

TORTUGA MEXICAN IMPORTS INC

Form 10-K

December 15, 2008

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-K

(Mark One)

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

For the fiscal year ended August 31, 2008

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

For the transition period from ☐ to ☐

Commission file number 333-102945

Tortuga Mexican Imports, Inc.
(Name of small business issuer in its charter)

Nevada
(State or other jurisdiction of incorporation or organization)

98-0379431
(I.R.S. Employer Identification No.)

Suite 219 - 10654 82 Ave NW,
Edmonton, Alberta, Canada
(Address of principal executive offices)

T6E 2A7
(Zip Code)

Issuer's telephone number (780) 710-9840

Securities registered pursuant to Section 12(b) of the Act:

Title of each class
Nil

Name of each exchange on which registered
Nil

Securities registered pursuant to Section 12(g) of the Act:

Common Shares, par value \$0.001
(Title of class)

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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 ☐

Large accelerated filer

Accelerated filer

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

Smaller reporting company ☒

State issuer's revenues for its most recent fiscal year. \$0

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State the aggregate market value of the voting and non-voting common equity held by non-affiliates computed by reference to the price at which the common equity was sold, or the average bid and asked prices of such common equity, as of a specified date within 60 days. (See definition of affiliate in Rule 12b-2 of the Exchange Act.)

N/A

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

25,260,450 common shares issued and outstanding as of November 29, 2008.

Check whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). . Yes [] No [X]

PART I

Item 1. Description of Business.

This annual report contains forward-looking statements as that term is defined in the Private Securities Litigation Reform Act of 1995. These statements relate to future events or our future financial performance. In some cases, you can identify forward-looking statements by terminology such as "may", "should", "expects", "plans", "anticipates", "believes", "estimates", "predicts", "potential" or "continue" or the negative of these terms or other comparable terminology. These statements are only predictions and involve known and unknown risks, uncertainties and other factors, including the risks in the section entitled "Risk Factors", that may cause our or our industry's actual results, levels of activity, performance or achievements to be materially different from any future results, levels of activity, performance or achievements expressed or implied by these forward-looking statements.

Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee future results, levels of activity, performance or achievements. Except as required by applicable law, including the securities laws of the United States, we do not intend to update any of the forward-looking statements to conform these statements to actual results.

Our financial statements are stated in United States Dollars (US\$) and are prepared in accordance with United States Generally Accepted Accounting Principles.

In this annual report, unless otherwise specified, all dollar amounts are expressed in United States dollars. All references "common shares" refer to the common shares in our capital stock.

As used in this annual report, the terms "we", "us", "our", and "Tortuga" mean Tortuga Mexican Imports, Inc., unless otherwise indicated.

Our Business – General

We were incorporated on April 17, 2002, under the laws of the State of Nevada. We have commenced limited operations, and have generated revenue of \$7,569 to date. We are still a development stage corporation.

We have launched our e-commerce site on the Internet for the purpose of engaging in the business of selling jewelry and crafts online. Our new website is located at www.shoptortuga.com. Our initial website was located at www.tortuga-imports.com. This website has a link to our new recently launched website. Our website currently offers jewelry designed by our President, Vanessa Avila. Our jewelry is also currently for sale in select retail locations in Edmonton and Vancouver. We have imported jewelry and crafts to date but have not yet imported any furniture. We also import various materials, primarily silverware, which our President, Vanessa Avila, designs into jewelry which we offer for sale.

We also intend to distribute detailed catalogues of fine Mexican furniture and crafts to interior designers, retailers and decorators in the Province of Alberta, Canada. We are currently reviewing when to commence production of the catalogues.

Properties

Our offices are located at Suite 219-10654 82nd Avenue SW, Edmonton, Alberta T6E 4A7. We conduct all of our executive and administrative functions and ship our products to our customers from this facility. Our office space is an office sharing arrangement being provided as an accommodation to us by a business associate of Ms. Avila. We are currently actively searching for new lease office and warehouse space. We will require a location that provides us with

the space necessary to store inventory, package and label our products, and for office administration. We anticipate locating a suitable facility in the near future. Our telephone number is (780) 710-9840.

History

From 1995 to 1997, Ms. Avila, one of our directors, traveled extensively throughout the country of Mexico. During this time, Ms. Avila came in contact with various producers of fine furniture, jewelry and Mexican crafts. Ms. Avila was impressed by the opportunity she saw to obtain exceptional Mexican furniture, jewelry and crafts and affect its reliable delivery to international buyers. Initially Ms. Avila was traveling throughout Mexico in pursuit of personal purchases. However, Ms. Avila soon realized that there was an opportunity to export these fine products abroad. Ms. Avila cultivates relationships and contacts with various producers throughout Mexico.

In the last two years, Ms. Avila has traveled extensively in Mexico and met a wide variety of individuals and companies that are offering products we intend to sell through our catalogues and on our e-commerce site.

Our business plan is to offer Mexican jewelry, furniture and crafts. Originally, we intended to immediately commence the purchasing of furniture, crafts and jewelry, including the production of a detailed colour catalogue of furniture after the completion of our SB-2 offering. However, we have conducted market research since then and, based in large part on the positive response to the limited quantities of jewelry we have imported and sold, we have determined that we will initially focus on the sale of jewelry on our website and may not immediately commence the importation of furniture and the production of a catalogue. In addition, we plan on offering our jewelry in select third party retail locations. Our original business plan did not contemplate selling our jewelry in third party retail locations.

We raised a total of \$68,450 pursuant to our SB2 registration statement, which was declared effective on February 22, 2005. We closed the offering on August 22, 2005. In October 2007, we raised \$15,000. In November 2008, we raised an additional \$15,000. Management did not purchase shares. We have now commenced operations.

Current Business Operations

We have commenced operations. We recently launched a new e-commerce website at www.shoptortuga.com. We have also placed our jewelry, designed by our President, Vanessa Avila, in a few select retail locations in Edmonton and Vancouver. In addition, our jewelry is also available at the Aydin Gallery located in the Tinsletown Mall in Vancouver. The jewelry has been placed on a consignment basis. We are also currently reviewing when we will develop catalogues featuring our jewelry along with Mexican furniture and crafts. We intend to distribute the catalogues to retailers, interior designers and decorators.

We commenced sales of our products through our e-commerce website in June 2006. Our website accepts payment by credit card. We have generated limited sales to date from the sale of our jewelry by our President, Vanessa Avila. Ms. Avila sold the jewelry to friends, work colleagues and at a temporary booth on the campus of the University of Calgary in Calgary, Alberta. We have generated \$7,569 in revenues to date.

On June 1, 2006 The Company acquired Tortuga Canada, a Canadian private Company wholly owned by the President of the Company, Ms. Avila. Before the acquisition the Company was indebted to Tortuga Canada for \$580. Upon acquisition the Company issued Tortuga Canada 49,950 common shares at \$0.10 per share, which was the price of the Company's latest private placement, for a total of \$555 with the residual of the debt forgiven by Tortuga Canada.

