

THEGLOBE COM INC
Form 10-Q
November 09, 2009

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

FORM 10-Q

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

For the quarterly period ended September 30, 2009

OR

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

FOR THE TRANSITION PERIOD FROM _____ TO _____

COMMISSION FILE NO. 0-25053

THEGLOBE.COM, INC.
(EXACT NAME OF REGISTRANT AS SPECIFIED IN ITS CHARTER)

STATE OF DELAWARE
(STATE OR OTHER JURISDICTION OF
INCORPORATION OR ORGANIZATION)

14-1782422
(I.R.S. EMPLOYER
IDENTIFICATION NO.)

110 EAST BROWARD BOULEVARD, SUITE 1400
FORT LAUDERDALE, FL 33301
(ADDRESS OF PRINCIPAL EXECUTIVE OFFICES)

(954) 769 - 5900
(Registrant's telephone number, including area code)

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 (§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 smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "small reporting company" in Rule 12b-2 of the Exchange Act

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Large accelerated filer Accelerated filer
Non-accelerated filer (Do not check if a smaller reporting company) Smaller reporting company

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).
Yes No

The number of shares outstanding of the Registrant's Common Stock, \$.001 par value (the "Common Stock") as of November 9, 2009 was 441,484,838.

THEGLOBE.COM, INC.
FORM 10-Q

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PART I - FINANCIAL INFORMATION

ITEM 1. CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

THEGLOBE.COM, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS

	September 30, 2009 (UNAUDITED)	DECEMBER 31, 2008
ASSETS		
Current Assets:		
Cash and cash equivalents	\$ 1,725	\$ 89,754
Accounts receivable from related parties	—	75,000
Prepaid expenses	8,705	19,576
Total current assets	10,430	184,330
Other assets	40,000	40,000
Total assets	\$ 50,430	\$ 224,330
LIABILITIES AND STOCKHOLDERS' DEFICIT		
Current Liabilities:		
Accounts payable to related parties	\$ 60,000	\$ 40,667
Accounts payable	182,402	200,385
Accrued expenses and other current liabilities	459,677	567,182
Accrued interest due to related parties	60,630	23,233
Notes payable due to related parties	500,000	500,000
Net liabilities of discontinued operations	1,872,111	1,899,110
Total current liabilities	3,134,820	3,230,577
Stockholders' Deficit:		
Common stock, \$0.001 par value; 500,000,000 shares authorized; 441,484,838 shares issued and outstanding at September 30, 2009 and December 31, 2008	441,485	441,485
Additional paid-in capital	294,301,845	294,298,990
Accumulated deficit	(297,827,720)	(297,746,722)
Total stockholders' deficit	(3,084,390)	(3,006,247)
Total liabilities and stockholders' deficit	\$ 50,430	\$ 224,330

See notes to unaudited condensed consolidated financial statements.

THEGLOBE.COM, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2009	2008	2009	2008
	(UNAUDITED)		(UNAUDITED)	
Net Revenue	\$	—	\$ 2,074,562	\$ 3,165,587
Operating Expenses:				
Cost of revenue		125,505		274,334
Sales and marketing	(23,130)	90,263	(23,130)	386,664
General and administrative	37,505	435,973	85,311	1,626,593
Related party transactions	60,000	105,424	180,000	388,806
Depreciation		8,802		30,379
Intangible asset amortization		289,753		368,777
Total Operating Expenses	74,375	1,055,720	242,181	3,075,553
Operating Income (Loss) from Continuing Operations	(74,375)	1,018,842	(242,181)	90,034
Other Income (Expense), net:				
Gain on Tralliance Asset Sale		2,524,711		2,524,711
Related party interest expense	(12,602)	(115,576)	(37,397)	(346,151)
Interest income (expense), net		(35)	(140)	3,201
Related party other income	75,000		225,000	
Other income	220		264	247
	62,618	2,409,100	187,727	2,182,008
Income (Loss) from Continuing Operations Before Income Tax	(11,757)	3,427,942	(54,454)	2,272,042
Income Tax Provision		44,919		44,919
Income (Loss) from Continuing Operations	(11,757)	3,383,023	(54,454)	2,227,123
Discontinued Operations, net of tax:		(3,096)	(26,544)	18,864
Net Income (Loss)	\$ (11,757)	\$ 3,379,927	\$ (80,998)	\$ 2,245,987
Loss Per Share:				
Basic and Diluted:				
Continuing Operations	\$	—	\$ 0.02	\$ 0.01
Discontinued Operations	\$	—	\$	—
Net Income (Loss)	\$	—	\$ 0.02	\$ 0.01
Weighted Average Common Shares Outstanding		441,484,838	214,974,068	441,484,838
				189,670,966

See notes to consolidated financial statements.

THEGLOBE.COM, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS