

ADVANTAGE TECHNOLOGIES GROUP INC
Form 10-Q
May 13, 2008

UNITED STATES
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, 2008

OR

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 1-10799

ADDvantage Technologies Group, Inc.
(Exact name of registrant as specified in its charter)

OKLAHOMA 73-1351610
(State or other jurisdiction of incorporation or (I.R.S. Employer Identification No.)
organization)

1221 E. Houston
Broken Arrow, Oklahoma 74012
(Address of principal executive office)
(918) 251-9121
(Registrant's telephone number, including area code)

Indicate by check mark whether the issuer (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 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

Shares outstanding of the issuer's \$.01 par value common stock as of April 25, 2008 were 10,272,015.

ADVANTAGE TECHNOLOGIES GROUP, INC.
Form 10-Q
For the Period Ended March 31, 2008

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SIGNATURES

ADVANTAGE TECHNOLOGIES GROUP, INC.
CONSOLIDATED BALANCE SHEET

	March 31, 2008 (Unaudited)	September 30, 2007 (Audited)
Assets		
Current assets:		
Cash	\$ 28,890	\$ 60,993
Accounts receivable, net allowance of \$250,000 and \$261,000, respectively	6,746,436	6,709,879
Income Tax Receivable	-	153,252
Inventories, net of allowance for excess and obsolete inventory of \$1,066,000 and \$697,000, respectively	34,350,624	31,464,527
Deferred income taxes	968,000	678,000
Total current assets	42,093,950	39,066,651
Property and equipment, at cost:		
Land and buildings	7,103,399	6,488,731
Machinery and equipment	3,199,903	3,144,927
Leasehold improvements	205,797	205,797
	10,509,099	9,839,455
Less accumulated depreciation and amortization	(2,520,092)	(2,341,431)
Net property and equipment	7,989,007	7,498,024
Other assets:		
Deferred income taxes	899,000	679,000
Goodwill	1,560,183	1,560,183
Other assets	241,602	204,843
Total other assets	2,700,785	2,444,026
Total assets	\$ 52,783,742	\$ 49,008,701

See notes to unaudited consolidated financial statements.

ADVANTAGE TECHNOLOGIES GROUP, INC.
CONSOLIDATED BALANCE SHEETS

	March 31, 2008 (Unaudited)	September 30, 2007 (Audited)
Liabilities and Stockholders' Equity		
Current liabilities:		
Accounts payable	\$ 3,219,674	\$ 4,301,672
Accrued expenses	940,559	1,331,890
Income taxes payable	237,940	-
Bank revolving line of credit	4,325,540	1,735,405
Notes payable – current portion	1,858,911	1,427,693
Dividends payable	-	210,000
Total current liabilities	10,582,624	9,006,660
Notes payable	16,793,380	5,845,689
Other liabilities	816,050	-
Total liabilities	28,192,054	14,852,349
Stockholders' equity:		
Preferred stock, 5,000,000 shares authorized, \$1.00 par value, at stated value:		
Series B, 7% cumulative; 300,000 shares issued and outstanding with a stated value of \$40 per share	-	12,000,000
Common stock, \$.01 par value; 30,000,000 shares authorized; 10,293,115 and 10,270,756 shares issued, respectively	102,931	102,708
Paid-in capital	(6,291,793) &#	