

VALOR GOLD CORP.
Form 10-Q
May 04, 2012

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

FORM 10-Q

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

For the quarterly period ended March 31, 2012

OR

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

For the transition period from _____ to _____

Commission file number 333-171277

VALOR GOLD CORP.
(FORMERLY KNOWN AS FELAFEL CORP.)

A Delaware Corporation

I.R.S. Employer No. 80-0546288

c/o Idan Karako
27 Bet Hillel Street, Unit 18
Tel Aviv Israel 67017
Phone number: +972-54-6419419

Check whether the issuer (1) filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the past 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 is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer", "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer Accelerated filer

Non-accelerated filer Smaller reporting company
(Do not check if a smaller reporting company)

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

As of April 27, 2012, 77,500,002 shares of Common Stock, par value \$0.0001 per share, were outstanding.

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VALOR GOLD CORP.
(FORMERLY FELAFEL CORP.)
(A DEVELOPMENT STAGE COMPANY)

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MARCH 31, 2012

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VALOR GOLD CORP.
(FORMERLY FELAFEL CORP.)
(A DEVELOPMENT STAGE COMPANY)
BALANCE SHEETS
AS OF MARCH 31, 2012 AND DECEMBER 31, 2011

ASSETS

	As of March 31, 2012 (Unaudited)	As of December 31, 2011 (Audited)
Current Assets:		
Cash and cash equivalents	\$3,073	\$ 10,959
Total current assets	3,073	10,959
Total Assets	3,073	10,959

LIABILITIES AND STOCKHOLDERS' EQUITY

Current Liabilities:		
Accounts payable and accrued expenses	6,821	2,000
Deferred revenues - current	-	17,000
Loans payable - directors and officers	-	3,684
Total Current Liabilities	6,821	22,684
Long Term Liabilities:		
Deferred revenues	-	68,000
Total Long Term Liabilities	-	68,000
Commitments and Contingencies		
Stockholders' Equity (Deficit):		
Preferred stock, par value \$0.0001 per share, 50,000,000 shares authorized; no shares issued and outstanding	-	-
Common stock, par value \$0.0001 per share, 200,000,000 shares authorized; 77,499,998 shares issued and outstanding	7,750	7,750
Additional paid-in capital	52,634	46,950
(Deficit) accumulated during development stage	(64,132)	(134,425)
Total stockholders' equity (deficit)	(3,748)	(79,725)
Total Liabilities and Stockholders' Equity	\$3,073	\$ 10,959

* Restated for stock split

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

VALOR GOLD CORP.
(FORMERLY FELAFEL CORP.)
(A DEVELOPMENT STAGE COMPANY)
STATEMENTS OF OPERATIONS
FOR THE THREE MONTHS ENDED MARCH 31, 2012 AND 2011,
AND CUMULATIVE FROM INCEPTION (JUNE 2, 2009)
THROUGH MARCH 31, 2012
(Unaudited)

	Three Months Ended March 31, 2012	Three Months Ended March 31, 2011	Cumulative From Inception
Revenues	\$ 85,000	\$ -	\$ 105,000
Expenses:			
General and administrative-			
Professional fees	8,440	-	133,298
Filing fees	5,803	6,055	20,086
SEC commission	-	-	250
Travel	-	-	10,800
Franchise tax expense	400		525
Other	64	80	4,173
Total general and administrative expenses	14,707	6,135	169,132
(Loss) from Operations	70,293	(6,135)	(64,132)
Other Income (Expense)	-	-	-
Provision for income taxes	-	-	-
Net (Loss)	\$ 70,293	\$ (6,135)	\$(64,132)
(Loss) Per Common Share:			
(Loss) per common share - Basic and Diluted	\$ 0.00	\$ (0.00)	
Weighted Average Number of Common Shares			
Outstanding - Basic and Diluted	77,499,998	67,500,000 *	

* Restated for stock split

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

VALOR GOLD CORP.
(FORMERLY FELAFEL CORP.)
(A DEVELOPMENT STAGE COMPANY)
STATEMENT OF STOCKHOLDERS' EQUITY
FOR THE PERIOD FROM INCEPTION (JUNE 2, 2009)
THROUGH MARCH 31, 2012
(Unaudited)

