

Edgar Filing: NETWORK INSTALLATION CORP - Form 10QSB

NETWORK INSTALLATION CORP

Form 10QSB

July 29, 2005

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-QSB  
(Mark One)

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

For the quarterly period ended June 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  
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(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:

As of July 28, 2005 there were 16,545,505 shares of Common Stock issued and outstanding, \$0.001 par value.

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

## NETWORK INSTALLATION CORP. AND SUBSIDIARIES TABLE OF CONTENTS

Page	
-----	
Part I - Financial Information	
-----	
Item 1 - Financial Statements.	
-----	
Consolidated Balance Sheet as of June 30, 2005	2
-----	
Consolidated Statements of Operations for the Three and Six Months Ended June 30, 2005 and June 30, 2004	3
-----	
Consolidated Statements of Cash Flows for the Nine Months Ended June 30, 2005 and June 30, 2004	3
-----	
Consolidated Stockholders' Equity (Deficit) as of June 30, 2005	4
-----	
Report on Review by Independent Public Accountant	5
-----	
Notes to Consolidated Financial Statements	6
-----	
Item 2 - Management's Discussion and Analysis or Plan of Operation.	11
-----	
Item 3 - Controls and Procedures.	14
-----	
Part II - Other Information	
-----	
Item 1 - Legal Proceedings.	14
-----	
Item 2 - Unregistered Sales of Equity Securities and Use of Proceeds.	14
-----	
Item 3 - Defaults Upon Senior Securities.	15
-----	
Item 4 - Submission of Matters to a Vote of Security Holders.	15
-----	
Item 5 - Other Information.	15
-----	
Item 6 - Exhibits and Reports on Form 8-K.	15
-----	

### PART I - FINANCIAL INFORMATION

#### ITEM 1. FINANCIAL STATEMENTS.

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	June 30, 2005 (Unaudited)	December 31, 2004
ASSETS		
Current Assets:		
Cash . . . . .	\$ 408,900	\$ 1,732
Accounts Receivable . . . . .	1,054,830	500,833
Allowance for Doubtful Accounts . . . . .	(95,486)	(95,486)
Inventory . . . . .	133,559	-
Prepaid Expenses . . . . .	17,187	595,812
Total Current Assets . . . . .	1,518,990	1,002,891
Fixed Assets:		
Vehicles . . . . .	48,515	-
Equipment . . . . .	18,767	-
Furniture and Fixtures . . . . .	46,098	46,098
	113,380	46,098
Less: Accumulated Depreciation . . . . .	(48,454)	(9,937)
Total Fixed Assets . . . . .	64,926	36,161
Other Assets:		
Goodwill . . . . .	628,614	-
Security Deposits . . . . .	20,690	19,916
Total Other Assets . . . . .	649,304	19,916
TOTAL ASSETS . . . . .	\$ 2,233,220	\$1,058,968
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current Liabilities:		
Accounts Payable & Accrued Expenses . . . . .	1,623,418	1,148,428
Bank Line of Credit . . . . .	101,001	-
Notes Payable . . . . .	267,153	85,075
Notes Payable - Stockholder . . . . .	52,790	120,580
Total Current Liabilities . . . . .	2,044,362	1,354,083
Long-Term Debt:		
Convertible Debentures - Long-Term Debt . . . . .	2,385,270	1,582,516
Total Long-Term Debt . . . . .	2,385,270	1,582,516
Stockholders Equity		

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Common stock, no par value, 50,000,000 shares. . . . .	16,546	23,484
authorized, 16,545,505 shares issued and outstanding		
6/30/05, 23,483,873 shares issued and outstanding		
12/31/04		
Additional Paid-in Capital . . . . .	15,508,432	7,617,181
Subscriptions Receivable . . . . .	-	-
Shares to be issued. . . . .	116,357	116,249
Accumulated Deficit. . . . .	(17,837,747)	(9,634,545)
	-----	-----
Total Stockholders' Equity (Deficit) . . . . .	(2,196,412)	(1,877,631)
	-----	-----
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY. . . . .	\$ 2,233,220	\$ 1,058,968
	=====	=====

See Accountants Review Report

2

## Network Installation Corp. Consolidated Statement of Operations (Unaudited)

	Three-Months Ended June 30,		Six-Months Ended June 30,	
	2005	2004	2005	2004
Revenue:				
Revenue	\$1,138,383	\$729,405	\$1,889,099	\$1,138,383
Cost of Goods Sold	902,620	347,091	1,326,698	502,620
	-----	-----	-----	-----
Gross Profit	235,763	382,314	562,401	635,763
Costs and Expenses:				
Investor Relations	160,144	217,800	507,462	311,308
Office Salaries	265,004	311,308	475,259	121,800
Financing Commissions	121,800	-	121,800	6,575,426
Officer Compensation	-	-	6,575,426	93,305
Professional Fees	63,963	87,539	93,305	33,776
Telephone	13,803	67,694	33,776	71,244
Insurance	58,266	27,955	71,244	60,376
Consulting Fees	27,188	48,750	60,376	75,882
Rent	39,818	20,873	75,882	42,740
Payroll Taxes	25,966	35,338	42,740	9,738
Depreciation	4,869	1,332	9,738	196,071
Other Operating Expenses	100,054	79,870	196,071	880,875
	-----	-----	-----	-----
Total Expenses	880,875	898,459	8,263,079	1,138,383
Net Loss from Operations	(645,112)	(516,145)	(7,700,678)	(1,138,383)
Other Income/Expenses				
Interest Income	\$ -	2,017	-	(330,347)
Interest Expense	(330,347)	(49,825)	(502,524)	

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Total Other Income/Expense	(330,347)	(47,808)	(502,524)	(
Net Income (Loss)	(975,459)	(563,953)	(8,203,202)	(1,
	=====	=====	=====	=====
Basic and Diluted Loss per Common Share	\$ (0.05)	\$ (0.05)	\$ (0.38)	
	=====	=====	=====	=====