

Veracity Management Global, Inc.  
Form 10-Q  
December 09, 2015

---

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 December 31, 2014

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

21819 Town Place Dr. Boca Raton, FL 33433  
(Address of Principal Executive Offices) (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 has submitted electronically and posted on its corporate Web site, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding

Edgar Filing: Veracity Management Global, Inc. - Form 10-Q

12 months (or for such shorter period that the registrant was required to submit and post such files). Yes No

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).  
Yes x No "

<input type="checkbox"/> Large Accelerated Filer o	<input type="checkbox"/> Accelerated Filer o	<input type="checkbox"/> Non-Accelerated Filer o (Do not check if a smaller reporting company)	<input type="checkbox"/> Smaller Reporting Company p
---	---	---	---

On November 23, 2015, the Registrant had 16,643,057 shares of common stock issued and outstanding.

---

TABLE OF CONTENTS

PART I - FINANCIAL INFORMATION

	Page
ITEM 1. Financial Statements. (Unaudited)	3
ITEM 2. Management's Discussion And Analysis And Results Of Operation.	9
ITEM 3. Quantitative And Qualitative Discussion About Market Risk	10
ITEM 4. Controls And Procedures	10

PART II – OTHER INFORMATION

ITEM 1. Legal Proceedings.	11
ITEM 1A. Risk Factors	11
ITEM 2. Recent Sales Of Unregistered Equity Securities And Use Of Proceeds	11
ITEM 3. Default Upon Senior Securities.	11
ITEM 4. Mine Safety Disclosures	11
ITEM 5. Other Information.	11
ITEM 6. Exhibits	12
Signatures	13

## PART I - FINANCIAL INFORMATION

## ITEM 1. FINANCIAL STATEMENTS (Unaudited)

## VERACITY MANAGEMENT GLOBAL, INC.

## BALANCE SHEETS

(A Development Stage Company)

(UNAUDITED)

	December 31, 2014 (Unaudited)	June 30, 2014 (Unaudited)
<b>ASSETS</b>		
Current Assets		
Cash	\$-	\$84
Total Current Assets	-	84
Total Assets	\$-	\$84
<b>LIABILITIES AND STOCKHOLDERS' DEFICIT</b>		
Current Liabilities		
Accounts Payable	\$1,680	\$750
Accounts Payable - Related party	113,877	108,747
Total Current Liabilities	115,557	109,497
Total Non - Current Liabilities	-	-
Total Liabilities	115,557	109,497
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 December 31, 2013 and June 30, 2013, respectively	16,635	16,635
Additional paid-in capital	4,052,836	4,052,836
Accumulated deficit prior to development stage	(4,040,470)	(4,040,470)
Accumulated deficit during the development stage	(144,558 )	(138,414 )
Total Stockholders' Deficit	(115,557 )	(109,413 )

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



## VERACITY MANAGEMENT GLOBAL, INC.

## STATEMENTS OF OPERATIONS

For the Three and Six Months Ended December 30, 2014 and 2013  
and the period from July 1, 2008 to December 30, 2014

(A Development Stage Company)

(Unaudited)

	Three Months Ended	Three Months Ended	Six Months Ended	Six Months Ended	Period re-entered development Stage (July 1, 2008) to December 31, 2014
	December 31, 2014	December 31, 2013	December 31, 2014	December 31, 2013	December 31, 2014
Revenues	\$-	\$-	\$-	\$-	\$ -
Cost of Sales	-	-	-	-	-
Gross Profit	-	-	-	-	-
Expenses					
Administrative Expenses	1,000	1,000	4,000	4,000	74,828
General Expenses	2,099	735	2,144	2,115	69,830
Total Expenses	3,099	1,735	6,144	6,115	144,658
Other Income					
Interest Income	--	--	--	--	100
Net Loss	(3,099 )	(1,735 )	(6,144 )	(6,115 )	(144,558 )
Basic and Diluted Net Loss per Share	*	*	*	*	
Weighted Average Shares	16,643,057	16,643,057	16,643,057	16,643,057	
* 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

