

Edgar Filing: Global Resource CORP - Form 10QSB/A

Global Resource CORP  
Form 10QSB/A  
October 31, 2006

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

FORM 10-QSB/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 September 30, 2005

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.: 000-50944

GLOBAL RESOURCE CORPORATION  
(f/k/a Advanced Healthcare Technologies, Inc.)

(Exact name of registrant as specified in its charter)

Nevada  
(State or other jurisdiction of  
incorporation or organization)

84-1565820  
(I.R.S. Employer  
Identification No.)

9444 Waples Street, Suite 290  
San Diego, CA 92121  
(Address of principal executive offices)

Issuer's telephone number: (858) 646-7410

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

Check whether the registrant filed all documents and reports required to be  
filed by Section 12, 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

APPLICABLE ONLY TO CORPORATE ISSUERS

As of August 21, 2006, 72,151 shares of Global Resource's common stock were  
outstanding.

Transitional Small Business Disclosure Format: Yes  No

# Edgar Filing: Global Resource CORP - Form 10QSB/A

## EXPLANATORY NOTE

This quarterly report on Form 10-QSB/A ("Form 10-QSB/A") is being filed to amend our quarterly report on Form 10-QSB for the quarter ended September 30, 2005 (the "Original Form 10-QSB"), which was originally filed with the Securities and Exchange Commission ("SEC") on November 14, 2005. Accordingly, pursuant to rule 12b-15 under the Securities Exchange Act of 1934, as amended, the Form 10-QSB/A contains complete text of Items 1, 2 and 3 of Part I and Items 2 and 4 of Part II, as amended, as well as currently dated certifications from the Principal Executive Officer and the Principal Financial Officer.

In connection with the review of the unaudited interim financial statements for the six months ended September 30, 2005 and the fiscal year ended March 31, 2005, our external auditors noted that the Original Form 10-QSB did not reflect the effects of the Company's reverse stock split of 100 to 1. The reverse stock split became effective as of the close of trading on Friday, August 11, 2006.

On July 3, 2006, the Company concluded that it was necessary to restate its financial results for the fiscal year ended March 31, 2005 and for the interim periods ended September 30 and December 31, 2004 and 2005 and for the interim period ended June 30, 2005 to reflect additional non-operating gains and losses related to the classification of and accounting for convertible debentures issued in fiscal 2005. The Company had previously determined a beneficial conversion feature, valued the conversion features at the intrinsic value and classified the convertible instruments as equity. After further review, the Company has determined that these instruments should have been classified as derivative liabilities and therefore, the fair value of each instrument must be recorded as a derivative liability on the Company's balance sheet. Changes in the fair values of these instruments will result in adjustments to the amount of the recorded derivative liabilities and the corresponding gain or loss will be recorded in its statement of operations. At the date of the conversion of each respective instrument or portion thereof, the corresponding derivative liability will be reclassified as equity.

## PART 1: FINANCIAL INFORMATION

### ITEM 1 - CONDENSED FINANCIAL STATEMENTS

#### GLOBAL RESOURCE CORPORATION

#### FINANCIAL STATEMENTS

September 30, 2005

F-1

#### GLOBAL RESOURCE CORPORATION

#### BALANCE SHEETS

#### ASSETS

September 30,      March 31,

Edgar Filing: Global Resource CORP - Form 10QSB/A

	2005 ----- (Unaudited) (Restated)	2005 ----- (Restated)
CURRENT ASSETS		
Cash	\$ 155	\$ 175
	-----	-----
Total Current Assets	155	175
	-----	-----
OTHER ASSETS		
Investments (Note 6)	35,555	57,073
	-----	-----
Total Other Assets	35,555	57,073
	-----	-----
TOTAL ASSETS	\$ 35,710	\$ 57,248
	=====	=====
LIABILITIES AND STOCKHOLDERS' DEFICIT		
CURRENT LIABILITIES		
Accounts payable	\$ 35,454	\$ 5,438
Accounts payable - related party	54,004	52,795
Accrued expenses - related party	500	--
Wages payable	170,000	150,000
Accrued interest	10,232	4,716
Derivative liability	256,833	168,896
Convertible debentures, net of \$18,591 debt discount at March 31, 2005	137,900	119,309
	-----	-----
Total Current Liabilities	664,923	501,154
	-----	-----
STOCKHOLDERS' DEFICIT		
Preferred stock: 50,000,000 shares authorized of \$0.001 par value, no shares issued and outstanding	--	--
Common stock: 2,000,000,000 shares authorized, of \$0.001 par value, 72,151 shares issued and outstanding	72	72
Additional paid-in capital	6,892,663	6,887,163
Accumulated deficit	(7,521,948)	(7,331,141)
	-----	-----
Total Stockholders' Deficit	(629,213)	(443,906)
	-----	-----
TOTAL LIABILITIES AND STOCKHOLDERS' DEFICIT	\$ 35,710	\$ 57,248
	=====	=====

The accompanying notes are an integral part of these financial statements.

F-2

GLOBAL RESOURCE CORPORATION

SCHEDULE OF INVESTMENTS

(Unaudited)

Edgar Filing: Global Resource CORP - Form 10QSB/A

Company	Description of Business	Percent Ownership	Cost	Fair Value	Affiliation
Well Renewal, LLC	Oil Wells	50%	\$150,000	\$ 35,555(1)	Yes

(1) Fair value determined by the Company's Board of Directors using the following formula: Net assets of \$71,110 multiplied by percent ownership of 50% equals \$35,555.