Description	Common stock* Shares	Amount	Stock Subscriptions Receivable	Additional Paid-in Capital	(Deficit) Accumulated During the Development Stage	Totals
Balance - at inception	-	\$-	\$ -	\$-	\$ -	\$-
Common stock issued for cash (\$0.0001/share)	52,500,000	5,250	(700)	(4,550)	-	-
Net (loss) for the period	-	-	-	-	-	-
Balance -December 31, 2009	52,500,000	5,250	(700)	(4,550)	-	-
Common stock issued for cash (\$ 0.02/share)	15,000,000	1,500	-	38,500	-	40,000
Stock subscriptions payment received	-	-	700	-	-	700
Net (loss) for the period	-	-	-	-	(12,166)	(12,166)
Balance -December 31, 2010	67,500,000	6,750	-	33,950	(12,166)	28,534
Common stock issued for cash (\$ 0.03/share)	9,999,998	1,000	-	13,000	-	14,000
Net (loss) for the period	-	-	-	-	(122,259)	(122,259)
Balance - December 31, 2011	77,499,998	7,750	-	46,950	(134,425)	(79,725)
Capital contribution	-	-	-	5,684	-	5,684
Net (loss) for the period	-	-	-	-	70,293	70,293
Balance - March 31, 2012	77,499,998	\$7,750	\$ -	\$52,634	\$ (64,132)	\$(3,748)

* Restated for stock split

The accompanying notes to financial statements are

an integral part of these statements.

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VALOR GOLD CORP.
(FORMERLY FELAFEL CORP.)
(A DEVELOPMENT STAGE COMPANY)
STATEMENTS OF CASH FLOWS
FOR THE THREE MONTHS ENDED MARCH 31, 2012 AND 2011, AND
CUMULATIVE FROM INCEPTION (JUNE 2, 2009)
THROUGH MARCH 31, 2012
(Unaudited)

	Three Months Ended March 31, 2012	Three Months Ended March 31, 2011	Cumulative From Inception
Operating Activities:			
Net (loss)	\$ 70,293	\$ (6,135)	\$(64,132)
Adjustments to reconcile net (loss) to net cash provided by operating activities:			
Capital contribution - Liabilities assumed by an officer	-	-	5,684
Changes in net assets and liabilities-			
Deferred offering costs	-	(2,000)	-
Deferred revenues	(85,000)	-	-
Accounts payable and accrued expenses	6,821	(1,924)	6,821
Net Cash Provided by (Used in) Operating Activities	(7,886)	(10,059)	(51,627)
Investing Activities:			
Cash provided by investing activities	-	-	-
Net Cash Provided by Investing Activities	-	-	-
Financing Activities:			
Proceeds from shareholder loans	-	3,684	-
Proceeds from common stock	-	-	54,700
Net Cash Provided by Financing Activities	-	3,684	54,700
Net (Decrease) Increase in Cash	(7,886)	(6,375)	3,073
Cash - Beginning of Period	10,959	19,050	-
Cash - End of Period	\$ 3,073	\$ 12,675	\$3,073
Supplemental Disclosure of Cash Flow Information:			
Cash paid during the period for:			
Interest	\$ -	\$ -	\$-
Income taxes	\$ -	\$ -	\$-

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

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VALOR GOLD CORP.
(FORMERLY FELAFEL CORP.)
(A DEVELOPMENT STAGE COMPANY)
NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies

Basis of Presentation and Organization

Valor Gold Corp. (formerly Felafel Corp.) (the “Company”) is in the development stage, and has limited operations. The Company was incorporated under the laws of the State of Delaware on June 2, 2009. The business plan of the Company is to become a leading falafel fast-food retail chain in the Baltic States. The Company is exploring additional business opportunities. As a result, its historical business may be discontinued due to the reevaluation of its business, among other reasons.

The accompanying financial statements of the Company were prepared from the accounts of the Company under the accrual basis of accounting.