(A Development Stage Company)

(Unaudited)

	Common Stock Shares	Amount	Additional Paid-in Capital	Accumulated Deficit during developmnet stage	Accumulated Deficit	Total
Balance at June 30, 2014	16,643,057	\$ 16,635	\$4,052,836	\$ (138,414 )	\$(4,040,470 )	\$(109,413)
Net loss				(6,144 )		(6,144 )
Balance at December 31, 2014	16,643,057	\$ 16,635	\$4,052,836	\$ (144,558 )	\$(4,040,470 )	\$(115,557)

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

## VERACITY MANAGEMENT GLOBAL, INC.

## STATEMENTS OF CASH FLOW

(A Development Stage Company)

(Unaudited)

	Six Months Ended, December 31, 2014	Six Months Ended, December 31, 2013	Period re-entered development stage (July 1, 2008) to December 31, 2014
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Net loss from continuing operations	\$ (6,144 )	\$ (6,115 )	\$ (144,558 )
Adjustments to reconcile net loss to net cash used in operating activities:			
Shares issued for services:	-	-	50,000
Increase (decrease) in:			
Accounts Payable	930	(750 )	2,204
Net cash used in operating activities	(5,214 )	(6,865 )	(92,354 )
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Related party - accounts payable	5,130	7,025	91,769
Net cash provided by financing activities	5,130	7,025	91,769
<b>NET INCREASE (DECREASE) IN CASH</b>	<b>(84 )</b>	<b>160</b>	<b>(585 )</b>
<b>CASH - BEGINNING OF PERIOD</b>	<b>84</b>	<b>14</b>	<b>585</b>
<b>CASH - END OF PERIOD</b>	<b>\$ -</b>	<b>\$ 174</b>	<b>\$ -</b>

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



VERACITY MANAGEMENT GLOBAL, INC.

NOTES TO FINANCIAL STATEMENTS  
SIX MONTHS ENDED DECEMBER 31, 2014  
(A Development Stage Company)  
(Unaudited)

NOTE 1 – BASIS OF PRESENTATION

The accompanying financial statements of Veracity Management Global, Inc (the "Company", "VCMG") at December 31, 2014 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 six months ended December 31, 2014 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 Issued Accounting Standards

In August 2014, the FASB issued ASU No. 2014-15, Disclosure of Uncertainties about an Entity's Ability to Continue as a Going Concern ("ASU 2014-15"). ASU 2014-15 will explicitly require management to assess an entity's ability to

continue as a going concern, and to provide related footnote disclosure in certain circumstances. The new standard will be effective for all entities in the first annual period ending after December 15, 2016. Earlier adoption is permitted. We are currently evaluating the impact of the adoption of ASU 2014-15.

Management does not anticipate that the adoption of these standards will have a material impact on the financial statements.

- 7 -

---

VERACITY MANAGEMENT GLOBAL, INC.

NOTES TO FINANCIAL STATEMENTS  
 SIX MONTHS ENDED DECEMBER 31, 2014  
 (A Development Stage Company)  
 (Unaudited)

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 \$4,185,028 and has insufficient working capital to meet operating needs for the next twelve months as of December 31, 2014, 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, 2014	June 30, 2014
Donald W Prosser (Director)	\$ 107,877	\$ 102,747
Gregory Paige (CEO & Director)	6,000	6,000
Total	\$ 113,877	\$ 108,747

NOTE 4 – SUBSEQUENT EVENTS

The Company has received a letter of intent dated August 31, 2015 and an Exchange Agreement dated November 20, 2015 to merge an operating business before December 31, 2015.

## 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 Six Months Ended December 31, 2014 Compared to Three Months and the Six Months Ended December 31, 2013

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 six months ended December 31, 2014 and 2013, respectively. The Company recorded revenue of \$0 and \$0 for the three months ended December 31, 2014 and 2013, respectively.