See also Note 6 for further explanation on the Company's methods of determining fair values.

The accompanying notes are an integral part of these financial statements.

F-3

GLOBAL RESOURCE CORPORATION

STATEMENTS OF OPERATIONS

(Unaudited)

	For the three months ended September 30,		For the six months ended September 30,	
	2005	2004	2005	2004
	(Restated)	(Restated)	(Restated)	(Restated)
REVENUES	\$ --	\$ --	\$ --	\$ --
COST OF GOODS SOLD	--	--	--	--
GROSS PROFIT	--	--	--	--
OPERATING EXPENSES	38,320	51,144	57,245	51,144
LOSS FROM OPERATIONS	(38,320)	(51,144)	(57,245)	(51,144)
OTHER INCOME (EXPENSE)				
Interest Expense	(2,758)	--	(24,107)	--
Gain (loss) on derivative	9,157	--	(87,937)	--
Unrealized loss on Investment	(4,602)	--	(21,518)	--
Total Other Income (Expense)	1,797	--	(133,562)	--
LOSS BEFORE				
DISCONTINUED OPERATIONS	(36,523)	(51,144)	(190,807)	(51,144)
LOSS FROM DISCONTINUED OPERATIONS (NOTE 5)	--	--	--	(116,946)
NET LOSS	\$ (36,523)	\$ (51,144)	\$ (190,807)	\$ (168,090)

Edgar Filing: Global Resource CORP - Form 10QSB/A

	=====	=====	=====	=====
BASIC AND DILUTED LOSS PER SHARE				
Continuing Operations	\$ (0.51)	\$ (2.13)	\$ (2.64)	\$ (2.13)
Discontinued Operations	--	--	--	(4.87)
	-----	-----	-----	-----
Total Loss per Share	\$ (0.51)	\$ (2.13)	\$ (2.64)	\$ (7.00)
	=====	=====	=====	=====
WEIGHTED AVERAGE NUMBER				
OF SHARES OUTSTANDING	72,151	24,000	72,151	24,000
	=====	=====	=====	=====

The accompanying notes are an integral part of these financial statements.

F-4

GLOBAL RESOURCE CORPORATION

STATEMENTS OF CASH FLOWS

(Unaudited)

	For the six months ended September 30,	
	2005	2004
	-----	-----
	(Restated)	(Restated)
CASH FLOWS FROM OPERATING ACTIVITIES		
Net loss	\$ (190,807)	\$ (168,090)
Adjustments to reconcile net loss to net cash used by operating activities:		
Unrealized loss on investment	21,518	--
Depreciation and amortization	--	509
(Gain) / Loss on derivative	87,937	--
Interest expense on debt discount amortization	18,591	--
Contributed services	5,500	--
Changes in assets and liabilities:		
Increase in accounts payable and accounts payable - related party	31,225	26,144
Increase in accrued expenses and accrued expenses - related party	26,016	25,000
Changes in discontinued assets and liabilities	--	106,679
	-----	-----
Net Cash Used by Operating Activities	(20)	(9,758)
	-----	-----
Net Cash Used by Investing Activities	--	--
	-----	-----
CASH FLOWS FROM FINANCING ACTIVITIES		
Cash used for partner draw	--	(12,006)
Cash contributed by former officer	--	20,000
Proceeds from issuance of note payable	--	15,500

Edgar Filing: Global Resource CORP - Form 10QSB/A

Change from cash overdraft	--	(13,736)
Proceeds from convertible debenture	--	--
	-----	-----
Net Cash Provided by Financing Activities	\$ --	\$ 9,758
	-----	-----

The accompanying notes are an integral part of these financial statements.

F-5

GLOBAL RESOURCE CORPORATION  
STATEMENTS OF CASH FLOWS (CONTINUED)  
(Unaudited)

	For the six months ended September 30,	
	2005 (Restated)	2004 (Restated)
	-----	-----
NET DECREASE IN CASH	(20)	--
CASH AT BEGINNING OF PERIOD	175	--
	-----	-----
CASH AT END OF PERIOD	\$ 155	\$ --
	=====	=====
CASH PAID FOR		
Interest	\$ --	\$ --
Income taxes	\$ --	\$ --
SCHEDULE OF NON CASH FINANCING ACTIVITIES		
Contributed capital by shareholders	\$ 5,500	\$ 247,546

The accompanying notes are an integral part of these financial statements.

F-6

GLOBAL RESOURCE CORPORATION  
Notes to the Financial Statements  
September 30, 2005

NOTE 1 - FINANCIAL STATEMENTS

The accompanying financial statements have been prepared by the Company without

## Edgar Filing: Global Resource CORP - Form 10QSB/A

audit. In the opinion of management, all adjustments (which include only normal recurring adjustments) necessary to present fairly the financial position, results of operations and cash flows at September 30, 2005 and for all periods presented have been made.

Certain information and footnote disclosures normally included in financial statements prepared in accordance with accounting principles generally accepted in the United States of America have been condensed or omitted. It is suggested that these financial statements be read in conjunction with the financial statements and notes thereto included in the Company's March 31, 2005 audited financial statements. The results of operations for the period ended September 30, 2005 are not necessarily indicative of the operating results for the full year.

