

Edgar Filing: VFINANCE INC - Form 8-K/A

VFINANCE INC
Form 8-K/A
December 29, 2006

United States
Securities and Exchange Commission
Washington, D.C. 20549

FORM 8-K/A

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of earliest event reported

VFINANCE, INC.

(EXACT NAME OF REGISTRANT AS SPECIFIED IN ITS CHARTER)

DELAWARE

(STATE OR OTHER JURISDICTION OF INCORPORATION OF ORGANIZATION)

1-11454-03

58-1974423

(COMMISSION FILE NUMBER)

(I.R.S. ID)

3010 North Military Trail, Suite 300 Boca Raton, FL
(ADDRESS OF PRINCIPAL EXECUTIVE OFFICES)

33431
(ZIP CODE)

REGISTRANT'S TELEPHONE NUMBER, INCLUDING AREA CODE
(561) 981-1000

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

GENERAL EXPLANATION

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The purpose of this report is to amend the Registrant's Current Report on Form 8-K dated May 11, 2006 that was filed with the Securities and Exchange Commission on May 16, 2006 (the "Initial Report") which reported on its acquisition of certain assets of Sterling Financial Investment Group, Inc. and Sterling Financial Group of Companies, Inc. This report amends the Initial Report so as to provide the financial information required pursuant to Items 9.01(b) of Form 8-K. All other items of the Initial Report are unchanged and are incorporated herein by reference.

ITEM 9.01 FINANCIAL STATEMENTS AND EXHIBITS.

(a) Financial Statements of Business Acquired.

Not applicable

(b) Pro Forma Financial Information.

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UNAUDITED PRO FORMA COMBINED FINANCIAL STATEMENTS

In accordance with Item 9.01(b)(1) of Form 8-K, the pro forma financial information required by Item 9.01(b) of Form 8-K is set forth below.

The unaudited pro forma consolidated financial information of the Company is based on and should be read in conjunction with the audited consolidated financial statements and notes thereto appearing in the Company's Annual Report on Form 10-K for the year ended December 31, 2005. The accompanying unaudited pro forma condensed consolidated statements of operations for the six months ended June 30, 2006 and 2005 and the for the year ended December 31, 2005 are presented as if the asset acquisition discussed in Item 2.01 hereof had been completed as of January 1, 2005.

In the opinion of management, the accompanying unaudited pro forma condensed consolidated financial statements include all material adjustments necessary to reflect, on a pro forma basis, the impact of such disposition and acquisition on the historical financial information of the Company. The adjustments are described in the notes to the unaudited pro forma condensed consolidated financial information and are set forth in the "Pro Forma Adjustments" column.

The unaudited pro forma condensed consolidated financial information has been presented for informational purposes only and is not indicative of any future results of operations or the results that might have occurred if the acquisition had actually been completed on the indicated dates.

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For the year ended December 31, 2005

	vFinance	Sterling	Pro Forma
	-----	-----	-----
Revenues:			
Commissions - agency	\$ 15,941,221	\$ 3,472,565	
Trading profits	4,177,402	6,272,274	
Success fees	2,006,016	-	
Other brokerage related income	2,837,589	209,709	
Consulting fees	523,644	-	
Other	503,010	-	
	-----	-----	-----
Total revenues	25,988,882	9,954,548	
	-----	-----	-----
Operating expenses:			
Compensation, commissions and benefits	20,293,940	7,537,989	
Clearing and transaction costs	3,017,243	803,515	
General and administrative costs	2,752,786	1,163,853	
Occupancy and equipment costs	743,295	1,638	
Depreciation and amortization	299,604	-	6
Stock based compensation	19,412	-	
	-----	-----	-----
Total operating expenses	27,126,280	9,506,995	6
	-----	-----	-----
Income (loss) from operations	(1,137,398)	447,553	(6
Income tax benefit (provision)			
Net income (loss)	\$ (1,137,398)	\$ 447,553	\$ (6
	=====	=====	=====
Net income (loss) per share: basic and diluted	\$ (0.03)		\$
	=====		=====
Weighted average shares outstanding:			
basic and diluted	40,049,654		13,0
	=====		=====

The pro forma adjustment represents amortization expense related to the acquired customer relation which has been assigned a useful life of five years.

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VFINANCE, INC
Unaudited Pro Forma Statement of Operations
For the six months ended June 30, 2006

	vFinance	Sterling	Pro Forma Ad
	-----	-----	-----
Revenues:			

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Commissions - agency	9,524,835	1,259,971	
Trading profits	4,004,032	2,295,419	
Success fees	2,850,548	-	
Other brokerage related income	1,546,037	203,977	
Consulting fees	303,026	-	
Other	352,836	-	
	-----	-----	-----
Total revenues	18,581,314	3,759,367	
	-----	-----	-----
Operating expenses:			
Compensation, commissions and benefits	14,208,788	3,194,837	
Clearing and transaction costs	2,007,589	300,078	
General and administrative costs	1,344,319	189,511	
Occupancy and equipment costs	554,957	26,991	
Depreciation and amortization	407,055	-	340,6
Stock based compensation	236,029	-	
	-----	-----	-----
Total operating expenses	18,758,737	3,711,417	340,6
	-----	-----	-----
Income (loss) from operations	(177,423)	47,950	(340,6
Income tax benefit (provision)	-	-	
Net income (loss)	\$ (177,423)	\$ 47,950	\$ (340,6
	=====	=====	=====
Net income (loss) per share: basic and diluted	\$ (0.00)		\$ (0.
	=====		=====
Weighted average shares outstanding:			
basic and diluted	43,717,293		13,000,0
	=====		=====

The pro forma adjustment represents amortization expense related to the acquired customer relation has been assigned a useful life of five years.

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VFINANCE, INC
 Unaudited Pro Forma Statement of Operations
 For the six months ended June 30, 2005

	vFinance	Sterling	Pro Forma
	-----	-----	-----
Revenues:			
Commissions - agency	7,401,588	1,808,258	
Trading profits	2,423,861	3,842,826	
Success fees	1,005,401	-	
Other brokerage related income	1,397,770	12,208	
Consulting fees	387,144	-	
Other	237,985	-	

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Total revenues	12,853,749	5,663,292	
Operating expenses:			
Compensation, commissions and benefits	9,946,936	4,124,517	
Clearing and transaction costs	1,523,343	381,878	
General and administrative costs	1,109,647	689,620	
Occupancy and equipment costs	360,366	1,383	
Depreciation and amortization	134,799	-	340
Stock based compensation	2,647	-	
Total operating expenses	13,077,738	5,197,398	340
Income (loss) from operations	(223,989)	465,894	(340)
Income tax benefit (provision)	-	-	
Net income (loss)	\$ (223,989)	\$465,894	\$ (340)
Net income (loss) per share: basic and diluted	\$ (0.01)		\$ (
Weighted average shares outstanding:			
basic and diluted	39,815,966		13,000

The pro forma adjustment represents amortization expense related to the acquired customer relation which has been assigned a useful life of five years.

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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Dated: December 29, 2006

vFinance, Inc.

By: /s/ Alan Levin

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Name: Alan Levin

Title: Interim Chief Financial Officer

End of Filing

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