JOSHUA GOLD RESOURCES INC
Form 10-Q/A
June 14, 2012

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Form 10-Q /A

(Amendment No. 1)

(Mark One)

x QUARTERLY REPORT UNDER SECTION 13 OR 15(d)

OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended March 31, 2012

¨ TRANSITION REPORT UNDER SECTION 13 OR 15(d)

OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from ______________ to ______________

Commission File Number: 000-53809

JOSHUA GOLD RESOURCES INC.

(Exact name of registrant as specified in its charter)

Nevada (State or other jurisdiction of incorporation or organization)	27-0531073 (I.R.S. Employer Identification No.)

99 Bronte Road, Suite 121, Oakville, ON L6L 3B7 Canada

(Address of principal executive offices)

(877) 354-9991

(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 Exchange Act 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 x No ¨

Indicated by check mark whether the registrant has submitted electronically and posted on its corporate website, 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 x No ¨

Check 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. (Check one):

Large Accelerated Filer	¨	Accelerated Filer	¨
Non-accelerated Filer	¨	Smaller Reporting Company	x

Check whether the issuer is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ¨ No x

As of May 1, 2012, there were 285,206,604 shares of common stock, par value $0.0001, issued and outstanding.

Explanatory Note

Joshua Gold Resources Inc. is filing this Amendment No. 1 (the Amendment) to its Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2012, filed with the Securities and Exchange Commission on May 21, 2012 (the Original Filing), for the purpose of furnishing Exhibit 101 (Interactive Data Files) in accordance with Rule 405 of Regulation S-T and amending the following Items contained in the Original Filing: Item 1. Financial Statements and Item 2. Management s Discussion and Analysis of Financial Condition and Results of Operations.

Except as stated in this Explanatory Note, no other information contained in any Item of the Original Filing is being amended, updated or otherwise revised. This Amendment speaks as of the filing date of the Original Filing and does not reflect any events that may have occurred subsequent to such date.

JOSHUA GOLD RESOURCES INC.

FORM 10-Q /A

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PART I---FINANCIAL INFORMATION

Item 1. Financial Statements.

Joshua Gold Resources Inc.

(An Exploration Stage Company)

Balance Sheets

As Of

	March 31, 2012 (Unaudited)	December 31, 2011 (Audited)
ASSETS		
Current Assets	$	$
Cash	16,225	24,566
Accounts receivable	38,087	27,582
Notes receivable	15,038	14,750
Total Current Assets	69,350	66,898
Other Assets		
Equipment	6,167	6,380
Mineral property interests	531,511	378,753
Total Other Assets	537,678	385,133
Total Assets	$ 607,028	$ 452,031
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current Liabilities	$	$
Accounts payable and accrued liabilities	55,737	46,456
Advances from stockholders	187,735	129,153
Dividends payable	38,400	38,400
Due on mineral rights acquisition- current portion	76,691	43,265
Total Current Liabilities	358,563	257,274
Long Term Liabilities		
Due on mineral rights acquisition	80,200	78,664
Total Liabilities	438,763	335,938
Stockholders' Equity		
Preferred stock, $0.0001 par value; 100,000,000 shares authorized; 240,000 shares issued and outstanding (December 31, 2011- 240,000)	24	24
Common stock, $0.0001 par value; 400,000,000 shares authorized; 283,099,239 shares issued and outstanding (December 31, 2011- 278,579,678)	28,310	27,858

Additional paid-in capital	1,781,356	1,357,543
Stock to be issued	160,475	303,190
Subscriptions receivable	(25,000)	(103,247)
Accumulated other comprehensive (loss) income	(3,405)	25,175
Deficit accumulated during the exploration stage	(1,773,495)	(1,494,450)
Total Stockholders' Equity	168,265	116,093
Total Liabilities and Stockholders' Equity	$ 607,028	$ 452,031

See accompanying notes to the financial statements

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Joshua Gold Resources Inc.