Unaudited Interim Financial Statements

The interim financial statements of the Company as of March 31, 2012, and for the periods then ended, and cumulative from inception, are unaudited. However, in the opinion of management, the interim financial statements include all adjustments, consisting of only normal recurring adjustments, necessary to present fairly the Company’s financial position as of March 31, 2012, and the results of its operations and its cash flows for the periods ended March 31, 2012, and cumulative from inception. These results are not necessarily indicative of the results expected for the calendar year ending December 31, 2012. The accompanying financial statements and notes thereto do not reflect all disclosures required under accounting principles generally accepted in the United States. Refer to the Company’s audited financial statements as of December 31, 2011, filed with the SEC, for additional information, including significant accounting policies.

Cash and Cash Equivalents

For purposes of reporting within the statement of cash flows, the Company considers all cash on hand, cash accounts not subject to withdrawal restrictions or penalties, and all highly liquid debt instruments purchased with a maturity of three months or less to be cash and cash equivalents.

Revenue Recognition

The Company recognizes revenues when delivery of goods or completion of services has occurred provided there is persuasive evidence of an agreement, acceptance has been approved by its customers, the fee is fixed or determinable based on the completion of stated terms and conditions, and collection of any related receivable is probable.

Loss per Common Share

Basic loss per share is computed by dividing the net loss attributable to the common stockholders by the weighted average number of shares of common stock outstanding during the period. Fully diluted loss per share is computed similar to basic loss per share except that the denominator is increased to include the number of additional common shares that would have been outstanding if the potential common shares had been issued and if the additional common shares were dilutive. There were no dilutive financial instruments issued or outstanding for the period ended March

31, 2012.

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Income Taxes

The Company accounts for income taxes pursuant to FASB ASC 740. Deferred tax assets and liabilities are determined based on temporary differences between the bases of certain assets and liabilities for income tax and financial reporting purposes. The deferred tax assets and liabilities are classified according to the financial statement classification of the assets and liabilities generating the differences.

The Company maintains a valuation allowance with respect to deferred tax assets. The Company establishes a valuation allowance based upon the potential likelihood of realizing the deferred tax asset and taking into consideration the Company's financial position and results of operations for the current period. Future realization of the deferred tax benefit depends on the existence of sufficient taxable income within the carryforward period under the Federal tax laws.

Changes in circumstances, such as the Company generating taxable income, could cause a change in judgment about the realizability of the related deferred tax asset. Any change in the valuation allowance will be included in income in the year of the change in estimate.

Fair Value of Financial Instruments

The Company estimates the fair value of financial instruments using the available market information and valuation methods. Considerable judgment is required in estimating fair value. Accordingly, the estimates of fair value may not be indicative of the amounts the Company could realize in a current market exchange. The carrying value of accounts payable-trade and accrued liabilities approximated fair value due to the short-term nature and maturity of these instruments.

Deferred Offering Costs

The Company defers as other assets the direct incremental costs of raising capital until such time as the offering is completed. At the time of the completion of the offering, the costs are charged against the capital raised. Should the offering be terminated, deferred offering costs are charged to operations during the period in which the offering is terminated.

Common Stock Registration Expenses

The Company considers incremental costs and expenses related to the registration of equity securities with the SEC, whether by contractual arrangement as of a certain date or by demand, to be unrelated to original issuance transactions. As such, subsequent registration costs and expenses are reflected in the accompanying financial statements as general and administrative expenses, and are expensed as incurred.

Lease Obligations

All non cancellable leases with an initial term greater than one year are categorized as either capital leases or operating leases. Assets recorded under capital leases are amortized according to the methods employed for property and equipment or over the term of the related lease, if shorter.

Estimates

The financial statements are prepared on the basis of accounting principles generally accepted in the United States. The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities and expenses. Actual results could differ from those estimates made by management.

Fiscal Year End

The Company has adopted a fiscal year end of December 31.

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2. Development Stage Activities and Going Concern

The Company is currently in the development stage, and has limited operations. The business plan of the Company is to become a leading falafel fast-food retail chain in the Baltic States. The Company is exploring additional business opportunities. As a result, its historical business may be discontinued due to the reevaluation of its business, among other reasons.

The accompanying financial statements have been prepared in conformity with accounting principles generally accepted in the United States, which contemplate continuation of the Company as a going concern. The Company has incurred an operating loss since inception. Further, as of March 31, 2012 the cash resources of the Company were insufficient to meet its current business plan. These and other factors raise substantial doubt about the Company's ability to continue as a going concern. The accompanying 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.

