

ORANCO INC
Form 10-K
March 21, 2012

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D. C. 20549

FORM 10-K

☒ ANNUAL REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended December 31, 2011

☐ TRANSITION REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission File No. 0-28181

ORANCO, INC.

(Name of Small Business Issuer in its Charter)

Nevada	87-05744
(State or Other Jurisdiction of incorporation or organization)	(I.R.S. Employer I.D. No.)

1981 East 4800 South, Suite 110
Salt Lake City, Utah 84117
(Address of Principal Executive Offices)
Issuer's Telephone Number: (702) 834-9810

(Former Name or Former Address, if changed since last Report)

Securities Registered under Section 12(b) of the Exchange Act: None

Name of Each Exchange on Which Registered: None

Securities Registered under Section 12(g) of the Exchange Act: Common

Indicate by checkmark if registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act
Yes ☐ No ☒

Indicate by checkmark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act.
Yes ☒ No ☐

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Indicate by checkmark 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 Company 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 checkmark if disclosure of delinquent filers in response to Item 405 of Regulation S-B is not contained in this form, and no disclosure will be contained, to the best of Company's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. ☐

Indicate by checkmark 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

Large Accelerated Filer ☐

Accelerated Filer ☐

Non-Accelerated filer ☐

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 ☐

State the aggregate market value of the voting stock held by non-affiliates computed by reference to the price at which the stock was sold, or the average bid and asked prices of such stock, as of a specified date within the past 60 days.

At March 1, 2012, the market value of the voting stock held by non-affiliates is undeterminable and is considered to be 0.

(APPLICABLE ONLY TO CORPORATE ISSUERS)

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

March 1, 2012

4,269,950

DOCUMENTS INCORPORATED BY REFERENCE

List hereunder the following documents if incorporated by reference and the part of the form 10- KSB (e.g., part I, part II, etc.) into which the document is incorporated: (1) Any annual report to security holders; (2) any proxy or other information statement; and (3) Any prospectus filed pursuant to rule 424 (b) or 8) under the Securities Act of 1933:

None

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PART I

Item 1. Description of Business.

Business Development.

Organization and Charter Amendments.

Oranco, Inc., (the "Company") was incorporated under the laws of the State of Nevada, on June 10, 1977. The purposes for which the corporation was organized were: (1) to engage in any lawful business from time to time authorized by the board of directors, (2) to act as principal, agent, partner or joint venturer or in any other capacity in any transaction, (3) to do business anywhere in the world, and (4) to have and exercise all rights and powers from time to time granted to the corporation by law. From 1977 until 1981 the Company was dormant and undertook no activities. Beginning in 1982 the Company explored the option of entering into a joint venture to develop a mercury mining property at Mercury Mountain, Nevada. As a part of these activities the Company, through the sale of its common stock, raised funds to engage the services of an independent mining engineer to prepare a report on the feasibility of the project. By late 1983 it had been determined that the project did not warrant any further investment. From that time until 1997 the Company's activities concentrated on maintaining its corporate existence and looking for other opportunities for the Company. In May of 1997 new management was appointed, a shareholders' meeting was held, amendments to the Company's articles of incorporation were approved, and additional effort was made by new management to make the Company a viable merger candidate. These efforts included engaging the services of a certified Public Accounting firm to audit the Company's financial statements, obtaining an Opinion of Counsel as to the tradability of the Company's outstanding shares, preparation of the information required by Rule 15c2-11, and applying to the OTC Bulletin Board for trading on the medium.

By September of 1999, no viable acquisitions or merger candidates had been located for the Company and management became aware that the Company would be required to register its shares under the Securities Exchange Act of 1934 in order to maintain its stock on the OTC Bulletin Board. Management determined that the Company needed new management which might be better positioned to find a suitable acquisition or merger candidate and which would be in a position of funding the upcoming expenses of the Company. On September 1, 1999 management of the Company resigned and Claudio Gianascio was appointed as sole director and officer. On November 9, 1999 the Company sold 700,000 of its common stock to Mr. Gianascio for \$.05 per share, netting a total of \$35,000. On November 18, 1999 the Company filed a registration statement on Form 10SB which became effective sixty days thereafter.

The Company had an initial authorized capital of \$25,000 consisting of 100,000 shares of \$.25 par value common stock. On June 10, 1997 the shareholders approved an amendment to the Articles of Incorporation of The Company changing the authorized capital to 100,000,000 shares at a par value of \$.001 and providing for a 10 to 1 share forward split of the outstanding shares. The Articles of Amendment were filed with the State of Nevada on August 6, 1998.

In the summer of 2000, the Company completed a private placement of 2,500,000 units for which it received \$250,000 Each unit consisted of one share of common stock; one "a" warrant giving the holder thereof the right to purchase, upon a minimum of 60 days prior notice of exercise, one share of common stock at \$.10 per share within two years of the date of issuance; and one "b" warrant giving the holder thereof the right to purchase, upon a minimum of 60 days prior notice of exercise, one share of common stock at \$.25 per share within two years of the date of issuance. Both "a" & "b" warrants expired without exercise.

Business.

Other than the above-referenced matters and seeking and investigating potential assets, properties or businesses to acquire, the Company has had no business operations since inception. To provide revenue on an interim basis, the Company has held its funds in interest bearing bank accounts, made short term loans to reputable unaffiliated corporations, and funded the pursuit of one lawsuit.

To the extent that the Company intends to continue to seek the acquisition of assets, property or business that may benefit the Company and its stockholders, it is essentially a "blank check" company. Because the Company has limited assets and conducts no business, management anticipates that any such acquisition would require it to issue shares of its common stock as the sole consideration for the acquisition. This may result in substantial dilution of the shares of current stockholders. The Company's Board of Directors shall make the final determination whether to complete any such acquisition; the approval of stockholders will not be sought unless required by applicable laws, rules and regulations, its Articles of Incorporation or Bylaws, or contract. The Company makes no assurance that any future enterprise will be profitable or successful.