**Cost of Service:** The Company recorded cost of services of \$0 and \$0 for the six months ended December 31, 2014 and 2013, respectively. The Company recorded cost of services of \$0 and \$0 for the three months ended December 31, 2014 and 2013, respectively.

**Administrative Expenses:** Our administrative expenses totaled \$4,000 for the six-months ended December 31, 2014 as compared to \$4,000 administrative expenses for the same period ended December 31, 2013. Our administrative expenses totaled \$1,000 for the three-months ended December 31, 2014 as compared to \$1,000 administrative expenses for the same period ended December 31, 2013.

**General Expenses** General expenses were \$2,144 during the six-months ended December 31, 2014. There were \$2,115 general expenses for the six months period ended December 31, 2013. There were general expenses of \$2,099 during the three-months ended December 31, 2014. There was \$795 in general expenses for the three months period ended December 31, 2013.

Net Loss: We incurred a net loss of \$6,144 during the six-month period ended December 31, 2014, compared to a net loss of \$6,115 during the six-month period ended December 30, 2013. We incurred a net loss of \$3,099 during the three-month period ended December 31, 2014, compared to a net loss of \$1,735 during the three-month period ended December 31, 2013.

#### Liquidity and Capital Resources

At December 31, 2014, we had no current assets compared to \$84 current assets at June 30, 2014. At December 31, 2014 and June 30, 2014, we had no total assets and \$84, respectively. We had total current liabilities of \$115,577 at December 31, 2014 compared to \$109,497 at June 30, 2014. We had long-term liabilities of \$0 as of December 31, 2014 compared to \$0 at June 30, 2014.

We had a working capital deficit of \$(115,557) at December 31, 2014. Net cash used in operations during the six-month period ended December 31, 2014 was \$(5,214). For the six-month period ended December 31, 2013 the net cash used in operations was \$(6,865).

During the six-month period ended December 31, 2014, financing activities provided \$5,130 compared to \$7,025 during the same six-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 fiscal year 2015

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.

### 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 December 31, 2014, 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 Securities Exchange Act of 1934 Act, as amended (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 not 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 there under. The Certifying Officers' conclusion that the Company's disclosure controls and procedures were not effective was based upon a determination that a deficiency relating to measuring and recording the elements of a merger relating to the Company's accounting for the non-cash compensation in the transaction, as discussed below.

As of December 31, 2014, 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.

- 10 -

---

PART II - OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

None.

Item 1A - RISK FACTORS

There have been no material changes to the risk factors set forth in our Annual Report on Form 10-K for the year ended June 30, 2014, as filed with the SEC on October 14, 2014. The risk factors in our Annual Report on Form 10-K for the year ended June 30, 2014, in addition to the other information set forth in this quarterly report, could materially affect our business, financial condition or results of operations. Additional risks and uncertainties not currently known to us or that we deem to be immaterial could also materially adversely affect our business, financial condition or results of operations.

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

None.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

None.

ITEM 4. MINE SAFETY DISCLOSURES

Not Applicable

ITEM 5. OTHER INFORMATION

None.

- 11 -

---

ITEM 6. EXHIBITS

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

Exhibit Number	Exhibit Description
31.1	Certification of the Chief Executive Officer pursuant to Rule 13a-14(a) or Rule 15d-14(a) under the Securities Exchange Act of 1934, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
31.2	Certification of the Chief Financial Officer pursuant to Rule 13a-14(a) or Rule 15d-14(a) under the Securities Exchange Act of 1934, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
32.1	Certification of the Chief Executive Officer and Chief Financial Officer pursuant to 18 U.S.C. 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
101.DEF	XBRL Taxonomy Extension Definition Linkbase Document*
101.INS	XBRL Instance Document
101SCH	XBRL Taxonomy Extension Schema Document
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document
101.LAB	XBRL Taxonomy Extension Label Linkbase Document
101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document
101.DEF	XBRL Taxonomy Extension Definition Linkbase Document

- 12 -

---



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: December 8, 2015

/s/ Mark L. Baker

Mark L. Baker

CFO

Dated: December 8, 2015