

GOLDEN CYCLE GOLD CORP
Form 10-K/A
April 29, 2005

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

WASHINGTON, D.C. 20549

FORM 10-K/A

(Amendment No. 2 to Form 10-K)

(Mark One)

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

For the fiscal year ended December 31, 2004

OR

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

For the transition period from _____ to _____ .

Commission file number 0-11226

GOLDEN CYCLE GOLD CORPORATION

(Exact name of registrant as specified in its charter)

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Colorado
State or other jurisdiction of
incorporation or organization)

84-0630963
(I.R.S. Employer
Identification No.)

**Suite 201, 1515 South Tejon,
Colorado Springs, CO**
(Address of principal executive offices)

80906
(Zip Code)

Registrant's telephone number, including area code: **(719) 471-9013**

Securities registered pursuant to Section 12 (g) of the Act:

(Title of Each Class)	(Name of Each Exchange on which registered)
Common Stock, No Par Value	Pacific Exchange

Securities Registered Pursuant To Section 12 (b) of the Act: None

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 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 if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K (§229.405 of this chapter) is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K.

Indicate by check mark whether the Registrant is an accelerated filer (as defined in Rule 12b-2 of the Act).

Yes No

State the aggregate market value of the voting and non-voting common equity held by non-affiliates computed by reference to the price at which the common equity was last sold, or the average bid and asked price of such common equity, as of the last business day of the registrant's most recently completed second fiscal quarter: \$14,705,087

The number of shares of the Registrant's Common Stock outstanding as of March 28, 2005 was 9,669,250.

Documents incorporated by reference:

Portions of the Definitive Proxy Statement for the 2005 Annual Meeting of Shareholders (the 2005 Proxy Statement) are incorporated by reference into Part III of this Annual Report on Form 10-K.

Explanatory Note:

This Amendment No. 2 to Form 10-K for the fiscal year ended December 31, 2004 is being filed to include the Consent of Independent Registered Public Accounting Firms, Ehrhardt Keefe Steiner & Hottman, P.C. and KPMG LLP to the incorporation by reference of their reports in the Registrations Statements of Company. There are no other changes.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

The financial statements and supplementary data required by this item are included herein in Item 15.

ITEM 15. EXHIBITS, FINANCIAL STATEMENTS SCHEDULES

(a) Documents filed as part of this report:

(1) Financial Statements

Report of Independent Registered Accounting Firm,
Ehrhardt Keefe Steiner & Hottman, P.C.

Independent Auditors Report, KPMG LLP

Consolidated Balance Sheets, December 31, 2004 and 2003

Consolidated Statements of Operations for the Years
Ended December 31, 2004, 2003 and 2002

Consolidated Statements of Shareholders Equity for the Years
Ended December 31, 2004, 2003 and 2002

Consolidated Statements of Cash Flows for the Years
Ended December 31, 2004, 2003 and 2002

Notes to Consolidated Financial Statements

(2) Financial Statement Schedules. Financial statement schedules are omitted because they are not applicable or the required information is shown in the financial statements or notes thereto.

(3) Exhibits.

(Exhibit Number referenced to Item 601 of Regulation S-K).

Exhibit Index

23.3 Consent of EKS&H PC.

23.4 Consent of KPMG LLP.

31.4 Certification of Chief Executive Officer pursuant to the Sarbanes-Oxley Act of 2002, Section 302.

31.5 Certification of Chief Financial Officer pursuant to the Sarbanes-Oxley Act of 2002, Section 302.

32.4 Certification of Chief Executive Officer pursuant to the Sarbanes-Oxley Act of 2002, Section 906.

32.5 Certification of Chief Financial Officer pursuant to the Sarbanes-Oxley Act of 2002, Section 906.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereto duly authorized.