Products

Jewelry

Our jewelry will be comprised of various materials, however; we intend to incorporate silverware into the majority of the pieces we offer. The silverware will be purchased primarily from the town of Taxco, in the State of Guerrero, Mexico. The silverware we offer is characterized by diversity of design, high quality and originality. We offer unique necklaces, bracelets, earrings, rings, broaches, pendants, ornaments, cufflinks and key rings. Each piece of our silver is stamped with a "925". This certification means that there are 925 parts of silver in every 1000 parts of its metal content.

We will also use semi-precious gemstones and an eclectic mix of beads and leather and silver in our jewelry.

Furniture

We will also offer a unique line of rustic Mexican furniture. Our management will determine when we commence the import of furniture. We intend to offer a variety of different furniture items, including the following types of furniture: armoires, coffee and sofa tables, dining room sets, desks and beds. The furniture will be characterized by the following finishes and features: hammered copper, old reclaimed pine and forged or wrought iron.

We anticipate acquiring many of our craft products from Fonart, a Mexican government organization that promotes Mexican artisans and sells their products. However, we have not yet reached any agreement or understanding with this supplier. In addition, we anticipate that the majority of furniture items will be supplied from various suppliers in Puebla, Mexico. We have not yet reached any agreements or understandings with such suppliers.

Crafts

We will also offer various crafts including paper mache and ceramics from the State of Jalisco and elsewhere and hand blown glassware.

We anticipate acquiring the majority of our craft products from individuals and family run enterprises in addition to Fonart, a Mexican government organization that promotes Mexican artisans and sells their wares. We have not yet reached any agreement or understanding with this supplier.

Marketing, Advertising and Promotion

We intend to pursue strategic advertising and marketing campaigns. We intend to implement an aggressive online advertising and marketing campaign to increase awareness of our name and to acquire new customers through multiple channels, including traditional and online advertising, direct marketing and expansion and strengthening of strategic relationships. Initially, we will concentrate our efforts on the sale of jewelry on our e-commerce website www.shoptortuga.com and in select third party retail locations. We will seek to promote its website and attract visitors to it by becoming predominant on major search engines and banner advertisements on highly trafficked web sites that appeal to our target audience. In addition, we will promote our website and our products by conventional advertising and marketing. In November, 2005 some of our jewelry designed by our President Vanessa Avila was featured in a fashion show during Fashion Week Vancouver 2005. In June 2006, we commenced online sales of our products on our website.

Once we have produced our catalogues, we intend to use traditional and non-traditional methods of marketing for our catalogues. We will distribute our catalogues to interior designers, decorators, retailers and wholesalers. We will also seek out strategic relationships with interior designers in hopes of finding common designing ground to incorporate our products into their client design recommendations.

Competition

The Mexican jewelry, furniture and crafts market is highly fragmented. In addition, the online commerce market in which we operate is new, rapidly evolving and highly competitive. We expect competition to intensify in the future because current and new competitors can launch web sites at a relatively low cost.

There are not a significant number of online providers of unique Mexican furniture, jewelry and crafts. Our principal competitor will be retail sellers of Mexican products. One of the principle obstacles will be the primary method consumers purchase furniture, that is, in person where products can be touched and viewed in various lighting. We believe we can overcome this disadvantage based on: (a) our competitive pricing; and (b) the unique products we offer which are not available at retail outlets; and (c) the educational and informative shopping experience we intend to create.

The products we intend to offer are readily available in Mexico. We will allow the customer to select from a wide range of products from various regions of Mexico from their own home as opposed to traveling to Mexico. Most of the small suppliers from whom we intend to purchase are not equipped to offer products online.

Government Regulation and Supervision

Our operations are subject to the effects of international treaties and regulations especially the North American Free Trade Agreement (NAFTA) to which both Canada and Mexico are parties. We are also subject to the effects of international trade agreements and embargoes by entities such as the World Trade Organization, especially from the purchase of goods from our e-commerce website. Generally, these international trade agreements benefit our business rather than burden it because they tend to reduce trade quotas, duties, taxes and similar impositions. However, these trade agreements may also impose restrictions that could have an adverse impact on our business, by limiting the countries from whom we can purchase our fabric or other component materials, or limiting the countries where we might market and sell our products. Also, because we import all of our products from Mexico, any negative changes to NAFTA would have an adverse effect our business.

Product Research and Development

We do not anticipate that we will expend any significant funds on research and development over the twelve months ending August 31, 2009.

Employees

Currently there are no full time or part-time employees of our company. However, our president, Vanessa Avila, is a full time consultant of our company, and our treasurer and chief financial officer, Eduardo Avila, is a part time consultant of our company. We do not expect an increase in the number of employees over the next 12 month period. If business is successful and we experience rapid growth, our current officers and directors may be required to hire new personnel to improve, implement and administer our operational, management, financial and accounting systems.

Purchase or Sale of Equipment

Other than purchasing computer and office equipment necessary for operating our business, we do not intend to purchase any significant equipment over the twelve months ending August 31, 2009.

RISK FACTORS

Much of the information included in this quarterly report includes or is based upon estimates, projections or other "forward-looking statements". Such forward-looking statements include any projections or estimates made by us and our management in connection with our business operations. While these forward-looking statements, and any assumptions upon which they are based, are made in good faith and reflect our current judgment regarding the direction of our business, actual results will almost always vary, sometimes materially, from any estimates, predictions, projections, assumptions, or other future performance suggested herein. We undertake no obligation to update forward-looking statements to reflect events or circumstances occurring after the date of such statements.

Such estimates, projections or other "forward-looking statements" involve various risks and uncertainties as outlined below. We caution readers of this quarterly report that important factors in some cases have affected and, in the future, could materially affect actual results and cause actual results to differ materially from the results expressed in any such estimates, projections or other "forward-looking statements". In evaluating us, our business and any investment in our business, readers should carefully consider the following factors.

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We are in the early stages of our growth and we have only just begun to earn revenue, which makes it difficult to evaluate whether we will operate profitably.

We are in the early stages of the growth of our company, which is involved primarily in the import, design and sale of jewelry, crafts and furniture. As a result, we do not have a meaningful historical record of sales and revenues nor an established business track record. We have only recently begun to earn revenues.

Unanticipated problems, expenses and delays are frequently encountered in ramping up production and sales and developing new products, especially in the current stage of our business. Our ability to continue to successfully develop, produce and sell our products and to generate significant operating revenues will depend on our ability to, among other things:

- Continue to successfully import Mexican jewelry, crafts and furniture;
- successfully market, distribute and sell our products or enter into agreements with third parties to perform these functions on our behalf; and
- obtain the additional financing that may be required to fully implement our business plan.

