

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

(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]

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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

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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	500,000
Gross Profit	-----	-----	-----	-----
Gross Profit	235,763	382,314	562,401	638,383
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	-----	-----	-----	-----
Total Expenses	880,875	898,459	8,263,079	1,138,383
Net Loss from Operations	(645,112)	(516,145)	(7,700,678)	(638,383)
Other Income/Expenses				
Interest Income	\$ -	2,017	-	(330,347)
Interest Expense	(330,347)	(49,825)	(502,524)	(2,017)

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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) =====	=====