The Company is not currently engaging in any substantive business activity and has no plans to engage in any such activity in the foreseeable future. In its present form, the Company may be deemed to be a vehicle to acquire or merge with a business or company. The Company does not intend to restrict its search to any particular business or industry, and the areas in which it will seek out acquisitions, reorganizations or mergers may include, but will not be limited to, the fields of high technology, manufacturing, natural resources, service, research and development, communications, transportation, insurance, brokerage, finance and all medically related fields, among others. The Company recognizes that the number of suitable potential business ventures that may be available to it may be extremely limited, and may be restricted to entities who desire to avoid what these entities may deem to be the adverse factors related to an initial public offering ("IPO"). The most prevalent of these factors include substantial time requirements, legal and accounting costs, the inability to obtain an underwriter who is willing to publicly offer and sell shares, the lack of or the inability to obtain the required financial statements for such an undertaking, limitations on the amount of dilution to public investors in comparison to the stockholders of any such entities, along with other conditions or requirements imposed by various federal and state securities laws, rules and regulations. Any of these types of entities, regardless of their prospects, would require the Company to issue a substantial number of shares of its common stock to complete any such acquisition, reorganization or merger, usually amounting to between 80 and 95 percent of the outstanding shares of the Company following the completion of any such transaction; accordingly, investments in any such private entity, if available, would be much more favorable than any investment in the Company.

In the event that the Company engages in any transaction resulting in a change of control of the Company and/or the acquisition of a business, the Company will be required to file with the Commission a Current Report on Form 8-K within the time periods provided for. A filing on Form 8-K also requires the filing of audited financial statements of the business acquired, as well as pro forma financial information consisting of a pro forma condensed balance sheet, pro forma statements of income and accompanying explanatory notes.

Management intends to consider a number of factors prior to making any decision as to whether to participate in any specific business endeavor, none of which may be determinative or provide any assurance of success. These may include, but will not be limited to an analysis of the quality of the entity's management personnel; the anticipated acceptability of any new products or marketing concepts; the merit of technological changes; its present financial condition, projected growth potential and available technical, financial and managerial resources; its working capital, history of operations and future prospects; the nature of its present and expected competition; the quality and experience of its management services and the depth of its management; its potential for further research, development or exploration; risk factors specifically related

to its business operations; its potential for growth, expansion and profit; the perceived public recognition or acceptance of its products, services, trademarks and name identification; and numerous other factors which are difficult, if not impossible, to properly or accurately analyze, let alone describe or identify, without referring to specific objective criteria.

Regardless, the results of operations of any specific entity may not necessarily be indicative of what may occur in the future, by reason of changing market strategies, plant or product expansion, changes in product emphasis, future management personnel and changes in innumerable other factors. Further, in the case of a new business venture or one that is in a research and development mode, the risks will be substantial, and there will be no objective criteria to examine the effectiveness or the abilities of its management or its business objectives. Also, a firm market for its products or services may yet need to be established, and with no past track record, the profitability of any such entity will be unproven and cannot be predicted with any certainty.

Management will attempt to meet personally with management and key personnel of the entity sponsoring any business opportunity afforded to the Company, visit and inspect material facilities, obtain independent analysis or verification of information provided and gathered, check references of management and key personnel and conduct other reasonably prudent measures calculated to ensure a reasonably thorough review of any particular business opportunity; however, due to time constraints of management, these activities may be limited.

The Company is unable to predict the time as to when and if it may actually participate in any specific business endeavor. The Company anticipates that proposed business ventures will be made available to it through personal contacts of directors, executive officers and principal stockholders, professional advisors, broker dealers in securities, venture capital personnel, members of the financial community and others who may present unsolicited proposals. In certain cases, the Company may agree to pay a finder's fee or to otherwise compensate the persons who submit a potential business endeavor in which the Company eventually participates. Such persons may include the Company's directors, executive officers, beneficial owners or their affiliates. In this event, such fees may become a factor in negotiations regarding a potential acquisition and, accordingly, may present a conflict of interest for such individuals.

Although the Company has not identified any potential acquisition target, the possibility exists that the Company may acquire or merge with a business or company in which the Company's executive officers, directors, beneficial owners or their affiliates may have an ownership interest. Current Company policy does not prohibit such transactions. Because no such transaction is currently contemplated, it is impossible to estimate the potential pecuniary benefits to these persons.

Further, substantial fees are often paid in connection with the completion of these types of acquisitions, reorganizations or mergers, ranging from a small amount to as much as \$250,000. These fees are usually divided among promoters or founders, after deduction of legal, accounting and other related expenses, and it is not unusual for a portion of these fees to be paid to members of management or to principal stockholders as consideration for their agreement to retire a portion of the shares of common stock owned by them. In the event that such fees are paid, they may become a factor in negotiations regarding any potential acquisition by the Company and, accordingly, may present a conflict of interest for such individuals.

Principal Products and Services.

The limited business operations of the Company, as now contemplated, involve those of a "blank check" company. The only activities to be conducted by the Company are to manage its current limited assets and to seek out and investigate the acquisition of any viable business opportunity by purchase and exchange for securities of the Company or pursuant to a reorganization or merger through which securities of the Company will be issued or exchanged.

Distribution Methods of the Products or Services.

Management will seek out and investigate business opportunities through every reasonably available fashion, including personal contacts, professionals, securities broker dealers, venture capital personnel, members of the financial community and others who may present unsolicited proposals; the Company may also advertise its availability as a vehicle to bring a company to the public market through a "reverse" reorganization or merger.

Status of any Publicly Announced New Product or Service.

None; not applicable.

Competitive Business Conditions.

Management believes that there are literally thousands of "blank check" companies engaged in endeavors similar to those engaged in by the Company; many of these companies have substantial current assets and cash reserves. Competitors also include thousands of other publicly-held companies whose business operations have proven unsuccessful, and whose only viable business opportunity is that of providing a publicly-held vehicle through which a private entity may have access to the public capital markets. There is no reasonable way to predict the competitive position of the Company or any other entity in the strata of these endeavors; however, the Company, having limited assets and cash reserves, will no doubt be at a competitive disadvantage in competing with entities which have recently completed IPO's, have significant cash resources and have recent operating histories when compared with the complete lack of any substantive operations by the Company for the past several years.

Sources and Availability of Raw Materials and Names of Principal Suppliers.

None; not applicable.

Dependence on One or a Few Major Customers.

None; not applicable.

Patents, Trademarks, Licenses, Franchises, Concessions, Royalty Agreements or Labor Contracts.

None; not applicable.

Need for any Governmental Approval of Principal Products or Services.

Because the Company currently produces no products or services, it is not presently subject to any governmental regulation in this regard. However, in the event that the Company engages in a merger or acquisition transaction with an entity that engages in such activities, it will become subject to all

governmental approval requirements to
which the merged or acquired entity is subject.

Research and Development.

None; not applicable.

Cost and Effects of Compliance with Environmental Laws.

None; not applicable. However, environmental laws, rules and regulations may have an adverse effect on any business venture viewed by the Company as an attractive acquisition, reorganization or merger candidate, and these factors may further limit the number of potential candidates available to the Company for acquisition, reorganization or merger.

