

GOLDEN GLOBAL CORP.  
Form 10-Q  
November 07, 2012

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UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

Form 10-Q

(Mark One)

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

For the quarterly period ended September 30, 2012

or

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

For the transition period from \_\_\_\_\_ to \_\_\_\_\_

Commission File Number 000-54528

GOLDEN GLOBAL CORP.

(Exact name of registrant as specified in its charter)

Nevada

N/A

(State or other jurisdiction of incorporation or organization)

(IRS Employer Identification No.)

17412 105 Avenue NW, Suite 201,  
Edmonton, Alberta, Canada  
(Address of principal executive offices)

T5S 1G4  
(Zip Code)

(780) 443-4652

(Registrant's telephone number, including area code)

N/A

(Former name, former address and former fiscal year, if changed since last report)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.  YES  NO

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T

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(§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files).  YES  NO

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a small 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 | <input type="checkbox"/> | Accelerated filer         | <input type="checkbox"/> |
| Non-accelerated filer   | <input type="checkbox"/> | Smaller reporting company | <input type="checkbox"/> |

(Do not check if a 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

APPLICABLE ONLY TO ISSUERS INVOLVED IN BANKRUPTCY  
PROCEEDINGS DURING THE PRECEDING FIVE YEARS

Check whether the registrant has filed all documents and reports required to be filed by Sections 12, 13 or 15(d) of the Exchange Act after the distribution of securities under a plan confirmed by a court.  YES  NO

APPLICABLE ONLY TO CORPORATE ISSUERS

Indicate the number of shares outstanding of each of the issuer’s classes of common stock, as of the latest practicable date.

43,970,650 common shares issued and outstanding as of November 5, 2012.

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PART I - FINANCIAL INFORMATION

ITEM FINANCIAL STATEMENTS

1.

Our consolidated unaudited interim financial statements for the three month period ended September 30, 2012 form part of this quarterly report. They are stated in Canadian Dollars (CDN\$) and are prepared in accordance with United States generally accepted accounting principles.

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Golden Global Corporation  
(An Exploration Stage Company)  
Condensed Consolidated Balance Sheets

Stated in Canadian dollars

|   | September 30,<br>2012<br>(Unaudited) | June 30,<br>2012<br>(Audited) |
|---|--------------------------------------|-------------------------------|
| <b>ASSETS</b>                                     |                                      |                               |
| Current   |                                      |                               |
| Cash and cash equivalents                         | \$ 9,691                             | \$ 30,620                     |
| Sales tax and other receivable                    | 29                                   | 772                           |
| Prepaid expenses                                  | 15,208                               | -                             |
| <b>Total current assets</b>                       | <b>24,928</b>                        | <b>31,392</b>                 |
| Property and equipment                            |                                      |                               |
| Property and Equipment                            | 92,235                               | 101,964                       |
| Mineral properties, unproven (Note 3)             | 43,196                               | 43,196                        |
| <b>Total property and equipment</b>               | <b>135,431</b>                       | <b>145,160</b>                |
| <b>Total Assets</b>                               | <b>\$ 160,359</b>                    | <b>\$ 176,552</b>             |
| <b>LIABILITIES</b>                                |                                      |                               |
| Current   |                                      |                               |
| Accounts payable and accrued liabilities          | \$ 38,210                            | \$ 13,781                     |
| Due to related parties (Note 4)                   | 170,133                              | 184,068                       |
| Fair value of embedded derivative (Note 5)        | 117,308                              | 115,574                       |
| Dividend payable                                  | 11,798                               | 10,057                        |
| <b>Total Liabilities</b>                          | <b>337,449</b>                       | <b>323,480</b>                |
| Going concern (Note 1)                            |                                      |                               |
| <b>STOCKHOLDERS' EQUITY</b>                       |                                      |                               |
| Capital Stock (Note 6)                            |                                      |                               |
| Authorized:                                       |                                      |                               |
| 75,000,000 with a par value of \$0.0001           |                                      |                               |
| Outstanding                                       |                                      |                               |
| 40,147,417 common stock (2012 - 37,647,417)       | 4,015                                | 3,765                         |
| Additional paid in capital                        | 613,500                              | 576,250                       |
| Deficit accumulated during the exploration stage  | (870,569 )                           | (802,907 )                    |
|   | (253,054 )                           | (222,892 )                    |
| Equity attributable to noncontrolling interest    | 75,964                               | 75,964                        |
| <b>Total Stockholders' Equity</b>                 | <b>(177,090 )</b>                    | <b>(146,928 )</b>             |
| <b>Total Liabilities and Stockholders' Equity</b> | <b>\$ 160,359</b>                    | <b>\$ 176,552</b>             |