Given our limited operating history, lack of long-term sales history and other sources of revenue, there can be no assurance that we will be able to achieve any of these goals and develop a sufficiently large customer base to be profitable.

During the year ended August 31, 2005 we raised \$68,450 of equity capital pursuant to our SB-2 Registration Statement. In October 2007, we raised \$15,000. In November 2008, we raised an additional \$15,000. The future of our company will depend upon our ability to continue to obtain adequate orders for our products and prompt payment for our products. To the extent that we cannot achieve our plans and generate revenues which exceed expenses on a consistent basis and in a timely manner, our business, results of operations, financial condition and prospects could be materially adversely affected.

We depend on third party shippers to deliver our products in a timely manner and as such we are subject to delays which are out of our control and may lead to a loss of business.

For the most part, our customers cannot visit physical stores to pick up our products. Our product distribution relies instead on third-party delivery services, including the United States Postal Service, the Mexican Postal Service (Correos de Mexico), Canada Post and United Parcel Service. Strikes and other interruptions may delay the timely delivery of customer orders, and customers may refuse to purchase our products because of this loss of convenience.

There is substantial doubt about our ability to continue as a going concern.

We have received a going concern opinion from our independent auditors LBB & Associates Ltd., LLP, concerning our August 31, 2008 financial statements. The independent auditor's report accompanying our August 31, 2008 financial statements contains an explanatory paragraph regarding factors that raise substantial doubt about our ability to continue as a going concern. The financial statements have been prepared "assuming that the Company will continue as a going concern," which contemplates that we will realize our assets and satisfy our liabilities and commitments in the ordinary course of business. Our ability to continue as a going concern is dependent on raising additional capital to fund our operations and ultimately on generating future profitable operations. There can be no assurance that we will be able to raise sufficient additional capital or eventually have positive cash flow from operations to address all of our cash flow needs. If we are not able to find alternative sources of cash or generate positive cash flow from operations, our business and shareholders will be materially and adversely affected.

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We may not have access to all of the products we need to start and maintain a business providing furniture, jewelry and crafts and we do not have any contracts with suppliers and we may have to slow or cease operations if we fail to secure an adequate supply of products.

Competition and unforeseen limited sources of product in the industry could result in occasional shortages of inventory. We do not have any firm contracts with any suppliers of furniture, silverware or crafts. We intend to sell our products without entering into any formal contracts with suppliers. We may have to slow or cease operations if we fail to secure an adequate supply of products.

Government regulation and supervision could restrict our business.

Any negative changes to international trade agreements and regulations especially NAFTA or any agreements affecting international trade such as those made by the World Trade Organization which result in a rise in trade quotas, duties, taxes and similar impositions, or limiting the countries where we might market and sell our products, could have an adverse effect on our business. We import all of our products from Mexico and any negative changes to NAFTA, to which both Canada and Mexico are signatories, would have an adverse effect on our business.

Because our directors have foreign addresses this may create potential difficulties relating to service of process in the event that you wish to serve them with legal documents.

Neither of our current directors and officers have resident addresses in the United States. One of our current directors is resident in Canada and the other is resident in Mexico. Because our officers and directors have foreign addresses this may create potential difficulties relating to the service of legal or other documents on any of them in the event that you wish to serve them with legal documents. This is because the laws related to service of process may differ between Canada, Mexico and the US. Similar difficulties could not be encountered in serving the company, proper, since our registered address is located in the United States at 880 - 50 West Liberty Street, Reno, Nevada, 89501.

Because the SEC imposes additional sales practice requirements on brokers who deal in our shares which are penny stocks, some brokers may be unwilling to trade them. This means that you may have difficulty in reselling your shares and may cause the price of the shares to decline.

Our shares qualify as penny stocks and are covered by Section 15(g) of the Securities Exchange Act of 1934 which imposes additional sales practice requirements on broker/dealers who sell our securities in this offering or in the aftermarket. For sales of our securities, the broker/dealer must make a special suitability determination and receive from you a written agreement prior to making a sale to you. Because of the imposition of the foregoing additional sales practices, it is possible that brokers will not want to make a market in our shares. This could prevent you from reselling your shares and may cause the price of the shares to decline.

Ms. Avila owns more than 50% of the outstanding shares of our company, so she is able to decide who are the directors and you may not be able to elect any directors.

Ms. Avila owns more than 50% of the issued and outstanding shares of our company and because of this she is able to elect all of our directors and control our operations.

The loss of Ms. Vanessa Avila or other key management personnel would have an adverse impact on our future development and could impair our ability to succeed.

Our performance is substantially dependent upon the expertise of our President, Ms. Vanessa Avila, and other key management personnel, and our ability to continue to hire and retain personnel. Ms. Avila spends some of her time working with our company. It may be difficult to find sufficiently qualified individuals to replace Ms. Avila or other key management personnel if we were to lose any one or more of them. The loss of Ms. Avila or any of our key

management personnel could have a material adverse effect on our business, development, financial condition, and operating results.

We do not maintain “key person” life insurance on any of our directors or senior executive officers.

We do not expect to declare or pay any dividends.

We have not declared or paid any dividends on our common stock since our inception, and we do not anticipate paying any such dividends for the foreseeable future.

Item 2. Description of Property.

Our administrative office is located at Suite 219-10654 82nd Avenue NW, Edmonton, Alberta, T6E 2A7 and our telephone number is (780) 710-9840. We are currently actively searching for new lease office and warehouse space. We will require a location that provides us with the space necessary to store inventory, package and label our products, and for office administration. We have two website addresses, our original site www.tortuga-imports.com as well as our new site www.shoptortuga.com.

Item 3. Legal Proceedings.

We know of no material, active or pending legal proceedings against us, nor are we involved as a plaintiff in any material proceedings or pending litigation. There are no proceedings in which any of our directors, officers or affiliates, or any registered beneficial shareholder are an adverse party or has a material interest adverse to us.

Item 4. Submissions of Matters to a Vote of Security Holders.

None.

PART II

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

As of November 29, 2008 there were 59 holders of record of our common stock. As of such date, 25,260,450 common shares were issued and outstanding. Our common stock is quoted on the Over-the-Counter Bulletin Board under the symbol "TTGX".

On April 9, 2007, our Board of Directors approved a nine (9) for one (1) forward stock split of our authorized, issued and outstanding shares of common stock. We amended our Articles of Incorporation by the filing of a Certificate of Change with the Nevada Secretary of State wherein we stated that our Corporation will issue nine (9) shares for every one (1) share of common stock issued and outstanding immediately prior to the effective date of the forward stock split. The change in our Articles of Incorporation was effected with the Nevada Secretary of State on March 1, 2007. As a result, our authorized capital has increased from 25,000,000 to 225,000,000 shares of common stock with a par value of \$0.001 each. We issued nine (9) shares of common stock in exchange for every one (1) share of common stock issued and outstanding. This increased our issued and outstanding share capital from 2,790,050 shares of common stock to 25,110,450 shares of common stock.