3. Common Stock

On June 3, 2009, the Company issued 37,500,000 shares of common stock the director of the Company, for a \$500 subscription receivable. Payment of the subscription was received by December 31, 2010.

On December 21, 2009, the Company issued 15,000,000 shares of common stock to a secretary of the Company, for a \$200 subscription receivable. Payment of the subscription was received by December 31, 2010.

On April 2, 2010, the Company began a capital formation activity through a PPO, exempt from registration under the Securities Act of 1933, to raise up to \$40,000 through the issuance of 15,000,000 shares of its common stock, par value \$0.0001 per share, at an offering price of \$0.02 per share. As of August 28, 2010, the Company had received \$40,000 in proceeds from the PPO.

The Company executed a capital formation activity by filing a Registration Statement on Form S-1 to the SEC to register and sell in a self-directed offering 24,999,997 shares of newly issued common stock for proceeds of up to \$100,000. As of August 31, 2011, the Company raised \$40,000 in proceeds with the issuance of 9,999,998 shares of its common stock from this offering. Legal and accounting fees relating to this registration statement and offering were \$26,000.

Additionally, the Company registered 15,000,000 shares of its outstanding shares of common stock on behalf of selling stockholders with the Registration Statement on Form S-1. The Company will not receive any of the proceeds from the sales of these 15,000,000 shares.

On March 27, 2012, the board of directors approved an Amended and Restated Certificate of Incorporation ("Restated Charter") of the Company to authorize an increase the authorized capital stock of the Company to 250,000,000 shares, consisting of 200,000,000 shares of common stock and 50,000,000 shares of "Blank Check" Preferred Stock.

On March 27, 2012, the Company's board of directors authorized a dividend, whereby an additional 6.5 shares of common stock, par value \$0.0001 per share, was issued on each one share of common stock outstanding to each holder of record on April 9, 2012. Shares presented in the financial statements reflect the stock split.

4. Income Taxes

The provision (benefit) for income taxes for the periods ended March 31, 2012 and 2011, were as follows (assuming a 23% effective tax rate):

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	2012	2011
Current Tax Provision:		
Federal-		
Taxable income	-	-
Total current tax provision	\$-	\$-
Deferred Tax Provision:		
Federal-		
Deferred tax benefit on current tax loss	\$3,383	\$1,411
Change in valuation allowance	(3,383)	(1,411)
Total deferred tax provision	\$-	\$-

The Company had deferred income tax assets as of March 31, 2012 and December 31, 2011 as follows:

	2012	2011
Loss carryforwards	\$14,750	\$11,368
Less - Valuation allowance	(14,750)	(11,368)
Total net deferred tax assets	\$-	\$-

The Company provided a valuation allowance equal to the deferred income tax assets for periods ended March 31, 2012 and December 31, 2011 because it is not presently known whether future taxable income will be sufficient to utilize the loss carryforwards.

As of March 31, 2012, the Company had approximately \$64,132 in tax loss carryforwards that can be utilized future periods to reduce taxable income, and expire by the year 2032.

The Company did not identify any material uncertain tax positions on tax returns. The Company did not recognize any interest or penalties for unrecognized tax benefits.

The federal income tax returns of the Company are subject to examination by the IRS, generally for three years after they are filed.

5. Related Party Loans and Transactions

On June 3, 2009, the Company issued 37,500,000 shares of common stock to the director of the Company, for a \$500 subscription receivable. Payment of the subscription was received by December 31, 2010.

On December 21, 2009, the Company issued 15,000,000 shares of common stock to the secretary of the Company, for \$200 subscription receivable. Payment of the subscription was received by December 31, 2010.

In the quarter ended March 31, 2012, a director and officer of the Company assumed liabilities of the Company in the amount of \$5,684. This transaction was treated as a capital contribution for financial reporting purposes.

The Company's president and director provides rent-free office space to the Company.

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6. Commitments

On March 19, 2012, the Company terminated a licensing agreement and the prepayments of \$85,000 that were previously recorded as deferred revenues were recognized as income in the quarter ended March 31, 2012. As a result of the termination the parties confirmed that they have no further obligations..

