

Averion International Corp.

Form 10-Q

November 07, 2008

Table of Contents

**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 SEPTEMBER 30, 2008

**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 000-50095

AVERION INTERNATIONAL CORP.

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(Exact name of registrant as specified in its charter)

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Delaware

(State or other jurisdiction of incorporation or organization)

20-4354185

(IRS Employer Identification No.)

**225 Turnpike Road,
Southborough, Massachusetts**

(Address of principal executive offices)

01772

(Zip Code)

Registrant's telephone number, including area code: **(508) 597-6000**

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

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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 large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See definitions of large accelerated filer, accelerated filer, and smaller reporting company in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer

Accelerated filer

Non-accelerated filer
(Do not check if a smaller reporting company)

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

Common Stock, \$0.001 par value per share, 950,000,000 shares authorized, 634,972,039 issued and outstanding as of November 4, 2008.

Table of Contents

TABLE OF CONTENTS

Edgar Filing: Averion International Corp. - Form 10-Q

PART I.	FINANCIAL INFORMATION	
Item 1.	Financial Statements	
	<u>Consolidated Balance Sheets as of September 30, 2008 (unaudited) and December 31, 2007</u>	3
	<u>Consolidated Statements of Operations for the three and nine months ended September 30, 2008 and 2007 (unaudited)</u>	4
	<u>Consolidated Statements of Cash Flows for the nine months ended September 30, 2008 and 2007 (unaudited)</u>	5
	<u>Notes to Unaudited Consolidated Financial Statements</u>	6
<u>Item 2.</u>	<u>Management's Discussion and Analysis of Financial Condition and Results of Operations</u>	20
<u>Item 4T.</u>	<u>Controls and Procedures</u>	27
<u>PART II.</u>	<u>OTHER INFORMATION</u>	
<u>Item 1.</u>	<u>Legal Proceedings</u>	28
<u>Item 4.</u>	<u>Submission of Matters to a Vote of Security Holders</u>	28
<u>Item 6.</u>	<u>Exhibits</u>	28
<u>SIGNATURES</u>		29

Table of Contents

AVERION INTERNATIONAL CORP.
Consolidated Balance Sheets
(In thousands, except share and per share amounts)

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	September 30, 2008 (unaudited)	December 31, 2007
Assets		
Current Assets:		
Cash and cash equivalents	\$ 2,371	\$ 7,384
Accounts receivable (net of allowance for doubtful accounts of \$307 and \$376 for 2008 and 2007, respectively)	14,146	14,293
Unbilled accounts receivable	6,714	2,571
Prepaid and other current assets	2,272	2,413
Total Current Assets	25,503	26,661
Property and equipment, net	6,324	6,509
Goodwill	51,595	48,717
Finite life intangibles (net of accumulated amortization of \$3,306 and \$1,614 for 2008 and 2007, respectively)	11,777	13,469
Deposits	689	658
Other non-current assets	2,369	1,878
Total Assets	\$ 98,257	\$ 97,892
Liabilities and Stockholders Equity		
Current Liabilities:		
Accounts payable	\$ 3,111	\$ 2,737
Accrued payroll and employee benefits	3,815	3,405
Deferred revenue	21,362	18,532
Current portion of notes payable	31	813
Current portion of accrued lease obligations	574	610
Deferred rent	475	510
Current portion of capital lease obligations	12	25
Deferred transaction obligation	560	3,683
Other accrued liabilities	2,736	4,313
Total Current Liabilities	32,676	34,628
Capital lease obligations, less current portion		8
Notes payable, less current portion	28,679	24,266
Accrued lease obligations, less current portion	2,702	2,966
Deferred income taxes	3,146	1,047
Other long-term liabilities	53	29
Total Liabilities	\$ 67,256	\$ 62,944
Stockholders Equity:		
Common stock, \$.001 par value, 950,000,000 and 750,000,000 shares authorized, 634,972,039, and 625,632,455 shares issued and outstanding, respectively	\$ 635	\$ 626
Convertible warrants	164	164
Common stock to be issued	837	837
Additional paid-in capital	48,418	47,308
Other comprehensive income (loss)	6	(316)
Retained deficit	(19,059)	(13,671)
Total Stockholders equity	31,001	34,948
Total Liabilities and Stockholders Equity	\$ 98,257	\$ 97,892

The accompanying notes are an integral part of these consolidated financial statements.

Table of Contents

AVERION INTERNATIONAL CORP.
Consolidated Statements of Operations
(In thousands, except share and per share amounts)
(Unaudited)

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	For the three months ended September 30,		For the nine months ended September 30,	
	2008	2007	2008	2007
Net service revenue	\$ 15,900	\$ 7,820	\$ 50,339	\$ 22,197
Reimbursement revenue	2,153	980	6,321	2,005
Total revenue	18,053	8,800	56,660	24,202