Empire Stock Transfer, Las Vegas, Nevada 89128-8380 (Telephone: 702-988-1242; Facsimile: 702-988-1244) is the registrar and transfer agent for our common shares.

There are no outstanding options or warrants to purchase, or securities convertible into, our common shares. We have not declared any dividends since incorporation and do not anticipate that we will do so in the foreseeable future. Although there are no restrictions that limit the ability to pay dividends on our common shares, our intention is to retain future earnings for use in our operations and the expansion of our business.

Recent Sales of Unregistered Securities

There have been no recent sales of unregistered securities.

Item 6. Management Discussion and Analysis and Plan of Operation.

Results of Operations.

For the year ending August 31, 2008 we posted a net loss of \$27,042 as compared to a net loss of \$27,252 for the year ended August 31, 2007. Inception through August 31, 2008 losses total \$107,188. General and administrative expenses are the principal component of our losses since inception.

Financial Condition, Liquidity and Capital Resources

At August 31, 2008, we had cash of \$158.

At August 31, 2008 our total assets were \$158.

As of August 31, 2008, our total liabilities were \$21,241 comprised primarily of accounts payable and accrued expenses. This compares to our total liabilities of \$9,141 at August 31, 2007.

Cash Requirements

Over the next twelve months we intend to use funds to commence marketing our products, purchasing product inventory and for general and administrative expenditures, as follows:

Estimated Funding Required During the Next Twelve Months

General and Administrative	\$ 10,000
Operations	
Website Development and Promotion	\$ 2,500
Working Capital	\$ 21,083
Total	\$ 33,583

As of August 31, 2008, we had negative working capital of \$21,083. We will require additional financing before we generate significant revenues. We intend to raise the capital required to meet any additional needs through sales of our securities in secondary offerings or private placements. In November 2008 we raised an additional \$15,000 by selling 75,000 shares of common stock at a price of \$0.20 per share.

There are no assurances that we will be able to obtain additional funds required for our continued operations. In such event that we do not raise sufficient additional funds by secondary offering or private placement, we will consider alternative financing options, if any, or be forced to scale down or perhaps even cease our operations.

Recently Issued Accounting Standards

The adoption of recently issued pronouncements is not expected to have a material effect on our financial position or results of operation.

APPLICATION OF CRITICAL ACCOUNTING POLICIES

Our financial statements and accompanying notes are prepared in accordance with generally accepted accounting principles in the United States. Preparing financial statements requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenue, and expenses. These estimates and assumptions are affected by management's application of accounting policies. We believe that understanding the basis and nature of the estimates and assumptions involved with the following aspects of our financial statements is critical to an understanding of our financials.

Item 7. Financial Statements.

Our financial statements are stated in United States Dollars (US\$) and are prepared in accordance with United States Generally Accepted Accounting Principles.

Report of Independent Registered Public Accounting Firm, dated December 8, 2008.

Consolidated Balance Sheets at August 31, 2008, and 2007.

Consolidated Statements of Operations for the years ended August 31, 2008 and 2007, and for the period from April 17, 2002 (inception) to August 31, 2008.

Consolidated Statements of Shareholders' Deficit from April 17, 2002 (inception) to August 31, 2008.

Consolidated Statements of Cash Flows for the years ended August 31, 2008 and 2007, and the period from April 17, 2002 (inception) to August 31, 2008.

Notes to the Consolidated Financial Statements

Report of Independent Registered Public Accounting Firm

To the Board of Directors of
Tortuga Mexican Imports, Inc.
(A Development Stage Company)
Edmonton, Alberta Canada

We have audited the accompanying consolidated balance sheets of Tortuga Mexican Imports, Inc. (the "Company") as of August 31, 2008 and 2007, and the related consolidated statements of operations, stockholders' equity (deficit), and cash flows for the years then ended and for the period from April 17, 2002 (inception) through August 31, 2008. These financial statements are the responsibility of the Company's management. 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 audits 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 audits 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 consolidated financial position of Tortuga Mexican Imports, Inc. as of August 31, 2008 and 2007, and the results of its operations and its cash flows for each of the years then ended, and for the period from April 17, 2002 (inception) through August 31, 2008, in conformity with accounting principles generally accepted in the United States of America.

As discussed in Note 1 to the consolidated financial statements, the Company's absence of significant revenues, recurring losses from operations, and its need for additional financing in order to fund its projected loss in 2009 raise substantial doubt about its ability to continue as a going concern. The 2008 consolidated financial statements do not include any adjustments that might result from the outcome of this uncertainty.

LBB & Associates Ltd., LLP

Houston, Texas
December 8, 2008

TORTUGA MEXICAN IMPORTS, INC.

(A DEVELOPMENT STAGE COMPANY)

CONSOLIDATED BALANCE SHEETS

	August 31 2008 \$	2007 \$
ASSETS		
CURRENT ASSETS		
Cash	158	100
Total Current Assets	158	100
Total Assets	158	100
LIABILITIES AND SHAREHOLDERS' DEFICIT		
LIABILITIES		
CURRENT LIABILITIES		
Accounts payable and accrued liabilities	21,241	9,141
Total Current Liabilities	21,241	9,141
Total Liabilities	21,241	9,141
SHAREHOLDERS' DEFICIT		
Common stock, \$.001 par value, 225,000,000 shares authorized, 25,185,450 and 25,110,450 shares issued and outstanding at August 31, 2008 and 2007 respectively	25,185	25,110
Additional paid in capital	60,920	45,995
Deficit accumulated during the development stage	(107,188)	(80,146)
Total Shareholders' Deficit	(21,083)	(9,041)
TOTAL LIABILITIES AND SHAREHOLDERS' DEFICIT	158	100

See accompanying notes to consolidated financial statements.

TORTUGA MEXICAN IMPORTS, INC.
(A DEVELOPMENT STAGE COMPANY)
CONSOLIDATED STATEMENTS OF OPERATIONS
Years Ended August 31, 2008 and 2007 and period
from April 17, 2002 (Inception) through August 31, 2008

	Year Ended August 31, 2008 \$	Year Ended August 31, 2007 \$	April 17, 2002 (Inception) to August 31, 2008 \$
REVENUE	–	1,071	7,569
COST OF GOODS SOLD	–	–	(1,333)
GROSS PROFIT	–	1,071	6,236
EXPENSES			
General and administrative	27,042	28,323	113,424
Total Expenses	27,042	28,323	113,424
NET LOSS	(27,042)	(27,252)	(107,188)
NET LOSS PER SHARE: BASIC AND DILUTED	(0.00)	(0.00)	
WEIGHTED AVERAGE SHARES OUTSTANDING: BASIC AND DILUTED	25,166,598	25,110,450	

See accompanying notes to consolidated financial statements.

