

FINDEX COM INC
Form 10-Q
August 19, 2013

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 June 30, 2013

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: 0-29963

FINDEX.COM, INC.

(Exact name of registrant as specified in its charter)

| | |
|--|--------------------------------------|
| Nevada | 88-0379462 |
| (State or other jurisdiction of incorporation or organization) | (I.R.S. Employer Identification No.) |

| | |
|---|------------|
| 18151 Lafayette Avenue, Elkhorn, Nebraska | 68022 |
| (Address of principal executive offices) | (Zip Code) |

(402) 333-1900

(Registrant's telephone number, including area code)

N/A

(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 No

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 (§232.405 of this chapter) during the preceding 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 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.

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

APPLICABLE ONLY TO ISSUERS INVOLVED IN BANKRUPTCY
PROCEEDINGS DURING THE PRECEDING FIVE YEARS:

Indicate by check mark whether the registrant has filed all documents and reports required to be filed by Sections 12, 13 or 15(d) of the Securities Exchange Act of 1934 subsequent to the distribution of securities under a plan confirmed by a court. Yes No

APPLICABLE ONLY TO CORPORATE ISSUERS

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date:

At August 19, 2013 the registrant had outstanding 103,635,060 shares of common stock, of which there is only a single class.

FINDEX.COM, INC.

QUARTERLY REPORT ON FORM 10-Q
FOR FISCAL QUARTER ENDED JUNE 30, 2013

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PART I – FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS.

| Findex.com, Inc. | | |
|--|------------------------------|--------------------------------|
| CONDENSED CONSOLIDATED BALANCE SHEETS | | |
| | June 30, 2013 (Unaudited) | December 31, 2012 (Audited) |
| Assets | | |
| Current assets: | | |
| Cash and cash equivalents | \$ 217 | \$ 8,751 |
| Accounts receivable, trade, net | 2,075 | 920 |
| Receivable, in escrow, net | 2,621 | 36,957 |
| Inventories, net | 500 | 2,578 |
| Other current assets | 3,905 | 2,537 |
| Total current assets | 9,318 | 51,743 |
| Property and equipment, net | 390 | 868 |
| Intangible assets, net | 29,700 | 71,169 |
| Total assets | \$ 39,408 | \$ 123,780 |
| Liabilities and stockholders' equity (deficit) | | |
| Current liabilities: | | |
| Current portion of term debt | \$ 28,783 | \$ 28,783 |
| Accounts payable, trade | 157,403 | 110,982 |
| Accounts payable, related party | 38,895 | 15,062 |
| Accrued royalties | 49,154 | 48,955 |
| Accrued payroll | 74,397 | 27,328 |
| Other current liabilities | 34,758 | 21,207 |
| Other current liabilities from discontinued operations | 114,368 | 114,368 |
| Total current liabilities | 497,757 | 366,685 |
| Long-term debt, net | --- | --- |
| Deferred income taxes, net | --- | --- |
| Commitments and contingencies (Note 9) | | |
| Stockholders' equity (deficit): | | |
| Preferred stock, \$.001 par value 5,000,000 shares authorized -0- and -0- shares issued and outstanding, respectively | | |
| Common stock, \$.001 par value 120,000,000 shares authorized, 103,635,060 and 103,635,060 shares issued and outstanding, respectively | 103,635 | 103,635 |
| Paid-in capital | 8,217,335 | 8,217,335 |
| Retained (deficit) | (8,779,319) | (8,563,875) |
| Total stockholders' equity (deficit) | (458,348) | (242,905) |
| Total liabilities and stockholders' equity (deficit) | \$ 39,408 | \$ 123,780 |

See accompanying notes.