On December 15, 2005, after a thorough review of the costs and potential regulatory requirements of complying with the Investment Company Act of 1940, the Board of Directors of the Company approved "Notification of Withdrawal" on Form n-54C with the Securities and Exchange Commission to withdraw our election to be subject to sections 55 through 65 of the Investment Company Act of 1940. On December 19, 2005, our "Notification of Withdrawal" on Form n-54C was filed with the Securities and Exchange Commission. As such, and with the transfer of the Well Renewal, LLC interest, the Company has become a Development Stage Company. Although we became a Development Stage Company on December 15, 2005, the from inception disclosures on the Statement of Operations and the Statement of Cash Flows will begin January 1, 2006.

### NOTE 2 - GOING CONCERN

The Company's financial statements are prepared using the accounting principles generally accepted in the United States of America applicable to a going concern, which contemplates the realization of assets and liquidation of liabilities in the normal course of business. However, the Company has had a change in control and has changed its business plan and it has not generated any revenues. The future of the Company is dependent upon its ability to obtain financing and upon future profitable operations from the development of its new business opportunities. Management plans to research possible acquisitions of various entities and an officer of the Company has agreed to loan the Company funds as needed to sustain business for a period of twelve months. However, the Company is dependent upon its ability to secure equity and/or debt financing and there are no assurances that the Company will be successful, without sufficient financing it would be unlikely for the Company to continue as a going concern.

These conditions raise substantial doubt about the Company's ability to continue as a going concern. These financial statements do not include any adjustments that might arise from this uncertainty.

### NOTE 3 - RESTATEMENT AND RECLASSIFICATION OF PREVIOUSLY ISSUED FINANCIAL STATEMENTS

#### SUMMARY OF RESTATEMENT ITEMS

On July 3, 2006, GRSU concluded that it was necessary to restate its financial results for the fiscal year ended March 31, 2005 and for the interim periods ended September 30 and December 31, 2004 and 2005 and for the interim period ended June 30, 2005 to reflect additional non-operating gains and losses related to the classification of and accounting for convertible debentures issued in fiscal 2005. GRSU had previously determined a beneficial conversion feature, valued the conversion features at the intrinsic value and classified the convertible instruments as equity. After further review, GRSU has determined that these instruments should have been classified as derivative liabilities and therefore, the fair value of each instrument must be recorded as a derivative liability on GRSU's balance sheet. Changes in the fair values of these

## Edgar Filing: Global Resource CORP - Form 10QSB/A

instruments will result in adjustments to the amount of the recorded derivative liabilities and the corresponding gain or loss will be recorded in GRSU's statement of operations. At the date of the conversion of each respective instrument or portion thereof, the corresponding derivative liability will be reclassified as equity.

The accompanying financial statements for the periods ended September 30, 2005 and 2004 have been restated to effect the changes described above. The impact of the adjustments related to the classification of and the accounting for the conversion features for the quarters ended September 30, 2005 and 2004 are summarized below:

F-7

### STATEMENT OF OPERATIONS

	AS PREVIOUSLY REPORTED -----	SIX MONTHS ENDED SEPTEMBER 30, 2005 ADJUSTMENT -----	AS RESTATE -----
Gross profit	\$ 0	\$ --	\$ 0
Operating expenses	57,245	--	57,245
	-----	-----	-----
Loss from operations	(57,245)	--	(57,245)
Non operating income (expense)			
Interest expense	(5,516)	(18,591) (A)	(24,107)
Loss on investment valuation	(21,518)	--	(21,518)
Loss on derivative liability	--	(87,937) (B)	(87,937)
	-----	-----	-----
Total non-operating income (expense)	(27,034)	(106,528)	(133,562)
Loss before minority interest, income taxes, and discontinued operations	(84,279)	(106,528)	(190,807)
	-----	-----	-----
Loss from discontinued operations	--	--	--
Net income (loss)	\$ (84,279)	\$ (106,528)	\$ (190,807)
	=====	=====	=====
Basic and diluted income (loss) per share	\$ (1.17)	\$ (1.47) (C)	\$ (2.64)
Weighted average shares outstanding	72,151		72,151

(A) CHANGE DUE TO AMORTIZATION OF DEBT DISCOUNT RELATED TO THE DERIVATIVE LIABILITY AND REVERSING THE IMPACT OF AMORTIZATION OF DEBT DISCOUNT RELATED TO THE BENEFICIAL CONVERSION FEATURE.

(B) TO RECORD LOSS ON DERIVATIVES BASED UPON FAIR VALUES AT SEPTEMBER 30, 2005.

(C) TO REFLECT BASIC AND DILUTED LOSS PER SHARE BASED UPON CORRECTED NET INCOME.