/s/ R. Herbert Hampton
R. Herbert Hampton, President, Chief
Executive Officer, and Treasurer
(Principal Executive Officer, Principal
Financial Officer, and Principal Accounting
Officer)

Date: April 28, 2005

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

Board of Directors and Stockholders
Golden Cycle Gold Corporation
Colorado Springs, Colorado

We have audited the consolidated balance sheets of Golden Cycle Gold Corporation and Subsidiaries (a Colorado corporation) as of December 31, 2004 and 2003, and the related consolidated statements of operations, changes in stockholders' equity, and cash flows for the two years in the period ended December 31, 2004. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audit included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the consolidated financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall consolidated financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of Golden Cycle Gold Corporation and Subsidiaries as of December 31, 2004 and 2003, and the consolidated results of its operations and its cash flows for the two years in the period ended December 31, 2004, in conformity with accounting principles generally accepted in the United States of America.

/s/ Ehrhardt Keefe Steiner & Hottman P.C.

February 9, 2005

Denver, Colorado

Report of Independent Registered Public Accounting Firm

Board of Directors
Golden Cycle Gold Corporation:

We have audited the accompanying consolidated statements of operations, shareholders' equity and comprehensive income (loss), and cash flows of Golden Cycle Gold Corporation and subsidiaries for the year ended December 31, 2002. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the results of operations and the cash flows of Golden Cycle Gold Corporation and subsidiaries for the year ended December 31, 2002, in conformity with U.S. generally accepted accounting principles.

/s/ KPMG LLP

Denver, Colorado

March 21, 2003

GOLDEN CYCLE GOLD CORPORATION
AND SUBSIDIARIES

Consolidated Balance Sheets

	December 31, 2004	December 31, 2003
Assets		
Current assets:		
Cash and cash equivalents	\$ 457,000	\$ 202,099
Short-term investments (note 2)	1,120,273	923,669
Interest receivable and other current assets	13,524	7,014
Prepaid insurance	24,380	24,580
Account receivable from sale of water rights (note 3)		679,098
Total current assets	1,615,177	1,836,460
Property and equipment, at cost:		
Land	2,025	2,025
Mineral claims	20,657	20,657
Furniture and fixtures	10,030	10,037
Machinery and equipment	31,819	33,806
	64,531	66,525
Less accumulation depreciation and depletion	(33,126)	(30,601)
	31,405	35,924
Total assets	\$ 1,646,582	\$ 1,872,384
Liabilities and Shareholders Equity		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 56,868	\$ 58,479
Total current liabilities	56,868	58,479
Commitments and contingencies (note 8)		
Shareholders' equity (note 6):		
Common stock, no par value. Authorized 100,000,000 shares; issued and outstanding 9,669,250 shares in 2004; 9,542,250 shares in 2003	7,406,317	7,307,854
Additional paid-in capital	1,927,736	1,927,736
Accumulated deficit	(7,712,526)	(7,389,944)
Accumulated other comprehensive loss	(31,813)	(31,741)
Total shareholders' equity	1,589,714	1,813,905
Total liabilities and shareholders' equity	\$ 1,646,582	\$ 1,872,384

See accompanying notes to consolidated financial statements.

GOLDEN CYCLE GOLD CORPORATION
AND SUBSIDIARIES

Consolidated Statements of Operations

	For the Year Ended December 31,		
	2004	2003	2002
Revenue:			
Distributions from mining joint venture in excess of carrying value (note 4)	\$ 250,000	\$ 250,000	\$ 250,000
Expenses:			
General and administrative expense	542,510	464,348	345,209
Depreciation expense	5,286	1,217	3,759
Exploration expense	54,372	141,851	153,934
	602,168	607,416	502,902
Operating loss	(352,168)	(357,416)	(252,902)
Other income (expense):			
Interest and other income	21,545	15,405	29,847
Gold bullion mark-up to market	8,041	24,229	
Gain (loss) on assets sold (net)		541,917	(375)
	29,586	581,551	29,472
Net income (loss)	\$ (322,582)	\$ 224,135	\$ (223,430)
Basic earnings (loss) per share	\$ (0.03)	\$ 0.02	\$ (0.02)
Diluted earnings (loss) per share	(0.03)	0.02	(0.02)
Basic weighted average shares outstanding	9,597,231	9,529,100	9,442,250
Diluted weighted average shares outstanding	9,597,231	10,364,100	9,442,250

See accompanying notes to consolidated financial statements.