(An Exploration Stage Company)

Statements of Operations and Comprehensive Loss

	Three Months Ended March 31, 2012	Three Months Ended March 31, 2011	For the Period from Inception July 10, 2009 to March 31, 2012
OPERATING EXPENSES			
	$	$	$
Management fees	29,368	-	409,931
Consulting fees	87,216	12,811	449,835
Exploration	79,338	-	182,080
General and administrative	20,800	4,399	79,920
Professional fees	57,371	14,772	133,142
Interest	4,616	-	22,720
Depreciation	336	3,650	15,556
TOTAL OPERATING EXPENSES	279,045	35,632	1,293,184
LOSS FROM CONTINUING OPERATIONS	(279,045)	(35,632)	(1,293,184)
Loss from discontinued operations	-	-	(441,486)
	$	$	$
NET LOSS	(279,045)	(35,632)	(1,734,670)
OTHER COMPREHENSIVE INCOME			
Foreign currency translation	(28,580)	42	(3,405)
	$	$	$
COMPREHENSIVE LOSS	(307,625)	(35,591)	(1,738,075)
LOSS PER WEIGHTED NUMBER OF SHARES OUTSTANDING - BASIC AND DILUTED	$ (0.00)	$ (0.00)	
WEIGHTED AVERAGE NUMBER OF SHARES OUTSTANDING - BASIC AND DILUTED	282,050,560	265,190,416	

See accompanying notes to the financial statements.

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Joshua Gold Resources Inc.

(An Exploration Stage Company)

Statements of Cash Flows

	Three months Ended March 31, 2012	Three months Ended March 31, 2011	Period from Inception (July 10, 2009) to March 31, 2012
CASH FLOWS FOR CONTINUING OPERATIONS			
OPERATING ACTIVITIES			
	$	$	$
Loss from continuing operations	(279,045)	(35,632)	(1,293,184)
Adjustments for non-cash items:			
Depreciation	336	3,650	15,556
Stock-based compensation	26,280	-	638,205
Accrued interest on advances from stockholders	4,615	-	24,188
Adjustments for changes in working capital:			
Accounts receivable	(10,505)	999	(38,087)
Prepaid expenses	-	12,997	-
Accounts payable and accrued liabilities	9,281	15,127	55,737
NET CASH USED IN OPERATING ACTIVITIES FROM CONTINUING OPERATIONS	(249,038)	(2,859)	(597,585)
FINANCING ACTIVITIES			
Advances from stockholders	51,428	74,717	163,547
Proceeds on issuance of capital stock	207,518	-	583,945
NET CASH PROVIDED BY FINANCING ACTIVITIES FROM CONTINUING OPERATIONS	258,946	74,717	747,492
INVESTING ACTIVITIES			
Acquisition of Mineral property interests	(17,544)	-	(43,500)
Acquisition of equipment	-	-	(6,745)
NET CASH USED IN INVESTING ACTIVITIES FROM CONTINUING OPERATIONS	(17,544)	-	(50,245)
NET (DECREASE) INCREASE IN CASH FROM CONTINUING OPERATIONS	**(7,636)**	**71,858**	**99,662**
CASH FLOWS FOR DISCONTINUED OPERATIONS			
OPERATING ACTIVITIES			
Loss from discontinued operations	-	-	(441,486)
Adjustments for non-cash items:			
Stock-based compensation	-	-	270,859
Adjustments for changes in working capital:			
Accounts receivable from discontinued operations	-	(2,035)	-

Liabilities from discontinued operations	-	(82,105)	-
NET CASH USED IN OPERATING ACTIVITIES FROM DISCONTINUED OPERATIONS	-	(84,140)	(170,627)
FINANCING ACTIVITIES			
Issuance of common stock for cash	-	-	83,783
NET CASH PROVIDED BY FINANCING ACTIVITIES FROM DISCONTINUED OPERATIONS	-	-	83,783
NET DECREASE IN CASH FROM DISCONTINUED OPERATIONS	**-**	**(84,140)**	(86,844)
EFFECT OF EXCHANGE RATE CHANGES ON CASH	(705)	(2,885)	3,407
NET (DECREASE) INCREASE IN CASH	**(8,341)**	**(15,167)**	**16,225**
CASH, BEGINNING OF PERIOD	24,566	24,786	-
CASH, END OF PERIOD	**$ 16,225**	**$ 9,619**	**$ 16,225**

See accompanying notes to the financial statements

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Joshua Gold Resources Inc.

(An Exploration Stage Company)

Notes to Financial Statements

For the Period from Inception (July 10, 2009) to March 31, 2012

1.

Nature of Operations

Joshua Gold Resources Inc. (referred to herein as Joshua , or the Company) was incorporated on July 10, 2009 in the State of Nevada.

The Company operates as a mineral exploration business headquartered in Oakville, Ontario, Canada. Its principal business activity is the acquisition, exploration and development of mineral property interests in Canada. The Company is considered to be in the exploration stage and substantially all of the Company s efforts are devoted to financing and developing these property interests.

