

ARROW RESOURCES DEVELOPMENT INC
Form 10-Q
August 19, 2013

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 June 30, 2013

**TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT
OF 1934 (No fee required)**

For the transition period from _____ to

Commission file number 1-9224

Arrow Resources Development, Inc.

(Name of Small Business Issuer in Its Charter)

DELAWARE

56-2346563

(State or Other Jurisdiction of Incorporation or Organization)(I.R.S. Employer Identification No.)

Carnegie Hall Tower, 152 W. 57th Street, 27th Floor, New York, NY 10019

(Address of Principal Executive Offices) (Zip Code)

212-262-2300

(Issuer's Telephone Number, including Area Code)

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

Title of Each Class	Name of Each Exchange on Which Registered
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Common stock - par value \$0.00001	OTC: Bulletin Board
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Securities registered under Section 12(g) of the Exchange Act: None

Check whether the issuer; (1) filed all reports required to be filed by Section 13 or 15(d) of the Exchange Act during the past 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

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

Yes No

The number of shares outstanding of each of the issuer's classes of common equity, as of August 12, 2013 is as follows:

Class	Outstanding
Common stock - par value \$0.00001	767,539,744

ARROW RESOURCES DEVELOPMENT, INC. AND SUBSIDIARIES

(A DEVELOPMENT STAGE COMPANY)

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Item 1. Financial Statements

ARROW RESOURCES DEVELOPMENT, INC. AND SUBSIDIARIES

(A DEVELOPMENT STAGE COMPANY)

Consolidated Balance Sheets

	(Unaudited)	
	June 30, 2013	December 31, 2012
ASSETS		
Current:		
Cash	\$-	\$ -
Total current assets	-	-
Total assets	\$-	\$ -
LIABILITIES AND STOCKHOLDERS' DEFICIT		
Current:		
Accounts and accrued expenses payable, including \$12,164,291 and \$11,339,291 due to Company shareholders and directors, respectively	\$20,666,689	\$ 18,866,084
Estimated liability for legal judgment obtained by predecessor entity shareholder	1,487,908	1,456,304
Due to related parties	20,842,208	18,263,020
Notes payable, including accrued interest of \$283,880 and \$256,349, respectively	2,642,860	2,615,329
Total liabilities	45,639,665	41,200,737
Commitments and contingencies	-	-
STOCKHOLDERS' DEFICIT		
Preferred stock, \$0.00001 par value, 6 million shares authorized, no shares issued or outstanding, respectively	-	-
Preferred stock Series A, \$0.00001 par value, 2 million shares authorized, no shares issued or outstanding, respectively	-	-
Preferred stock Series C, \$0.00001 par value, 2 million shares authorized, no shares issued or outstanding, respectively	-	-
Common stock, \$0.00001 par value, 1 billion shares authorized, 767,539,744 and 767,539,744 issued and outstanding, respectively	7,676	7,676

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Common stock to be issued, \$0.00001 par value, 35,929,684 and 35,554,684 shares to be issued, respectively	361	357
Additional paid-in capital	131,858,701	131,847,455
Accumulated deficit	(177,506,403)	(173,056,225)
Total stockholders' (deficit)	(45,639,665)	(41,200,737)
Total liabilities and stockholders' (deficit)	\$-	\$ -

See accompanying notes to the unaudited consolidated financial statements.

ARROW RESOURCES DEVELOPMENT, INC. AND SUBSIDIARIES

(A DEVELOPMENT STAGE COMPANY)

Unaudited Consolidated Statements of Operations

	For the Three Months Ended June 30, 2013	For the Three Months Ended June 30, 2012	For the Six Months Ended June 30, 2013	For the Six Months Ended June 30, 2012	Accumulated During the Development Stage for the Period From Inception (November 15, 2005) to June 30, 2013
Revenue	\$ -	\$ -	\$ -	\$ -	\$ 52,000
Operating expenses:					
Consulting fees and services, including \$1,642,093, \$1,428,285, \$3,284,186, \$2,865,570 and \$34,809,909 incurred to related parties, respectively	1,642,093	1,428,285	3,284,186	2,856,570	36,471,289
General and administrative	12,500	15,371	25,108	30,751	1,462,745
Directors' compensation	41,250	43,125	86,250	82,500	1,391,428
Total operating expenses	1,695,843	1,486,781	3,395,544	2,969,821	39,325,462
Loss from operations	(1,695,843)	(1,486,781)	(3,395,544)	(2,969,821)	(39,273,462)
Other income (expense):					
Income from spin-off	-	-	-	-	52,491
Income from forgiveness of debt	-	-	-	-	5,000
Gain on write off of liabilities associated with predecessor entity not to be paid	-	-	-	-	395,667
Increase in estimated for loss on legal judgment obtained by predecessor entity shareholder	(15,801)	(15,801)	(31,602)	(31,602)	(1,487,906)
Penalty for default of notes payable	(500,500)	(500,500)	(995,500)	(1,001,000)	(7,601,500)

Loss on write-off of marketing agreement	-	-
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