should be read in conjunction with the financial statements of the Company for the year ended May 31, 2009.

2.

SUPPLEMENTAL CASH FLOWS INFORMATION

There were no cash payments during the periods presented for either interest or income taxes. In addition, there were no non cash investing or financing activities during either of the periods presented.

3.

RELATED PARTIES

During the three month period ended November 30, 2009, the Company approved modifications to 1,800,000 of the options issued to various directors and the Company president. The cost of the modifications was \$18,000. In addition, 300,000 options were issued to each of two new directors, at an initial cost of \$4,500. (See Note 4 for more details)

AMERICAN INTERNATIONAL VENTURES, INC.

NOTES TO FINANCIAL STATEMENTS

November 30, 2009

4.

OPTIONS MODIFICATIONS AND OPTIONS GRANTED

During the quarter ended November 30, 2009, the Company modified the option exercise price of certain stock options previously granted as follows; on 1,500,000 existing options that had been granted to Company directors the per share exercise price was dropped from \$0.10 to \$0.05 and on 300,000 options that had been issued to the Company President the per share exercise price was dropped from \$0.17 to \$0.05. This resulted in a total expense of

\$18,000. In addition, the Company issued 600,000 options to new directors with a per share exercise price of \$0.05 resulting in an initial expense of \$4,500. The latter options will vest over a two year period and the full expense will be recognized over the vesting period.

The value of these option modifications and option issuances was calculated using a Black Scholes valuation model

The assumptions used to make these valuations are as follows:

Dividend yield

0%

Expected volatility

292.88%

Expected life

3.14 YRS

Risk Free Interest Rate

2.33%

5.

CHANGE IN REPORTING STATUS

In the prior year the Company reported as an exploration stage company. It has ceased those activities and is currently seeking other business opportunities. For these reasons, the Company is not longer being reported as an exploration stage company.

6.

GOING CONCERN

The accompanying financial statements have been prepared assuming that the Company will continue as a going concern. As shown in the financial statements, the Company had an accumulated deficit of \$1,405,154 as of November 30, 2009, a negative working capital and has experienced continuing losses. These factors raise substantial doubt about the ability of the Company to continue as a going concern. The financial statements do not include adjustments relating to the recoverability of assets and classification of liabilities that might be necessary should the Company be unable to continue in operation. The Company's present plans, the realization of which cannot be assured, to overcome these difficulties include, but are not limited to, the continuing effort to raise capital in the public and private markets and/or to seek a merger partner.

Item 2. Plan of Operations.

Forward Looking Statements and Cautionary Statements.

Certain of the statements contained in this Quarterly Report on Form 10Q includes "forward looking statements". All statements other than statements of historical facts included in this Form 10Q regarding the Company's financial position, business strategy, and plans and objectives of management for future operations and capital expenditures, and other matters, are forward looking statements. These forward-looking statements are based upon management's expectations of future events. Although the Company believes the expectations reflected in such forward looking statements are reasonable, there can be no assurances that such expectations will prove to be correct. Additional statements concerning important factors that could cause actual results to differ materially from our expectations ("Cautionary Statements") are disclosed in the Cautionary Statements section and elsewhere in the Company's Form 10-K for the period ended May 31, 2009. Readers are urged to refer to the section entitled "Cautionary Statements" and elsewhere in the Company's Form 10-K for a broader discussion of these statements, risks, and uncertainties. These risks include the Company's limited operations and lack of revenues. In addition, the Company's auditor, in his audit report for the fiscal year ended May 31, 2009, has expressed a going concern opinion about the future viability of the Company. All written and oral forward looking statements attributable to the Company or persons acting on the Company's behalf subsequent to the date of this Form 10-Q are expressly qualified in their entirety by the referenced Cautionary Statements.

Management's Discussion And Analysis Of Financial Condition And Results Of Operations

During the six and three month periods ended November 30, 2009 and the comparable periods ended November 30, 2008, the Company has no business operations other than to seek other business opportunities, and during such periods had no revenues from operations.