Number of Employees.

None.

Item 1A. Risk Factors

The Company's business is subject to numerous risk factors, including the following.

The Company has had very limited operating history and no revenues or earnings from operations. The Company has no significant assets or financial resources. The Company will, in all likelihood, sustain operating expenses without corresponding revenues, at least until the consummation of a business combination. This may result in the Company incurring a net operating loss which will increase continuously until the Company can consummate a business combination with a target company. There is no assurance that the Company can identify such a target company and consummate such a business combination.

Our proposed business plan is speculative in nature. The success of the Company's proposed plan of operation will depend to a great extent on the operations, financial condition and management of the identified target company. While management will prefer business combinations with entities having established operating histories, there can be no assurance that the Company will be successful in locating candidates meeting such criteria. In the event the Company completes a business combination, of which there can be no assurance, the success of the Company's operations will be dependent upon management of the target company and numerous other factors beyond the Company's control.

The Company is and will continue to be an insignificant participant in the business of seeking mergers with and acquisitions of business entities. A large number of established and well-financed entities, including venture capital firms, are active in mergers and acquisitions of companies which may be merger or acquisition target candidates for the Company. Nearly all such entities have significantly greater financial resources, technical expertise and managerial capabilities than the Company and, consequently, the Company will be at a competitive disadvantage in identifying possible business opportunities and successfully completing a business combination. Moreover, the Company will also compete with numerous other small public companies in seeking merger or acquisition candidates.

The Company has no current arrangement, agreement or understanding with respect to engaging in a merger with or acquisition of a specific business entity. There can be no assurance that the Company will be successful in identifying and evaluating suitable business opportunities or in concluding a business combination. Management has not identified any particular industry or specific business within an industry for evaluation by the Company. There is no assurance that the Company will be able to negotiate a business combination on terms favorable to the Company. The Company has not established a specific length of operating history or a specified level of earnings, assets, net worth or other criteria which it will require a target company to have achieved, or without which the Company would not consider a business combination with such business entity. Accordingly, the Company may enter into a business

combination with a business entity having no significant operating history, losses, limited or no potential for immediate earnings, limited assets, negative net worth or other negative characteristics.

Our management has limited time to devote to our business. While seeking a business combination, management anticipates devoting only a limited amount of time per month to the business of the Company. The Company's sole officer has not entered into a written employment agreement with the Company and he is not expected to do so in the foreseeable future. The Company has not obtained key man life insurance on its officer and director. Notwithstanding the combined limited experience and time commitment of management, loss of the services of this individual would adversely affect development of the Company's business and its likelihood of continuing operations.

The Company's officer and director participates in other business ventures which may compete directly with the Company. Additional conflicts of interest and non-arms length transactions may also arise in the future. Management has adopted a policy that the Company will not seek a merger with, or acquisition of, any entity in which any member of management serves as an officer, director or partner, or in which they or their family members own or hold any ownership interest.

Reporting requirements may delay or preclude an acquisition. Section 13 of the Securities Exchange Act of 1934 (the "Exchange Act") requires companies subject thereto to provide certain information about significant acquisitions including certified financial statements for the company acquired covering one or two years, depending on the relative size of the acquisition. The time and additional costs that may be incurred by some target companies to prepare such financial statements may significantly delay or essentially preclude consummation of an otherwise desirable acquisition by the Company. Acquisition prospects that do not have or are unable to obtain the required audited statements may not be appropriate for acquisition so long as the reporting requirements of the Exchange Act are applicable.

The Company has neither conducted, nor have others made available to it, market research indicating that demand exists for the transactions contemplated by the Company. Even in the event demand exists for a merger or acquisition of the type contemplated by the Company, there is no assurance the Company will be successful in completing any such business combination.

The Company's proposed operations, even if successful, will in all likelihood result in the Company engaging in a business combination with only one business entity. Consequently, the Company's activities will be limited to those engaged in by the business entity which the Company merges with or acquires. The Company's inability to diversify its activities into a number of areas may subject the Company to economic fluctuations within a particular business or industry and therefore increase the risks associated with the Company's operations.

Potential for being classified an Investment Company. Although the Company will be subject to regulation under the Exchange Act, management believes the Company will not be subject to regulation under the Investment Company Act of 1940, insofar as the Company will not be engaged in the business of investing or trading in securities. In the event the Company engages in business combinations which result in the Company holding passive investment interests in a number of entities, the Company could be subject to regulation under the Investment Company Act of 1940. In such event, the Company would be required to register as an investment company and could be expected to incur significant registration and compliance costs. The Company has obtained no formal determination from the Securities and Exchange Commission as to the status of the Company under the Investment Company Act of 1940 and, consequently, any violation of such Act could subject the Company to material adverse consequences.

A business combination involving the issuance of the Company's common stock will, in all likelihood, result in shareholders of a target company obtaining a controlling interest in the Company. Any such business combination may require shareholders of the Company to sell or transfer all or a portion of the Company's common stock held by them. The resulting change in control of the Company will likely result in removal of the present officer and director of the Company and a corresponding reduction in or elimination of his participation in the future affairs of the Company. Currently, there are no pending acquisitions, business combinations or mergers.

The Company's primary plan of operation is based upon a business combination with a business entity which, in all likelihood, will result in the Company issuing securities to shareholders of such business entity. The issuance of previously authorized and unissued common stock of the Company would result in reduction in percentage of shares owned by the present shareholders of the Company and would most likely result in a change in control or management of the Company.

Federal and state tax consequences will, in all likelihood, be major considerations in any business combination the Company may undertake. Currently, such transactions may be structured so as to result in tax-free treatment to both companies, pursuant to various federal and state tax provisions. The Company intends to structure any business combination so as to minimize the federal and state tax consequences to both the Company and the target company; however, there can be no assurance that such business combination will meet the statutory requirements of a tax-free reorganization or that the parties will obtain the intended tax-free treatment upon a transfer of stock or assets. A non-qualifying reorganization could result in the imposition of both federal and state taxes which may have an adverse effect on both parties to the transaction.

Management of the Company will request that any potential business opportunity provide audited financial statements. One or more attractive business opportunities may choose to forego the possibility of a business combination with the Company rather than incur the expenses associated with preparing audited financial statements. In such case, the Company may choose to obtain certain assurances as to the target company's assets, liabilities, revenues and expenses prior to consummating a business combination, with further assurances that audited financial statements would be provided after closing of such a transaction. Closing documents relative thereto may include representations that the audited financial statements will not materially differ from the representations included in such closing documents.