GOLDEN CYCLE GOLD CORPORATION
AND SUBSIDIARIES

Consolidated Statements of Shareholders' Equity and Comprehensive Income (Loss)

For the Years ended December 31, 2004, 2003, and 2002

	Common stock		Additional	Accumulated	Accumulated	Total
	Shares	Amount	paid-in	deficit	other comprehensive loss foreign currency translation adjustment	
Balance at December 31, 2001	9,442,250	\$ 7,116,604	\$ 1,927,736	\$ (7,390,649)	\$ (30,715)	\$ 1,622,976
Net loss				(223,430)		(223,430)
Foreign currency translation adjustment					(823)	(823)
Comprehensive loss						(224,253)
Balance at December 31, 2002	9,442,250	7,116,604	1,927,736	(7,614,079)	(31,538)	1,398,723
Stock options exercised	100,000	191,250				191,250
Net income				224,135		224,135
Foreign currency translation adjustment					(203)	(203)
Comprehensive income						223,932
Balance at December 31, 2003	9,542,250	7,307,854	1,927,736	(7,389,944)	(31,741)	1,813,905
Stock options exercised	127,000	98,463				98,463
Net loss				(322,582)		(322,582)
Foreign currency translation adjustment					(72)	(72)
Comprehensive net loss						(322,654)
Balance at December 31, 2004	9,669,250	\$ 7,406,317	\$ 1,927,736	\$ (7,712,526)	\$ (31,813)	\$ 1,589,714

See accompanying notes to consolidated financial statements.

GOLDEN CYCLE GOLD CORPORATION
AND SUBSIDIARIES

Consolidated Statements of Cash Flows

	For the Year Ended December 31,		
	2004	2003	2002
Cash flows from operating activities:			
Net income (loss)	\$ (322,582)	\$ 224,135	\$ (223,430)
Adjustments to reconcile net income (loss) to net cash used in operating activities:			
Depreciation expense	5,286	1,217	3,759
Increase in market value of gold asset	(8,041)	(24,229)	
(Gain) loss on disposal of assets		(541,817)	375
Decrease (increase) in interest receivable and other current assets	(6,510)	5,605	9,994
Decrease (increase) in prepaid insurance	200	(5,436)	505
Increase (decrease) in accounts payable and accrued liabilities	(1,611)	40,227	(7,680)
Net cash used in operating activities	(333,258)	(300,298)	(216,477)
Cash flows from investing activities:			
Decrease (increase) in short-term investments, net	(188,563)	(258,652)	236,516
Proceeds from account receivable on sale of water rights	679,098		
Purchases of property and equipment	(767)	(8,210)	(11,846)
Net cash provided by (used in) investing activities	489,768	(266,862)	224,670
Cash flows provided by financing activity:			
Proceeds on exercise of stock options	98,463	191,250	
Net cash provided by investing activities	98,463	191,250	
Effect of exchange rate changes on cash	(72)	(203)	(823)
Net increase (decrease) in cash and cash equivalents	254,901	(376,113)	7,370
Cash and cash equivalents, beginning of year	202,099	578,212	570,842
Cash and cash equivalents, end of year	\$ 457,000	\$ 202,099	\$ 578,212

Supplemental disclosure of non-cash activity:

During 2003, the Corporation sold assets held for sale for \$679,098 which was recorded as a receivable at December 31, 2003.

During 2004, 77,900 shares were surrendered in cashless exercise of stock options.

See accompanying notes to consolidated financial statements.