

MOBIVITY HOLDINGS CORP.
Form 10-Q
May 15, 2013

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-Q

(Mark One)

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

For the quarterly period ended March 31, 2013

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 000-53851

Mobivity Holdings Corp.
(Exact Name of Registrant as Specified in Its Charter)

Nevada
(State or Other Jurisdiction of
Incorporation or Organization)

26-3439095
(I.R.S. Employer
Identification No.)

58 W. Buffalo St. #200
Chandler, AZ 85225
(Address of Principal Executive Offices & Zip Code)

(866) 622-4261
(Registrant's Telephone Number)

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 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 has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). 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):

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Large accelerated filer Accelerated filer
Non-accelerated filer Smaller reporting company

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

As of April 22, 2013, the registrant had 23,218,117 shares of common stock issued and outstanding.

MOBIVITY HOLDINGS CORP.
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Part I - Financial Information

Item 1. Financial Statements

Mobivity Holdings Corp. Consolidated Balance Sheets		
	March 31, 2013 (Unaudited)	December 31, 2012 (Audited)
ASSETS		
Current assets		
Cash	\$44,182	\$363
Accounts receivable, net of allowance for doubtful accounts of \$33,102 and \$44,700, respectively	211,278	414,671
Acquisition deposit	195,630	-
Other current assets	89,234	30,009
Total current assets	540,324	445,043
Equipment, net	12,255	14,111
Goodwill	2,259,624	2,259,624
Intangible assets, net	412,155	444,112
Other assets	33,800	187,117
TOTAL ASSETS	\$3,258,158	\$3,350,007
LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIT)		
Current liabilities		
Accounts payable	\$608,114	\$514,949
Accrued interest	429,399	321,368
Accrued and deferred personnel compensation	274,929	299,534
Deferred revenue - related party	35,262	35,262
Deferred revenue and customer deposits	187,054	181,731
Convertible notes payable, net of discount	4,237,633	2,857,669
Notes payable	171,984	171,984
Derivative liabilities	4,194,373	3,074,504
Other current liabilities	112,246	250,144
Earn-out payable	-	2,032,881
Total current liabilities	10,250,994	9,740,026
Commitments and Contingencies (See Note 9)		
Stockholders' equity (deficit)		
Common stock, \$0.001 par value; 150,000,000 shares authorized; 23,218,117 and 23,218,117 shares issued and outstanding as of March 31, 2013 and December 31, 2012, respectively	23,218	23,218
Common stock payable	1,711,490	-
Additional paid-in capital	25,521,840	25,412,932
Accumulated deficit	(34,249,384)	(31,826,169)
Total stockholders' equity (deficit)	(6,992,836)	(6,390,019)
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIT)	\$3,258,158	\$3,350,007

See accompanying notes to consolidated financial statements (unaudited).

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Mobivity Holdings Corp.
Consolidated Statements of Operations
(Unaudited)

	Three months ended March 31,	
	2013	2012
Revenues		
Revenues	\$1,027,993	\$1,013,206
Cost of revenues	284,622	367,769
Gross margin	743,371	645,437
Operating expenses		
General and administrative	532,628	917,582
Sales and marketing	362,896	347,251
Engineering, research, and development	94,055	160,213
Depreciation and amortization	33,813	154,617
Total operating expenses	1,023,392	1,579,663
Loss from operations	(280,021)	(934,226)
Other income/(expense)		
Interest income	3	-
Interest expense	(1,447,359)	(358,178)
Change in fair value of derivative liabilities	(1,001,550)	(460,487)
Gain on adjustment in contingent consideration	305,712	60,651
Total other income/(expense)	(2,143,194)	(758,014)
Loss before income taxes	(2,423,215)	(1,692,240)
Income tax expense		