TORTUGA MEXICAN IMPORTS, INC.
(A DEVELOPMENT STAGE COMPANY)
CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY (DEFICIT)
For the Period From April 17, 2002 (Inception) through August 31, 2008

	Common Stock		Additional	Deficit	
	Shares	Amount	Paid-in	Accumulated	Total
			Capital	during the	
				Development	
				Stage	
Issuance of common stock for cash	18,000,000	\$ 18,000	\$ (16,000)	\$ –	\$ 2,000
Issuance of common stock for services	900,000	900	(800)	–	100
Net loss	–	–	–	(2,124)	(2,124)
Balance, August 31, 2002	18,900,000	18,900	(16,800)	(2,124)	(24)
Net loss	–	–	–	(3,265)	(3,265)
Balance, August 31, 2003	18,900,000	18,900	(16,800)	(5,389)	(3,289)
Net loss	–	–	–	(10,673)	(10,673)
Balance, August 31, 2004	18,900,000	18,900	(16,800)	(16,062)	(13,962)
Issuance of common stock for cash	6,160,500	6,160	62,290	–	68,450
Net loss	–	–	–	(6,866)	(6,866)
Balance, August 31, 2005	25,060,500	25,060	45,490	(22,928)	47,622
Issuance of common stock for acquisition of subsidiary	49,950	50	505	–	555
Net loss	–	–	–	(29,966)	(29,966)
Balance, August 31, 2006	25,110,450	25,110	45,995	(52,894)	18,211
Net loss	–	–	–	(27,252)	(27,252)
Balance, August 31, 2007	25,110,450	25,110	45,995	(80,146)	(9,041)
Issuance of common stock for cash	75,000	75	14,925	–	15,000
Net loss	–	–	–	(27,042)	(27,042)
Balance, August 31, 2008	25,185,450	\$ 25,185	\$ 60,920	\$ (107,188)	\$ (21,083)

See accompanying notes to consolidated financial statements.

TORTUGA MEXICAN IMPORTS, INC.
(A DEVELOPMENT STAGE COMPANY)
CONSOLIDATED STATEMENTS OF CASH FLOWS
Years Ended August 31, 2008 and 2007 and
Period from April 17, 2002 (Inception) through August 31, 2008

	Year Ended August 31, 2008	Year Ended August 31, 2007	April 17, 2002 (Inception) to August 31, 2008
CASH FLOWS FROM OPERATING ACTIVITIES:			
Net loss	\$ (27,042)	\$ (27,252)	\$ (107,188)
Adjustments to reconcile net loss to cash used by operating activities:			
Common stock issued for services	—	—	655
Inventory impairment	—	1,400	1,800
Change in current assets and liabilities			
Inventory	—	—	(1,800)
Accounts payable and accrued expenses	12,100	1,166	21,241
CASH FLOWS USED IN OPERATING ACTIVITIES	(14,942)	(24,686)	(85,292)
CASH FLOWS FROM FINANCING ACTIVITIES:			
Issuance of common stock	15,000	—	85,450
CASH FLOWS PROVIDED BY FINANCING ACTIVITIES	15,000	—	85,450
NET INCREASE (DECREASE) IN CASH	58	(24,686)	158
Cash, beginning of period	100	24,786	—
Cash, end of period	\$ 158	\$ 100	\$ 158
SUPPLEMENTAL CASH FLOW INFORMATION			
Interest paid	\$ —	\$ —	\$ —
Income taxes paid	\$ —	\$ —	\$ —

See accompanying notes to consolidated financial statements.

TORTUGA MEXICAN IMPORTS, INC.
(A DEVELOPMENT STAGE COMPANY)
Notes to the Consolidated Financial Statements

NOTE 1 - NATURE OF BUSINESS

Tortuga Mexican Imports, Inc. ("Tortuga" or "the Company") was incorporated in Nevada on April 17, 2002, to sell jewelry, furniture and other Mexican handcrafted products. On June 1, 2006 Tortuga acquired Tortuga Mexican Imports Canada Inc. ("Tortuga Canada"), a Canadian private company incorporated under the federal laws of Canada. Tortuga Canada will be used for the purpose of marketing the Company's products in Canada.

Going concern

These financial statements have been prepared in accordance with United States generally accepted accounting principles, on a going concern basis, which contemplates the realization of assets and the satisfaction of liabilities and commitments in the normal course of business. At August 31, 2008, the Company has working capital deficit of \$21,083 and has incurred losses since inception of \$107,188. Further losses are anticipated in the development of its business and there can be no assurance that the Company will be able to achieve or maintain profitability.

The continued operations of the Company and the recoverability of the carrying value of assets is dependent upon the ability of the Company to obtain necessary financing to fund its working capital requirements, and upon future profitable operations. The accompanying financial statements do not include any adjustments relative to the recoverability and classification of asset carrying amounts or the amount and classification of liabilities that might result from the outcome of this uncertainty.

There can be no assurance that capital will be available as necessary to meet the Company's working capital requirements or, if the capital is available, that it will be on terms acceptable to the Company. The issuances of additional equity securities by the Company may result in dilution in the equity interests of its current stockholders. Obtaining commercial loans, assuming those loans would be available, will increase the Company's liabilities and future cash commitments. If the Company is unable to obtain financing in the amounts and on terms deemed acceptable, the business and future success may be adversely affected.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Principles of Consolidation

The consolidated financial statements include the accounts of the Company and its wholly owned subsidiary. All significant inter-company transactions and balances have been eliminated.

Cash and Cash Equivalents

Cash and cash equivalents are defined as cash on hand, demand deposits and short-term, highly liquid investments with an original maturity of ninety days or less.

Development Stage Company

The Company complies with Financial Accounting Standards Board Statement No. 7 and Securities and Exchange Commission Act Guide 7 for its characterization of the Company as development stage.

Use of Estimates

The preparation of financial statements in conformity generally accepted accounting principles in the United States requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenue and expenses during the period. Actual results may differ from those estimates.

Basic Loss per Share

Basic loss per share has been calculated based on the weighted average number of shares of common stock outstanding during the period.

Income Taxes

The asset and liability approach is used to account for income taxes by recognizing deferred tax assets and liabilities for the expected future tax consequences of temporary differences between the carrying amounts and the tax basis of assets and liabilities. Tortuga records a valuation allowance to reduce the deferred tax assets to the amount that is more likely than not to be realized.

Financial Instruments

Tortuga's financial instruments consist of cash and accounts payable. Unless otherwise noted, it is management's opinion that Tortuga is not exposed to significant interest, currency or credit risks arising from these financial instruments. Because of the short maturity of such assets and liabilities the fair value of these financial instruments approximate their carrying values, unless otherwise noted.