The Company has the rights to three mineral properties, the Carson Property in the Northwest Territories, Canada, the Garrett Property in Ontario, Canada, and the Elijah Property in Shining Tree , Ontario, Canada. There has been no determination whether the Company s interests in unproven mineral properties contain mineral reserves, which are economically recoverable.

2.

Going Concern

The financial statements have been prepared on a going concern basis. The going concern basis of presentation assumes that the Company will continue operations for the foreseeable future and will be able to realize its assets and discharge its liabilities and commitments in the normal course of operation.

The Company has incurred a net loss of $ 279,045 for the period ended March 31 2012, and a working capital deficit of $ 289,213 as of March 31, 2012 .. As an exploration stage entity, the Company has not yet commenced its mining operations and accordingly does not have any revenue. This casts doubt on the Company s ability to continue as a going concern unless it can begin to generate net profit and raise adequate financing.

The Company has been seeking additional debt or equity financing to support its operations until it becomes cash flow positive. There can be no assurances that action and plan such as above will be sufficient for the Company to continue operating as a going concern.

The financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts or amounts classified as liabilities that might be necessary should the Company be unable to continue in existence. These adjustments could be material.

3.

Significant Accounting Policies

These financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America .. The significant accounting policies followed in the preparation of these financial statements are as follows:

Exploration Stage Company

The Company is an exploration stage company. The Company is still devoting substantially all of its efforts on establishing the business. All losses accumulated, since inception, have been considered as part of the Company s exploration stage activities.

Mineral Properties and Exploration and Development Costs

The costs of acquiring mineral rights are capitalized at the date of acquisition. After acquisition, various factors can affect the recoverability of the capitalized costs. If, after review, management concludes that the carrying amount of a mineral property is impaired, it will be written down to estimated fair value. Exploration costs incurred on mineral properties are expensed as incurred. Development costs incurred on proven and probable reserves will be capitalized. Upon commencement of production, capitalized costs will be amortized using the unit-of-production method over the estimated life of the ore body based on proven and probable reserves (which exclude non-recoverable reserves and anticipated processing losses). When the Company receives an option payment related to a property, the proceeds of the payment are applied to reduce the carrying value of the exploration asset.

Carrying Value of Mineral Property Interests

The cost of acquiring mineral property interests is capitalized. Capitalized acquisition costs are expensed in the period in which it is determined that the mineral property has no future economic value. Capitalized amounts may be written down if future cash flows, including potential sales proceeds related to the property, are estimated to be less than the carrying value of the property. The Company reviews the carrying value of mineral property interests periodically and whenever events or changes in circumstances indicate that the carrying value may not be recoverable, reductions in the carrying value of each property would be recorded to the extent the carrying value of the investment exceeds the property s estimated fair value.

Foreign Currency Translation

Management has determined that the functional currency of the Company is the Canadian dollar ("CAD "), and translates the CAD statements into US dollar statements in accordance with the provisions of ASC No. 830 *Foreign Currency Matters* .. All assets and liabilities are translated into US dollars at the exchange rate at the balance sheet date. Share capital, stock to be issued, subscriptions receivable, and accumulated deficit are translated into US dollars at historical exchange rate. All revenues and expenses are translated into US dollars at the average exchange rate for the period. Adjustments resulting from the translation of the financial statements from its functional currency to US dollars are accumulated as a separate component of accumulated other comprehensive income and have not been included in the determination of income for the relevant periods.

Discontinued Operations

The discontinued operations has been reported separately in accordance with the provisions of ASC 205-20, *Presentation of Financial Statements Discontinued Operations*, which provides guidance on when the results of operations of a component of an entity that either has been disposed of or is classified as held for sale would be reported as a discontinued operation in the financial statements. A component of an entity comprises operations and cash flows that can be clearly distinguished, operationally and for financial reporting purposes, from the rest of the entity. A component of an entity may be a reportable segment or an operating segment, a reporting unit.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting periods. Actual results could differ from those estimates. Some of the Company's more significant estimates include those related to uncollectible receivables, stock-based compensation, equity instruments, and its intangible assets. These estimates are reviewed periodically, and, as adjustments become necessary, they are reported in earnings in the period in which they become known.

Comprehensive Income

The Company follows the guidance in ASC 220, *Comprehensive Income*. ASC 220 establishes standards for the reporting and presentation of comprehensive income and its components in a full set of financial statements. Comprehensive income is presented in the statements of stockholders equity , and consists of foreign currency translation adjustments. ASC 220 requires only additional disclosures in the financial statements and does not affect the Company's financial position or results of operations.

