

UGI CORP /PA/  
Form 8-K  
September 27, 2018

**UNITED STATES**  
**SECURITIES AND EXCHANGE COMMISSION**  
**WASHINGTON, D.C. 20549**

**FORM 8-K**

**CURRENT REPORT**

**Pursuant to Section 13 or 15(d)**

**of the Securities Exchange Act of 1934**

**Date of Report (Date of Earliest Event Reported): September 21, 2018**

**UGI Corporation**

**(Exact name of registrant as specified in its charter)**

**Pennsylvania**  
**(State or other jurisdiction**

**of incorporation)**

**1-11071**  
**(Commission**

**File Number)**

**23-2668356**  
**(I.R.S. Employer**

**Identification No.)**

**460 No.Gulph Road, King of Prussia, Pennsylvania**  
**(Address of principal executive offices)**

**19406**  
**(Zip Code)**

**Registrant's telephone number, including area code: 610 337-1000**

**Not Applicable**

**Former name or former address, if changed since last report**

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

**Item 1.01 Entry into a Material Definitive Agreement.**

On September 21, 2018, UGI Utilities, Inc. ( UGI Utilities ), a wholly owned subsidiary of UGI Corporation, entered into an Increasing Lender Commitment and Acceptance (the Commitment and Acceptance ) under its unsecured, revolving Credit Agreement (the Credit Agreement ), dated as of March 27, 2015, among UGI Utilities, as borrower, PNC Bank, National Association, as administrative agent, Citizens Bank of Pennsylvania, as syndication agent, PNC Capital Markets LLC and Citizens Bank, N.A., as joint lead arrangers and joint bookrunners, and PNC Bank, National Association, Citizens Bank of Pennsylvania, Citibank, N.A., Credit Suisse AG, Cayman Islands Branch, JPMorgan Chase Bank, N.A., Wells Fargo Bank, National Association, The Bank of New York Mellon, Bank of America, N.A., and the other financial institutions from time to time parties thereto (collectively, the Lenders ). The Commitment and Acceptance increases the amount of loan commitments under the Credit Agreement to \$450 million from \$300 million. All other terms of the Credit Agreement, as described in the Current Report on Form 8-K dated March 27, 2015, remain unchanged.

A copy of the Commitment and Acceptance is filed as Exhibit 10.1 to UGI Utilities Current Report on Form 8-K dated September 21, 2018 and is incorporated herein by reference. The above summary of the terms of the Commitment and Acceptance is qualified in its entirety by reference to the Commitment and Acceptance.

**Item 2.03 Creation of a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement of a Registrant.**

The information set forth above in Item 1.01 regarding UGI Utilities borrowing under the Credit Agreement is hereby incorporated into Item 2.03 by reference.

**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 hereunto duly authorized.

UGI Corporation

September 27, 2018

By: /s/ Monica M. Gaudiosi

Name: *Monica M. Gaudiosi*

Title: *Vice President, General Counsel and Secretary*

center">**STARGOLD MINES, INC.**

**(FORMERLY SOCKEYE SEAFOOD GROUP INC.)  
(A DEVELOPMENT STAGE COMPANY)**

**FINANCIAL STATEMENTS**

**SIX MONTHS ENDED JUNE 30, 2007 AND 2006**

**UNAUDITED**

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**STARGOLD MINES, INC.**  
**(FORMERLY SOCKEYE SEAFOOD GROUP INC.)**  
**(A DEVELOPMENT STAGE COMPANY)**