Inventory

Inventories are valued at the lower of cost or market. Cost is determined by using the average cost method. Inventories consist primarily of Mexican jewelry and silverware. Tortuga determines its provision for obsolete and slow-moving inventory based on management's analysis of inventory levels and future sales forecasts.

Impairment of Inventory

The Company reviews inventory for indicators of impairment whenever events or changes in circumstances indicate that the carrying value may not be recoverable. If the review indicates that the carrying amount of the asset may not be recoverable, the potential impairment is measured based on a projected discounted cash flow method using a discount rate that is considered to be commensurate with the risk inherent in the company's current business model. During the years ended August 31, 2008 and 2007, the Company recorded an impairment loss \$0 and \$1,400 respectively.

Revenue Recognition

Tortuga recognizes revenue when persuasive evidence of an arrangement exists, delivery has occurred, the sales price is fixed or determinable and collectibility is probable. These criteria are generally met at the time product is shipped or services are performed.

All sales are final and returns are not accepted. All sales are paid in cash at the time the products are delivered.

Reclassifications

Certain 2007 balances have been reclassified to conform to 2008 presentation.

Recent Accounting Pronouncements

Tortuga does not expect the adoption of recently issued accounting pronouncements to have a significant impact on Tortuga's results of operations, financial position or cash flow.

NOTE 3 - RELATED PARTY TRANSACTIONS

All purchases and sales transactions for Tortuga are carried out by the Director and President of the Company. Tortuga neither owns nor leases any real or personal property; an officer has provided office services without charge. Such costs are immaterial to the financial statements and accordingly are not reflected herein. The officers and directors are involved in other business activities and most likely will become involved in other business activities in the future.

During the years ended August 31, 2008 and August 31, 2007, the Company paid consulting fees to a director in the amount of \$4,000 and \$10,190, respectively.

NOTE 4 - COMMON STOCK

At inception, Tortuga issued 18,900,000 shares of stock to its two founding shareholders for \$2,000 cash and \$100 of services.

In July 2005, the Company raised \$68,450 from the sale of 6,160,500 common shares pursuant to the Company's SB2 registration statement declared effective on February 22, 2005.

In June 2006, the Company issued 49,950 shares of stock at the market value of \$555 to acquire Tortuga Canada.

On April 9, 2007, the board of directors approved a nine (9) for one (1) forward stock split of our authorized, issued and outstanding shares of common stock. Tortuga amended its Articles of Incorporation by the filing of a Certificate of Change with the Nevada Secretary of State wherein it stated that it would issue nine shares for every one share of common stock issued and outstanding immediately prior to the effective date of the forward stock split. The change in the Articles of Incorporation was effected with the Nevada Secretary of State on March 1, 2007. As a result, the authorized capital increased from 25,000,000 to 225,000,000 shares of common stock with a par value of \$0.001. The stock split is presented retroactively in these financial statements.

During the year ended August 31, 2008, the Company sold 75,000 common shares at a price of \$0.20 per share for total proceeds of \$15,000.

NOTE 5 - INCOME TAXES

Tortuga follows Statement of Financial Accounting Standards Number 109 (SFAS 109), "Accounting for Income Taxes." Deferred income taxes reflect the net effect of (a) temporary difference between carrying amounts of assets and liabilities for financial purposes and the amounts used for income tax reporting purposes, and (b) net operating loss carryforwards. No net provision for refundable Federal income tax has been made in the accompanying statement of loss because no recoverable taxes were paid previously. Similarly, no deferred tax asset attributable to the net operating loss carryforward has been recognized, as it is not deemed likely to be realized.

The provision for refundable Federal income tax consists of the following:

	August 31, 2008	August 31, 2007
Refundable Federal income tax attributable to:		
Current Operations	\$ 9,000	\$ 9,000
Less, Change in valuation allowance	(9,000)	(9,000)
Net refundable amount	\$ —	\$ —

The cumulative tax effect at the expected rate of 34% of significant items comprising our net deferred tax amount is as follows:

	August 31, 2008	August 31, 2007
Deferred tax asset attributable to:		
Net operating loss carryover	\$ 36,000	\$ 27,000
Less, valuation allowance	(36,000)	(27,000)
Net deferred tax asset	\$ —	\$ —

At August 31, 2008, Tortuga had an unused net operating loss carryover approximating \$107,000 that is available to offset future taxable income, which expires beginning in 2022.

NOTE 6 - SUBSEQUENT EVENT

In November 2008, the Company sold 75,000 common shares for cash proceeds of \$15,000.

Item 8. Changes In and Disagreements With Accountants on Accounting and Financial Disclosure.

None

Item 8A. Controls and Procedures.

As required by Rule 13a-15 under the Securities Exchange Act of 1934, as of the end of the period covered by the annual report, being August 31, 2008, we have carried out an evaluation of the effectiveness of the design and operation of our company's disclosure controls and procedures. This evaluation was carried out under the supervision and with the participation of our company's management, including our company's president and our company's chief financial officer. Based upon that evaluation, our company's president and our company's chief financial officer concluded that our company's disclosure controls and procedures are effective as at the end of the period covered by this report. There has been no significant changes in our company's internal controls or in other factors, which could significantly affect internal control subsequent to the date we carried out our evaluation.

Disclosure controls and procedures and other procedures that are designed to ensure that information required to be disclosed in our reports filed or submitted under the Securities Exchange Act of 1934 is recorded, processed, summarized and reported, within the time period specified in the Securities and Exchange Commission's rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed in our reports filed under the Securities Exchange Act of 1934 is accumulated and communicated to management including our president and secretary as appropriate, to allow timely decisions regarding required disclosure.

Internal Controls over Financial Reporting

Internal control over financial reporting refers to the process designed by, or under the supervision of, our Chief Executive Officer and Chief Financial Officer, and effected by our board of directors, management and other personnel, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles, and includes those policies and procedures that:

- (1) Pertain to the maintenance of records that in reasonable detail accurately and fairly reflect the transactions and dispositions of our assets;
- (2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that our receipts and expenditures are being made only in accordance with authorization of our management and directors; and
- (3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisitions, use or disposition of our assets that could have a material effect on the financial statements.

Internal control over financial reporting cannot provide absolute assurance of achieving financial reporting objectives because of its inherent limitations. Internal control over financial reporting is a process that involves human diligence and compliance and is subject to lapses in judgment and breakdowns resulting from human failures. Internal control over financial reporting also can be circumvented by collusion or improper management override. Because of such limitations, there is a risk that material misstatements may not be prevented or detected on a timely basis by internal control over financial reporting. However, these inherent limitations are known features of the financial reporting process. Therefore, it is possible to design into the process safeguards to reduce, though not eliminate, this risk. Management is responsible for establishing and maintaining adequate internal control over financial reporting for the Company.

