

China Youth Media, Inc.
Form 10-Q/A
October 05, 2011

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

FORM 10-Q/A

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

For the quarterly period ended: June 30, 2011

Commission File Number: 000-33067

CHINA YOUTH MEDIA, INC.
(Exact name of registrant as specified in its charter)

DELAWARE
(State or other jurisdiction of
incorporation or organization)

87-0398271
(I.R.S. Employer
Identification No.)

3301 30th Avenue S, Grand Forks, North Dakota, 58201-6009
(Address of principal executive offices)

Registrant's telephone number, including area code: (701) 757-1066

13428 Maxella Ave. #342, Marina Del Rey, CA 90292
(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 the definition of "large accelerated filer", "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer	<input type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input type="checkbox"/>	Smaller reporting company	<input checked="" type="checkbox"/>

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 CORPORATE ISSUERS

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date. As of October 03, 2011, the issuer had 341,735,841 outstanding shares of Common Stock, \$.001 par value.

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CHINA YOUTH MEDIA, INC.

(A DEVELOPMENT STAGE COMPANY)
CONSOLIDATED BALANCE SHEETS
JUNE 30, 2011 AND DECEMBER 31, 2010

	June 30, 2011 (Unaudited)	December 31, 2010 (Audited)
ASSETS		
CURRENT ASSETS		
Cash	\$ 9,391	\$ 7,310
Other current assets	579	-
Current assets of discontinued operations	1,149	-
Total current assets	11,119	7,310
Property and Equipment, Net	985,645	1,746
License, Net	85,295	88,236
Other assets of discontinued operations	2,000	-
TOTAL ASSETS	\$ 1,084,059	\$ 97,292

LIABILITIES AND STOCKHOLDERS' DEFICIT

CURRENT LIABILITIES		
Accounts payable and accrued expenses	676,105	-
Advances payable - related party	1,315,132	377,389
Current liabilities of discontinued operations	379,743	-
Note payable -related party of discontinued operations	140,242	-
Total current liabilities	2,511,222	377,389
Note payable	276,145	-
Convertible note payable of discontinued operations	50,000	-
Beneficial conversion feature of discontinued operations	(110,269)	-
TOTAL LIABILITIES	2,727,098	377,389

STOCKHOLDERS' DEFICIT

Preferred stock, \$0.001 par value: 2,000,000 shares authorized;		
Series A Preferred Stock, \$0.001 par value; 500,000 shares authorized;		
zero shares issued and outstanding at June 30, 2011;		
zero shares issued and outstanding at December 31, 2010;	-	-
Series B Preferred Stock, \$0.001 par value; 10,000 shares authorized;		
10,000 shares issued and outstanding at June 30, 2011;	10	-
zero shares issued and outstanding at December 31, 2010;		
Common stock; \$.001 par value; 500,000,000 shares authorized;		
334,727,476 shares issued and outstanding as of June 30, 2011		
9,890 shares issued and outstanding at December 31, 2010;	334,727	9,890
Additional paid-in capital	(271,266)	62,328
Accumulated other comprehensive income of discontinued operations	(738)	-
Accumulated deficit	(1,705,772)	(352,315)

Total stockholders' deficit	(1,643,039)	(280,097)
TOTAL LIABILITIES AND STOCKHOLDERS' DEFICIT	\$ 1,084,059	\$ 97,292

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

CHINA YOUTH MEDIA, INC.

(A DEVELOPMENT STAGE COMPANY)

CONSOLIDATED STATEMENTS OF OPERATIONS

FOR THE THREE AND SIX MONTHS ENDED JUNE 30, 2011 AND 2010

AND THE CUMULATIVE PERIOD DECEMBER 17, 2008 (INCEPTION) THROUGH JUNE 30, 2011

(Unaudited)

	For the Three Months Ended June 30, 2011	For the Three Months Ended June 30, 2010	For the Six Months Ended June 30, 2011	For the Six Months Ended June 30, 2010	December 17, 2008 (Inception) Through June 30, 2011
REVENUE	\$ -	\$ 7,000	\$ -	\$ 7,000	\$ 314,025
COST OF REVENUE	-	-	-	-	121,041
GROSS PROFIT	-	7,000	-	7,000	192,984
OPERATING EXPENSES					
License Maintenance Fees	50,000	-	375,000	-	475,000
Research and development	101,795	2,000	204,213	2,000	354,307
Selling, general and administrative expenses	441,374	24,167	581,622	25,911	871,652
Total operating expenses	593,169	26,167	1,160,835	27,911	1,700,959
Operating loss	(593,169)	(19,167)	(1,160,835)	(20,911)	(1,507,975)
Other Income (expense)					
Interest income (expense)	(17,905)	-	(36,432)	-	(36,432)
Foreign Exchange	(174)	-	(711)	-	(5,886)
					-
Total other income (expense)	(18,079)	-	(37,143)	-	(42,318)
					-
NET LOSS FROM CONTINUING OPERATIONS	(611,248)	(19,167)	(1,197,978)	(20,911)	(1,550,293)
NET LOSS FROM DISCONTINUED OPERATIONS	(155,479)	-	(155,479)	-	(155,479)
NET LOSS	\$ (766,727)	\$ (19,167)	\$ (1,353,457)	\$ (20,911)	\$ (1,705,772)

