INNOVATIVE FOOD HOLDINGS INC

Form 10-Q November 14, 2013

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION Washington D. C. 20549

FORM 10-Q

x Quarterly report pursuant to Section 13 or 15(d) of the Securities and Exchange Act of 1934 For the quarterly period ended September 30, 2013

o Transition report pursuant to Section 13 or 15(d) of the Exchange Act For the transition period from ______ to _____.

Commission File Number: 0-9376

INNOVATIVE FOOD HOLDINGS, INC. (Exact Name of Registrant as Specified in its Charter)

Florida (State or Other Jurisdiction of Incorporation or Organization) 20-1167761 (IRS Employer I.D. No.)

28411 Race Track Rd.
Bonita Springs, Florida 34135
(Address of Principal Executive Offices)

(239) 596-0204 (Registrant's Telephone Number, Including Area Code)

(Former name, former address and former fiscal year, if changed since last report)

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 x NO o

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 during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). YES x NO o

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):

Large Accelerated filer o

Non-accelerated filer o

Smaller reporting company x

(Do not check if a smaller reporting company)

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

State the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date 6,722,412 shares of common stock outstanding and 7,337,125 shares issued as of November 7, 2013.

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PART I. FINANCIAL INFORMATION

ITEM 1 - CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Innovative Food Holdings, Inc. and Subsidiaries Condensed Consolidated Balance Sheets

Current assets \$ 1,374,792 \$ 1,347,092 Accounts receivable net 746,230 959,805 Inventory 805,691 517,631 Other current assets 2,938,029 2,838,218 Property and equipment, net 971,622 145,632 Intangible assets, net 933,412 1,071,322 Total assets \$ 4,843,065 \$ 4,055,172 LIABILITIES AND STOCKHOLDERS' EQUITY Verrent liabilities \$ 1,310,592 \$ 1,376,772 Accrued liabilities - related parties 103,217 342,880 Accrued liabilities - related parties 103,217 342,880 Accrued interest, net, current portion 744,246 - Accrued interest, ret, current portion 744,246 - Accrued interest, ret, current portion, net of discount 257,630 111,543 Notes payable, current portion, net of discount 257,630 110,500 Accrued interest, related parties, current portion 110,500 110,500 Contingent purchase price liability 37,500 48,070 Accrued interest - net, long term portion -	ASSETS		eptember 30, 2013 Unaudited)	De	ecember 31, 2012
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Accumulated deficit (5,577,498) (5,177,106)	•				
Accumulated deficit (5,577,498) (5,177,106)			(100,099)		(99)
	Total stockholder's equity				

Total liabilities and stockholders' equity

\$ 4,843,065 \$ 4,055,172

See notes to these unaudited condensed consolidated financial statements.

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Innovative Food Holdings, Inc. and Subsidiaries Condensed Consolidated Statements of Operations (UNAUDITED)

	For the Three Months Ended September 30, 2013		Mo	For the Three Months Ended September 30, 2012		For the Nine onths Ended eptember 30, 2013	For the Nine Months Ended September 30, 2012	
Revenue	\$	6,005,091	\$	5,130,418	\$	17,131,361	\$	12,768,596
Cost of goods sold		4,326,573		3,872,444		12,391,963		9,645,040
Gross margin		1,678,518		1,257,974		4,739,398		3,123,556

Selling, general and administrative expenses