

Veracity Management Global, Inc.
Form 10-Q
May 17, 2010

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

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

For the quarterly period ended March 31, 2010

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 0-52493

VERACITY MANAGEMENT GLOBAL, INC.
(Exact Name Of Registrant As Specified In Its Charter)

Delaware
(State of Incorporation)

43-1889792
(I.R.S. Employer Identification No.)

21819 Town Place Dr. Boca Raton, FL
(Address of Principal Executive Offices)

33433
(ZIP Code)

Registrant's Telephone Number, Including Area Code: (561)613-1888

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 is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

Large Accelerated Filer Accelerated Filer Non-Accelerated Filer Smaller Reporting Company
 (Do not check if a smaller reporting company)

On May 13, 2010, the Registrant had 16,643,057 shares of common stock issued and outstanding.

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PART I - FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS (Unaudited)

VERACITY MANAGEMENT GLOBAL, INC.
BALANCE SHEETS
(UNAUDITED)
(A Development Stage Company)

ASSETS	March 31, 2010	June 30, 2009
Current Assets	\$-	\$-
Total Current Assets	-	-
Total Assets	\$-	\$-
LIABILITIES AND STOCKHOLDERS' DEFICIT		
Current Liabilities		
Accounts Payable	\$1,310	\$3,524
Accounts Payable - Related party	67,223	57,055
Total Current Liabilities	68,533	60,579
Long-term Debt	-	-
Total Liabilities	68,533	60,579
Stockholders' Deficit		
Preferred Stock, \$.001 par value, 5,000,000 shares authorized, 0 shares issued and outstanding	-	-
Common Stock, \$.001 par value, 3,500,000,000 shares authorized, 16,643,057 and 16,643,057 shares issued and outstanding at March 31, 2010 and June 30, 2009 respectively	16,635	16,635
Additional paid-in capital	4,052,836	4,052,836
Accumulated deficit during the development stage	(4,040,470)	(4,040,470)
Accumulated deficit during the development stage	(97,534)	(89,580)
Total Stockholders' Deficit	(68,533)	(60,579)
Total Liabilities and Stockholders' Defecit	\$-	\$-

The accompanying notes to the financial statements are integral part of these financial statements

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VERACITY MANAGEMENT GLOBAL, INC.

Statements of Operations

For the Three Months and Nine Months Ended March 31, 2010 and 2009 and the period re-entered development stage (July, 1, 2008) to March 31, 2010

(A Development Stage Company)

(Unaudited)

	Three Months Ended	Three Months Ended	Nine Months Ended	Nine Months Ended	Period re-entered development Stage (July 1, 2008) to March 31, 2010
	March 31, 2010	March 31, 2009	March 31, 2010	March 31, 2009	March 31, 2010
Revenues	\$-	\$-	\$-	\$-	\$ -
Cost of Sales	-	-	-	-	-
Gross Profit	-	-	-	-	-
Expenses					
Administrative Expenses	1,000	4,500	5,400	31,233	44,980
General Expenses	1,336	-	2,554	50,000	52,554
Selling Expenses	-	-	-	-	-
Total Expenses	2,336	4,500	7,954	81,233	97,534
Net Loss	\$(2,336)	\$(4,500)	\$(7,954)	\$(81,233)	\$(97,534)
Basic and Diluted Net Loss per Share	*	*	*	*	
Weighted Average Shares	16,643,057	16,643,057	16,643,057	15,893,057	

* less than (\$0.01)

The accompanying notes to the financial statements are integral part of these financial statements

VERACITY MANAGEMENT GLOBAL, INC.
 STATEMENT OF STOCKHOLDERS' DEFICIT
 (Unaudited)
 (A Development Stage Company)

	Common Stock Shares	Amount	Additional Paid-in Capital	Accumulated Deficit during developmnet stage	Accumulated Deficit	Total
Balance at June 30, 2009	16,643,057	\$16,635	\$4,052,836	\$ (89,580)	\$ (4,040,470)	\$(60,579)
Net loss				(7,954)		(7,954)
Balance at March 31, 2010	16,643,057	\$16,635	\$4,052,836	\$ (97,534)	\$ (4,040,470)	\$(68,533)

The accompanying notes to the financial statements are integral part of these financial statements

VERACITY MANAGEMENT GLOBAL, INC.

STATEMENTS OF CASH FLOW
(Unaudited)
(A Development Stage Company)

	Nine Months Ended, March 31, 2010	Nine Months Ended, March 31, 2009	Period re-entered development stage (July 1, 2008) to March 31, 2010
CASH FLOWS FROM OPERATING ACTIVITIES			
Net loss from continuing operations	\$(7,954)	\$(81,233)	\$ (97,534)
Adjustments to reconcile net loss to net cash used in operating activities:			
Shares issued for services:	-	50,000	50,000
Increase (decrease) in:			
Due to Related Parties	10,168	-	46,224
Accounts Payable	(2,214)	31,233	1,310
Net cash used in operating activities	-	-	-
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from sale of common stock	-	-	-
Net cash provided by financing activities	-	-	-
NET INCREASE (DECREASE) IN CASH	-	-	-
CASH - BEGINNING OF PERIOD	-	-	-
CASH - END OF PERIOD	\$-	\$-	\$ -
Supplemental Disclosure of Non-Cash Disposal of Assets related to Discontinued Operations			
Accounts Receivable	\$-	\$169,255	\$ -
Fixed Assets	-	5,041	-
Other Assets	-	21,771	-
Accounts Payable	-	(746,966)	-
Accrued Expenses	-	(79,512)	-
Note Payable	-	(294,798)	-
Common Stock	-	(20,108)	-
Additional Paid in Capital	-	945,317	-
	\$-	\$-	\$ -

The accompanying notes to the financial statements are integral part of these financial statements

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VERACITY MANAGEMENT GLOBAL, INC.
NOTES TO FINANCIAL STATEMENTS
NINE MONTHS ENDED MARCH 31, 2010
(A Development Stage Company)
(Unaudited)

NOTE 1 – BASIS OF PRESENTATION

The accompanying financial statements of Veracity Management Global, Inc (the "Company", "VCMG") at March 31, 2010 have been prepared without audit, pursuant to the rules and regulations of the Securities and Exchange Commission. Certain information and footnote disclosures normally included in financial statements prepared in conformity with generally accepted accounting principles have been omitted or condensed pursuant to such rules and regulations. These statements should be read in conjunction with VCMG's audited financial statements and notes thereto included in VCMG's Form 10-K. In management's opinion, these unaudited interim financial statements reflect all adjustments (consisting of normal and recurring adjustments) necessary for a fair presentation of the financial position and results of operations for each of the periods presented. The accompanying unaudited interim financial statements for the nine months ended March 31, 2010 are not necessarily indicative of the results which can be expected for the entire year.

Basis of Presentation

The Company follows accounting principles generally accepted in the United States of America. Certain prior period amounts have been reclassified to conform to the September 30, 2008 presentation. On August 2, 2007, the Company's Board of Directors approved a 1 for 73 reverse split of the Company's common stock by Action of the Board and a majority of shareholders. All information related to common stock, warrants to purchase common stock and earnings per share have been retroactively adjusted to give effect to the stock split.

The statements of operations show the effect of a reclassification of the distribution of the subsidiary companies until July 1, 2008. The reclassification included all parts of the prior operations for both subsidiary companies as loss from discontinued operations for the prior reported period.

In the opinion of management, all adjustments, consisting of normal recurring adjustments, necessary for a fair presentation of financial position and the results of operations for the interim periods presented have been reflected herein. The financial statements include the accounts of Veracity Management Global, Inc and the operations of Secured Financial Data, Inc and Veracity Management Group, Inc. are being reported as loss from discontinued operations. Any inter-company transactions have been eliminated as part of the transaction.

As a development stage company, the Company continues to rely on infusions of debt and equity capital to fund operations. The Company relies principally on cash infusions from its directors and affiliates, and paid a significant amount of personal services and salaries in the form of common stock.

Recently Adopted Accounting Pronouncements

Effective June 30, 2009, the Company adopted a new accounting standard issued by the FASB related to the disclosure requirements of the fair value of the financial instruments. This standard expands the disclosure requirements of fair value (including the methods and significant assumptions used to estimate fair value) of certain

financial instruments to interim period financial statements that were previously only required to be disclosed in financial statements for annual periods. In accordance with this standard, the disclosure requirements have been applied on a prospective basis and did not have a material impact on the Company's financial statements.

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In June 2009, the Financial Accounting Standards Board ("FASB") established the FASB Accounting Standards Codification (the "Codification") as the source of authoritative accounting principles recognized by the FASB to be applied by non-governmental entities in the preparation of financial statements in conformity with GAAP. Rules and interpretive releases of the Securities and Exchange Commission ("SEC") under authority of federal securities laws are also sources of authoritative GAAP for SEC registrants. The introduction of the Codification does not change GAAP and other than the manner in which new accounting guidance is referenced, the adoption of these changes had no impact on the our consolidated financial statements.