Our stock is subject to the Penny Stock rules, which impose significant restrictions on the Broker-Dealers and may affect the resale of our stock. Our stock is subject to Penny Stock trading rules, and investors will experience resale restrictions and a lack of liquidity. A penny stock is generally a stock that:

- is not listed on a national securities exchange or Nasdaq;
- is listed in "pink sheets" or on the NASD OTC Bulletin Board;
- has a price per share of less than \$5.00; and
- is issued by a company with net tangible assets less than \$5 million.

The penny stock trading rules impose additional duties and responsibilities upon broker-dealers and salespersons effecting purchase and sale transactions in common stock and other equity securities, including:

- determination of the purchaser's investment suitability;
- delivery of certain information and disclosures to the purchaser; and

- receipt of a specific purchase agreement from the purchaser prior to effecting the purchase transaction.

Due to the Penny Stock rules, many broker-dealers will not effect transactions in penny stocks except on an unsolicited basis. When our common stock becomes subject to the penny stock trading rules,

- such rules may materially limit or restrict the ability to resell our common stock, and
- the liquidity typically associated with other publicly traded equity securities may not exist.

It is possible that a liquid market for our stock will never develop and you will not be able to sell your stock. There is no assurance a market will be made in our stock. If no market exists, you will not be able to sell your shares publicly, making your investment of little or no value.

Item 2. Description of Property.

The Company has no assets, property or any physical business office or other facilities. Its principal executive office address is the business office address of its transfer agent, Interwest Transfer Co., Inc., which, as a courtesy to its clients, provides mail forwarding services. Because the Company has had no business, its activities will be limited to keeping itself in good standing in the State of Nevada, seeking out acquisitions, reorganizations or mergers and preparing and filing the appropriate reports with the Securities and Exchange Commission. These activities have consumed an insubstantial amount of management's time.

Item 3. Legal Proceedings.

To the knowledge of management, no federal, state or local governmental agency is presently contemplating any proceeding against the Company. No director, executive officer or affiliate of the Company or owner of record or beneficially of more than five percent of the Company's common stock is a party adverse to the Company or has a material interest adverse to the Company in any proceeding.

The Company is a party to one legal action. On or about April 12, 2011 Kurt J Wagner filed an action against Claudio Gianascio and Oranco, Inc. in the Third District Court of Salt Lake County, Utah. Although not clear from the complaint, it appears that Mr. Wagner is alleging that he invested certain of his funds with an unnamed foreign investment advisor, which he believes invested part of his funds with a non-US corporation, which then loaned some of Mr. Wagner's funds to a US company called Air Packaging Technologies, Inc. (AIRP), secured by a secured debenture equal to other debenture holders in priority. He also appears to allege that Oranco, Inc. loaned funds to AIRP during the same period, secured by a secured debenture on equal priority with the debenture owed by the non-US corporation. His claim is further based upon his allegations that Claudio Gianascio owed him a fiduciary responsibility because he was an officer of the unnamed foreign investment advisor, that Mr. Gianascio breached his fiduciary obligation to Mr. Wagner by Oranco receiving an amount larger than it was entitled to from the sale of certain equipment of AIRP while Claudio Gianascio was an officer, director, and major stockholder of Oranco. He further alleges that Oranco then took part of the funds that it received from the sale of the AIRP machine and loaned them to AIRP to finance a litigation against 3M Corp, which was settled and resulted in Oranco receiving funds from such settlement that were partially his funds because Oranco had received a disproportionate share of the funds from the sale of the AIRP machine. Mr. Wagner alleges that he was damaged in the amount of \$134,000 plus interest. Oranco believes and has asserted many defenses to the claim and believes it is without merit. Presently the matter is in the discovery phase.

Item 4. Mine Safety Disclosures

Not Applicable

PART II

Item 5. Market for Common Equity and Related Stockholder Matters.

Market Information

There is no "public market" for shares of common stock of the Company. Although the Company's shares are quoted on the OTC Bulletin Board of the National Association of Securities Dealers, the Company is aware of only a few transaction that have taken place in the previous ten years. In any event, no assurance can be given that any market for the Company's common stock will develop or be maintained.

The ability of an individual shareholder to trade their shares in a particular state may be subject to various rules and regulations of that state. A number of states require that an issuer's securities be registered in their state or appropriately exempted from registration before the securities are permitted to trade in that state. Presently, the Company has no plans to register its securities in any particular state. Further, most likely the Company's shares will be subject to the provisions of Section 15(g) and Rule 15g-9 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), commonly referred to as the "penny stock" rule. Section 15(g) sets forth certain requirements for transactions in penny stocks and Rule 15g-9(d)(1) incorporates the definition of penny stock as that used in Rule 3a51-1 of the Exchange Act.

The Commission generally defines penny stock to be any equity security that has a market price less than \$5.00 per share, subject to certain exceptions. Rule 3a51-1 provides that any equity security is considered to be a penny stock unless that security is: registered and traded on a national securities exchange meeting specified criteria set by the Commission; authorized for quotation on The NASDAQ Stock Market; issued by a registered investment company; excluded from the definition on the basis of price (at least \$5.00 per share) or the issuer's net tangible assets; or exempted from the definition by the Commission. If the Company's shares are deemed to be a penny stock, trading in the shares will be subject to additional sales practice requirements on broker-dealers who sell penny stocks to persons other than established customers and accredited investors, generally persons with assets in excess of \$1,000,000 or annual income exceeding \$200,000, or \$300,000 together with their spouse.

For transactions covered by these rules, broker-dealers must make a special suitability determination for the purchase of such securities and must have received the purchaser's written consent to the transaction prior to the purchase. Additionally, for any transaction involving a penny stock, unless exempt, the rules require the delivery, prior to the first transaction, of a risk disclosure document relating to the penny stock market. A broker-dealer also must disclose the commissions payable to both the broker-dealer and the registered representative, and current quotations for the securities. Finally, monthly statements must be sent disclosing recent price information for the penny stocks held in the account and information on the limited market in penny stocks. Consequently, these rules may restrict the ability of broker-dealers to trade and/or maintain a market in the Company's Common stock and may affect the ability of shareholders to sell their shares.

Holders

The number of record holders of the Company's common stock as of the date of this Report is approximately 41.

Dividends

The Company has not declared any cash dividends with respect to its common stock and does not intend to declare dividends in the foreseeable future. The future dividend policy of the Company cannot be ascertained with any certainty, and until the Company completes any acquisition, reorganization or merger, as to which no assurance may be given, no such policy will be formulated. There are no material restrictions limiting, or that are likely to limit, the Company's ability to pay dividends on its common stock.