Fair Value of Financial Instruments

The Company measures its financial assets and liabilities in accordance with the requirements of *ASC 820, Fair value measurements and Disclosures* , and elects not to disclose its fair value information about financial assets and liabilities for which fair value was not readily available.

Income Taxes

The Company accounts for income taxes pursuant to ASC 740, *Income Taxes*. Deferred tax assets and liabilities are recorded for differences between the financial statements and tax basis of the assets and liabilities that will result in taxable or deductible amounts in the future based on enacted tax laws and rates. Valuation allowances are established when necessary to reduce deferred tax assets to the amount expected to be realized. Income tax expense is recorded for the amount of income tax payable or refundable for the period increased or decreased by the change in deferred tax assets and liabilities during the period.

Stock-based Compensation

The Company accounts for Stock-Based Compensation in accordance with ASC 718, *Compensation Stock Compensation*. ASC 718 establishes standards for the accounting for transactions in which an entity exchanges its equity instruments for goods or services. It also addresses transactions in which an entity incurs liabilities in exchange for goods or services that are based on the fair value of the entity s equity instruments or that may be settled by the issuance of those equity instruments. ASC 718 focuses primarily on accounting for transactions in which an entity obtains employee services in share-based payment transactions. ASC 718 requires that the compensation cost relating to share-based payment transactions be recognized in the financial statements. That cost is measured based on the fair value of the equity or liability instruments issued.

Net Loss Per Share

The Company accounts for loss per share pursuant ASC 260, *Earnings Per Share*, which requires disclosure on the financial statements of basic and diluted earnings (loss) per share. Basic earnings (loss) per share is computed by dividing net income (loss) by the weighted average number of common shares outstanding for the year. Diluted earnings (loss) per share is computed by dividing net income (loss) by the weighted average number of common shares outstanding plus common stock equivalents (if dilutive) related to stock options and warrants for each year.

There were no dilutive financial instruments for the three months ended March 31, 2012 and the period from inception (July 10, 2009) to March 31, 2012 ..

4.

Mineral Property Interests

	Mineral property interest
Carson Property (a)	$ 199,960
Balance at December 31, 2010	**199,960**
Garrett Property (b)	178,793
Balance at December 31, 2011	**378,753**
Elijah Property (c)	152,758
Balance at December 31, 2011	**$ 531,511**

a)

Carson Property

On December 23, 2010, the Company entered into a mineral property acquisition agreement with 2214098 Ontario Ltd. pursuant to which the Company acquired the mining lease to the Carson Property. Under the acquisition agreement, the Company is required to pay:

1.

Cash consideration of $99,060 ($100,000 CAD) to be paid according to an installment schedule between April 30, 2011 and September 30, 2015;

2.

Equity consideration of 1,000,000 shares of common stock to be issued on or before March 30, 2011; and

3.

Royalty of 3% of all net smelter returns upon commencement of commercial production of the property.

The Carson Property is 1,812 acres in area and is located north-north-west of the City of Yellowknife, in the Northwest Territories, Canada. The Company s interest in the property consists of a 21 year mining lease, which expires on June 30, 2024 and for which the Company is responsible for making annual lease payment of $1,141, in order to keep the lease in good standing.

In accordance with the Company s accounting policy, the only costs related to the property that can be capitalized are the costs of acquisition of a mineral interest from a third party. As such, annual lease payments are expensed as incurred. As of March 31, 2012 , management determined that there were no events or changes in circumstances which may have impaired the carrying value of the Carson Property.

As of March 31, 2012, the Company paid $27,569 ($27,500 CAD) of the balance due on the Carson Property, and issued 1,000,000 shares of common stock to 2214098 Ontario Ltd.

b)

Garrett Property

On June 25, 2011 the Company entered into a mineral property acquisition agreement with Firelake Resources Inc. whereby it acquired certain mineral interests in the Garrett Property. Consideration for the mineral interests is as follows:

1.

Cash consideration of $50,765 ($50,000 CAD) to be paid in two equal installments of $25,383 ($25,000 CAD) on January 31, 2012 and January 31, 2013.

2.

Equity consideration of 2,000,000 shares of common stock to be issued on or before January 31, 2012

3.

Royalty of 2% of all net smelter returns upon commencement of commercial production at the property.

As of March 31, 2012 , the Company paid $6,240 ($6,000 CAD) of the balance due on the Garrett Property , and issued 2,000,000 shares of common stock to Firelake Resources Inc ..