F-8



## Edgar Filing: Global Resource CORP - Form 10QSB/A

### BALANCE SHEET IMPACT

In addition to the effects on GRSU's September 30, 2005 statement of operations discussed above, the restatement impacted GRSU's balance sheet as of September 30, 2005. The following table sets forth the effects of the restatement adjustments on GRSU's balance sheet as of September 30, 2005:

	SEPTEMBER 30, 2005 AS PREVIOUSLY REPORTED	AD
	-----	-----
<b>ASSETS</b>		
Current assets		
Cash and equivalents	\$ 155	\$
	-----	-----
Total current assets	155	
Investment in Well Renewal, LLC	35,555	
	-----	-----
Total assets	\$ 35,710	\$
<b>LIABILITIES AND STOCKHOLDERS' DEFICIT</b>		
Current liabilities		
Accounts Payable	\$ 35,454	\$
Accounts payable - related party	54,004	
Accrued expenses	180,732	
Debt discount	--	
Derivative liability	--	
Convertible debentures	137,900	
	-----	-----
Total current liabilities	408,090	
	-----	-----
Total liabilities	\$ 408,090	\$
<b>STOCKHOLDERS' DEFICIT</b>		
Preferred stock: 50,000,000 shares authorized of \$0.001 par value, no shares issued and outstanding		
Common stock: 2,000,000,000 shares authorized, of \$0.001 par value, 72,151 shares issued and outstanding	7,215	
Additional paid in capital	7,065,520	
Accumulated deficit	(7,445,115)	
	-----	-----
Total stockholders' deficit	(372,380)	
	-----	-----
Total liabilities and stockholders' deficit	\$ 35,710	\$

- (A) TO RECORD THE INITIAL DEBT DISCOUNT ASSOCIATED WITH THE DERIVATIVE LIABILITIES.
- (B) CHANGE DUE TO AMORTIZATION OF DEBT DISCOUNT.
- (C) TO RECORD INITIAL CARRYING VALUE OF DERIVATIVES IN FISCAL 2005 INCLUDING \$90,342 FOR THE NOVEMBER 2004 TRANSNIX GLOBAL CORPORATION DEBENTURE, \$90,342 FOR THE NOVEMBER 2004 EDIFY CAPITAL GROUP DEBENTURE, \$45,916 FOR THE JANUARY 2005 EDIFY CAPITAL GROUP DEBENTURE AND \$55,486 FOR THE JANUARY 2005 TRANSNIX GLOBAL CORPORATION DEBENTURE.
- (D) TO RECORD GAIN OF \$25,253 ON DERIVATIVES BASED UPON FAIR VALUES AT SEPTEMBER 30, 2005.
- (E) TO REDUCE PAID IN CAPITAL FOR REVERSAL OF THE BENEFICIAL CONVERSION

## Edgar Filing: Global Resource CORP - Form 10QSB/A

- FEATURE IMPACT .  
 (F) TO REFLECT AGGREGATE EFFECT OF INCOME STATEMENT ADJUSTMENTS.  
 (G) TO REFLECT THE 100 TO 1 REVERSE STOCK SPLIT.

### STATEMENT OF OPERATIONS

	AS PREVIOUSLY REPORTED	SIX MONTHS ENDED SEPTEMBER 30, 2004 ADJUSTMENT	AS RES
	-----	-----	-----
Gross profit	\$ 0	\$ --	\$
Operating expenses	76,144	(25,000) (A)	51,1
	-----	-----	-----
Loss from operations	(76,144)	25,000	(51,1
Loss before minority interest, income taxes, and discontinued operations	(76,144)	25,000	(51,1
Loss from discontinued operations	(116,946)	--	(116,9
	-----	-----	-----
Net income (loss)	\$ (193,090)	\$ 25,000	\$ (168,0
	=====	=====	=====
Basic and diluted income (loss) per share	\$ (8.05)	\$ 1.05	\$ (7.
Weighted average shares outstanding	24,000		24,0

- (A) CHANGE DUE TO REVERSING THE IMPACT OF AMORTIZATION OF DEBT DISCOUNT RELATED TO THE BENEFICIAL CONVERSION FEATURE.

F-9

#### NOTE 4 - DERIVATIVES

Global Resource evaluated the application of SFAS 133 and EITF 00-19 for the convertible debentures issued in fiscal 2005. Based on the guidance in SFAS 133 and EITF 00-19, Global Resource concluded all of these instruments were required to be accounted for as derivatives. SFAS 133 and EITF 00-19 require Global Resource to bifurcate and separately account for the conversion features of the debentures as embedded derivatives. Pursuant to SFAS 133, Global Resource bifurcated the conversion feature from the debentures because the economic characteristics and risks of the conversion features were determined to not be clearly and closely related to the economic characteristics and risks of the debentures. In addition, because there was no explicit cap on the amount of shares that might be required to be issued pursuant to the conversion features, Global Resource determined that the conversion features met the attributes of a liability and therefore recorded the fair value of the conversion features as current liabilities. Global Resource is required to record the fair value of the conversion features on its balance sheet at fair value with changes in the values of these derivatives reflected in the statement of operations as "Gain (loss) on derivative." These derivative liabilities were not previously classified as such in Global Resource's historical financial statements. In order to reflect these changes, Global Resource has restated its financial statements for the quarter ended September 30, 2005.

The impact of the application of SFAS 133 and EITF 00-19 on the balance sheet as of September 30, 2005 and the impact on the statements of operations as of

## Edgar Filing: Global Resource CORP - Form 10QSB/A

September 30, 2005 are as follows:

	MARCH 31, 2005	SEPTEMBER 30, 2005	LOSS
Derivative liability - debentures	\$168,896	\$256,833	\$ 87,937

Global Resource uses the Black Scholes valuation model for calculation of the value of derivative liabilities. The company uses volatility rates based upon the closing stock price of its common stock. Global Resource uses a risk free interest rate which is the U.S. Treasury bill rate for securities with a maturity that approximates the estimated expected life of a derivative. Global Resource uses the closing market price of the common stock on the date of issuance of a derivative or at the end of a quarter when a derivative is valued at fair value. The volatility factor used in the Black Scholes pricing model has a significant effect on the resulting valuation of the derivative liabilities on the balance sheet. The volatility was 328% during the year ended September 30, 2005. The following table shows the volatility, risk free rate and market price used in the calculation of the Black Scholes call value for the debentures at issuance date and for the year ended September 30, 2005.