Administrative expenses for the six months ended November 30, 2009 and 2008 were \$33,549 and \$9,782 respectively. Administrative expenses for the three months ended November 30, 2009 and 2008 were \$27,880 and \$3,458 respectively. The increase in administrative expenses for the 2009 periods when compared to the respective 2008 period is due principally to \$22,500 in options issued or re-priced for services. During the 2009 period, the company re-priced 1,800,000 options outstanding in favor of its officers and directors which resulted in charge of \$18,000 and granted 600,000 options to new directors resulting in a charge of \$4,500. The per share exercise price of the re-price options were dropped from \$0.10 and \$0.17 to \$0.05. The per share exercise price of the new options is \$0.05.

The Company's plan of operations is to seek other business opportunities to review and analyze for purposes of effecting a business acquisition or combination. The Company is seeking such business opportunities through its officers, directors and business contacts. The Company can not predict whether it will be successful in its efforts to

identify a suitable business acquisition or combination candidate.

As of November 30, 2009, the Company has a working capital deficit of \$3,926, compared with working capital of \$7,086 as of May 31, 2009. The decrease in working capital is due to the losses which the Company has experienced during fiscal 2009.

The Company has projected that its overhead for the next 12 months is approximately \$22,000, which consists of accounting fees (including tax, audit and review) in the approximate amount of \$13,000, legal fees in the approximate amount of \$7,000, and miscellaneous expenses of \$2,000. The projected legal and accounting fees related to the Company's reporting requirements under the Securities Exchange Act of 1934. The Company expects to incur additional legal and accounting fees in order to effect merger, share exchange or business combination transaction.

The Company has no other capital commitments. On April 3, 2009, the Company completed a transaction with Patriot Gold Corp, an unaffiliated company, in connection with its Bruner mining claims, located in Nye County, Nevada. Pursuant to the agreement, the Company granted certain rights to the Bruner mining claims in exchange for cash considerations (Please refer to the Company's Form 8-K filed with the Securities and Exchange Commission on April 8, 2009 for a more detailed description of that transaction). As a result of the cash received to date and cash to be received from that Bruner transaction, the Company believes that it has sufficient funds to meet its corporate overhead obligations for the next 6-12 months. If the Company does not receive additional funds from the Bruner transaction, then it will be required to raise additional funds through the private placement of its capital stock or through debt

financing to meet its ongoing corporate overhead obligations. If the Company is unable to meet its corporate overhead obligations, it will have a material adverse impact on the Company and the Company may not be able to complete its plan of operations of finding a suitable business acquisition or combination candidate.

As mentioned above, please refer to the Company's Form 10-K for the period ending May 31, 2009 for a discussion of other risks attendant to its proposed plan of operations of effecting a business acquisition or combination, including the occurrence of significant dilution and a change of control. Even if successful in effecting a business acquisition or combination, it is likely that numerous risks will exist with respect to the new entity and its business.

Item 3. Quantitative and Qualitative Disclosures About Market Risk.

Not Applicable

Item 4. Controls and Procedures.

Under the supervision and with the participation of our management, including our Chief Executive Officer and our Chief Financial Officer, we undertook an evaluation of the effectiveness of the design and operation of our disclosure controls and procedures (as defined in Securities Exchange Act of 1934, Rules 13a-15(e) and 15d-15(e)) as of the end of the period covered by this report. Based on this evaluation, our Principal Executive Officer and Principal Financial Officer have concluded that such disclosure controls and procedures were effective to ensure (a) that information required to be disclosed by us in reports that we file or submit under the Securities Exchange Act of 1934, as amended, is recorded, processed, summarized and reported within the time periods specified in Securities and Exchange Commission rules and forms and (b) that information required to be disclosed is accumulated and communicated to management to allow timely decisions regarding disclosure.

There were no changes in our internal control over financial reporting (as defined in Rule 13a-15(f) under the Securities Exchange Act of 1934) during the quarter ended November 30, 2009 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Item 4A(T). Controls and Procedures.

Not Applicable

PART II

Item 6. Exhibits

(a). Exhibits Furnished.

Exhibit #1 Certification Pursuant To Section 302 Of The Sarbanes-Oxley Act Of 2002.

Exhibit #2 Certification Pursuant To Section 906 Of The Sarbanes-Oxley Act Of 2002.

SIGNATURES

In accordance with 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.

Dated: January 15, 2010

AMERICAN INTERNATIONAL VENTURES, INC.

/s/ Myron Goldstein

Myron Goldstein

Chairman and Chief Financial Officer