Securities authorized for issuance under equity compensation plans.

None

Item 6. Selected Financial Data

Not required to be filed

Item 7. Management's Discussion and Analysis or Plan of Operation.

Plan of Operation.

The Company has not engaged in any material operations or had any revenues from operations since inception. The Company's plan of operation for the next 12 months is to continue to seek the acquisition of assets, properties or businesses that may benefit the Company and its stockholders. Management intends to focus its efforts outside the United States both because management is located in Europe and because management believes that the Company can locate superior acquisition opportunities outside the United States. Management anticipates that to achieve any such acquisition, the Company will issue shares of its common stock as the sole consideration for such acquisition.

During the next 12 months, the Company's only foreseeable cash requirements will relate to maintaining the Company in good standing or the payment of expenses associated with reviewing or investigating any potential business venture, which the Company expects to pay from its cash resources. As of December 31, 2011, it had \$190,340 in cash or cash equivalents. Management believes that these funds are sufficient to cover its cash needs for the next 12 months. If additional funds are required during this period, such funds may be advanced by management or stockholders as loans to the Company. Because the Company has not identified any such venture as of the date of this Report, it is impossible to predict the amount of any such loan. However, any such loan will be on terms no less favorable to the Company than would be available from a commercial lender in an arm's length transaction. As of the date of this Report, the Company is not engaged in any negotiations with any person regarding any venture.

Results of Operations.

Other than restoring and maintaining its good corporate standing in the State of Nevada, obtaining an audit of the Company's financial statements, submitting the Company's common stock for quotation on the NASD OTC Bulletin Board, the filing of a Form 10 Registration, the completion of a private placement and the seeking of an appropriate acquisition candidate, merger partner, or business venture, the Company has had no material business operations in the two most recent calendar years.

Year ended December 31, 2011 compared to year ended December 31, 2010

Revenues, Including Interest, for the year ended December 31, 2011 were \$1,171 compared to \$9,706 for the year ended December 31, 2010, a 88% decrease, which is attributable to decreased interest income.

Expenses for the year ended December 31, 2011 were \$81,614 compared to \$29,473 for the year ended December 31, 2010. This represents a increase of \$52,141 or 177% and is attributable to a increase in travel and exploratory costs incurred, increased costs associated with regulatory reporting, and increases in professional fees. The increase in travel and exploratory costs occurred primarily during the first quarter of the year while performing due diligence on a possible acquisition which did not occur.

Net loss for the year ended December 31, 2011 was \$80,443 compared to a net loss of \$19,767 for the year ended December 31, 2010. This loss represents an increase of \$60,676. This increase in loss is attributable to increased travel and exploratory costs, increased costs associated with regulatory reporting, and increases in professional fees and decreased interest income.

Liquidity.

The Company's primary need for capital has been to pay the ongoing administrative expenses associated with being a reporting company such as legal, accounting and EDGAR filing. The Company, although more aggressively seeking an acquisition or merger partner and incurring travel and other expenses in relation thereto, does not anticipate this changing in the next 12 months, unless a suitable acquisition or merger candidate is located. However, because of the limited amount available no assurance can be given that this will be the case.

During the fiscal years ended December 31, 2010 the Company has been able to pay its expenses and costs through it cash on hand. As of December 31, 2011 had \$190,340 in cash or cash equivalents compared to \$267,758 at December 31, 2010.

Item 7a. Quantitative and qualitative disclosures about market risk.

Since we have no assets other than cash in banks and do not have any investments in eligible portfolio companies there is no quantitative information, as of the end of December 31, 2011, about market risk that has any impact on our present business. Once we begin making investments in eligible portfolio companies there will be market risk sensitive instruments and we will disclose the applicable market risk information at that time.

Item 8. Financial Statements.

The financial statements of the Company are included following the signature pages to this form 10-K.

Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure.

NONE

Item 9a. Controls and procedures

Evaluation of disclosure controls and procedures

Under the supervision and with the participation of our management, including our principal executive officer/principal financial officer, we conducted an evaluation of our disclosure controls and procedures, as such term

is defined under Rule 13a-15(e) and Rule 15d-15(e) promulgated under the Securities Exchange Act of 1934, as amended (Exchange Act), as of December 31, 2011. Based on this evaluation, our principal executive officer/principal financial officers has concluded that our disclosure controls and procedures were effective to ensure that information required to be disclosed by us in the reports 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 our disclosure and controls 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 accumulated and communicated to our management, including our principal executive and principal financial officers, or persons performing similar functions, as appropriate to allow timely decisions regarding required disclosure.

Management's Report on Internal Control over Financial Reporting

Management of the Company is responsible for establishing and maintaining effective internal control over financial reporting as defined in Rule 13a-15(f) under the Exchange Act. The Company's internal control over financial reporting is designed to provide reasonable assurance to the Company's management and Board of Directors regarding the preparation and fair presentation of published financial statements in accordance with United State's generally accepted accounting principles (US GAAP), including those policies and procedures that: (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company, (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with US GAAP and that receipts and expenditures are being made only in accordance with authorizations of management and directors of the company, and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Management conducted an evaluation of the effectiveness of internal control over financial reporting based on the framework in Internal Control—Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission. Management's assessment included an evaluation of the design of our internal control over financial reporting and testing of the operational effectiveness of our internal control over financial reporting. Based on this evaluation, Management concluded the Company maintained effective internal control over financial reporting as of December 31, 2011.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Therefore, even those systems determined to be effective can provide only reasonable assurance with respect to financial statement preparation and presentation.

Attestation Report of Registered Public Accounting Firm

This annual report on Form 10-K does not include an attestation report of our independent registered public accounting firm, regarding internal controls over financial reporting. Our internal control over financial reporting was not subject to such attestation as we are a smaller reporting company.

Changes in internal controls

There were no significant changes in our internal controls over financial reporting that occurred during the quarter and year ended December 31, 2011 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Item 9b. Other Information

None

PART III

Item 10. Directors, Executive Officers, Promoters and Control Persons; Compliance With Section 16(a) of the Exchange Act.

Identification of Directors and Executive Officers

The following table sets forth the names of all current directors and executive officers of the Company. These persons will serve until the next annual meeting of the stockholders or until their successors are elected or appointed and qualified, or their prior resignation or termination.