	ISSUE DATE	VOLATILITY	RISK FREE RATE	MARKET PRICE	TER
At Issuance date for:					
November 2004 Debentures	11/4/2004	457%	2.34%	\$ 0.035	
January 2005 Debentures Warrants	1/7/2005	442%	2.82%	\$ 0.0135	
January 2005 Debentures	1/17/2005	474%	2.82%	\$ 0.01	
Prices and average rates at					
2 2005 2005					
September 30, 2005		328%	4.01%	\$ 0.014	

### NOTE 5 - DISCONTINUED OPERATIONS

On June 30, 2004, the Company's CEO entered into an agreement to sell 1,260 of the Company's common stock and his controlling interest to an unrelated individual. This resulted in the Company's wholly owned subsidiary, NutraTek, LLC, being spun off and left Advanced Healthcare Technologies Inc. as the remaining shell company. All assets were associated with the discontinued operations as well as all of the liabilities except for \$247,546 which was associated with Advanced.

F-10

GLOBAL RESOURCE CORPORATION

Notes to the Financial Statements

September 30, 2005

### NOTE 5 - DISCONTINUED OPERATIONS (CONTINUED)

The net loss from discontinued operations for the three months ended June 30, 2004 are the operations of NutraTek for the three months ended March 31, 2004 because the spin off of NutraTek took place three months after Advanced Healthcare Technologies, Inc.'s year end and NutraTek had a December 31 year

## Edgar Filing: Global Resource CORP - Form 10QSB/A

end, therefore three months after NutraTek's year end would be March 31, 2004.

	For the three months ended March 31, 2004
REVENUES	\$ 15,349
COST OF GOODS SOLD	4,108
	-----
GROSS PROFIT	11,241
	-----
OPERATING EXPENSES	
Payroll	53,930
Rent	2,271
Professional fees	49,104
Depreciation	509
General and administrative	21,362
	-----
Total Operating Expenses	127,176
	-----
LOSS FROM OPERATIONS	(115,935)
	-----
OTHER EXPENSE	
Interest expense	(1,011)
	-----
Total Other Expense	(1,011)
	-----
NET LOSS	\$ (116,946)
	=====
BASIC LOSS PER SHARE	\$ (4.87)
	=====
WEIGHTED AVERAGE NUMBER OF SHARES OUTSTANDING	24,000
	=====

F-11

### GLOBAL RESOURCE CORPORATION

#### Notes to the Financial Statements

September 30, 2005

#### NOTE 6 - INVESTMENTS

The Company currently has a 50% investment in Well Renewal, LLC. The Company paid \$150,000 for a 50% controlling interest in Well Renewal, LLC on January 11, 2005. The business plan of Well Renewal is to obtain revenues via the management and operation of thirty oil wells located in Oklahoma.

As required by ASR 118, the investment committee of the company is required to assign a fair value to all investments. To comply with Section 2(a)(41) of the Investment Company Act and Rule 2a-4 under the Investment Company Act, it is incumbent upon the board of directors to satisfy themselves that all appropriate factors relevant to the value of securities for which market quotations are not readily available have been considered and to determine the method of arriving at the fair value of each such security. To the extent considered necessary, the board may appoint persons to assist them in the determination of such value, and to make the actual calculations pursuant to the board's direction. The board

## Edgar Filing: Global Resource CORP - Form 10QSB/A

must also, consistent with this responsibility, continuously review the appropriateness of the method used in valuing each issue of security in the company's portfolio. The directors must recognize their responsibilities in this matter and whenever technical assistance is requested from individuals who are not directors, the findings of such intervals must be carefully reviewed by the directors in order to satisfy themselves that the resulting valuations are fair.

No single standard for determining "fair value...in good faith" can be laid down, since fair value depends upon the circumstances of each individual case. As a general principle, the current "fair value" of an issue of securities being valued by the board of directors would appear to be the amount which the owner might reasonably expect to receive for them upon their current sale. Methods which are in accord with this principle may, for example, be based on a multiple of earnings, or a discount from market of a similar freely traded security, or yield to maturity with respect to debt issues, or a combination of these and other methods. Some of the general factors which the directors should consider in determining a valuation method for an individual issue of securities include: 1) the fundamental analytical data relating to the investment, 2) the nature and duration of restrictions on disposition of the securities, and 3) an evaluation of the forces which influence the market in which these securities are purchased and sold. Among the more specific factors which are to be considered are: type of security, financial statements, cost at date of purchase, size of holding, discount from market value of unrestricted securities of the same class at time of purchase, special reports prepared by analysis, information as to any transactions or offers with respect to the security, existence of merger proposals or tender offers affecting the securities, price and extent of public trading in similar securities of the issuer or comparable companies, and other relevant matters.