7. Recent Accounting Pronouncements

In May 2011, the FASB issued ASU 2011-04, "Fair Value Measurement (Topic 820): Amendments to Achieve Common Fair Value Measurement and Disclosure Requirements in U.S. GAAP and International Financial Reporting Standards ("IFRSs")." Under ASU 2011-04, the guidance amends certain accounting and disclosure requirements related to fair value measurements to ensure that fair value has the same meaning in U.S. GAAP and in IFRS and that their respective fair value measurement and disclosure requirements are the same. ASU 2011-04 is effective for public entities during interim and annual periods beginning after December 15, 2011. Early adoption is not permitted. The Company does not believe that the adoption of ASU 2011-04 will have a material impact on the Company's results of operation and financial condition.

In June 2011, the FASB issued ASU No. 2011-05, "Comprehensive Income (ASC Topic 220): Presentation of Comprehensive Income," ("ASU 2011-05") which amends current comprehensive income guidance. This accounting update eliminates the option to present the components of other comprehensive income as part of the statement of shareholders' equity. Instead, comprehensive income must be reported in either a single continuous statement of comprehensive income which contains two sections, net income and other comprehensive income, or in two separate but consecutive statements. ASU 2011-05 will be effective for public companies during the interim and annual periods beginning after Dec. 15, 2011 with early adoption permitted. The Company does not believe that the adoption of ASU 2011-05 will have a material impact on the Company's results of operation and financial condition.

There were various other updates recently issued, most of which represented technical corrections to the accounting literature or application to specific industries. None of the updates are expected to have a material impact on the Company's financial position, results of operations or cash flows.

Item 2. Management's Discussion and Analysis or Plan of Operations

As used in this Form 10-Q, references to the "Company," "Felafel," "Valor Gold," "we," "our" or "us" refer to Valor Gold Corp. (formerly known as Felafel Corp.) unless the context otherwise indicates.

This Management's Discussion and Analysis or Plan of Operations should be read in conjunction with the financial statements and the notes thereto included elsewhere in this report and with the Management's Discussion and Analysis or Plan of Operations and the financial statements for the year ended December 31, 2011 and the notes thereto included in our annual report on Form 10-K.

On March 27, 2012, the Company's board of directors authorized a dividend, whereby an additional 6.5 shares of common stock, par value \$0.0001 per share, was issued on each one share of common stock outstanding to each holder of record on April 9, 2012. Shares presented in this report reflect the stock split.

Forward-Looking Statements

This Management's Discussion and Analysis or Plan of Operations contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. These forward-looking statements are based on current expectations, estimates, forecasts and projections about us, our future performance, the industry in which we operate our beliefs and our management's assumptions. In addition, other written or oral statements that constitute forward-looking statements may be made by us or on our behalf. Words such as "expects," "anticipates," "targets," "goals," "projects," "intends," "plans," "believes," "seeks," "estimates," variations of such words and similar expressions are intended to identify such forward-looking statements. These statements are not guarantees of future performance and involve certain risks, uncertainties and assumptions that are difficult to assess. Therefore, actual outcomes and results may differ materially from what is expressed or forecasted in such forward-looking statements.

For a description of such risks and uncertainties refer to our Registration Statement on Form S-1 (Registration No. 333-171277) filed with the Securities and Exchange Commission, which became effective on June 3, 2011, and our annual report on Form 10-K for the year ended December 31, 2011. Except as required under the federal securities laws and the rules and regulations of the Securities and Exchange Commission, we do not have any intention or obligation to update publicly any forward-looking statements or risk factors included herein, whether as a result of new information, future events, changes in assumptions or otherwise.

Plan of Operation

Results of Operations

For the period ended March 31, 2012, we recognized revenues of \$85,000, compared to the period ended March 31, 2011 in which we had no revenues.

Expenses increased from \$6,135 in the period ended March 31, 2011 to \$14,707 in the period ended March 31, 2012. This increase was mainly a result of increased professional fees.

For the period ended March 31, 2012, we had net income of \$70,293, as compared to a net loss of \$6,135 in the period ended March 31, 2012. The change to net income in 2012 was due to the revenues recognized. Our cumulative net loss during the period from June 2, 2009 (inception) through March 31, 2012 was \$64,132.

Liquidity and Capital Resources

Under our original business plan, we estimated that we would require approximately \$100,000 for the next 12 months of operations, including the costs of opening our pilot restaurant with new equipment on a fully-equipped basis. We do not have sufficient resources to effectuate our current business plan, and as a result, the Company is investigating additional business opportunities.