Currently, Management and Board review are being utilized to mitigate the risk of material misstatement in financial reporting, and also to ensure that existing internal controls remain effective. Based on this assessment, management has concluded that our internal control over financial reporting was effective as of August 31, 2008.

This Annual Report does not include an attestation report of our independent registered public accounting firm regarding internal control over financial reporting. Our internal control over financial reporting was not subject to attestation by our independent registered public accounting firm pursuant to temporary rules of the SEC that permit us to provide only management's report in this Annual Report.

There has been no change in our internal controls over financial reporting during our most recent fiscal year that has materially affected, or is reasonably likely to materially affect, our internal controls over financial reporting.

Item 8B. Other Information

None.

PART III

Item 9. Directors, Executive Officers, Promoters and Control Persons; Compliance with Section 16(a) of the Exchange Act.

Directors and Executive Officers, Promoters and Control Persons

Our directors, executive officers and other significant employees, their ages, positions held and duration each person has held that position, are as follows:

Name	Position Held with the Company	Age	Date First Elected or Appointed
Vanessa Avila	President, Secretary & Director	33	April 17, 2002
Eduardo Avila	Treasurer & Director	35	October5, 2005

Business Experience

The following is a brief account of the education and business experience of each director, executive officer and key employee during at least the past five years, indicating each person's principal occupation during the period, and the name and principal business of the organization by which he or she was employed.

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Vanessa Avila, President, Secretary and Director

Since April 17, 2002, Ms. Avila has been our president, secretary and a member of our board of directors.

Ms. Avila is currently a professor of Spanish instructor at the University of British Columbia, Vancouver, Canada.

Ms. Avila completed a Masters degree in Linguistics at the University of Alberta in 2005.

From 2001 through to the summer of 2004, Ms. Avila was a Spanish instructor at the University of Alberta in Edmonton, Canada teaching entry-level full credit Spanish courses and upper level advanced courses.

From 1997 to 2001 Ms. Avila was attending the University of Alberta on a full time basis. Ms. Avila graduated from the University of Alberta with a Bachelors degree in Linguistics in June 2001.

Eduardo Avila, Chief Executive Officer and Treasurer and Director

Since October 5, 2005, Eduardo Avila has been our chief executive officer, treasurer and member of our board of directors. Mr. Avila provides us with his part-time consulting services.

Since 2006, Mr. Avila has been a chief economist at Monex, a stock brokerage firm in Mexico City.

Since 2003, Mr. Avila was a chief economist at Prognosis, an economic analysis firm in Mexico City. During this time, Mr. Avila has written part time for latin financial magazine "Inversionista".

Since 2000, Mr. Avila appears periodically on CNN Spanish Edition.

From 1999 to 2003, Mr. Avila held the position of Chief Economist of the Interacciones Financial Group (Grupo Financiero Interacciones) a Mexican stock brokerage. During this period, Mr. Avila was the representative of Interacciones in the Association of Mexican Financial Intermediaries (Asociacion de Mexicana de Intermediarios Financieros) where he discussed and analyzed economic issues and methodologies related to finance. Mr. Avila has participated in various economic surveys including of note surveys conducted by: Bloomberg, Reuters, Dow Jones, Latin-Focus and the Mexican newspaper Reforma.

Mr. Avila obtained a Degree in Economics from the Autonomous Technical Institute of Mexico (ITAM) 1997.

Family Relationships

Our President and Secretary, Vanessa Avila, is the sister of our Chief Executive Officer and Treasurer, Eduardo Avila.

Involvement in Certain Legal Proceedings

Our directors, executive officers and control persons have not been involved in any of the following events during the past five years:

1. any bankruptcy petition filed by or against any business of which such person was a general partner or executive officer either at the time of the bankruptcy or within two years prior to that time;
2. any conviction in a criminal proceeding or being subject to a pending criminal proceeding (excluding traffic violations and other minor offenses);

3. being subject to any order, judgment, or decree, not subsequently reversed, suspended or vacated, of any court of competent jurisdiction, permanently or temporarily enjoining, barring, suspending or otherwise limiting his involvement in any type of business, securities or banking activities; or
4. being found by a court of competent jurisdiction (in a civil action), the Commission 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.

Audit Committee Financial Expert

Our Board of Directors has determined that it does not have a member of its audit committee that qualifies as an “audit committee financial expert” as defined in Item 401(e) of Regulation S-B, and is “independent” as the term is used in Item 7(d)(3)(iv) of Schedule 14A under the Securities Exchange Act of 1934, as amended.

We believe that the members of our Board of Directors are collectively capable of analyzing and evaluating our financial statements and understanding internal controls and procedures for financial reporting. In addition, we believe that retaining an independent director who would qualify as an “audit committee financial expert” would be overly costly and burdensome and is not warranted in our circumstances given the early stages of our development and the fact that we have generated limited revenues to date.

Code of Ethics

Effective October 30, 2005, our company's board of directors adopted a Code of Business Conduct and Ethics that applies to, among other persons, our company's president (being our principal executive officer) and our company's secretary (being our principal financial and accounting officer and controller), as well as persons performing similar functions. As adopted, our Code of Business Conduct and Ethics sets forth written standards that are designed to deter wrongdoing and to promote:

- (1) honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
- (2) full, fair, accurate, timely, and understandable disclosure in reports and documents that we file with, or submit to, the Securities and Exchange Commission and in other public communications made by us;
- (3) compliance with applicable governmental laws, rules and regulations;
- (4) the prompt internal reporting of violations of the Code of Business Conduct and Ethics to an appropriate person or persons identified in the Code of Business Conduct and Ethics; and
- (5) accountability for adherence to the Code of Business Conduct and Ethics.

Our Code of Business Conduct and Ethics requires, among other things, that all of our company's personnel shall be accorded full access to our president and secretary with respect to any matter which may arise relating to the Code of Business Conduct and Ethics. Further, all of our company's personnel are to be accorded full access to our company's board of directors if any such matter involves an alleged breach of the Code of Business Conduct and Ethics by our president or secretary.

In addition, our Code of Business Conduct and Ethics emphasizes that all employees, and particularly managers and/or supervisors, have a responsibility for maintaining financial integrity within our company, consistent with generally accepted accounting principles, and federal, provincial and state securities laws. Any employee who becomes aware of any incidents involving financial or accounting manipulation or other irregularities, whether by witnessing the incident or being told of it, must report it to his or her immediate supervisor or to our company's president or secretary. If the incident involves an alleged breach of the Code of Business Conduct and Ethics by the president or secretary, the incident must be reported to any member of our board of directors. Any failure to report such inappropriate or irregular conduct of others is to be treated as a severe disciplinary matter. It is against our company policy to retaliate against any individual who reports in good faith the violation or potential violation of our company's Code of Business Conduct and Ethics by another.