NAME	POSITION(S)	DATE ELECTED OR APPOINTED
Juan S. Zabala	President, Secretary, Treasurer, Director	03/09/2011

Business Experience

Mr. Zabala, age 48, is an attorney whose practice is located in the city of Seville, Spain. He received his Degree in Law from the University of Sevilla in 1988. Was a partner in a law firm from 1988 to 1996, a partner in the Law Firm of Rivas, Romero & Zabala from 2001 to 2004, and has been the owner and director of the law firm Zabala & Associates since 2005. Has experience in litigation, civil law, criminal law, and commercial law.

Significant Employees.

The Company has no employees who are not executive officers, but who are expected to make a significant contribution to the Company's business.

Family Relationships.

There are no family relationships between any current directors or executive officers of the Company, either by blood or by marriage.

Audit Committee

The Company has no audit committee financial expert, as defined under Section 228.401, serving on its audit committee because it has no audit committee and is not required to have an audit committee because it is not a listed security as defined in Section 240.10A-3.

Nominating Committee

We have not established a Nominating Committee because, due to our development of operations and the fact that we only have two directors and one executive officer, we believe that we are able to effectively manage the issues normally considered by a Nominating Committee. If we do establish a Nominating Committee, we will disclose this change to our procedures in recommending nominees to our board of directors.

Code of Ethics

The Company has adopted a code of ethics that applies to the Company's principal executive officer, principal financial officer, principal accounting officer or controller which was attached hereto as Exhibit 99.1 to the 2003 10KSB of the Company.

Involvement in Certain Legal Proceedings.

Except as stated above, during the past five years, no director, person nominated to become a director, executive officer, promoter or control person of the Company:

- was a general partner or executive officer of any business against
- (1) which any bankruptcy petition was filed, either at the time of the bankruptcy or two years prior to that time;
- (2) was convicted in a criminal proceeding or named subject to a pending criminal proceeding (excluding traffic violations and other minor offenses);
- was subject to any order, judgment or decree, not subsequently reversed, suspended or vacated, of any court
- (3) of competent jurisdiction, permanently or temporarily enjoining, barring, suspending or otherwise limiting his involvement in any type of business, securities or banking activities; or
- was found by a court of competent jurisdiction (in a civil action), the Securities and Exchange Commission
- (4) or the Commodity Futures Trading Commission to have violated a federal or state securities or commodities law, and the judgment has not been reversed, suspended or vacated.

Since the Company ceased operations in 1990, the Company knows of no person, who at any time during the subsequent fiscal years, was a director, officer, beneficial owner of more than ten percent of any class of equity securities of the registrant registered pursuant to Section 12 ("Reporting Person"), that failed to file on a timely basis any reports required to be furnished pursuant to Section 16 (a). Based upon a review of Forms 3 and 4 furnished to the registrant under Rule 16a-3(d) during its most recent fiscal year, other than disclosed below, the registrant knows of no Reporting Person that failed to file the required reports during the most recent fiscal year or prior years.

The following table sets forth as of December 31, 2011, the name and position of each Reporting Person that failed to file on a timely basis any reports required pursuant to Section 16(a) during the most recent fiscal year or prior years.

Name	Position	Reports Filed
------	----------	---------------

NONE

Item 11. Executive Compensation.

No current or prior officer or director has received any remuneration or compensation from the Company in the past three years, nor has any member of the Company's management been granted any option or stock appreciation right. Accordingly, no tables relating to such items have been included within this Item. None of our employees is subject to a written employment agreement nor has any officer received a cash salary since our founding. The Company has no agreement or understanding, express or implied, with any director, officer or principal stockholder, or their affiliates or associates, regarding compensation in the form of salary, bonuses, stocks, options, warrants or any other form of remuneration, for services performed on behalf of the Company. Nor are there compensatory plans or arrangements,

including payments to any officer in relation to resignation, retirement, or other termination of employment, or any change in control of the Company, or a change in the officer's responsibilities following a change in control of the Company.

Compensation of Directors

There are no agreements to compensate any of the directors for their services.

Our officers and directors are reimbursed for expenses incurred on our behalf. Our officers and directors will not receive any finder's fee as a result of their efforts to implement the business plan outlined herein. However, our officers and directors anticipate receiving benefits as beneficial shareholders of our common stock.

We have not adopted any retirement, pension, profit sharing, stock option or insurance programs or other similar programs for the benefit of our employees.

Termination of Employment and Change of Control Arrangement

There are no compensatory plans or arrangements, including payments to be received from the Company, with respect to any former employees, officers or directors which would in any way result in payments to any such person because of his or her resignation, retirement or other termination of such person's employment with the Company or its subsidiaries, or any change in control of the Company, or a change in the person's responsibilities following a change in control of the Company.

Item 12. Security Ownership of Certain Beneficial Owners and Management.

Security Ownership of Certain Beneficial Owners.

The following table sets forth the shareholdings of those persons who beneficially own more than five percent of the Company's common stock as of the date of this Report, with the computations being based upon 4,269,950 shares of common stock being outstanding on March 1, 2011, unless otherwise noted.

None

Security Ownership of Management.

The following table sets forth the shareholdings of the Company's directors and executive officers as of the date of this Report:

Name and Address	Number of Shares Beneficially Owned	Percentage of Class (1)
Juan A Zabala C/Valparaiso 23 1B Sevilla, Spain 41013	210,000	4.9%
All directors and executive officers as a group (2 people)	210,000	4.9%

(1) Percentage is calculated upon the 4,269,950 shares outstanding.

Changes in Control.

There are no present arrangements or pledges of the Company's securities which may result in a change in control of the Company.

Item 13. Certain Relationships and Related Transactions.

Transactions with Management and Others.

None. We have no undisclosed related transactions.

Resolving conflicts of interest

Our directors must disclose all conflicts of interest and all corporate opportunities to the entire board of directors. Any transaction involving a conflict of interest will be conducted on terms not less favorable than that which could be obtained from an unrelated third party.

Director independence

We do not have any independent directors serving on our board of directors

Item 14. Principal Accountant Fees and Services

Audit Fee

The aggregate fees billed for each of the last two fiscal years for professional services rendered by the principal account for the audit of Oranco's annual financial statement and review of financial statements included in Oranco's 10-K and 10-Q reports and services normally provided by the accountant in connection with statutory and regulatory filings or engagements were \$6,125 for fiscal year ended 2011 and \$5,375 for fiscal year ended 2010.

Audit-Related Fees

The aggregate fees billed in each of the last two fiscal years for assurance and related services by the principal accountant that are reasonably related to the performance of the audit or review of Oranco's financial statements that are not reported above were \$ -0- for fiscal years ended 2011 and 2010.

Tax Fees

The aggregate fees billed in each of the last two fiscal years for professional services rendered by the principal accountant for tax compliance, tax advice, and tax planning were \$0 for fiscal year ended 2011 and \$125.00 for fiscal year ended 2010.

All Other Fees

The aggregate fees billed in each of the last two fiscal years for products and services provided by the principal accountant, other than the services reported above were \$ -0- for fiscal years ended 2011 and 2010.

We do not have an audit committee currently serving and as a result our board of directors performs the duties of an audit committee. Our board of directors will evaluate and approve in advance, the scope and cost of the engagement

of an auditor before the auditor renders audit and non-audit services. We do not rely on pre-approval policies and procedures.

Item 15. Exhibits and Reports on Form 8-K.

Reports on Form 8-K

NONE

Exhibits

Exhibit Number	Description*
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3.1 *	Initial Articles of Incorporation,
3.2 *	Articles of Amendment to the Articles of Incorporation,
3.3 *	By-Laws
10.1 **	2000 non-Qualified Key Man Stock Option Plan
10.2 **	Form of Option Certificate delivered in connection with the grant of individual options.
31.1	Rule 13a-14(a)/15d-14(a) Certification.
32.1	Certification by the Chief Executive Officer/Acting Chief Financial Officer Relating to a Periodic Report Containing Financial Statements.***
99.1****	Code of Ethics
101 ins	XBRL Instance
101.xsd	XBRL Schema
101.cal	XBRL Calculation
101.def	XBRL Definition
101.lab	XBRL Label
101.pre	XBRL Presentation

*** The Exhibit attached to this Form 10-K shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934 (the "Exchange Act") or otherwise subject to liability under that section, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Exchange Act, except as expressly set forth by specific reference in such filing.

DOCUMENTS INCORPORATED BY REFERENCE

* Documents previously filed as exhibits to Form 10 filed on November 18, 1999 and incorporated herein by this reference.

** Documents previously filed as exhibits to Form 10KSB annual report for year ending 12/31/99.

**** Documents previously filed as exhibit to Form 10KSB annual report for year ending 12/31/2003.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the Company has duly caused this Report to be signed on its behalf by the undersigned, thereunto duly authorized.

ORANCO, INC.

Date: March 21, 2011 S/ Juan S. Zabala

Juan A. Zabala
President, Secretary, Treasurer and
Director

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, this Report has been signed below by the following persons on behalf of the Company and in the capacities and on the dates indicated:

ORANCO, INC.

Date: March 21, 2011

S/ Juan S. Zabala
Juan S. Zabala
President, Secretary,
Treasurer and Director

MADSEN & ASSOCIATES CPA's, INC.
Certified Public Accountants

684 East Vine St, # 3
Murray, Utah 84107
Telephone 801-268-2632
Fax 801-262-3978

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and
Stockholders of Oranco, Inc.
(A Development Stage Company)

We have audited the accompanying balance sheets of Oranco, Inc. (A Development Stage Company) (the Company) as of December 31, 2011 and 2010, and the related statements of operations, stockholders' equity, and cash flows for each of the years in the two-year period ended December 31, 2011, and the period June 16, 1977 (date of inception) to December 31, 2011. The Company's management is responsible for these financial statements. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audit included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Oranco, Inc. as of December 31, 2011 and 2010, and the results of operations and its cash flows for each of the years in the two-year period ended December 31, 2011, and the period June 16, 1977 (date of inception) to December 31, 2011 in conformity with accounting principles generally accepted in the United States of America.

/s/ Madsen & Associates CPA's, Inc.
Murray, Utah
March 9, 2012

ORANCO, INC.
(Development Stage Company)
BALANCE SHEETS

	December 31, 2011	December 31, 2010
ASSETS		
Current Assets:		
Cash	\$ 190,340	\$ 267,758
Total Current Assets	190,340	267,758
TOTAL ASSETS	\$ 190,340	\$ 267,758
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current Liabilities:		
Accounts payable	\$ 3,025	\$ -
TOTAL CURRENT LIABILITIES	3,025	-
Commitments and contingencies	-	-
Stockholders' Equity:		
Common stock, \$0.001 par value, 100,000,000 shares authorized, 4,269,950 shares issued and outstanding at December, 31 2011 and 2010	4,270	4,270
Additional paid in capital	349,898	349,898
Deficit accumulated during the Development Stage	(166,853)	(86,410)
TOTAL STOCKHOLDERS' EQUITY	187,315	267,758
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	\$ 190,340	\$ 267,758

ORANCO, INC.
(Development Stage Company)
STATEMENTS OF OPERATIONS

	For the Year Ended December 31, 2011	For the Year Ended December 31, 2010	From Inception (June 16, 1977) to December 31, 2011
Revenues	\$ -	\$ -	\$ -
General and administrative	81,614	29,473	337,512
Valuation adjustment - available-for-sale securities	-	-	30,401
Total operating expenses	81,614	29,473	367,913
Net loss from operations	(81,614)	(29,473)	(367,913)
Interest and contract income	1,171	9,706	201,060
Net loss	(80,443)	(19,767)	(166,853)
Weighted average number of shares outstanding - basic and diluted	4,269,950	4,269,950	
Net loss per share - basic and diluted	\$ (0.02)	\$ (0.00)	

ORANCO, INC.
(Development Stage Company)
STATEMENT OF STOCKHOLDERS' EQUITY

	Common Stock 1,000,000,000 shares authorized	Par Value \$.001 per share	Additional Paid-In Capital	Deficit accumulated during Development Stage	Total
Shares Issued					
BALANCE, June 16, 1977 (inception)	-	\$ -	\$-	\$ -	\$-
Issuance of common stock for cash at \$.034; July 9, 1982	231,300	231	7,594		7,825
Issuance of common stock for cash at \$.079; November 12, 1982	143,650	144	11,199		11,343
Issuance of common stock for cash at \$.025; December 12, 1983	40,000	40	960		1,000
Net loss for the year ended December 31, 1983				(20,168)	(20,168)
Issuance of common stock for cash at \$.019; June 6, 1984	40,000	40	710		750
Net loss for the year ended December 31, 1984				(750)	(750)
Issuance of common stock for cash at \$.019; January 15, 1985	40,000	40	710		750
Net loss for the year ended December 31, 1985				(750)	(750)
Issuance of common stock for cash at \$.05; May 16, 1997	200,000	200	9,800		10,000
Net loss for the year ended December 31, 1997				(2,290)	(2,290)
Net loss for the year ended December 31, 1998				(7,710)	(7,710)
Issuance of common stock for cash at \$.05; November 12, 1999	700,000	700	34,300		35,000
Net loss for the year ended December 31, 1999				(7,671)	(7,671)
Issuance of common stock for cash at \$.10; June and July 2000	2,500,000	2,500	247,500		250,000
Issuance of common stock for cash at \$.10; July 5, 2000	125,000	125	12,375		12,500
Net loss for the year ended December 31, 2000				(7,497)	(7,497)
Net income for the year ended December 31, 2001				11,247	11,247
Net income for the year ended December 31, 2002				3,910	3,910
				(15,238)	(15,238)

