

Edgar Filing: NETWORK INSTALLATION CORP - Form 10QSB/A

NETWORK INSTALLATION CORP
Form 10QSB/A
November 22, 2005

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-QSB/A
(Mark One)

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

For the quarterly period ended September 30, 2005

OR

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

For the transition period from _____ to _____

Commission file number 000-25499

NETWORK INSTALLATION CORPORATION

(Exact name of small business issuer as specified in its charter)

Nevada

88-0390360

State or other jurisdiction of
Incorporation or organization

(IRS Employer
Identification Number)

15235 Alton Parkway, Suite 200, Irvine, CA

92618

(Address of principal executive offices)

(Zip Code)

(949) 753-7551

(Issuer's telephone number, including area code)

Check whether the issuer (1) filed all reports required to be filed by Section 13 or 15(d) of the Exchange Act during the past 12 months (or for such shorter period that the Issuer was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

State the number of shares outstanding of each of the Issuer's classes of common equity, as of the latest practicable date:

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

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As of September 30, 2005 there were 30,562,082 shares of common stock issued and outstanding, \$0.001 par value.

TRANSITIONAL SMALL BUSINESS DISCLOSURE FORMAT (CHECK ONE) YES [] NO [X]

NETWORK INSTALLATION CORP. AND SUBSIDIARIES TABLE OF CONTENTS

	Page
-----	-----
Part I - Financial Information	2
-----	-----
Item 1 - Financial Statements.	2
-----	-----
Consolidated Balance Sheet as of September 30, 2005	2
-----	-----
Consolidated Statements of Operations for the Three and Nine Months Ended September 30, 2005 and September 30, 2004	3
-----	-----
Consolidated Statements of Cash Flows for the Nine Months Ended September 30, 2005 and September 30, 2004	4
-----	-----
Consolidated Stockholders' Equity (Deficit) as of September 30, 2005	5
-----	-----
Report on Review by Independent Public Accountant	6
-----	-----
Notes to Consolidated Financial Statements	7
-----	-----
Item 2 - Management's Discussion and Analysis or Plan of Operation.	12
-----	-----
Item 3 - Controls and Procedures.	14
-----	-----
Part II - Other Information	15
-----	-----
Item 1 - Legal Proceedings.	15
-----	-----
Item 2 - Unregistered Sales of Equity Securities and Use of Proceeds.	15
-----	-----
Item 3 - Defaults Upon Senior Securities.	16
-----	-----
Item 4 - Submission of Matters to a Vote of Security Holders.	16
-----	-----
Item 5 - Other Information.	16
-----	-----
Item 6 - Exhibits and Reports on Form 8-K.	16
-----	-----

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ITEM 1. FINANCIAL STATEMENTS.

Network Installation Corp.
Consolidated Balance Sheets

	Septemeber 30, 2005 (Unaudited)	December 31, 2004
	-----	-----
ASSETS		
Current Assets:		
Cash	\$ 1,325,878	\$ 1,732
Accounts Receivable	2,496,486	500,833
Allowance for Doubtful Accounts	(501,809)	(95,486)
Inventory	1,429,206	-
Costs in Excess of Billings	408,900	-
Other current assets	20,220	595,812
	-----	-----
Total Current Assets	5,178,881	1,002,891
	-----	-----
Fixed Assets:		
Vehicles	271,172	-
Equipment	211,615	-
Leasehold improvements	69,257	-
Software	71,838	-
Furniture and Fixtures	213,671	46,098
	-----	-----
	837,553	46,098
Less: Accumulated Depreciation	(461,517)	(9,937)
	-----	-----
Total Fixed Assets	376,036	36,161
	-----	-----
Other Assets:		
Patents	2,500	-
Goodwill	11,144,216	-
Security Deposits	20,690	19,916
	-----	-----
Total Other Assets	11,167,406	19,916
	-----	-----
TOTAL ASSETS	\$ 16,722,323	\$1,058,968
	=====	=====

LIABILITIES AND STOCKHOLDERS' EQUITY

Current Liabilities:		
Accounts Payable & Accrued Expenses	2,432,859	1,148,428
Bank Line of Credit	120,384	-
Billings in excess of costs	705,607	-

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Payroll taxes payable	405,418	-
Notes Payable	844,302	85,075
Notes Payable - related parties	290,964	120,580
Convertible debts - current	301,333	-
Convertible debts - related parties	452,000	-
	<u>5,552,867</u>	<u>1,354,083</u>
Total Current Liabilities.	5,552,867	1,354,083
Long-Term Debt:		
Notes payable	1,266,943	-
Notes payable - related parties	202,539	-
Convertible Debentures	2,999,221	1,582,516
	<u>4,468,703</u>	<u>1,582,516</u>
Total Long-Term Debt.	4,468,703	1,582,516
Stockholders Equity		
Common stock, no par value, 100,000,000 shares.	30,562	23,484
authorized, 30,562,082 shares issued and		
outstanding as of 9/30/05, 23,483,873 shares		
issued and outstanding as of 12/31/04		
Additional Paid-in Capital	26,316,746	7,617,181
Shares to be issued.	116,357	116,249
Accumulated Deficit.	(19,762,912)	(9,634,545)
	<u>6,700,753</u>	<u>(1,877,631)</u>
Total Stockholders' Equity (Deficit)	6,700,753	(1,877,631)
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY.	\$ 16,722,323	\$ 1,058,968
	<u>=====</u>	<u>=====</u>

See Accountants Review Report

Network Installation Corp.
Consolidated Statement of Operations
(Unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2005	2004	2005	2004
Revenue:				
Revenue	\$ 1,075,471	\$ 760,835	\$ 2,964,570	\$ 2,964,570
Cost of Goods Sold	880,032	374,335	2,206,730	1,832,435
Gross Profit	<u>195,439</u>	<u>386,500</u>	<u>757,840</u>	<u>1,132,135</u>

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Costs and Expenses:				
Investor Relations	80,708	119,000	588,170	
Office Salaries	396,421	252,243	871,680	
Officer Compensation	-	-	6,575,426	
Professional Fees	160,321	92,826	253,626	
Telephone	20,332	19,171	54,108	
Bad debt expense	198,695	10,648	198,695	
Insurance	46,987	31,312	118,231	
Consulting Fees	17,187	70,210	77,563	
Rent	41,042	32,167	116,924	
Payroll Taxes	19,635	20,895	49,009	
Depreciation	5,529	538	12,044	
Writeoff of goodwill	628,614	-	628,614	
Other Operating Expenses	69,366	167,032	403,826	
	-----	-----	-----	-----
Total Expenses	1,684,837	816,042	9,947,916	2,
Net Loss from Operations	(1,489,398)	(429,542)	(9,190,076)	(1,
Other Income/Expenses				
Interest Income	1	1,860	1	
Interest Expense	(435,768)	(119,425)	(938,292)	(
	-----	-----	-----	-----
Total Other Income/Expense	(435,767)	(117,565)	(938,291)	(
Net Income (Loss)	\$ (1,925,165)	\$ (547,107)	\$ (10,128,367)	\$ (1,
	=====	=====	=====	=====
Basic and Diluted Loss per Common Share	\$ (0.11)	\$ (0.02)	\$ (0.49)	\$
	=====	=====	=====	=====
Basic and diluted weighted average				
shares outstanding	17,764,338	23,168,012	20,606,252	18,