Our Code of Business Conduct and Ethics is filed herewith with the Securities and Exchange Commission as Exhibit 14.1 to this annual report. We will provide a copy of the Code of Business Conduct and Ethics to any person without charge, upon request. Requests can be sent to: Tortuga Mexican Imports Inc., Suite 219 - 10654 82 Ave NW, Edmonton, Alberta, Canada T6E 2A7.

Section 16(a) Beneficial Ownership Compliance

Section 16(a) of the Securities Exchange Act of 1934, as amended, requires our executive officers and directors and persons who own more than 10% of a registered class of our equity securities to file with the Securities and Exchange Commission initial statements of beneficial ownership, reports of changes in ownership and annual reports concerning their ownership of our common stock and other equity securities, on Forms 3, 4 and 5 respectively. Executive officers, directors and greater than 10% shareholders are required by the Securities and Exchange Commission regulations to furnish us with copies of all Section 16(a) reports they file.

To the best of our knowledge, all executive officers, directors and greater than 10% shareholders filed the required reports in a timely manner.

Item 10. Executive Compensation.

Vanessa Avila received \$4,000 in cash or other compensation during the fiscal years ended August 31, 2008 and \$10,190 during the fiscal years ended August 31, 2007.

There were no grants of stock options or stock appreciation rights made during the fiscal years ended August 31, 2008 and 2007 to our executive officers and directors. There were no stock options outstanding as at August 31, 2008. To date, we have not granted stock options or stock appreciation rights to any of our employees, consultants, directors or executive officers.

We intend to continue to pay consulting fees to our directors and officers in the future as we determine necessary. In addition, we intend to compensate our directors in the future with stock options to purchase common shares as awarded by our board of directors or (as to future stock options) a compensation committee which may be established. Directors are entitled to reimbursement for reasonable travel and other out-of-pocket expenses incurred in connection with attendance at meetings of our board of directors. Our board of directors may also award special remuneration to any director undertaking any special services on our behalf other than services ordinarily required of a director. No director received and/or accrued any compensation for their services as a director, including committee participation and/or special assignments.

There are no formal management agreements with our directors or executive officers.

We have no plans or arrangements in respect of remuneration received or that may be received by our executive officers to compensate such officers in the event of termination of employment (as a result of resignation, retirement, change of control) or a change of responsibilities following a change of control, where the value of such compensation exceeds \$60,000 per executive officer.

There are no arrangements or plans in which we provide pension, retirement or similar benefits for directors or executive officers. We have no material bonus or profit sharing plans pursuant to which cash or non-cash compensation is or may be paid to our directors or executive officers, except that stock options may be granted at the discretion of the Board of Directors or a committee thereof.

Item 11. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters.

Beneficial Ownership

The following table sets forth, as of November 30, 2008, certain information with respect to the beneficial ownership of our common shares by each shareholder known to us to be the beneficial owner of 5% of our common shares, and by each of our officers and directors. Each person has sole voting and investment power with respect to the common shares, except as otherwise indicated. Beneficial ownership consists of a direct interest in the common shares, except as otherwise indicated.

Name and Address of Beneficial Owner	Amount and Nature of Beneficial Ownership	Percentage of Class(1)
Vanessa Avila	18,000,000 common shares	71%
Directors and Officers (as a group)	18,000,000 common shares	71%

(1) Based on 25,260,450 shares outstanding as of November 29, 2008 and, as to a specific person, shares issuable pursuant to the conversion or exercise, as the case may be, of currently exercisable or convertible debentures, share purchase warrants and stock options.

Changes in Control

We are unaware of any contract or other arrangement the operation of which may at a subsequent date result in a change in control of our company.

Item 12. Certain Relationships and Related Transactions.

None.

Item 13. Exhibits.

Exhibits required by Item 601 of Regulation S-B

(3) Articles of Incorporation and By-laws

3.1 Articles of Incorporation (incorporated by reference from our Registration Statement on Form SB-2, filed on February 4, 2003).

3.2 Bylaws (incorporated by reference from our Registration Statement on Form SB-2, filed on February 4, 2003).

(31) Section 302 Certification

31.1 Certification of Vanessa Avila

31.2 Certification of Eduardo

(32) Section 906 Certification

32.1 Certification of Vanessa Avila

32.2 Certification of Eduardo Avila

Item 14. Principal Accountant Fees and Services

Audit Fees

The aggregate fees billed by LBB & Associates Ltd., LLP for professional services rendered for the audit of our annual financial statements included in our Annual Report on Form 10-K for the fiscal year ended August 31, 2008 were \$13,100.

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Audit Related Fees

For the fiscal year ended August 31, 2008, the aggregate fees billed for assurance and related services by LBB & Associates Ltd., LLP relating to the performance of the audit of our financial statements which are not reported under the caption "Audit Fees" above, was \$0.

Tax Fees

For the fiscal year ended August 31, 2008, the aggregate fees billed by LBB & Associates Ltd., LLP for other non-audit professional services, other than those services listed above, totalled \$0.

We do not use LBB & Associates Ltd., LLP for financial information system design and implementation. These services, which include designing or implementing a system that aggregates source data underlying the financial statements or generates information that is significant to our financial statements, are provided internally or by other service providers. We do not engage LBB & Associates, Ltd., LLP to provide compliance outsourcing services.

Effective May 6, 2003, the Securities and Exchange Commission adopted rules that require that before LBB & Associates Ltd., LLP is engaged by us to render any auditing or permitted non-audit related service, the engagement be:

- approved by our audit committee (which consists of entire Board of Directors); or
- entered into pursuant to pre-approval policies and procedures established by the audit committee, provided the policies and procedures are detailed as to the particular service, the audit committee is informed of each service, and such policies and procedures do not include delegation of the audit committee's responsibilities to management.

The audit committee pre-approves all services provided by our independent auditors. The pre-approval process has just been implemented in response to the new rules, and therefore, the audit committee does not have records of what percentage of the above fees were pre-approved. However, all of the above services and fees were reviewed and approved by the audit committee either before or after the respective services were rendered.

The audit committee has considered the nature and amount of fees billed by LBB & Associates Ltd., LLP and believes that the provision of services for activities unrelated to the audit is compatible with maintaining LBB & Associates Ltd., LLP's independence.

SIGNATURES

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

TORTUGA MEXICAN IMPORTS, INC.

By:/s/ Vanessa Avila
Vanessa Avila, President, Secretary and Director

Date: December 15, 2008

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

By:/s/ Vanessa Avila
Vanessa Avila, President, Secretary and Director (Principal Executive Officer)

Date: December 15, 2008

By:/s/ Eduardo Avila
Eduardo Avila, Treasurer and Director (Principal Financial Officer
and Principal Accounting Officer)

Date: December 15, 2008