Plan of Operation

Our original plan was to open and operate one company-owned restaurant in Riga, Latvia, which would serve as our pilot restaurant. However, in October 2011, we entered into an agreement in principle with Kinsolin Ltd., a Latvian corporation pursuant to which Kinsolin purchased from the Company for \$85,000 (the “Franchise Fee”) the right to become the Company’s country master franchisor for the Republic of Estonia. We received the Franchise Fee in October and November 2011.

Pursuant to the Franchise Agreement, Kinsolin purchased the right to be the Company’s exclusive franchisor in Estonia for a period of five years beginning on January 1, 2012, subject to renewal. In addition, Kinsolin would pay annual royalties to the Company in an amount equal to 3% of gross sales. The minimum annual royalty would be \$50,000 for calendar years beginning on and after January 1, 2013. We had the right to cancel the agreement in the event that Kinsolin did not open any restaurants by June 30, 2012.

Effective March 19, 2012, the Company and Kinsolin canceled the Franchise Agreement and released each other from all obligations thereunder.

As of May 1, 2012, the Company determined that it would explore additional business opportunities that are divergent from its current business line. As a result, the Company’s historical business may be discontinued due to such reevaluation, among other reasons. The Company has entered into informal non-binding confidential discussions with several companies concerning possible business acquisition opportunities. However, there exist no agreements or understandings as to any such opportunities as of the date of this current report.

Amendments to Articles of Incorporation or Bylaws; Change in Fiscal Year.

On March 27, 2012, the board of directors of Valor Gold Corp. f/k/a Felafel Corp. (the “Company”) approved the amendment and restatement of its bylaws (the “Restated Bylaws”) in order to, among other things, include revised provisions relating to board and stockholder meetings and indemnification of officers and directors.

On March 27, 2012, the board of directors approved an Amended and Restated Certificate of Incorporation (“Restated Charter”) of the Company to authorize (i) the change of the name of the Company to “Valor Gold Corp.” from “Felafel Corp.” and (ii) increase the authorized capital stock of the Company to 250,000,000 shares, consisting of 200,000,000 shares of common stock and 50,000,000 shares of “Blank Check” Preferred Stock. On March 27, 2012, the Company filed the Restated Charter with the Secretary of State of the State of Delaware. The name change will be effective for the Company’s principal market, the over the counter bulletin board, upon approval by the Financial Industry Regulatory Authority (FINRA) at which time a new trading symbol will also become effective. In connection with the foregoing, the Company is exploring additional business opportunities. As a result, its historical business may be discontinued due to the reevaluation of its business, among other reasons.

The foregoing description does not purport to be complete and is qualified in its entirety by reference to the complete text of the (i) Amended and Restated Certificate of Incorporation filed as Exhibit 3.1 to the Company’s Form 8-K report dated April 2, 2012, and (ii) the Amended and Restated Bylaws filed as Exhibit 3.2 to the Company’s Form 8-K report dated April 2, 2012, each of which is incorporated herein by reference.

Additional Equity Raises

On June 3, 2009, we issued 37,500,000 shares of common stock to Mr. Idan Karako, our President, Chief Executive Officer, Treasurer and Director, for a \$500 subscription receivable, which has since been paid.

On December 21, 2009, we issued 15,000,000 shares of common stock to Ms. Viktorija Eglinskaite-Dijokiene, our Secretary and Director, for a \$200 subscription receivable, which has since been paid.

On April 2, 2010, the Company began a capital formation activity through a Private Placement Offering, exempt from registration under the Securities Act of 1933, to raise up to \$40,000 through the issuance of 15,000,000 shares of its common stock, par value \$0.0001 per share, at an offering price of \$0.00267 per share.

The \$0.00267 per share price was determined arbitrarily by the Company. It did not necessarily bear any relationship to the Company's assets' value, net worth, revenues, or other established criteria of value, and should not be considered indicative of the actual value of the shares. As of August 28, 2010, the Company had received \$40,000 in proceeds from the Private Placement Offering.

