

Mount Knowledge Holdings, Inc.
Form 10-Q/A
December 31, 2013

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q /A

Amendment No. 1

(Mark One)

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

For the quarterly period ended **March 31, 2013**

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(D) OF THE EXCHANGE ACT

For the transition period from _____ to _____

MOUNT KNOWLEDGE HOLDINGS, INC.

(Exact name of registrant as specified in its charter)

Nevada

(State or other jurisdiction of
incorporation or
organization)

000-52664

Commission File Number

98-0534436

(I.R.S. Employer Identification
No.)

228 Park Avenue S #56101, New York, NY 10003-1502

(Address of principal executive offices) (Zip code)

(917) 289-0944

(Registrant's telephone number, including area code)

29445 Beck Rd., Suite A-106, Wixom, Michigan 48393

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

Large accelerated filer Accelerated filer
Non-accelerated filer (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

Indicate the number of shares outstanding of each of the issuer's classes of common stock. As of October 25, 2013 there were 199,996,251 shares, par value \$.0001, of common stock.

Explanatory Note

This Amendment No. 1 (this "Amendment") to our Quarterly Report on Form 10-Q for the period ended March 31, 2013, originally filed with the Securities and Exchange Commission on October 25, 2013 (the "Original Form 10-Q"), is being filed to reflect a correction in the Company's disclosure of its controls and procedures.

No other changes have been made to the Form 10-Q. This Amendment speaks as of the Original Filing Date, does not reflect events that may have occurred subsequent to the Original Filing Date, and does not modify or update in any way disclosures made in the Form 10-Q.

MOUNT KNOWLEDGE HOLDINGS, INC.

FORM 10-Q

March 31, 2013

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CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Quarterly Report on Form 10-Q (this Report) contains forward-looking statements. Forward-looking statements discuss matters that are not historical facts. Because they discuss future events or conditions, forward-looking statements may include words such as anticipate, believe, estimate, intend, could, should, would, might, will, expect, predict, project, forecast, potential, continue negatives thereof or similar. Forward-looking statements speak only as of the date they are made, are based on various underlying assumptions and current expectations about the future and are not guarantees. Such statements involve known and unknown risks, uncertainties and other factors that may cause our actual results, level of activity, performance or achievement to be materially different from the results of operations or plans expressed or implied by such forward-looking statements.

We cannot predict all of the risks and uncertainties. Accordingly, such information should not be regarded as representations that the results or conditions described in such statements or that our objectives and plans will be achieved and we do not assume any responsibility for the accuracy or completeness of any of these forward-looking statements. These forward-looking statements are found at various places throughout this Report and include information concerning possible or assumed future results of our operations, including statements about potential acquisition or merger targets; business strategies; future cash flows; financing plans; plans and objectives of management; any other statements regarding future acquisitions, future cash needs, future operations, business plans and future financial results, and any other statements that are not historical facts.

These forward-looking statements represent our intentions, plans, expectations, assumptions and beliefs about future events and are subject to risks, uncertainties and other factors. Many of those factors are outside of our control and could cause actual results to differ materially from the results expressed or implied by those forward-looking statements. In light of these risks, uncertainties and assumptions, the events described in the forward-looking statements might not occur or might occur to a different extent or at a different time than we have described. You are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this Report. All subsequent written and oral forward-looking statements concerning other matters addressed in this Report and attributable to us or any person acting on our behalf are expressly qualified in their entirety by the cautionary statements contained or referred to in this Report.

Except to the extent required by law, we undertake no obligation to update or revise any forward-looking statements, whether as a result of new information, future events, a change in events, conditions, circumstances or assumptions underlying such statements, or otherwise.

PART I- FINANCIAL INFORMATION

Item 1. Financial Statements

MOUNT KNOWLEDGE HOLDINGS, INC.

(A Development Stage Company)

CONDENSED FINANCIAL STATEMENTS

MARCH 31, 2013 AND DECEMBER 31, 2012

(Stated in US dollars)

MOUNT KNOWLEDGE HOLDINGS, INC.**(A Development Stage Company)****Condensed Balance Sheets****(Stated in US dollars)**

	March 31, 2013	December 31, 2012
	(Unaudited)	
Assets		
Current Assets		
	\$	\$
Cash	323	233
Due from related party	-	2,100
Total Current Assets	323	2,333
	\$	\$
Total Assets	323	2,333
Liabilities And Stockholders' Deficit		
Current Liabilities		
	\$	\$
Accounts payable and accrued liabilities	214,835	226,309
Due to related parties	400	-
Notes payable	550,000	550,000
Derivative liability	7,152,514	2,594,068
Total Current Liabilities	7,917,749	3,370,377
Total Liabilities	7,917,749	3,370,377
Stockholders' Deficit		
Preferred stock, \$0.0001 par value, 100,000,000 shares authorized, 50,000,000 shares, designated as Series A convertible preferred stock, \$0.0001 par value, 25,000,000 shares and 8,888,888 issued at March 31, 2013 and December 31, 2012 and 25,413,083 shares and 16,097,296 shares outstanding at March 31, 2013 and December 31, 2012	2,541	1,610
Common stock, \$0.0001 par value, 200,000,000 shares authorized, 199,996,250 and 190,695,096 issued and outstanding at March 31, 2013 and December 31, 2012	20,000	19,070
Additional paid-in capital	6,459,825	5,845,951
Common stock to be issued	-	122,000
Accumulated other comprehensive loss	(20,788)	(20,788)
Deficit, pre-development stage	(11,735,422)	(11,735,422)

