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Yasheng Eco-Trade Corp  
Form 10-Q  
November 23, 2009

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 September 30, 2009

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

Commissions file number 001-12000

YASHENG ECO-TRADE CORPORATION  
(Exact name of registrant - registrant as specified in its charter)

VORTEX RESOURCES CORP.  
(Former name of registrant)

Delaware  
(State or other jurisdiction of incorporation or  
organization)

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

9107 Wilshire Blvd., Suite 450, Beverly Hills, CA 90210  
(Address of principal executive offices)

(310) 461-3559  
Issuer's telephone number

(310) 461-1901  
Issuer's facsimile number

Indicate by check mark 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 requirement 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 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.

Large accelerated filer

Accelerated filer

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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, \$.001 par value  
(Class)

115,006,462  
(Outstanding at November 20, 2009)

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

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YASHENG ECO-TRADE CORPORATION (F/K/A VORTEX RESOURCES CORP.)  
 CONDENSED CONSOLIDATED BALANCE SHEET  
 (Un-Audited)

	2009 (Unaudited)	12/31/2008 (Restated)
<b>ASSETS</b>		
Current assets:		
Cash and cash equivalents	5,975	123,903
Intangible, debt discount on Notes with conversion option, current (Note 3)	—	—
Note receivable – From discontinued operations (Note 5)	600,000	—
<b>Total current assets from continued operations</b>	<b>5,975</b>	<b>123,903</b>
<b>Total current assets from discontinued operations (Notes 5, 12)</b>	<b>600,000</b>	<b>—</b>
<b>Total current assets</b>	<b>605,975</b>	<b>123,903</b>
Intangible, debt discount on Notes with conversion option, net of current portion (Note 3)		
	—	—
Note receivable- From discontinued operations (Notes 5, 12)	1,500,000	2,600,000
<b>Total assets</b>	<b>2,105,975</b>	<b>2,723,903</b>
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
Current liabilities:		
Accounts payable and accrued expenses	966,649	813,064
Convertible notes payable to third party – current portion (Note 3)	-	212,290
Other current liabilities	88,336	89,400
<b>Total current liabilities</b>	<b>2,704,129</b>	<b>1,742,899</b>
<b>Total liabilities</b>	<b>3,759,114</b>	<b>2,857,653</b>
Commitments and contingencies (Note 6)		
	—	—
Minority interest in subsidiary's net assets (Note 5)	365,000	525,000
Stockholders' equity (Note 7)		
Preferred stock, 1,000,000 series B convertible, \$1.20 stated value - Authorized and outstanding 0 and 1,200,000 shares respectively	-	1,200,000
Common stock, \$.001 par value - Authorized 400,000,000 shares; 114,456,462 and 872,809 shares issued; 114,456,462 and 872,809 shares outstanding, respectively	200,864	87,281
Additional paid-in capital	97,710,400	93,038,051
Accumulated deficit	(99,902,368)	(94,957,047)
Accumulated other comprehensive loss	(2,226)	(2,226)
Treasury stock – 1,000 and 127,889 common shares at cost, respectively (Note 9)	(24,809)	(24,809)
<b>Total stockholders' equity</b>	<b>(2,018,139)</b>	<b>-658,750</b>
<b>Total liabilities and stockholders' equity</b>	<b>2,105,975</b>	<b>2,723,903</b>



YASHENG ECO-TRADE CORPORATION (F/K/A VORTEX RESOURCES CORP.)  
 CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE INCOME (LOSS)  
 (Un-Audited)

	Three Months Ended 30-Sep-09		Nine Months Ended 30-Sep-09	
	2009	2008	2009	2008
Revenues	\$ -	1,990,000	\$ -	1,990,000
Cost of revenues	-	1,933,569	-	1,933,569
<b>Operating expenses</b>				
Compensation and related costs	71,532	864,682	214,597	1,049,065
Consulting, professional and directors fees	164,312	560,531	435,682	12,655,015
Other selling, general and administrative expenses	135,500	30,977.0	222,801	168,813
Total operating expenses ( Note 10)	371,344	1,456,190	873,080	13,872,893
Operating loss	(371,344)	(1,399,759)	(873,080)	(13,816,462)
Financing loss-change in conversion price			(1,786,000)	
Bad debt allowance	—	(688,902)		(5,837,762)
Loss from abandoned project		(185,257)		(185,257)
Interest income		116,982	211,567	473,597
Interest expense	(434,129)	(862,374)	(2,172,808)	(1,674,334)
Net loss before minority interest	(805,473)	(3,019,310)	(4,620,321)	(21,040,218)
Minority interest (loss) income of consolidated subsidiary	-	-	(325,000)	-
Net loss	(805,473)	(3,019,310)	(4,945,321)	(21,040,218)
Net income (loss) per share, basic	\$ (0.01)	0.07	\$ (0.18)	1.10
Weighted average number of shares outstanding, basic (Note 1, 7)	68,293,839	46,429,968	28,985,375	19,046,024
Net income (loss) per share, diluted	\$ (0.01)	0.07	\$ (0.18)	1.10
Weighted average number of shares outstanding, diluted (Notes 1, 7)	68,293,839	46,429,968	28,985,375	19,046,024

See accompanying notes to condensed consolidated financial statements.

YASHENG ECO-TRADE CORPORATION (F/K/A VORTEX RESOURCES CORP.)  
 CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY  
 RESTATED FOR 1:100 REVERSE SPLIT AS OF SEPTEMBER 30, 2009  
 (Un-Audited)

	Preferred Stock Number of Shares	Common Stock Number of Shares	Amount	Additional Paid-in Capital	Accumulated Deficit	Income (Loss)	Treasury Stock	Shareholders' Equity
Balances December 31, 2007		46,092	4,609	53,281,396	(38,289,630)	(2,226)	(2,117,711)	12,876,438
Compensation charge on shares, options and warrants issued to consultants		2,540	254	2,018,161				2,018,415
Issuance of preferred shares and subsequent conversion into common shares		500,000	50,000	49,950,000				50,000,000
Issuance of shares - common		25,207	2,521	1,014,993				