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Eco-Trade Corp  
Form 10-Q  
May 16, 2011

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United States  
Securities and Exchange Commission  
Washington, D.C. 20549

Form 10-Q

(Mark One)

- QUARTERLY REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934  
  
For the quarterly period ended March 31, 2011
- TRANSITION REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

Commissions file number 001-12000

ECO-TRADE CORP.  
(Exact name of registrant - registrant as specified in its charter)

Delaware  
(State or other jurisdiction of incorporation or organization)

13-3696015  
(I.R.S. Employer Identification No.)

c/o SMIRNOV HOLDINGS, LTD  
410 Park Avenue  
Suite 1530  
New York, NY 10022  
(Address of principal executive offices)

(917) 310-5810  
Issuer's telephone number

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 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. 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.

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Large accelerated filer  Accelerated filer

Non accelerated filer  (Do not check if a smaller reporting company) Smaller reporting company

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

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

|  |  |
|--|--|
| Common Stock, \$0.001 par value<br>(Class) | 1,802,718<br>(Outstanding at May 12, 2011) |
|--|--|

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ECO-TRADE CORP. (F/K/A YASHENG ECO-TRADE CORP.)

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## PART Financial Information

## I.

## Item 1. Financial Statements (Un-Audited)

ECO-TRADE CORP.  
(f/k/a Yasheng Eco-Trade Corp)  
Consolidated Balance Sheet  
As of March 31, 2010 (unaudited) and December 31, 2010 (audited)  
Amounts in US dollars

|  | March 31<br>2011<br>(unaudited) | December 31<br>2010<br>(audited) |
|--|---------------------------------|----------------------------------|
| <b>ASSETS</b>  |                                 |                                  |
| Current assets:  |                                 |                                  |
| Cash and cash equivalents  | —                               | —                                |
| Total current assets   | —                               | —                                |
| Total Non Current assets from discontinued operations  | —                               | —                                |
| Total assets   | —                               | —                                |
| <b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>  |                                 |                                  |
| Current liabilities:   |                                 |                                  |
| Accounts payable and accrued expenses  | 466,085                         | 442,008                          |
| Dividends Payable  | 136,356                         | 84,575                           |
| Short-term convertible notes payable   | 2,018,907                       | 1,957,379                        |
| Short-term convertible note payable - related party  | 293,855                         | 264,139                          |
| Total current liabilities  | 2,915,203                       | 2,748,101                        |
| Long-term debt   | —                               | —                                |
| Total non Current liabilities  | 2,915,203                       | 2,748,101                        |
| Stockholders' deficit:   |                                 |                                  |
| Preferred stock, series E convertible, \$.001 stated value, 300,000 shares authorized issued and outstanding as of March 31, 2011 and December 31, 2010, respectively; 7% dividend per annum | 300                             | 300                              |
| Preferred stock, series F convertible, \$.001 stated value, 10,000 shares authorized issued and outstanding at March 31, 2011 and December 31, 2010  | 10                              | 10                               |
| Common stock, \$.001 par value - Authorized 400,000,000 shares; 1,802,718 shares issued and outstanding as of March 31, 2011 and December 31, 2010, respectively                             | 1,803                           | 1,803                            |
| Additional paid-in capital   | 95,985,767                      | 95,985,767                       |
| Accumulated deficit  | (98,876,048)                    | (98,708,946)                     |
| Accumulated other comprehensive loss   | (2,226 )                        | (2,226 )                         |
| Treasury stock – 1,000 common shares at cost   | (24,809 )                       | (24,809 )                        |
| Total stockholders' deficit  | (2,915,203 )                    | (2,748,101 )                     |
| Total liabilities and stockholders' deficit  | —                               | —                                |

See accompanying notes to consolidated financial statements.



ECO-TRADE CORP.  
(f/k/a Yasheng Eco-Trade Corp)  
Consolidated Statements of Operations and Comprehensive Income  
For the Fiscal Quarters ended March 31, 2011 and 2010  
Amounts in US dollars

|  | For the fiscal quarter<br>ended<br>March 31, |                     |
|--|--|---------------------|
|  | 2011<br>(unaudited)                          | 2010<br>(unaudited) |
| Revenues   | \$—  | \$—                 |
| Operating expenses                                 |  |                     |
| Compensation and related costs                     | 800  | 79,187              |
| Consulting, professional and directors fees        | 48,167                                       | 93,001              |
| Other selling, general and administrative expenses | 310  | 103,210             |
| Total operating expenses                           | 49,277                                       | 275,398             |
| Operating loss                                     | (49,277 )                                    | (275,398 )          |
| Interest (expense)                                 |  |                     |
| Interest income                                    | —  | —                   |
| Interest expense                                   | (67,644 )                                    | (57,052 )           |
| Net interest (expense)                             | (67,644 )                                    | (332,450 )          |
| Other income (expense)                             |  |                     |
| Other income                                       | 1,600  | —                   |
| Total other income (expense)                       | (66,044 )                                    | (332,450 )          |
| Preferred stock dividends                          | (51,781 )                                    | —                   |
| Net loss from continuing operations                | (167,102 )                                   | (332,450 )          |
| Income (Loss) from discontinued operations         | —  | —                   |
| Net loss   | (167,102 )                                   | (332,450 )          |
| Comprehensive (loss)                               | \$(167,102 )                                 | \$(332,450 )        |
| Net loss per common share Continuing operations    | (0.09 )                                      | (0.28 )             |
| Discontinued operations                            | —  | —                   |
| Net Loss per share                                 | \$(0.09 )                                    | \$(0.28 )           |