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Retained earnings (deficit), development stage	(2,643,582)	2,399,535
Total Stockholders' Deficit	(7,917,426)	(3,368,044)
	\$	\$
Total Liabilities And Stockholders Deficit	323	2,333

The accompanying notes are an integral part of these unaudited condensed financial statements

MOUNT KNOWLEDGE HOLDINGS, INC.
(A Development Stage Company)
Condensed Consolidated Statements Of Operations And Other Comprehensive Loss

	(Unaudited)		For The Development Stage Period, From April 1, 2012 To March 31 2013
	(Stated in US dollars)		
	Three Months Ended		
	March 31		
	2013	2012	
\$	\$	\$	\$
Sales revenue	-	-	-
Cost of goods sold	-	-	-
Gross profit	-	-	-
Operating expenses			
General and administrative expenses	460,351	129,506	562,229
Total operating expenses	460,351	129,506	562,229
Loss from operations	(460,351)	(129,506)	(562,229)
Other income	-	-	-
Interest expense	(24,320)	(20,045)	(93,715)
Gain on Sale of intellectual property			
Change in fair value of derivative liability	(4,558,446)	294,281	(7,116,621)
Gain on debt extinguishment	-	-	12,633
Net (loss) from continuing operations	(5,043,117)	144,730	(7,759,932)
Discontinued operations			
Income (Loss) from discontinued operations	-	5,096	-
Gain on disposal of subsidiary	-	174,736	-
Net Income (Loss)	(5,043,117)	324,562	(7,759,932)
Net loss attributable to non-controlling interest	-	(3,004)	-
\$	\$	\$	\$
Net Income (Loss) Attributable to Common Shareholders Comprehensive (Loss)	(5,043,117)	327,566	(7,759,932)
Net Income (Loss)	(5,043,117)	324,562	(7,759,932)
Foreign currency translation adjustments	-	-	(2,167)
Comprehensive (Loss)	(5,043,117)	324,562	(7,762,099)
Comprehensive loss attributable to non-controlling interest	-	(3,004)	-
\$	\$	\$	\$
Comprehensive (Loss) Attributable To Common Shareholders	(5,043,117)	327,566	(7,762,099)

Weighted Average Number of Common Shares Outstanding- Basic and Diluted	194,605,301	110,313,133
	\$	\$
Net (Loss) from Continuing Operations Per Common Share - Basic and Diluted	(0.03)	(0.01)
Net (Loss) from Discontinuing Operations Per Common Share - Basic and Diluted	0.00	(0.00)
Net (Loss) Per Common Share - Basic and Diluted	(0.03)	(0.01)

The accompanying notes are an integral part of these unaudited condensed financial statements

MOUNT KNOWLEDGE HOLDINGS, INC.
(A Development Stage Company)
Condensed Consolidated Statements Of Cash Flows

(Unaudited)
(Stated in US dollars)

	Three Months Ended		For The Development Stage Period, From
	March 31		April 1, 2012 To March 31 2013
	2013	2012	
Operating Activities:			
Net (loss) attributable to common shareholders	\$ (5,043,117)	\$ 327,566	\$ (2,643,583)
Adjustments to reconcile net loss to net cash used in operating activities:			
Net loss attributable to non-controlling interest in subsidiary	-	(3,004)	
Shares issued for consulting service provided	437,941	-	437,941
(Gain) on debt extinguishment	-	-	(12,633)
Change in fair value of derivative liability	4,558,446	(294,280)	2,000,271
(Gain) Loss on disposal of subsidiary	-	(174,736)	-
Changes in operating assets and liabilities:			
Changes in assets held for sale	-	46,294	-
Accounts payable and accrued liabilities	24,320	(12,956)	93,715
Other payable	-	(51,960)	-
Due to/from related party	-	-	(116,000)
Net cash used in operating activities	(22,410)	(163,076)	(240,288)
Investing Activities:			
Collection of advances/loans to related party	2,500	-	400
Net cash provided by investing activities	2,500	-	400
Financing Activities:			
Proceeds from note payable	-	100,000	-
Proceeds from share issuances	20,000	-	120,000
Share subscriptions received	-	-	122,000
Net cash provided by financing activities	20,000	100,000	242,000
Effect of exchange rate changes on cash	-	-	(2,167)

Net Increase(decrease) in Cash	90	(63,076)	(55)
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