The accompanying notes are an integral part of these financial statements

Golden Global Corporation  
(An Exploration Stage Company)  
Condensed Consolidated Statements of Operations

Stated in Canadian dollars

|   | 3 months<br>ended<br>September<br>30,<br>2012<br>(Unaudited) | 3 months<br>ended<br>September<br>30,<br>2011<br>(Unaudited) | From<br>inception<br>(December<br>9, 2009)<br>to<br>September<br>30,<br>2012<br>(Unaudited) |
|---|--|--|---|
| Expenses  |  |  |   |
| Administration fees                                 | \$3,150  | \$1,575  | \$56,850  |
| Consulting fees                                     | 32,792   | 468  | 242,711   |
| Depreciation  | 9,728  | 10,738   | 112,214   |
| Professional fees                                   | 4,893  | 2,169  | 74,737  |
| Office and general                                  | 11,802   | 15,930   | 297,776   |
| Travel expenses                                     | 1,000  | 60   | 31,480  |
|   | (79,410 )  | (30,940 )  | (822,585 )  |
| Other items   |  |  |   |
| Foreign exchange loss                               | -  | -  | (313 )  |
| Gain on sale of property and equipment              | -  | -  | 2,094   |
| Loss on change in fair value of embedded derivative | (1,734 )   | -  | (38,090 )   |
| Interest income                                     | 15   | -  | 123   |
| Net loss and comprehensive loss for the period      | (65,921 )  | (30,940 )  | (858,771 )  |
| Preferred shares dividend                           | (1,741 )   | (1,741 )   | (11,798 )   |
| Attributed to common stockholders                   | \$(67,662 )  | \$(32,681 )  | \$(870,569 )  |
| Basic and diluted income (loss) per share           | \$(0.00 )  | \$(0.00 )  |   |
| Weighted average number of shares outstanding       | 39,631,113   | 34,237,906   |   |

The accompanying notes are an integral part of these financial statements

Golden Global Corporation  
(An Exploration Stage Company)  
Condensed Consolidated Statements of Stockholders' Equity

| Stated in Canadian dollars             | Common Stock |          | Additional Paid in Capital | Accumulated Deficit | Equity attributable to Golden Global Corp Shareholders | Equity attributable to noncontrolling interests | Total Equity |
|--|--------------|----------|----------------------------|---------------------|--|---|--------------|
|  | Shares       | Amount   |                            |                     |  |   |              |
| Balance, December 10, 2009 (Inception) | -            | \$ -     | \$ -                       | \$ -                | \$ -   | \$ -  | \$ -         |
| Issuance of common shares, cash        | 15,020,000   | 1,502    | 194,948                    | -                   | 196,450  | -   | 196,450      |
| Issuance of common shares, assets      | 18,000,000   | 1,800    | 172,043                    | -                   | 173,843  | -   | 173,843      |
| Net loss and comprehensive loss        | -            | -        | -                          | (45,139 )           | (45,139 )  | -   | (45,139 )    |
| Balance, June 30, 2010                 | 33,020,000   | \$ 3,302 | \$ 366,991                 | \$ (45,139 )        | \$ 325,154   | \$ -  | \$ 325,154   |
| Issuance of common shares, cash        | 868,750      | 87       | 69,875                     | -                   | 69,962   | -   | 69,962       |
| Issuance of common shares, assets      | 333,667      | 33       | 9,977                      | -                   | 10,010   | -   | 10,010       |
| Issuance of preferred shares, cash     | -            | -        | -                          | -                   | -  | 86,340  | 86,340       |
| Preferred shares issuing cost          | -            | -        | -                          | -                   | -  | (10,376 )                                       | (10,376 )    |
| Dividends                              | -            | -        | -                          | (3,131 )            | (3,131 )   | -   | (3,131 )     |
| Net loss and comprehensive loss        | -            | -        | -                          | (292,767 )          | (292,767 )   | -   | (292,767 )   |
| Balance, June 30, 2011                 | 34,222,417   | \$ 3,422 | \$ 446,843                 | \$ (341,037 )       | \$ 109,228   | \$ 75,964                                       | \$ 185,192   |

The accompanying notes are an integral part of these financial statements





Golden Global Corporation  
(An Exploration Stage Company)  
Condensed Consolidated Statements of Stockholders' Equity

Stated in Canadian dollars

|  | Common Stock |          | Additional | Deficit      | Equity       | Equity         | Total        |
|--|--------------|----------|------------|--------------|--------------|----------------|--------------|
|  | Shares       | Amount   | Paid-in    | Accumulated  | attributable | attributable   | Equity       |
|  |              |          | Capital    | During the   | to Golden    | to             |              |
|  |              |          |            | Exploration  | Global       | noncontrolling |              |
|  |              |          |            | Stage        | Corp         | interests      | Equity       |
|  |              |          |            |              | Shareholders |                |              |
| Balance, July 1, 2011                          | 34,222,417   | \$ 3,422 | \$ 446,843 | \$ (341,037) | \$ 109,228   | \$ 75,964      | \$ 185,192   |
| Issuance of common shares, cash                | 25,000       | 3        | 2,247      | -            | 2,250        | -              | 2,250        |
| Issuance of common shares, consulting services | 3,400,000    | 340      | 127,160    | -            | 127,500      | -              | 127,500      |
| Dividend                                       | -            | -        | -          | (6,926 )     | (6,926 )     | -              | (6,926 )     |
| Net loss and comprehensive loss                | -            | -        | -          | (454,944)    | (454,944)    | -              | (454,944)    |
| Balance, June 30, 2012                         | 37,647,417   | \$ 3,765 | \$ 576,250 | \$ (802,907) | \$ (222,892) | \$ 75,964      | \$ (146,928) |
| Issuance of common shares, consulting services | 2,500,000    | 250      | 37,250     | -            | 37,500       | -              | 37,500       |
| Dividend                                       | -            | -        | -          | (1,741 )     | (1,741 )     | -              | (1,741 )     |
| Net loss and comprehensive loss                | -            | -        | -          | (65,921 )    | (65,921 )    | -              | (65,921 )    |
| Balance, September 30, 2012                    | 40,147,417   | \$ 4,015 | \$ 613,500 | \$ (870,569) | \$ (253,054) | \$ 75,964      | \$ (177,090) |

The accompanying notes are an integral part of these financial statements

Golden Global Corporation  
(An Exploration Stage Company)  
Condensed Consolidated Statements of Cash Flows

Stated in Canadian dollars

|  | 3 months<br>ended<br>September<br>30,<br>2012<br>(Unaudited) | 3 months<br>ended<br>September<br>30,<br>2011<br>(Unaudited) | From<br>inception<br>(December<br>9, 2009) to<br>September<br>30, 2012<br>(Unaudited) |
|--|--|--|---|
| <b>Operating activities</b>  |  |  |   |
| Net loss for period  | \$(65,921 )  | \$(30,940 )  | \$(858,771 )  |
| Share-based payment for consulting expenses                                      | 22,292   | -  | 149,792   |
| Depreciation   | 9,728  | 10,738   | 112,214   |
| Loss on change in fair value of embedded derivative                              | 1,734  | -  | 38,090  |
| Gain on sale of property and equipment   | -  | -  | (2,094 )  |
| Changes in non-cash working capital balances                                     |  |  |   |
| Sales tax and other receivable   | 743  | 3,589  | (29 )   |
| Accounts payable and accrued liabilities   | 17,612   | (5,639 )   | 31,393  |
| Net cash provided by (used in) operating activities                              | (6,995 )   | (22,252 )  | (522,588 )  |
| <b>Financing activities</b>  |  |  |   |
| Issuance of capital stock  | -  | 2,250  | 268,662   |
| Issuance of preferred shares, net  | -  | -  | 75,964  |
| Advance from related parties   | (13,935 )  | 13,500   | 170,133   |
| Convertible promissory notes   | -  | -  | 79,218  |
| Net cash provided by (used in) financing activities                              | (13,935 )  | 15,750   | 593,977   |
| <b>Investing activities</b>  |  |  |   |
| Purchase of mineral properties   | -  | (10,500 )  | (33,184 )   |
| Purchase of equipment  | -  | -  | (42,165 )   |
| Sale of equipment  | -  | -  | 13,650  |
| Net cash proved by (used in) investing activities                                | -  | (10,500 )  | (61,699 )   |
| Increase (decrease) in cash and cash equivalents during the period               | (20,930 )  | (17,002 )  | 9,690   |
| Cash and cash equivalents, beginning of the period                               | 30,620   | 29,833   | -   |
| Cash and cash equivalents, end of the period                                     | \$9,690  | \$12,831   | \$9,690   |
| <b>Supplemental cash flow information</b>  |  |  |   |
| <b>Non-cash activities</b>   |  |  |   |
| - 18,000,000 shares issued for equipment of \$173,841 and \$2 for mineral rights | \$-  | \$-  | \$173,843   |