Balance Sheets

June 30, 2007 and December 31, 2006

Unaudited

	June 30, 2007	December 31, 2006 (Audited)
<b>ASSETS</b>		
<b>Current</b>		
Cash	\$ 259,788	\$ 7,879
Prepaid expenses	70,437	-
<b>Total Current Assets</b>	<b>330,225</b>	<b>7,879</b>
<b>Long-term</b>		
Loan Receivable (note 3)	1,100,000	1,000,000
<b>Total Assets</b>	<b>\$ 1,430,225</b>	<b>\$ 1,007,879</b>
<b>LIABILITIES</b>		
<b>Current</b>		
Accounts payable	\$ 24,600	\$ 25,282
Advance from related party	-	240
Loan payable (note 4)	35,000	-
<b>Total Current Liabilities</b>	<b>59,600</b>	<b>25,522</b>
<b>Total Liabilities</b>	<b>59,600</b>	<b>25,522</b>
<b>STOCKHOLDERS' EQUITY</b>		
<b>Capital Stock (note 5)</b>		
Authorized		
1,000,000,000 common stock, par value \$0.0001 per share		
Issued		
41,219,311 common stock (2006 - 81,000,000)	4,122	9,000
<b>Additional Paid-in Capital</b>	<b>1,551,698</b>	<b>1,036,000</b>
<b>Deficit Accumulated During the Development Stage</b>	<b>(185,195)</b>	<b>(62,643)</b>
<b>Total Stockholders' Equity</b>	<b>1,370,625</b>	<b>982,357</b>
<b>Total Liabilities and Stockholders' Equity</b>	<b>\$ 1,430,225</b>	<b>\$ 1,007,879</b>

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

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**STARGOLD MINES, INC.**  
**(FORMERLY SOCKEYE SEAFOOD GROUP INC.)**  
**(A DEVELOPMENT STAGE COMPANY)**

Statements of Operations

Six Months Ended June 30, 2007 and 2006 and Cumulative for the Period from the Date of Inception (May 21, 2003) through to June 30, 2007

Unaudited

	2007	2006	Period from the Date of Inception (May 21, 2003) through to June 30, 2007
<b>Revenue</b>	\$ -	\$ 3,821	\$ \$68,739
<b>Cost of Sales</b>	-	3,259	60,508
<b>Gross Profit</b>	-	562	8,231
<b>Expenses</b>			
Professional fees	48,403	2,000	91,230
Salaries and benefits	40,000	-	40,000
Consulting fees	20,000	-	20,000
Office and general	14,149	85	19,181
Bad debt	-	-	26,915
<b>Total Expenses</b>	<b>122,552</b>	<b>2,085</b>	<b>197,326</b>
<b>Operating Loss</b>	<b>(122,552)</b>	<b>(1,523)</b>	<b>(189,095)</b>
<b>Other Income</b>			
Debt forgiven	-	-	5,900
<b>Net Loss</b>	<b>\$ (122,552)</b>	<b>\$ (1,523)</b>	<b>\$ (183,195)</b>
<b>Basic and Diluted Loss Per Weighted Average Number of Shares Outstanding During the Period</b>	<b>\$ 0.00</b>	<b>\$ 0.00</b>	
<b>Basic Weighted Average Number of Shares During the Period</b>	<b>78,920,354</b>	<b>80,000,000</b>	

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

**STARGOLD MINES, INC.**  
**(FORMERLY SOCKEYE SEAFOOD GROUP INC.)**  
**(A DEVELOPMENT STAGE COMPANY)**

Statements of Operations (cont'd)

Three Months Ended June 30, 2007 and 2006

Unaudited

	2007	2006
<b>Revenue</b>	\$ -	\$ -
<b>Cost of Sales</b>	-	-
<b>Gross Profit</b>	-	-
<b>Expenses</b>		
Professional fees	30,242	-
Salaries and benefits	40,000	-
Consulting fees	20,000	-
Office and general	9,048	85
<b>Total Expenses</b>	<b>99,290</b>	<b>85</b>
<b>Operating Loss</b>	<b>(99,290)</b>	<b>(85)</b>
<b>Other Income</b>		
Debt forgiven	-	-
<b>Net Loss</b>	<b>\$ (99,290)</b>	<b>\$ (85)</b>
<b>Basic and Diluted Loss Per Weighted Average Number of Shares Outstanding During the Period</b>	<b>\$ 0.00</b>	<b>\$ 0.00</b>
<b>Basic Weighted Average Number of Shares During the Period</b>	<b>76,756,552</b>	<b>80,000,000</b>

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



**STARGOLD MINES, INC.**  
**(FORMERLY SOCKEYE SEAFOOD GROUP INC.)**  
**(A DEVELOPMENT STAGE COMPANY)**

Statements of Stockholders' Equity

Periods Ended June 30, 2007 and 2006 and the Period from the Date of Inception (May 21, 2003) through to June 30, 2007