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Net loss for the year ended December 31, 2003					
Net loss for the year ended December 31, 2004				(7,927)	(7,927)
Issuance of common stock for cash at \$.10; March 2005	250,000	250	24,750		25,000
Net income for the year ended December 31, 2005				33,398	33,398
Net loss for the year ended December 31, 2006				(8,348)	(8,348)
Net loss for the year ended December 31, 2007				(19,884)	(19,884)
Net loss for the year ended December 31, 2008				(16,151)	(16,151)
BALANCE, December 31, 2008	4,269,950	4,270	349,898	(65,829)	288,339
Net loss for the year ended December 31, 2009				(814)	(814)
BALANCE, December 31, 2009	4,269,950	4,270	349,898	(66,643)	287,525
Net loss for the year ended December 31, 2010				(19,767)	(19,767)
BALANCE, December 31, 2010	4,269,950	4,270	349,898	(86,410)	267,758
Net loss for the year ended December 31, 2011				(80,443)	(80,443)
BALANCE, December 31, 2011	4,269,950	4,270	349,898	(166,853)	187,315

ORANCO, INC.
(Development Stage Company)
STATEMENTS OF CASH FLOWS

	Year Ended December 31, 2011	Year Ended December 31, 2010	From Inception (June 16, 1977) to December 31, 2011
CASH FLOWS FROM OPERATING ACTIVITIES:			
Net loss	\$ (80,443)	\$ (19,767)	\$ (166,853)
Changes in operating assets and liabilities:			
Net change in accounts payable	3,025	(1,194)	3,025
Net cash (used in) provided by operating activities	(77,418)	(20,961)	(163,828)
CASH FLOWS FROM INVESTING ACTIVITIES:			
Changes in note receivable	-	200,000	-
Net cash provided by investing activities	-	200,000	-
CASH FLOWS FROM FINANCING ACTIVITIES:			
Proceeds from the issuance of common stock	-	-	354,168
Net cash provided by financing activities	-	-	354,168
			-
INCREASE (DECREASE) IN CASH	(77,418)	179,039	190,340
CASH AT BEGINNING OF PERIOD	267,758	88,719	-
			-
CASH AT END OF PERIOD	\$ 190,340	\$ 267,758	\$ 190,340
			-
Supplemental disclosures of cash flow information:			-
Cash paid for income taxes	\$ -	\$ -	\$ -
Cash paid for interest expense	\$ -	\$ -	\$ -

ORANCO, INC.
(Development Stage Company)
NOTES TO FINANCIAL STATEMENTS
December 31, 2011

1. ORGANIZATION

The Company was incorporated under the laws of the state of Nevada on June 16, 1977 with authorized common stock of 100,000 shares at a par value of \$.25. On June 10, 1997 the authorized common stock was increased to 100,000,000 shares with a par value of \$.001.

The Company was in the business of developing mineral deposits until 1983, when it abandoned all related activities. The Company has remained inactive since that time.

The Company is in the development stage.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Accounting Method

The Company recognizes income and expenses based on the accrual method of accounting.

Dividend Policy

The Company has not yet adopted a policy regarding payment of dividends.

Income Taxes

The Company utilizes the liability method of accounting for income taxes. Under the liability method deferred tax assets and liabilities are determined based on the differences between financial reporting and the tax bases of the assets and liabilities and are measured using the enacted tax rates and laws that will be in effect, when the differences are expected to reverse. An allowance against deferred tax assets is recorded, when it is more likely than not, that such tax benefits will not be realized.

On December 31, 2010, the Company had a net operating loss available for carryforward of \$161,092. The tax benefit of approximately \$56,000 from the carryforward has been fully offset by a valuation reserve because the use of the future tax benefit is doubtful. The net operating losses expire 20 years after they are incurred.

Financial and Concentrations Risk

The Company does not have any concentration or related financial credit risk except that the Company maintains cash in banks over the insured amounts of \$250,000, however they are considered to be in banks of high quality.

ORANCO, INC.

(Development Stage Company)

NOTES TO FINANCIAL STATEMENTS (Continued)

December 31, 2011

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Basic and Diluted Net Income (Loss) Per Share

Loss per share is computed based on the weighted average number of shares outstanding during the year. Diluted loss per common share is computed by dividing net loss by the weighted average number of common shares and potential common shares during the specified periods. The Company has no outstanding options, warrants or other convertible instruments that could affect the calculated number of shares.

Statement of Cash Flows

For the purposes of the statement of cash flows, the Company considers all highly liquid investments with a maturity of three months or less to be cash equivalents.

Revenue Recognition

Revenue will be recognized on the sale and delivery of a product or the completion of a service provided.

Advertising and Market Development

The company will expense advertising and market development costs as incurred.

Estimates and Assumptions

Management uses estimates and assumptions in preparing financial statements in accordance with accounting principles generally accepted in the United States of America. Those estimates and assumptions affect the reported amounts of the assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could vary from the estimates that were assumed in preparing these financial statements.

Financial Instruments

The carrying amounts of the Company's financial instruments are considered by management to be their estimated fair values due to their short term maturities.

Recent Accounting Pronouncements

The Company does not expect that the adoption of other recent accounting pronouncements will have a material impact on its financial statements.

ORANCO, INC.
(Development Stage Company)
NOTES TO FINANCIAL STATEMENTS (Continued)
December 31, 2011

3. NOTE RECEIVABLE

On July 29, 2008 the Company advanced \$200,000 under a Promissory Note agreement to a third party, with an annual interest rate of 4.75%. On August 23, 2010, the Company advanced \$37,500 under another Promissory Note agreement to a third party, with an annual interest rate of 6%. These Notes were paid on December 1, 2010, including accrued interest of \$4,592.

4. RELATED PARTY TRANSACTIONS

The President of the Company has acquired 4.9% of the issued and outstanding common stock.