F-12

### GLOBAL RESOURCE CORPORATION

#### Notes to the Financial Statements

September 30, 2005

#### NOTE 6 - INVESTMENTS (CONTINUED)

The board has arrived at the following valuation method for its investments. Where there is not a readily available source for determining the market value of any investment, either because the investment is not publicly traded, or is thinly traded, and in absence of a recent appraisal, the value of the investment shall be based on the following criteria:

1. Total amount of the Company's actual investment ("AI"). This amount shall include all loans, purchase price of securities, and fair value of securities given at the time of exchange.
2. Total revenues for the preceding twelve months ("R").
3. Earnings before interest, taxes and depreciation ("EBITD")
4. Estimate of likely sale price of investment ("ESP")
5. Net assets of investment ("NA")
6. Likelihood of investment generating positive returns (going concern).

The estimated value of each investment shall be determined as follows:

- Where no or limited revenues or earnings are present, then the value shall be the greater of the investment's a) net assets, b) estimated sales price, or c) total amount of actual investment.
- Where revenues and/or earnings are present, then the value shall be the greater of one time (1x) revenues or three times

## Edgar Filing: Global Resource CORP - Form 10QSB/A

(3x) earnings, plus the greater of the net assets of the investment or the total amount of the actual investment. - Under both scenarios, the value of the investment shall be adjusted down if there is a reasonable expectation that the Company will not be able to recoup the investment or if there is reasonable doubt about the investment's ability to continue as a going concern. - The Board reserves the right to hire an independent, certified appraiser to assist with establishing a valuation of portfolio investments. Barring any extraordinary factors, a certified appraised value shall be used when available.

Based on the previous methodology, the Company determined that its investment in Well Renewal, LLC was to be valued at \$57,073 on the date of investment. Accordingly during 2004 a loss on the investment valuation of \$92,927 was recorded. As of September 30, 2005, the Company determined that the value of their investment had decreased to \$35,555, therefore an unrealized loss on investment was recorded in the amount of \$21,518.

The Company has not retained independent appraisers to assist in the valuation of the portfolio investments because the cost was determined to be prohibitive for the current levels of investments.

### NOTE 7 - MATERIAL EVENTS

On June 17, 2005 Jimmy Villalobos resigned as president of the Company.

F-13

## GLOBAL RESOURCE CORPORATION

### Notes to the Financial Statements

September 30, 2005

### NOTE 8 - COMMITMENTS AND CONTINGENCIES

From September 27, 2004 through December 6, 2004, the Company issued approximately 48,150 shares of common stock (the "Shares") upon conversion of certain outstanding convertible debentures. The Company did not register the Shares under the Securities Act of 1933, as amended (the "Securities Act"), in reliance on various exemptions from registration, including, but not limited to, Section 3(b) of the Securities Act and Regulation E promulgated thereunder.

On June 17, 2005, the Division of Investment Management (the "Division") at the Securities & Exchange Commission (the "SEC") has advised Global Resource that it is the view of the Division that the Company cannot rely on the exemption afforded by Regulation E and that it is unaware of any other exemptions from registration for the issuance of the Shares. The Division also advised the Company that, in the view of the Division, it appears that the issuance of the Shares violated Section 5 of the Securities Act. The Company has advised the Division that it is the Company's view that the issuance of the Shares was exempt from registration under the Securities Act under various available exemptions, including, but not limited to, Regulation E, and that the issuance of the Shares did not violate Section 5 of the Act.

### NOTE 9 - RELATED PARTY TRANSACTIONS

During the quarter ended June 30, 2005, a shareholder of the Company maintained office space and provided services that resulted in rent expense of \$500 and payroll expense of \$5,000. Both of these amounts were contributed to capital.

## Edgar Filing: Global Resource CORP - Form 10QSB/A

During the quarter ended September 30, 2005, shareholders of the company maintained office space and provided services that resulted in rent expense of \$500 and payroll expense of \$20,000. Both of these amounts were recorded as accrued liabilities in the Accrued Liabilities - Related Party balance and in the Wages Payable balance, respectively.

### NOTE 10 - SUBSEQUENT EVENTS

On June 7, 2006 an unrelated third party purchased the convertible debenture owned by Transnix Corporation. As of the date of purchase, the principal amount due on the debenture was \$102,345 and the accrued but unpaid interest was \$16,274. Subsequent to June 30, 2006, under the terms of the purchase agreement, Transnix used a substantial part of the proceeds received from the debenture purchaser in the payment of the liabilities of the Company, other than the principal and interest related to the debenture and the accounts payable. Accordingly, as of July 11, 2006, the Company has no liabilities other than the debenture and the account payable balance. In conjunction with the purchase of the Transnix debenture, a change in control of the Company occurred. The then directors and the then sole officer of the Company resigned, appointing Mary Radomsky as the sole director and the sole officer.

On July 31, 2006, the Board of Directors of the Company declared a 100 to 1 reverse stock split of the Company's common stock. The reverse stock split is effective as of the close of trading on Friday, August 11, 2006.

F-14

### ITEM 2 - PLAN OF OPERATION

The following discussion and analysis should be read in conjunction with our unaudited consolidated condensed financial statements and related notes included in this report. This report contains "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. The statements contained in this report that are not historic in nature, particularly those that utilize terminology such as "may," "will," "should," "expects," "anticipates," "estimates," "believes," or "plans" or comparable terminology are forward-looking statements based on current expectations and assumptions.

Various risks and uncertainties could cause actual results to differ materially from those expressed in forward-looking statements. All forward-looking statements in this document are based on information currently available to us as of the date of this report, and we assume no obligation to update any forward-looking statements. Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause the actual results to differ materially from any future results, performance or achievements expressed or implied by such forward-looking statements.