Unaudited

	Common Shares Number	Common Shares Amount	Additional Paid-in Capital	Deficit Accumulated During the Development Stage	Stockholders' Equity
Balance, May 21, 2003	1,000,000	\$ 1,000	\$ 4,000	\$ -	\$ 5,000
Net loss for the period	-	-	-	(1,728)	(1,728)
<b>Balance, December 31, 2003</b>	<b>1,000,000</b>	<b>\$ 1,000</b>	<b>\$ 4,000</b>	<b>\$ (1,728)</b>	<b>\$ 3,272</b>
Common shares issued	1,000,000	1,000	39,000	-	40,000
Net loss for the period	-	-	-	(4,513)	(4,513)
<b>Balance, December 31, 2004</b>	<b>2,000,000</b>	<b>\$ 2,000</b>	<b>\$ 43,000</b>	<b>\$ (6,241)</b>	<b>\$ 38,759</b>
Net loss for the period	-	-	-	(5,676)	(5,676)
<b>Balance, December 31, 2005 - as previously reported</b>	<b>2,000,000</b>	<b>\$ 2,000</b>	<b>\$ 43,000</b>	<b>\$ (11,917)</b>	<b>\$ 33,083</b>
Restated to give retroactive effect to the November 23, 2006 1 for 40 stock split (note 5 and 8)	78,000,000	6,000	(6,000)	-	-
<b>December 31, 2005 - as restated</b>	<b>80,000,000</b>	<b>8,000</b>	<b>37,000</b>	<b>-</b>	<b>45,000</b>
Common shares issued	1,000,000	1,000	999,000	-	1,000,000
Net loss for the period	-	-	-	(50,726)	(50,726)
<b>Balance, December 31, 2006</b>	<b>81,000,000</b>	<b>\$ 9,000</b>	<b>\$ 1,036,000</b>	<b>\$ (50,726)</b>	<b>\$ 994,274</b>
Common shares issued for cash (note 5)	83,200	8	8,312	-	8,320
Common shares issued for services (note 5)	25,000	3	2,497	-	2,500
Common shares issued for cash (note 5)	111,111	11	406,101	-	406,112
Warrants issued for cash (note 5)	-	-	93,888	-	93,888
Common shares cancelled (note 5)	(40,000,000)	(4,000)	4,000	-	-
Net loss for the period	-	-	-	(122,552)	(122,552)
<b>Balance, June 30, 2007</b>	<b>41,219,311</b>	<b>\$ 4,122</b>	<b>\$ 1,551,698</b>	<b>\$ (185,195)</b>	<b>\$ 1,370,625</b>

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

**STARGOLD MINES, INC.**  
**(FORMERLY SOCKEYE SEAFOOD GROUP INC.)**  
**(A DEVELOPMENT STAGE COMPANY)**

Statements of Cash Flows

Six Months Ended June 30, 2007 and 2006 and Cumulative for the Period from the Date of Inception (May 21, 2003) through to June 30, 2007

Unaudited

	2007	2006	Period from the Date of Inception (May 21, 2003) through to June 30, 2007
<b>Cash Flows from Operating Activities</b>			
Net loss	\$ (122,552)	\$ (1,523)	\$ (183,195)
Adjustments for working capital:			
Accounts receivable	-	-	(5,120)
Prepaid expenses	(70,437)	-	(70,437)
Accounts payable	(682)	-	19,480
<b>Net Cash Flows Used in Operating Activities</b>	<b>(193,671)</b>	<b>(1,523)</b>	<b>(239,272)</b>
<b>Cash Flows from Investing Activities</b>			
Loan receivable	(100,000)	-	(1,100,000)
<b>Net Cash Flows Used in Investing Activities</b>	<b>(100,000)</b>	<b>-</b>	<b>(1,100,000)</b>
<b>Cash Flows from Financing Activities</b>			
Issuance of common stock	510,820	-	1,555,820
Advance from related party	(240)	-	240
Loan payable	35,000	2,000	35,000
<b>Net Cash Flows Provided by Financing Activities</b>	<b>545,580</b>	<b>2,000</b>	<b>1,591,060</b>
<b>Net Increase in Cash</b>	<b>251,909</b>	<b>477</b>	<b>251,788</b>
<b>Cash - Beginning of Period</b>	<b>7,879</b>	<b>10,158</b>	<b>-</b>
<b>Cash - End of Period</b>	<b>\$ 259,788</b>	<b>\$ 10,635</b>	<b>\$ 259,788</b>

**Supplemental Cash Flow Information**

During the periods, the Company had no cash flows arising from interest and income taxes paid.