The Company commenced a capital formation activity by filing a Registration Statement on Form S-1 to the SEC to register and sell in a self-directed offering 24,999,998 shares of newly issued common stock at an offering price of \$0.004 per share for proceeds of up to \$100,000. The Registration Statement was declared effective on June 3, 2011. In the registered, self-directed offering, the Company raised \$40,000 in proceeds with the issuance of 10,000,002 shares of its common stock from this offering. Legal and accounting fees relating to this registration statement and offering were \$26,000.

Despite this, we still do not have sufficient resources to effectuate our business plan, and we are looking at other business opportunities.

Going Concern Consideration

Our registered independent auditors included an explanatory paragraph in their report on the accompanying financial statements regarding concerns about our ability to continue as a going concern. Our financial statements contain additional note disclosures describing the circumstances that lead to this disclosure by our registered independent auditors.

Off-Balance Sheet Arrangements

We have no off-balance sheet arrangements.

Item 4T. Controls and Procedures

Evaluation of Disclosure 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 United States Securities and Exchange Commission. Our principal executive officer and principal financial officer have 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)) as of the end of the period covered by this report and have concluded that the disclosure controls and procedures are not effective to ensure that material information relating to the Company is recorded, processed, summarized, and reported in a timely manner.

Changes in Internal Controls

There have been no changes in the Company's internal control over financial reporting during the last quarterly period covered by this report that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

PART II
OTHER INFORMATION

Item 1. Legal Proceedings

There are no pending legal proceedings to which the Company is a party or in which any director, officer or affiliate of the Company, any owner of record or beneficially of more than 5% of any class of voting securities of the Company, or security holder is a party adverse to the Company or has a material interest adverse to the Company. The Company's property is not the subject of any pending legal proceedings.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

None

Item 3. Defaults upon Senior Securities

None.

Item 4. Submission of Matters to a Vote of Security Holders

Amendments to Articles of Incorporation or Bylaws; Change in Fiscal Year.

On March 27, 2012, the board of directors of Valor Gold Corp. f/k/a Felafel Corp. (the "Company") approved the amendment and restatement of its bylaws (the "Restated Bylaws") in order to, among other things, include revised provisions relating to board and stockholder meetings and indemnification of officers and directors.

On March 27, 2012, the board of directors approved an Amended and Restated Certificate of Incorporation ("Restated Charter") of the Company to authorize (i) the change of the name of the Company to "Valor Gold Corp." from "Felafel Corp." and (ii) increase the authorized capital stock of the Company to 250,000,000 shares, consisting of 200,000,000 shares of common stock and 50,000,000 shares of "Blank Check" Preferred Stock. On March 27, 2012, the Company filed the Restated Charter with the Secretary of State of the State of Delaware. The name change will be effective for the Company's principal market, the over the counter bulletin board, upon approval by the Financial Industry Regulatory Authority (FINRA) at which time a new trading symbol will also become effective. In connection with the foregoing, the Company is exploring additional business opportunities. As a result, its historical business may be discontinued due to the reevaluation of its business, among other reasons.

The foregoing description does not purport to be complete and is qualified in its entirety by reference to the complete text of the (i) Amended and Restated Certificate of Incorporation filed as Exhibit 3.1 to the Company's report on Form 8-K dated April 2, 2012, and (ii) the Amended and Restated Bylaws filed as Exhibit 3.2 to the Company's report on Form 8-K dated April 2, 2012, each of which is incorporated herein by reference.

On March 27, 2012, holders of approximately 67% of the outstanding common stock of the Company voted in favor of the adoption of the Restated Bylaws and Restated Charter, as described above.

Item 5. Other Information

None.

Item 6. Exhibits

Exhibit
Number Description

31.1 Certification pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

31.2 Certification pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

32.1 Certification pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this quarterly report on Form 10-Q to be signed on its behalf by the undersigned thereunto duly authorized.

VALOR GOLD CORP. F/K/A FELAFEL CORP.

Date: May 2, 2012

By: /s/ Idan Karako
Name: Idan Karako
Title: President, Chief Executive
Officer, Treasurer and Director
(Principal Executive Officer and
Principal Financial and Accounting
Officer)

Date: May 2, 2012

By: /s/ Viktorija Eglinskaite-Dijokiene
Name: Viktorija Eglinskaite-Dijokiene
Title: Secretary and Director