### CHANGE OF CONTROL

On June 30, 2004, Richard Mangiarelli purchased 1,260 shares of Global Resource common stock from its former President, Chief Executive Officer, Director, and majority stockholder, Johnny Sanchez. As a result, Mr. Mangiarelli then held approximately 52.5% of the issued and outstanding common stock of Global Resource.

In connection with this change in control, Mr. Sanchez resigned as our President and Chief Executive Officer, Joel Rockwood resigned as our Vice President and Chief Scientific Officer, and Michael MacArthur resigned as our Secretary. The board of directors appointed Mr. Mangiarelli as the new President, Chief

## Edgar Filing: Global Resource CORP - Form 10QSB/A

Financial Officer, and Secretary. In addition, Mr. Sanchez, Mr. Rockwood, Virginia Sanchez, Carmen Sanchez, and Joe V. Overcash resigned as directors of Global Resource. The outgoing directors appointed Richard Mangiarelli to fill the vacancies on the board.

On June 30, 2004, we entered into a Release and Indemnity Agreement with Johnny Sanchez, our former President, Chief Executive Officer, Director, and majority stockholder, pursuant to which we sold all of our membership interest in NutraTek to Mr. Sanchez in exchange for Mr. Sanchez's agreement to do the following: (a) release us from any and all claims that Mr. Sanchez may have had against us; (b) indemnify us for any and all claims against or liabilities of Global Resource that existed before June 30, 2004, and (c) to cooperate with and assist Global Resource in connection with its reporting obligations or filing requirements under the Securities Act of 1933, as amended, and Securities Exchange Act of 1934, as amended, and to deliver such other instruments and take such other actions as may be reasonably requested by us in order to carry out the intent of the agreement.

Immediately after the spin-off of NutraTek, Global Resource had no operations. Before the change of control described above, Global Resource's principal business and operations were those of NutraTek. NutraTek researched, developed, and thereafter contracted with third parties to manufacture its own line of nutritional dietary supplements, functional food products and natural sweeteners.

Global Resource's new management decided to terminate the nutritional products business and elected to become a business development company. As a business development company, Global Resource will focus on making investments in securities, and making available significant managerial assistance with respect to the issuers of such securities, of companies that meet the following criteria:

A. is organized under the laws of, and has its principal place of business in, one of the states of the United States;

B. is not an investment company, as defined in the Investment Company Act of 1940; and

C. satisfies one of the following:

1. it does not have any class of securities with respect to which a member of a national securities exchange, broker, or dealer may extend or maintain credit to or for a customer pursuant to rules or regulations adopted by the Board of Governors of the Federal Reserve System under section 7 of the Securities Exchange Act of 1934;

3

2. it is controlled by a business development company, either alone or as part of a group acting together, and such business development company in fact exercises a controlling influence over the management or policies of such eligible portfolio company and, as a result of such control, has an affiliated person who is a director of such eligible portfolio company;

3. it has total assets of not more than \$ 4,000,000, and capital and surplus (shareholders' equity less retained earnings) of not less than \$ 2,000,000, except otherwise allowed by the Securities and Exchange Commission; or



## Edgar Filing: Global Resource CORP - Form 10QSB/A

4. it meets such other criteria as management may establish consistent with the rules and regulations of the Securities and Exchange Commission.

To date, we have made one investment in Well Renewal LLC. Well Renewal manages and operates oil wells in Oklahoma by utilizing a nitrogen and carbon dioxide gas injection unit to "pump up" and re-pressure the wells to increase oil output. At September 30, 2005, our investment in Well Renewal, valued at approximately \$35,555, with a cost of \$150,000, consisted of the purchase of a 50% interest in Well Renewal LLC.

We are currently evaluating additional prospective eligible portfolio companies for investment and intend to continue to do so over the next twelve months. In that time period, we intend to hire from six to up to fifty employees, depending on the nature of the portfolio companies in which we invest. We have established a stock option plan in order to attract and retain employees and to provide employees who make significant and extraordinary contributions to our long-term growth and performance with equity-based compensation incentives.

We intend to retain any future earnings to finance the expansion of our business and any necessary capital expenditures, and for general corporate purposes.

### LIQUIDITY AND CAPITAL RESOURCES

We currently have limited working capital with which to satisfy our cash requirements, and we will require additional capital in order to conduct operations. We anticipate that we will require at least \$250,000 in additional working capital in order to sustain operations for the next 12 months. This requirement may increase substantially, depending on the nature and capital requirements of the business opportunities it elects to pursue.

In order to obtain working capital, from October, 2004 to January, 2005, we issued convertible debentures in the aggregate principal amount of \$155,000 in a private placement. The notes are due approximately five (5) months after issuance and bear interest at a rate of eight percent (8%). The notes are convertible into shares of our common stock, at the option of either us or the holder of the note, at a floating conversion price of fifty percent (50%) of the closing bid price per share on the day of conversion, or at the lowest price allowable as set by us in an effective registration statement or exemption notification as filed with the Securities and Exchange Commission. We are obligated to register the resale of the shares of common stock issuable upon conversion of the debenture under the Securities Act of 1933, as amended, or to otherwise provide an acceptable exemption to registration under Regulation E of the Securities Act of 1933, as amended.