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

**STARGOLD MINES, INC.**  
**(FORMELY SOCKEYE SEAFOOD GROUP INC.)**  
**(A DEVELOPMENT STAGE COMPANY)**

Notes to Financial Statements  
June 30, 2007 and 2006  
Unaudited

**1. Description of Business and Going Concern**

a) Description of Business

Stargold Mines, Inc. (the "Company"), formerly Sockeye Seafood Group Inc., (Sockeye Seafood Group Inc. merged with its wholly-owned subsidiary Stargold Mines, Inc. on November 23, 2006 and changed its name to Stargold Mines, Inc.) was incorporated under the laws of the State of Nevada on May 21, 2003. The Company was formed to engage in the business of procuring and marketing seafood products direct from Pacific Northwest First Nations organizations to North American and international wholesalers, distributors, and retailers.

The Company's operations have been limited to general administrative operations, purchasing a limited amount of sample inventory, minimal sales and establishing its website. The Company is considered a development stage company in accordance with Statement of Financial Accounting Standards ("SFAS") No. 7 "Accounting and Reporting by Development Stage Enterprises". The Company is currently working on acquiring licenses to develop and extract natural resources in the Siberian and Far Eastern Districts of Russia.

b) Going Concern

The accompanying financial statements have been prepared in accordance with accounting principle generally accepted in the United States of America with the assumption that the Company will be able to realize its assets and liabilities in the normal course of business. The Company has experienced recurring losses since inception and has negative cash flows from operations that raise substantial doubt as to its ability to continue as a going concern. For the period ended June 30, 2007, the Company experienced a net loss of \$122,552 (2006 - \$1,523) and has a deficit accumulated during the development stage of \$185,195 at June 30, 2007.

The Company's ability to continue as a going concern is contingent upon its ability to secure additional financing and attaining profitable operations.

Management is pursuing various sources of equity financing. Although the Company plans to pursue additional financing, there can be no assurance that the Company will be able to secure financing when needed or obtain such on terms satisfactory to the Company, if at all.

The financial statements do not include any adjustments to reflect the possible future effects on the recoverability and classification of assets or the amounts and classification of liabilities that may result from the possible inability of the Company to continue as a going concern.

**STARGOLD MINES, INC.**  
**(FORMELY SOCKEYE SEAFOOD GROUP INC.)**  
**(A DEVELOPMENT STAGE COMPANY)**

Notes to Financial Statements

June 30, 2007 and 2006

Unaudited

**2. Summary of Significant Accounting Policies**

The accounting policies of the Company are in accordance with U.S. generally accepted accounting principles, and their basis of application is consistent with that of the previous period. Outlined below are those policies considered particularly significant:

a) Basis of Financial Statement Presentation

The accompanying unaudited financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America for interim financial information and the requirement of item 310(b) of Regulation S-B. Accordingly, they do not include all of the information and footnotes required by accounting principles generally accepted in the United States of America for complete financial statements. In the opinion of management, all adjustments (consisting of normal recurring accruals) considered necessary for a fair presentation have been included. Interim results are not necessarily indicative of the results that may be expected for a full year. These unaudited financial statements should be read in conjunction with the audited financial statements and notes thereto included in the Company's Annual Report on Form 10-KSB for the fiscal year ended December 31, 2006, as filed with the Securities and Exchange Commission ("SEC").

b) Reporting Currency

The U.S. dollar has been used as the unit of measurement in these financial statements.

c) Revenue Recognition

The Company recognizes revenues when there is a definitive sales agreement, and upon shipment of products, when title is passed and the amount collectible can reasonably be determined.