Recently Issued Accounting Standards

In August 2009, the FASB issued an amendment to the accounting standards related to the measurement of liabilities that are recognized or disclosed at fair value on a recurring basis. This standard clarifies how a company should measure the fair value of liabilities and that restrictions preventing the transfer of a liability should not be considered as a factor in the measurement of liabilities within the scope of this standard. This standard is effective for the Company on October 1, 2009. The Company does not expect the impact of its adoption to be material to its financial statements.

In October 2009, the FASB issued an amendment to the accounting standards related to the accounting for revenue in arrangements with multiple deliverables including how the arrangement consideration is allocated among delivered and undelivered items of the arrangement. Among the amendments, this standard eliminated the use of the residual method for allocating arrangement considerations and requires an entity to allocate the overall consideration to each deliverable based on an estimated selling price of each individual deliverable in the arrangement in the absence of having vendor-specific objective evidence or other third party evidence of fair value of the undelivered items. This standard also provides further guidance on how to determine a separate unit of accounting in a multiple-deliverable revenue arrangement and expands the disclosure requirements about the judgments made in applying the estimated selling price method and how those judgments affect the timing or amount of revenue recognition. This standard, for which the Company is currently assessing the impact, will become effective for the Company on January 1, 2011.

In October 2009, the FASB issued an amendment to the accounting standards related to certain revenue arrangements that include software elements. This standard clarifies the existing accounting guidance such that tangible products that contain both software and non-software components that function together to deliver the product's essential functionality, shall be excluded from the scope of the software revenue recognition accounting standards.

Accordingly, sales of these products may fall within the scope of other revenue recognition standards or may now be within the scope of this standard and may require an allocation of the arrangement consideration for each element of the arrangement. This standard, for which the Company is currently assessing the impact, will become effective for the Company on January 1, 2011.

In April 2008, the FASB issued ASC 350-10, "Determination of the Useful Life of Intangible Assets." ASC 350-10 amends the factors that should be considered in developing renewal or extension assumptions used to determine the useful life of a recognized intangible asset under ASC 350-10, "Goodwill and Other Intangible Assets." ASC No. 350-10 is effective for fiscal years beginning after December 15, 2008. The adoption of this ASC did not have a material impact on our consolidated financial statements.

In April 2009, the FASB issued ASC 805-10, "Accounting for Assets Acquired and Liabilities assumed in a Business Combination That Arise from Contingencies—an amendment of FASB Statement No. 141 (Revised December 2007), Business Combinations". ASC 805-10 addresses application issues raised by preparers, auditors and members of the legal profession on initial recognition and measurement, subsequent measurement and accounting and disclosure of assets and liabilities arising from contingencies in a business combination. ASC 805-10 is effective for assets or liabilities arising from contingencies in business combinations for which the acquisition date is on or after the

beginning of the first annual reporting period beginning on or after December 15, 2008. ASC 805-10 will have an impact on our accounting for any future acquisitions and its consolidated financial statements.

In May 2009, the FASB issued ASC topic 855, "Subsequent Events", which is included in ASC Topic 855, Subsequent Events. ASC Topic 855 established principles and requirements for evaluating and reporting subsequent events and distinguishes which subsequent events should be recognized in the financial statements versus which subsequent events should be disclosed in the financial statements. ASC Topic 855 also requires disclosure of the date through which subsequent events are evaluated by management. ASC Topic 855 was effective for interim periods ending after June 15, 2009 and applies prospectively. Because ASC Topic 855 impacts the disclosure requirements, and not the accounting treatment for subsequent events, the adoption of ASC Topic 855 did not impact our consolidated results of operations or financial condition. See Note 10 for disclosures regarding our subsequent events.

Effective July 1, 2009, we adopted the Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") 105-10, Generally Accepted Accounting Principles—Overall ("ASC 105-10"). ASC 105-10 establishes the FASB Accounting Standards Codification (the "Codification") as the source of authoritative accounting principles recognized by the FASB to be applied by nongovernmental entities in the preparation of financial statements in conformity with U.S. GAAP. Rules and interpretive releases of the SEC under authority of federal securities laws are also sources of authoritative U.S. GAAP for SEC registrants. All guidance contained in the Codification carries an equal level of authority. The Codification superseded all existing non-SEC accounting and reporting standards. All other non-grandfathered, non-SEC accounting literature not included in the Codification is non-authoritative. The FASB will not issue new standards in the form of Statements, FASB Staff Positions or Emerging Issues Task Force Abstracts. Instead, it will issue Accounting Standards Updates ("ASUs"). The FASB will not consider ASUs as authoritative in their own right. ASUs will serve only to update the Codification, provide background information about the guidance and provide the bases for conclusions on the change(s) in the Codification. References made to FASB guidance throughout these consolidated financials have been updated for the Codification.