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|   |          |     |            |
|---|----------|-----|------------|
| - 333,667 shares issued for McDame property       | \$-      | \$- | \$ 10,012  |
| - 3,400,000 shares issued for consulting services | \$-      | \$- | \$ 127,500 |
| - 2,500,000 shares issued for consulting services | \$37,500 | \$- | \$ -       |

The accompanying notes are an integral part of these financial statements

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GOLDEN GLOBAL CORP.

(An Exploration Stage Company)

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(Unaudited)

For the three month period ended September 30, 2012

Stated in Canadian dollars

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Note 1 – Nature and Continuance of Operations

Golden Global Corp. ("the Company"), incorporated in the State of Nevada, USA on December 10, 2009, and its wholly-owned subsidiary are engaged in the acquisition, exploration and development of precious metal properties. The Company's wholly owned subsidiary is Golden Global Mining Corporation which was incorporated in the Province of Alberta, Canada on January 10, 2010. The Company is an exploration stage company in the process of exploring its mineral properties in British Columbia, Canada, and has not yet determined whether these properties contain reserves that are economically recoverable.

These financial statements have been prepared in accordance with generally accepted accounting principles applicable to a going concern, which assumes that the Company will be able to meet its obligations and continue its operations for its next fiscal year. Realization values may be substantially different from carrying values as shown and these financial statements do not give effect to adjustments that would be necessary to the carrying values and classification of assets and liabilities should the Company be unable to continue as a going concern. At September 30, 2012, the Company had not yet achieved profitable operations and has accumulated losses of \$870,569 since its inception. The Company expects to incur further losses in the development of its business, all of which casts substantial doubt about the Company's ability to continue as a going concern. The Company's ability to continue as a going concern is dependent upon its ability to generate future profitable operations and/or to obtain the necessary financing to meet its obligations and repay its liabilities arising from normal business operations when they come due. Management anticipates that additional funding will be in the form of equity financing from the sale of common stock. Management may also seek to obtain short-term loans from the directors of the Company. There are no current arrangements in place for equity funding or short-term loans.

The unaudited condensed financial statements included herein have been prepared by Company pursuant to the rules and regulations of the Securities and Exchange Commission (the "SEC"). The financial statements reflect all adjustments that are, in the opinion of management, necessary for a fair statement of such information. All such adjustments are of a normal recurring nature. Although the Company believes that the disclosures are adequate to make the information presented not misleading, certain information and footnote disclosures, including a description of significant accounting policies normally included in financial statements prepared in accordance with accounting principles generally accepted in the United States of America ("US GAAP"), have been condensed or omitted pursuant to such rules and regulations. These interim financial statements should be read in conjunction with the financial statements and the notes thereto included in the Company's Annual Report on Form 10-K for the year ended July 31, 2012 filed with the SEC on November 1, 2012. The results of operations for the three month ended September 30, 2012 are not necessarily indicative of the results for any subsequent periods or the entire fiscal year ending July 21, 2013.

GOLDEN GLOBAL CORP.