Interest is recognized on the accrual basis.

d) Financial Instruments

Unless otherwise noted, it is management's opinion that the Company is not exposed to significant interest, currency or credit risks arising from the financial instruments. The fair value of the financial instruments approximates their carrying values, unless otherwise noted.

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**STARGOLD MINES, INC.**  
**(FORMELY SOCKEYE SEAFOOD GROUP INC.)**  
**(A DEVELOPMENT STAGE COMPANY)**

Notes to Financial Statements  
June 30, 2007 and 2006  
Unaudited

**2. Summary of Significant Accounting Policies (cont'd)**

e) Comprehensive Income (Loss)

The Company adopted SFAS No. 130, "Reporting Comprehensive Income" ("SFAS No. 130"). SFAS No. 130 establishes standards for reporting and presentation of comprehensive income (loss) and its components in a full set of financial statements. Comprehensive income is presented in the statements of operations, and consists of net income and unrealized gains (losses) on available for sale marketable securities; foreign currency translation adjustments and changes in market value of future contracts that qualify as a hedge; and negative equity adjustments recognized in accordance with SFAS No. 87. SFAS No. 130 requires only additional disclosures in the financial statements and does not affect the Company's financial position or results of operations.

f) Income Tax

The Company accounts for income taxes pursuant to SFAS No. 109, "Accounting for Income Taxes" ("SFAS No. 109"). Deferred taxes are provided on a liability method whereby deferred tax assets are recognized for deductible temporary differences, and deferred tax liabilities are recognized for taxable temporary differences. Temporary differences are the differences between the reported amounts of assets and liabilities and their tax bases. Deferred tax assets are reduced by a valuation allowance when, in the opinion of management, it is more likely than not that some portion or all of the deferred tax assets will not be realized. Deferred tax assets and liabilities are adjusted for the effects of changes in tax laws and rates on the date of enactment.

g) Earnings (Loss) per Share

The Company adopted SFAS No. 128, "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 period. 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 convertible bonds, stock options and warrants for each period. As the warrants were anti-dilutive, there was no adjustment to the basic loss per share.

**STARGOLD MINES, INC.**  
**(FORMELY SOCKEYE SEAFOOD GROUP INC.)**  
**(A DEVELOPMENT STAGE COMPANY)**

Notes to Financial Statements

June 30, 2007 and 2006

Unaudited

**2. Summary of Significant Accounting Policies (cont'd)**

h) Concentration of Credit Risk

SFAS No. 105, "Disclosure of Information About Financial Instruments with Off-Balance-Sheet Risk and Financial Instruments with Concentration of Credit Risk," requires disclosure of any significant off-balance-sheet risk and credit risk concentration. The Company does not have significant off-balance-sheet risk or credit concentration.

For other receivables, the Company determines, on a continuing basis, the probable losses and sets up a provision for losses based on the estimated realizable value.

Concentration of credit risk arises when a group of clients having a similar characteristic such that their ability to meet their obligations is expected to be affected similarly by changes in economic of other conditions. The Company does not have any significant risk with respect to a single client.

i) Use of Estimates

Preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and related notes to financial statements. These estimates are based on management's best knowledge of current events and actions the Company may undertake in the future. Actual results may ultimately differ from those estimates, although management does not believe such changes will materially affect the financial statements in any individual year.

j) Recent Accounting Pronouncements

In February 2007, Financial Accounting Standards Board ("FASB") issued SFAS No. 159, "The Fair Value Option for Financial Assets and Liabilities - Including an Amendment of FASB Statement 115" ("SFAS No. 159"), which permits entities to measure many financial instruments and certain other items at fair value that are not currently required to be measured at fair value. An entity would report unrealized gains and losses on items for which the fair value option has been elected in earnings at each subsequent reporting date. The objective is to improve financial reporting by providing entities with the opportunity to mitigate volatility in reported earnings caused by measuring related assets and liabilities differently without having to apply complex hedge accounting provisions. The decision about whether to elect the fair value option is applied instrument by instrument, with a few exceptions; the decision is irrevocable; and it is applied only to entire instruments and not to portions of instruments.