In August 2009, the FASB issued ASU No. 2009-05, Measuring Liabilities at Fair Value, which provides additional guidance on how companies should measure liabilities at fair value under ASC 820. The ASU clarifies that the quoted price for an identical liability should be used. However, if such information is not available, an entity may use the quoted price of an identical liability when traded as an asset, quoted prices for similar liabilities or similar liabilities traded as assets, or another valuation technique (such as the market or income approach). The ASU also indicates that the fair value of a liability is not adjusted to reflect the impact of contractual restrictions that prevent its transfer and indicates circumstances in which quoted prices for an identical liability or quoted price for an identical liability traded as an asset may be considered level 1 fair value measurements. This ASU is effective October 1, 2009. We are currently evaluating the impact of this standard, but would not expect it to have a material impact on the consolidated results of operations or financial condition.

NOTE 2- GOING CONCERN

Veracity Management Global, Inc.'s financial statements have been prepared on a going concern basis, which contemplates the realization of assets and settlement of liabilities and commitments in the normal course of business for the foreseeable future. Since inception, the Company has accumulated losses aggregating to \$4,138,004 and has insufficient working capital to meet operating needs for the next twelve months as of March 31, 2010, all of which raise substantial doubt about VCMG's ability to continue as a going concern.

NOTE 3 – ACCOUNTS PAYABLE – RELATED PARTY

The officers and directors of the Company have advanced funds to pay for the filing and other necessary costs of the Company. The following are the advances from the officers and directors:

	December 31, 2009	June 30, 2009
Donald W Prosser (Director)	\$61,223	\$51,055
Gregory Paige (CEO & Director)	6,000	6,000
Total	\$67,223	\$57,055

NOTE 4 – SUBSEQUENT EVENTS

There were not any subsequent events through the date May 10, 2010.

ITEM 2: MANAGEMENT'S DISCUSSION AND ANALYSIS AND RESULTS OF OPERATION

Forward-Looking Statement

Some of the statements contained in this quarterly report of Veracity Management Global, Inc., a Delaware corporation (hereinafter referred to as "we", "us", "our", "Company" and the "Registrant") discuss future expectations, contain projections of our plan of operation or financial condition or state other forward-looking information. Forward-looking statements give our current expectations or forecasts of future events. You can identify these statements by the fact that they do not relate strictly to historical or current facts. They use of words such as "anticipate," "estimate," "expect," "project," "intend," "plan," "believe," and other words and terms of similar meaning in connection with any discussion of future operating or financial performance. From time to time, we also may provide forward-looking statements in other materials we release to the public.

General

The Registrant acquired its operating subsidiaries Veracity Management Group, a Florida corporation ("VMG") and Secured Financial Data Inc., a Florida corporation ("SFD") effective on July 1, 2006. Prior to the acquisition of its operating subsidiaries, during the period from May 2002 until the acquisition of its operating subsidiaries on July 1, 2006, the Registrant had only limited business operations. The Registrant operated the above named subsidiaries until July 1, 2008 until the when the Registrant rescinded the merger and the Registrant has no business operations and is in the business of acquiring a target company or business seeking the perceived advantages of being a publicly held corporation. Our principal business objective for the next 12 months and beyond such time will be to achieve long-term growth potential through a combination with a business rather than immediate, short-term earnings. The Registrant will not restrict our potential candidate target companies to any specific business, industry or geographical location and, thus, may acquire any type of business.

The results of operations comparative information has no meaning as the operations were removed as part of the rescinding of the mergers of the operating businesses.

Results of Operations For the Three Months and the Nine Months Ended March 31, 2010 Compared to Three Months and the Nine Months Ended March 31, 2009

The results of the recession agreement made the Company a shell company as defined in Rule 12b-2 of the Exchange Act.

Revenue: The Company recorded revenue of \$0 and \$0 for the nine months ended March 31, 2010 and 2009, respectively. The Company recorded revenue of \$0 and \$0 for the three months ended March 31, 2010 and 2009, respectively.

Cost of Service: The Company recorded cost of services of \$0 and \$0 for the nine months ended March 31, 2010 and 2009, respectively. The Company recorded cost of services of \$0 and \$0 for the three months ended March 31, 2010 and 2009, respectively.