(An Exploration Stage Company)

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(Unaudited)

For the three month period ended September 30, 2012

Stated in Canadian dollars

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#### Note 2 – Adoption of Accounting Policies

##### i) ASU 2011-04

On July 1, 2012 the Company adopted the FASB issued ASU 2011-04, “Fair Value Measurement (Topic 820): Amendments to Achieve Common Fair Value Measurement and Disclosure Requirements in U.S. GAAP and IFRSs.” The new guidance does not extend the use of fair value accounting, but provides guidance on how it should be applied where its use is already required or permitted by other standards within GAAP or International Financial Reporting Standards (“IFRSs”). The new guidance also changes the working used to describe many requirements in GAAP for measuring fair value and for disclosing information about fair value measurements and it clarifies the FASB’s intent about the application of existing fair value measurements. The adoption of the new standard did not have a material impact on the Company’s fair value measurements, financial condition, results of operations or cash flows as the Company’s financial instrument’s carrying values approximate fair value due to the short term maturities.

##### ii) ASU 2011-05

On July 1, 2012 the Company adopted, the FASB issued Accounting Standards Update No. 2011-05, Comprehensive Income (Topic 220): Presentation of Comprehensive Income (ASU 2011-05). The objective of this amendment is to increase the prominence of other comprehensive income in the financial statements. The amendments require entities to report components of net income and the components of other comprehensive income either in a continuous statement of comprehensive income or in two separate but consecutive statements.

Additionally, the amendments in ASU 2011-05 require an entity to present on the face of the financial statements reclassification adjustments for items that are reclassified from other comprehensive income to net income in the statements where the components of net income and the components of other comprehensive income are presented. In December 2011, the FASB issued Accounting Standards Update No. 2011-12, which deferred the specific requirements related to the presentation of reclassification adjustments. The adoption of this Standard did not have a material impact on the Company’s financial statements.

GOLDEN GLOBAL CORP.

(An Exploration Stage Company)

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(Unaudited)

For the three month period ended September 30, 2012

Stated in Canadian dollars

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Note 3 – Mineral Properties

During the three months period ended September 30, 2012, the Company did not make any payment in relations to mineral claims (2011 - \$10,500).

Note 4 – Due to Related Parties

Amounts due to related parties are non-interest bearing, unsecured and due on demand.

During the three month period ended September 30, 2012, the Company incurred an expense of \$10,500 (2011 - \$3,500) for management and consulting expense to a company with common officers, of this amount \$9,250 is included in accounts payable and accrued liabilities at September 30, 2012 (June 30, 2012 - \$14,000).

Note 5 – Convertible Promissory Notes

On March 14, 2012, the Company entered into a securities purchase agreement to issue an unsecured convertible promissory note with a principal amount of US\$37,500 (C\$37,256). This promissory note bears interest at an annual rate of 8% which is to be paid with principal in full on the maturity date of December 19, 2012. The principal amount of the Note together with interest may be converted into shares of common stock, par value of \$0.0001 at the option of the lender at a conversion price equal to fifty-five percent at the market price during the 10 trading days prior to the conversion.

On May 2, 2012, the Company entered into a securities purchase agreement to issue an unsecured convertible promissory note with a principal amount of US\$42,500 (C\$42,037). This promissory note bears interest at an annual rate of 8% which is to be paid with principal in full on the maturity date of February 4, 2013. The principal amount of the Note together with interest may be converted into shares of common stock, par value of \$0.0001 at the option of the lender at a conversion price equal to fifty-five percent at the market price during the 10 trading days prior to the conversion.

The above notes include certain embedded features related to the embedded conversion option being exercisable into a variable number of shares and the strike price being dominated in a currency other than the Company's functional currency. These features qualify as derivatives and are bundled as a compound embedded derivative that is measured at fair value. The fair value of the derivatives as at September 30, 2012 was \$117,308 (June 30, 2012 - \$115,574). As the fair value of the embedded conversion features exceeded the principle value of the promissory notes, the entire amount of the debt has been classified as an embedded derivative on the consolidated balance sheet.

GOLDEN GLOBAL CORP.

(An Exploration Stage Company)

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(Unaudited)

For the three month period ended September 30, 2012

Stated in Canadian dollars

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The fair value of the embedded derivative was estimated using the Black-Scholes pricing model based on the following assumptions:

|            |           |
|------------|-----------|
|            | September |
|            | 30,       |
| Issue date | 2012      |