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**STARGOLD MINES, INC.**  
**(FORMELY SOCKEYE SEAFOOD GROUP INC.)**  
**(A DEVELOPMENT STAGE COMPANY)**

Notes to Financial Statements

June 30, 2007 and 2006

Unaudited

**Summary of Significant Accounting Policies (cont'd)**

j) Recent Accounting Pronouncements (cont'd)

The statement requires disclosures that facilitate comparisons (a) between entities that choose different measurement attributes for similar assets and liabilities and (b) between assets and liabilities in the financial statements of an entity that selects different measurement attributes for similar assets and liabilities.

SFAS No. 159 is effective for fiscal years beginning after November 15, 2007. Early adoption is permitted as of the beginning of a fiscal year provided the entity also elects to apply the provisions of SFAS No. 157 "Fair Value Measurements." Upon implementation, an entity shall report the effect of the first remeasurement to fair value as a cumulative-effect adjustment to the opening balance of retained earnings. Since the provisions of SFAS No. 159 are applied prospectively, any potential impact will depend on the instruments selected for fair value measurement at the time of implementation.

On May 2, 2007 the FASB issued FASB Interpretation FIN No. 48-1, "Definition of Settlement in FASB Interpretation 48" ("FIN 48-1"). FIN 48-1 amends FIN 48, "Accounting for Uncertainty in Income Taxes—an interpretation of FASB Statement No. 109", to provide guidance on how an enterprise should determine whether a tax position is effectively settled for the purpose of recognizing previously unrecognized tax benefits. The guidance in FIN 48-1 shall be applied upon the initial adoption of FIN 48. Accordingly, the Company has applied the provisions of FIN 48-1 effective January 1, 2007. The adoption of FIN 48-1 did not have a material impact on the Company's results of operations and financial condition.

In May 2007, the FASB issued a FASB Staff Position on FIN 46(R)-7, "Application of FASB Interpretation No. 46(R) to Investment Companies" ("FSP FIN 46 (R)-7"). FSP FIN 46(R)-7 addresses the application of FASB Interpretation No. 46 (revised December 2003), "Consolidation of Variable Interest Entities", by an entity that accounts for its investments in accordance with the specialized accounting guidance in the American Institute of Certified Public Accountants ("AICPA") Audit and Accounting Guide, "Investment Companies" (the "Guide"). The adoption of FSP FIN 46(R)-7 did not have a material impact on the Company's results of operations and financial condition.

In June 2007, the AICPA issued Statement of Position ("SOP") No. 07-1, "Clarification of the Scope of the Audit and Accounting Guide Investment Companies and Accounting by Parent Companies and Equity Method Investors for Investments in Investment Companies ("SOP No. 07-1"). SOP No. 07-1 clarifies when an entity may apply the provisions of the Guide. Investment companies that are within the scope of the Guide report investments at fair value; consolidation or use of the equity method for investments is generally not appropriate. SOP No. 07-1 also addresses the retention of specialized investment company accounting by a parent company in consolidation or by an equity method investor. SOP No. 07-1 is effective for fiscal years beginning on or after December 15, 2007 with early adoption encouraged. The Company is currently evaluating the impact, if any of SOP No. 07-1 on the Company's consolidated financial statements.





**STARGOLD MINES, INC.**  
**(FORMELY SOCKEYE SEAFOOD GROUP INC.)**  
**(A DEVELOPMENT STAGE COMPANY)**

Notes to Financial Statements  
 June 30, 2007 and 2006  
 Unaudited

**3. Loan Receivable**

The loan receivable from UniverCompany Limited Liability Company, a Russian limited liability society ("UniverCompany"), is non-interest bearing, unsecured and has no specified terms for repayment. See note 7.

**4. Loan Payable**

The loan payable to Blue Water Partners is non-interest bearing, unsecured and has no specified terms of repayment.

**5. Capital Stock**

Authorized  
 1,000,000,000 common stock, par value \$0.0001 per share

	2007	2006
Issued		
41,219,311 common stock (2006 - 81,000,000)	\$ 4,122	\$ 9,000

On November 23, 2006, the Company implemented a one for forty (1:40) forward stock split and increased its authorized shares of common stock on a corresponding basis. The 2006 comparative number of shares have been retroactively adjusted to give effect to the stock split.