In addition, in September 2004, we commenced an offering of our common stock pursuant to Regulation E of the Securities Act of 1933, as amended. Pursuant to this offering, we have sold 12,200 shares of common stock for \$12,200, and holders of the debentures referenced above have converted, in the aggregate, approximately \$17,100 of principal and interest due thereunder into 35,950 shares of our common stock. Since that time, the issuance of a convertible debenture in the principal amount of \$25,000 to Javelin Holdings for services rendered has been rescinded by mutual agreement between us and Javelin Holdings. Separate from the convertible debenture, 1,750 shares were issued for consulting expenses of \$875.

## Edgar Filing: Global Resource CORP - Form 10QSB/A

In January 2005, we amended this offering to reduce the range of the price per share of the offering. The Division of Investment Management of the Securities and Exchange Commission ("SEC") has delivered comments to Global Resource regarding this amended offering, and Global Resource is currently working with the Division of Investment Management to address these comments. We will not issue any shares in reliance on Regulation E until all comments from the SEC are resolved. This offering may not provide Global Resources with the capital necessary to fund its operations. In the interim, we will continue to seek additional forms of capital and our management may provide additional financing as required.

### OFF BALANCE SHEET ARRANGEMENTS

We do not have any off-balance sheet financing arrangements.

### ITEM 3 - CONTROLS AND PROCEDURES

Our disclosure controls and procedures are designed to ensure that information required to be disclosed in reports that we file or submit under the Securities Exchange Act of 1934 is recorded, processed, summarized and reported within the time periods specified in the rules and forms of the Securities and Exchange Commission. Our Chief Executive Officer and Chief Financial Officer has reviewed the effectiveness of our "disclosure controls and procedures" (as defined in the Securities Exchange Act of 1934 Rules 13a-14(c) and 15d-14(c)) within the last ninety days and has concluded that the disclosure controls and procedures are effective to ensure that material information relating to Global Resource Corporation is recorded, processed, summarized, and reported in a timely manner. There were no significant changes in our internal controls or in other factors that could significantly affect these controls subsequent to the last day they were evaluated by our Chief Executive Officer and Chief Financial Officer.

It should be noted that any system of controls, however well designed and operated, can provide only reasonable, and not absolute, assurance that the objectives of the system are met. In addition, the design of any control system is based in part upon certain assumptions about the likelihood of future events. Because of these and other inherent limitations of control systems, there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions. As a small organization, the effectiveness of our controls heavily depends on the direct involvement of our Chief Executive Officer and Chief Financial Officer.

## PART II: OTHER INFORMATION

### ITEM 1 - LEGAL PROCEEDINGS

From September 27, 2004 through December 6, 2004, we issued approximately 48,150 shares of common stock, of which 12,200 were issued for cash and 35,950 were issued upon conversion of certain outstanding convertible debentures. We did not register these shares under the Securities Act of 1933, as amended, in reliance on various exemptions from registration, including, but not limited to, Section 3(b) of the Securities Act and Regulation E promulgated thereunder.

Since that time, the issuance of a convertible debenture in the principal amount of \$25,000 to Javelin Holdings for services rendered has been rescinded by mutual agreement between us and Javelin Holdings. . Separate from the convertible debenture, 1,750 shares were issued for consulting expenses of \$875.

On June 17, 2005, the Division of Investment Management at the Securities & Exchange Commission advised us that it is the view of the Division that we cannot rely on the exemption afforded by Regulation E and that it is unaware of any other exemptions from registration for the issuance of the Shares. The

## Edgar Filing: Global Resource CORP - Form 10QSB/A

Division also advised us that, in the view of the Division, it appears that the issuance of the Shares violated Section 5 of the Securities Act. We advised the Division that it is our view that the issuance of the Shares was exempt from registration under the Securities Act under various available exemptions, including, but not limited to, Regulation E, and that the issuance of the Shares did not violate Section 5 of the Act.

At this time, neither the SEC nor any private party has commenced any action against us alleging that we issued the shares in violation of Section 5 of the Securities Act. Further, the SEC has not, to our knowledge, commenced any formal or informal inquiry with respect to its contention that the shares were issued in violation of Section 5 of the Securities Act. In the event that any such action or inquiry is commenced, we intend to defend against such allegations vigorously.

5

### ITEM 2 - UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

None.

### ITEM 3 - DEFAULT UPON SENIOR SECURITIES

(a) None.

(b) None.

### ITEM 4 - SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

None.

### ITEM 5 - OTHER INFORMATION

(a) None.

(b) None.

### ITEM 6 - EXHIBITS

Item No.	Description	Method of Filing
---	-----	-----
31.1	Certification of Frank G. Pringle pursuant to Rule 13a-14(a)	Filed electronically he
31.2	Certification of Jeffrey J. Andrews pursuant to Rule 13a-14(a)	Filed electronically he
32.1	President and Chief Executive Officer Certification pursuant to 18 U.S.C. ss. 1350 adopted pursuant to Section 906 of the Sarbanes Oxley Act of 2002	Filed electronically he
32.1	Chief Financial Officer Certification pursuant to	Filed electronically he

Edgar Filing: Global Resource CORP - Form 10QSB/A

18 U.S.C. ss. 1350 adopted pursuant to Section 906  
of the Sarbanes Oxley Act of 2002

6

SIGNATURES

Pursuant to the requirements 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.

GLOBAL RESOURCE CORPORATION

October 31, 2006

/s/ Frank G. Pringle

-----  
Frank G. Pringle  
President and  
Chief Executive Officer

7