NET LOSS PER COMMON SHARE - BASIC AND DILUTED:

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CONTINUING OPERATIONS	-	(1.94)	(0.01)	(2.12)
DISCONTINUED OPERATIONS	-	-	-	-
	-	(1.94)	(0.01)	(2.12)
WEIGHTED AVERAGE COMMON SHARES OUTSTANDING	176,407,990	9,890	167,767,727	9,876
Comprehensive Loss				
Foreign currency translation adjustment - discontinued operations	(738)	-	(738)	-
Net loss	(766,727)	(19,167)	(1,353,457)	(20,911)
COMPREHENSIVE LOSS	\$ (767,465)	(19,167)	\$ (1,354,195)	\$ (20,911)

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

CHINA YOUTH MEDIA, INC.

(A DEVELOPMENT STAGE COMPANY)

CONSOLIDATED STATEMENTS OF CASH FLOW

FOR THE PERIOD ENDED JUNE 30, 2011 AND 2010

AND FOR THE PERIOD DECEMBER 17, 2008 (INCEPTION) THROUGH JUNE 30, 2011

(Unaudited)

	FOR SIX MONTHS ENDED JUNE 30, 2011	FOR SIX MONTHS ENDED JUNE 30, 2010	DECEMBER 17, 2008 (INCEPTION) THROUGH JUNE 30, 2011
CASH FLOWS FROM OPERATING ACTIVITIES:			
Net (loss) from continuing operations	\$ (1,197,978)	\$ (20,911)	\$ (1,550,293)
Net (loss) from discontinued operations	(155,479)	-	(155,479)
Adjustments to reconcile net (loss) to net cash used in operating activities:			
Stock based compensation	271,832	-	335,432
Amortization of license fees	2,940	2,940	14,705
Amortization of beneficial conversion feature of discontinued operations	5,804	-	5,803
Depreciation expense	52,794	-	52,839
Change in assets and liabilities			
(Increase) in other asset	(580)	-	(580)
(Decrease) in other assets attributable to discontinued operations	727	-	727
Increase in accounts payable	678,599	-	678,599
Increase in accounts payable attributable to discontinued operations	109	-	109
Increase in other current liabilities	-	509	-
Net cash (used in) operating activities	(341,232)	(17,462)	(618,138)
CASH FLOWS USED IN INVESTING ACTIVITIES:			
Purchase of license	-	-	(100,000)
Purchase of equipment	-	-	(1,791)
Net cash provided by investing activities	-	-	(101,791)
CASH FLOWS FROM FINANCING ACTIVITIES:			
Cash assumed in reverse merger	11,150	-	11,150
Payments to related party for advances	(187,273)	-	(219,788)
Proceeds received from related party advances	-	10,152	409,904
Proceeds from note payable	-	-	276,145
Proceeds from related party note payable	370,174	-	94,029
Proceeds from the issuance of common stock converted to series B preferred stock	150,000	-	150,000
Proceeds received from the issuance of common stock	-	-	8,618
Net cash provided by financing activities	344,051	10,152	730,058
EFFECT OF EXCHANGE RATE	(738)	-	(738)

NET INCREASE IN CASH AND CASH EQUIVALENTS	2,081	(7,310)	9,391
CASH AND CASH EQUIVALENTS - BEGINNING OF PERIOD	7,310	7,310	-
CASH AND CASH EQUIVALENTS - END OF PERIOD	\$ 9,391	\$ -	\$ 9,391

SUPPLEMENTAL CASH FLOW INFORMATION:

Cash paid during the period for:

Interest	\$ -	\$ -	\$ -
Taxes	\$ -	\$ -	\$ -

SUPPLEMENTAL DISCLOSURE OF NON-CASH TRANSACTIONS

Acquisition of fixed assets for notes and accounts payable	\$ (1,030,987)	\$ -	\$ (1,030,987)
Advances issued for equipment - related party	\$ 754,842	\$ -	\$ 754,842
Stock issued for services	\$ 271,832	\$ -	\$ -