The Garrett Property is 8,900 acres in area and is located north of the City of Sudbury, in Ontario, Canada. The Company s interest in the property consists of 157 mineral claim units staked by a prospector. Mining cannot take place until the claims are brought to lease. In order to keep the claims in good standing, the Company is required to perform $32,800 of exploration work before November 2012 and $30,000 of exploration work before October 2013.

In accordance with the Company s accounting policy, the only costs related to the property that can be capitalized are the costs of acquisition of a mineral interest from a third party. As such, claim staking and exploration work has been expensed as incurred. As of March 31, 2012 , management determined that there were no events or changes in circumstances, which may have impaired the carrying value of the Garrett Property.

c)

Elijah Property

On February 13, 2012, the Company finalized a mineral property acquisition agreement with Shining Tree Resources Corp .. (Shining Tree), under which the Company would acquire a 50% interest in the Elijah Property in the townships of Churchill and Asquith in the Province of Ontario, Canada. In exchange for the interest in the property, the Company will:

1.

Pay cash consideration of $50,270 (CDN $50,000) according to an installment schedule between February and July 2012;

2.

Issue 1,000,000 shares of common stock to Shining Tree; and

3.

Complete exploration expenditures having a value of $201,097 (CDN $200,000) on the conveyed property before February 10, 2014. Upon completion of payment for the conveyed property in the aggregate amount of $50,270 (CDN $50,000) and of exploration expenditures on the conveyed property, Shining Tree will issue to the Company 1,000,000 common shares of Shining Tree common stock, on or before July 30, 2012

As of March 31, 2012, the Company paid $10,025 (CDN $10,000) of the balance due on the Elijah Property.

5. Advances From Stockholders

The Company has advances from stockholders due to various individuals and corporations who are not related parties. These amounts are unsecured, interest-bearing at 12% per annum, and are due on demand.

6. Due On Mineral Rights Acquisition

	March 31, 2012	December 31, 2011
Due to 2214098 Ontario Ltd re Carson Lake Property	$ 72,681	78,664
Due to Firelake Resources Inc. re Eric & Huffman Property	44.110	43,265
Due to Shining Tree re Churchill & Asquith Property	40,100	-
	156,891	**121,929**
Less: current portion	(76,691)	(43,265)
Long-Term Debt	**$ 80,200**	**78,664**

The Company is required to make certain payments in respect of its 2010 acquisition of the Carson Property , its 2011 acquisition of the Garrett Property and its 2012 acquisition of the Elijah Property (note 4). These payments are due to 2214098 Ontario Ltd .., Firelake Resources Inc., and Shining Tree, the corporations from which the properties were acquired.

The amounts due are unsecured, non-interest bearing, and are due as follows:

2012 (nine months)	$	76,691
2013		35,087
2014		10,025
2015		35,088
Total	**$**	**156,891**

As of March 31, 2012 , the Company is in arrears on its payments by $ 41,604 .. This amount has been included above in the installments due for 2012.

7. Capital Stock

a)

Common Stock

During the three months ended March 31, 2012 , the Company issued 1,361,666 shares of common stock pursuant to private placement transactions at prices between $0.075 to $0. 095 per share and for total cash proceeds of $ 102,000 and stock subscription receivable of $25 ,000.

During the three months ended March 31, 2012 , the Company issued 157 ,895 shares of common stock to directors of the Company for services rendered. These transactions have been recorded as stock-based compensation with a total value of $ 15,000 ..

b)

Stock To Be Issued

As of March 31, 2012, the Company has yet to issue the 1,000,000 shares to Shining Tree (note 4). During the three months ended March 31, 2012, the Company issued 3,000,000 to 2214098 Ontario Ltd. And Firelake Resources Inc. (note 4).

As of March 31, 2012, the Company was obligated to issue 126,315 shares of common stock to directors and employees for services rendered. The Company has recorded stock-based compensation and stock to be issued of $12,000 in respect to these obligations.

c)

Subscriptions receivable

During the three months ended March 31, 2012, the Company has received payments of $103,247 related to subscriptions receivable, and recorded additional $25,000 subscriptions receivable for shares issued.

d)

Warrants

The below table summarizes the Company s activity with respect to warrants:

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		Number of Warrants	Weighted Average Exercise Price	Weighted Average Remaining Contractual Term
Balance	**December 31, 2010**	**-**	**-**	**-**
Granted		3,723,397	0.129	0.915
Cancelled		-	-	-
Exercised		-	-	-
Balance	**December 31, 2011**	**3,723,397**	**0.129**	**0.915**
Granted		1,361,666	0.126	0.819