On December 19, 2006 the Company issued 1,000,000 units of the Company's securities, each unit consisting of one share of common stock and one share purchase warrant for total proceeds of \$1,000,000. Each warrant is exercisable for one share of common stock at an exercise price of \$2.50 for two years from the date of issuance. Due to the substantial difference between market value and exercise price no value has been attributed to the warrants.

In March 2007, the Company issued 25,000 shares for services valued at \$2,500.

In March 2007, the Company issued 83,200 shares for cash of \$8,320.

In May 2007, the Company issued 111,111 shares by way of the sale of 111,111 units of the Company's securities. Each unit consists of one share of common stock and one half Class A Warrant. Each Class A Warrant is exercisable for one share of common stock at an exercise price of \$7.00 for 2 years from the date of issuance. The units were issued for cash of \$406,112 for the common shares and \$93,888 for the Class A Warrants.

In June 2007, the Company cancelled 40,000,000 issued common shares that were held by former directors.

**STARGOLD MINES, INC.**  
**(FORMELY SOCKEYE SEAFOOD GROUP INC.)**  
**(A DEVELOPMENT STAGE COMPANY)**

Notes to Financial Statements

June 30, 2007 and 2006

Unaudited

**6. Income Taxes**

The Company accounts for income taxes pursuant to SFAS No. 109. This standard prescribes the use of the liability method whereby deferred tax asset and liability account balances are determined based on differences between financial reporting and tax bases of assets and liabilities and are measured using the enacted tax rates. The effects of future changes in tax laws or rates are not anticipated.

Under SFAS No. 109 income taxes are recognized for the following: a) amount of tax payable for the current year, and b) deferred tax liabilities and assets for future tax consequences of events that have been recognized differently in the financial statements than for tax purposes.

The provision for income taxes has been computed as follows:

	2007	2006
Expected income tax recovery at the statutory rate - 31% (2006 - 31%)	\$ (38,481)	\$ (2,016)
Valuation allowance	38,481	2,016
Provision for income taxes	\$ -	\$ -

The Company has tax losses available to be applied against future years income. Due to the losses incurred in the current period and expected future operating results, management determined that it is more likely than not that the deferred tax asset resulting from the tax losses available for carryforward and stock option compensation expense will not be realized through the reduction of future income tax payments, accordingly a 100% valuation allowance has been recorded for deferred income tax assets.

As of June 30, 2007 and 2006, the Company had approximately \$176,426 and \$3,700 respectively, of federal and state net operating loss carryforwards available to offset future taxable income. The losses expire in 20 years from the date the loss was incurred.

Expiry 2025	\$ 3,700
Expiry 2026	50,726
Expiry 2027	122,000
	\$ 176,426

**STARGOLD MINES, INC.**  
**(FORMELY SOCKEYE SEAFOOD GROUP INC.)**  
**(A DEVELOPMENT STAGE COMPANY)**

Notes to Financial Statements  
June 30, 2007 and 2006  
Unaudited

**7. Subsequent Events**

a) On November 30, 2006, the Company entered into a stock purchase agreement with UniverCompany and agreed to purchase from shareholders of UniverCompany 100% of the issued and outstanding shares of common stock of UniverCompany. In consideration therefore, the Company will issue to the shareholders of UniverCompany 41,000,000 shares of the Company's common stock.

The consummation of above transactions will take place at a closing to be held at a later date. Such closing will not take place until certain conditions have occurred.

b) On July 11, 2007, the Company authorized the sale of 333,333 units of the Company's securities, each unit consisting of one share of common stock and one half Class A Warrant. Each Class A Warrant is exercisable for one share of common stock at an exercise price of \$7.00 for 2 years from the date of issuance. The purchase price for a unit shall be \$4.50.

**8. Restatement**

The stockholders' equity has been retroactively restated to give effect to the 1 for 40 stock split as described in note 5.

SIGNATURES

In accordance with to requirements of the Exchange Act, the registrant caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Dated: August 21, 2007

STARGOLD MINES, INC.

By:	<u>/s/ Marcus U. Segal</u>
Name:	Marcus U. Segal
Title:	President, Chief Executive Officer, Chief Financial Officer, and Director (Principal Executive, Financial, and and Accounting Officer)

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