Administrative Expenses: Our administrative expenses totaled \$5,400 for the nine-months ended March 31, 2010 as compared to \$31,233 administrative expenses for the same period ended March 31, 2009. Our administrative expenses totaled \$1,000 for the three-months ended March 31, 2010 as compared to \$4,500 administrative expenses for the same period ended March 31, 2009.

General Expenses General expenses were \$2,554 during the nine-months ended March 31, 2010. There were \$50,000 general expenses for the nine months period ended March 31, 2009. There were general expenses of \$1,336 during the three-months ended March 31, 2010. There were no general expenses for the three months period ended March 31, 2009.

Selling expenses: There were no selling expenses during the nine months ended March 31, 2010 and for the nine months ended March 31, 2009. There were no selling expenses during the three-months ended March 31, 2010 and for the three months period ended March 31, 2009.

Net Loss: We incurred a net loss of \$7,954 during the nine-month period ended March 31, 2010, compared to a net loss of \$81,233 during the nine-month period ended March 31, 2009. We incurred a net loss of \$2,336 during the three-month period ended March 31, 2010, compared to a net loss of \$4,500 during the three-month period ended March 31, 2009.

Liquidity and Capital Resources

At March 31, 2010, we had \$0 current assets compared to \$0 current assets at June 30, 2009. We had total current liabilities of \$68,533 at March 31, 2010 compared to \$60,579 at June 30, 2009. We had long-term liabilities of \$0 as of March 31, 2010 compared to \$0 at June 30, 2009.

We had deficit working capital of \$68,533 at March 31, 2010. Net cash used in operations during the nine-month period ended March 31, 2010 was \$0. For the nine-month period ended March 31, 2009 the net cash provided from operations was \$0.

During the nine-month period ended March 31, 2010, financing activities provided \$0 compared to \$0 during the same nine-month period in the prior year.

There are no limitations in the Company's articles of incorporation on the Company's ability to borrow funds or raise funds through the issuance of restricted common stock.

Plan of Current and Future for the year 2010

The Company has no business operations and is in the business of acquiring a target company or business seeking the perceived advantages of being a publicly held corporation. Our principal business objective for the next 12 months and beyond such time will be to achieve long-term growth potential through a combination with a business rather than immediate, short-term earnings. The Company will not restrict our potential candidate target companies to any specific business, industry or geographical location and, thus, may acquire any type of business.

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ITEM 3. QUANTITATIVE and QUALITATIVE DISCUSSION ABOUT MARKET RISK

The Company is defined by Rule 229.10 (f)(1) as a “Smaller Reporting Company” and is not required to provide or disclose the information required by this item.

ITEM 4. CONTROLS AND PROCEDURES

As of March 31, 2010 our Chief Executive Officer and Chief Financial Officer (the “Certifying Officers”) conducted evaluations of our disclosure controls and procedures. As defined under Sections 13a-15(e) and 15d-15(e) of the Exchange Act, the term “disclosure controls and procedures” means controls and other procedures of an issuer that are designed to ensure that information required to be disclosed by the issuer in the reports that it files or submits under the Exchange Act is recorded, processed, summarized and reported, within the time periods specified in the SEC’s rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed by an issuer in the reports that it files or submits under the Exchange Act is accumulated and communicated to the issuer’s management, including the Certifying Officers, to allow timely decisions regarding required disclosure. Based on this evaluation, the Certifying Officers have concluded that our disclosure controls and procedures were effective to ensure that material information is recorded, processed, summarized and reported by our management on a timely basis in order to comply with our disclosure obligations under the Exchange Act and the rules and regulations promulgated thereunder.

As of March 31, 2010, there were no other changes in our internal control over financial reporting during the subject fiscal quarter that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II - OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

None.

ITEM 2. RECENT SALES OF UNREGISTERED EQUITY SECURITIES AND USE OF PROCEEDS

None.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

None.

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

None.

ITEM 5. OTHER INFORMATION

None.

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ITEM 6. EXHIBITS

(a) The following documents are filed as exhibits to this report on Form 10-Q or incorporated by reference herein.

Exhibit

No.	Description
31.1	Certification of CEO pursuant to Rule 13a-14(a) or 15d-14(a) of the Exchange Act pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2	Certification of CFO pursuant to Rule 13a-14(a) or 15d-14(a) of the Exchange Act pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1	Certification of CEO pursuant to 18 U.S.C. Section 1350 as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.2	Certification of CFO pursuant to 18 U.S.C. Section 1350 as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

Veracity Management Global, Inc.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the date indicated.

/s/Gregory L. Paige
Gregory L. Paige
CEO
Dated: May 17, 2010

/s/ Mark L. Baker
Mark L. Baker
CFO
Dated: May 17, 2010