

Global Clean Energy Holdings, Inc.
Form 10-Q
November 10, 2015

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
FORM 10-Q

(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, 2015

OR

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

Commission file number 0-12627

Global Clean Energy Holdings, Inc.
Exact name of registrant as specified in its charter)

DELAWARE
State or other jurisdiction of
incorporation

87-0407858
(IRS Employer Identification No.)

2790 Skypark Drive, Suite 105
Torrance, California 90505
(Address of principal executive offices)
(310) 641-4234

Former Name or Former Address, 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 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.

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

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Indicate the number of shares outstanding of each of the registrant's classes of common stock, as of the latest practicable date: As of November 10, 2015, the issuer had 339,187,545 shares of common stock issued and outstanding.

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

PART I

ITEM 1. FINANCIAL STATEMENTS.

GLOBAL CLEAN ENERGY HOLDINGS, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS

	September 30, 2015 (Unaudited)	December 31, 2014
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 158,893	\$ 238,485
Accounts receivable	46,512	213,962
Inventory	35,205	35,201
Other current assets	46,465	37,580
Total Current Assets	287,075	525,228
PROPERTY AND EQUIPMENT, NET		
	5,852,280	13,834,255
INTANGIBLE ASSETS, NET		
	3,543,804	3,727,724
OTHER NONCURRENT ASSETS		
	5,320	5,744
TOTAL ASSETS	\$ 9,688,479	\$ 18,092,951
LIABILITIES AND STOCKHOLDERS' DEFICIT		
CURRENT LIABILITIES		
Accounts payable and accrued expenses	\$ 3,330,003	\$ 3,651,606
Accrued payroll and payroll taxes	1,309,056	1,249,815
Notes payable - current portion	1,337,089	1,337,089
Convertible notes payable, net of debt discount	637,000	697,000
Derivative Liability	53,000	-
Total Current Liabilities	6,666,148	6,935,510
LONG-TERM LIABILITIES		
Accrued interest payable	5,066,216	4,166,607
Accrued return on noncontrolling interest	12,140,304	10,101,080
Mortgage notes payable	5,110,189	5,110,189
Total Long Term Liabilities	22,316,709	19,377,876
STOCKHOLDERS' DEFICIT		
Preferred stock - \$0.001 par value; 50,000,000 shares authorized		

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Series B, convertible; 13,000 shares issued and outstanding(aggregate liquidation preference of \$1,300,000)	13	13
Common stock, \$0.001 par value; 500,000,000 shares authorized;		
339,187,545 issued and outstanding	339,188	339,187
Additional paid-in capital	25,813,298	25,657,177
Accumulated deficit	(29,916,712)	(28,946,103)
Accumulated other comprehensive loss	(121,829)	(66,586)
Total Global Clean Energy Holdings, Inc.		
Stockholders' Deficit	(3,886,042)	(3,016,312)
Noncontrolling interests	(15,408,336)	(5,204,123)
Total Stockholders' Deficit	(19,294,378)	(8,220,435)
TOTAL LIABILITIES AND STOCKHOLDERS' DEFICIT	\$ 9,688,479	\$ 18,092,951

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

GLOBAL CLEAN ENERGY HOLDINGS, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(unaudited)

	For the three months Ended September 30,		For the nine months Ended September 30,	
	2015	2014	2015	2014
Revenue	\$ 92,040	\$ 495,796	\$ 492,107	\$ 741,500
Subsidy Income	-	284	153	1,246
Total Revenue	92,040	496,080	492,260	742,746
Operating Expenses				
General and administrative	397,064	535,031	1,444,187	1,610,697
Loss on disposal of Fixed Assets	75,670	23,597	75,670	23,597
Write down of long lived assets	6,671,892	-	6,671,892	-
Plantation operating costs	27,021	21,580	85,431	83,804
Total Operating Expenses	7,171,647	580,208	8,277,180	1,718,098
Loss from Operations	(7,079,607)	(84,128)	(7,784,920)	(975,352)
Other Income (Expenses)				
Other income	7	290	7	298
Interest expense	(302,701)	(293,236)	(918,661)	(895,220)
Gain on settlement of liabilities	-	-	270,323	-
Change in fair value of derivative	9,000	-	27,000	-
Foreign currency transaction gain (loss)	21	119	1,791	204
Other Expenses, Net	(293,673)	(292,827)	(619,540)	(894,718)
Net Loss	(7,373,280)	(376,955)	(8,404,460)	(1,870,070)
Less Net Loss Attributable to the Noncontrolling Interest	(6,745,046)	(387,627)	(7,433,851)	(1,205,007)

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Net Loss Attributable to Global Clean Energy Holdings, Inc.	\$ (628,234)	\$ 10,672	\$ (970,609)	\$ (665,063)
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Basic and diluted Loss
per Common Share:

Net Loss per Common Share	(0.002)	(0.001)	(0.003)	(0.001)
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Basic and diluted
Weighted-Average
Common Shares

Outstanding	339,187,545	339,187,545	339,187,545	339,187,545
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The accompanying notes are an integral part of these condensed
unaudited consolidated financial statements

GLOBAL CLEAN ENERGY HOLDINGS, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(unaudited)

	For the nine months ended September 30,	
	2015	2014
Operating Activities		
Net loss	\$ (8,404,460)	\$ (1,870,070)
Adjustments to reconcile net loss to net cash used in operating activities:		
Foreign currency transaction gain	(1,791)	(204)
Gain on settlement of liabilities	(270,323)	-
Share-based compensation	156,121	44,287
Write down of long lived assets	6,671,892	-
Loss on disposal of fixed assets	75,670	23,597
Depreciation and amortization	261,072	556,913
Amortization of debt discount	60,000	-
Change in fair value of derivative	(27,000)	-
Changes in operating assets and liabilities:		
Accounts receivable	190,579	(91,327)
Inventory	(1,228)	2,756
Other current assets	(46,442)	(39,112)
Accounts payable and accrued expenses	805,158	735,188
Other noncurrent assets	(404)	81
Net Cash Used in Operating Activities	(531,156)	(637,891)
Investing Activities		
Plantation development costs	(224,161)	(330,795)
Proceeds from sale of property and equipment	283,704	(3,412)
Net Cash Provided by (Used in) Investing Activities	59,543	(334,207)
Financing Activities		
Proceeds from issuance of preferred membership in GCE Mexico I, LLC	429,743	952,435
Proceeds from notes payable	-	130,000
Payments on capital leases and notes payable	-	(1,175)
Net Cash Provided by Financing Activities	429,743	1,081,260
Effect of exchange rate changes on cash	(37,722)	(12,241)
Net change in Cash and Cash Equivalents	(79,592)	(96,921)
Cash and Cash Equivalents at Beginning of Period		