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| Findex.com, Inc. | | | | |
|---|--------------------|--------------|------------------|---------------|
| CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS | | | | |
| (Unaudited) | | | | |
| | Three Months Ended | | Six Months Ended | |
| | June 30, | | June 30, | |
| | 2013 | 2012 | 2013 | 2012 |
| Revenues, net of reserves and allowances | \$ 3,552 | \$ 10,190 | \$ 8,564 | \$ 27,145 |
| Cost of sales | 2,225 | 1,459 | 2,254 | 2,824 |
| Gross profit | 1,327 | 8,731 | 6,310 | 24,321 |
| Operating expenses: | | | | |
| Sales and marketing | 619 | 739 | 1,458 | 1,579 |
| General and administrative | 74,059 | 89,975 | 150,036 | 231,405 |
| Bad debt expense | 31,714 | 100 | 34,336 | 100 |
| Impairment expense | 16,411 | --- | 33,561 | 18,781 |
| Total operating expenses | 122,803 | 90,814 | 219,391 | 251,865 |
| Loss from operations | (121,476) | (82,083) | (213,081) | (227,544) |
| Other income (expenses), net | (1,242) | (970) | (2,364) | (1,799) |
| Gain on debt settlement | --- | 14,690 | --- | 28,504 |
| Loss from continuing operations before income taxes | (122,718) | (68,363) | (215,445) | (200,839) |
| Income tax benefit | --- | --- | --- | --- |
| Loss from continuing operations | \$ (122,718) | \$ (68,363) | \$ (215,445) | \$ (200,839) |
| Discontinued operations (Note 12): | | | | |
| Income from operations of discontinued component | --- | 22,234 | --- | 26,087 |
| Income tax (provision) | --- | --- | --- | --- |
| Income from discontinued operations, net of taxes | --- | 22,234 | --- | 26,087 |
| Net loss | \$ (122,718) | \$ (46,129) | \$ (215,445) | \$ (174,752) |
| Net earnings (loss) per share - Basic & Diluted: | | | | |
| Net loss per share from continuing operations | \$ 0.00 | \$ 0.00 | \$ 0.00 | \$ 0.00 |
| Net loss per share from discontinued operations | \$ 0.00 | \$ 0.00 | \$ 0.00 | \$ 0.00 |
| Net loss per share | \$ 0.00 | \$ 0.00 | \$ 0.00 | \$ 0.00 |
| Weighted average shares outstanding: | | | | |
| Weighted average shares used in computing basic and diluted income (loss) per share | 103,635,060 | 77,993,935 | 103,635,060 | 77,993,935 |

See accompanying notes.

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| Findex.com, Inc. | | |
|---|---------------|---------------|
| CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS | | |
| (Unaudited) | | |
| Six Months Ended June 30, | 2013 | 2012 |
| Cash flows from operating activities: | | |
| Cash received from customers | \$ 7,409 | \$ 52,878 |
| Cash paid to suppliers and employees | (15,233) | (196,877) |
| Other operating activities, net | (710) | (335) |
| Net cash (used) by operating activities | (8,535) | (144,334) |
| Cash flows from investing activities: | | |
| Other investing activities, net | --- | --- |
| Net cash provided by investing activities | --- | --- |
| Cash flows from financing activities: | | |
| Payments made on term debt | --- | (4,404) |
| Net cash (used) by financing activities | --- | (4,404) |
| Net (decrease) in cash and cash equivalents | (8,534) | (148,738) |
| Cash and cash equivalents, beginning of period | 8,751 | 161,629 |
| Cash and cash equivalents, end of period | \$ 217 | \$ 12,891 |
| Reconciliation of net loss to cash flows from continuing and discontinued operating activities: | | |
| Net loss | \$ (215,445) | \$ (174,752) |
| Adjustments to reconcile net loss to net cash used by operating activities: | | |
| Depreciation & amortization | 8,385 | 10,869 |
| Bad debts provision | 34,336 | (100) |
| (Gain) on debt settlement | --- | (54,591) |
| Loss on impairment expense | 33,561 | 18,781 |
| Change in assets and liabilities: | | |
| (Increase) decrease in accounts receivable | (1,155) | 17,440 |
| Decrease in inventories | 2,078 | 1,993 |
| (Increase) decrease in other current assets | (1,370) | 10,715 |
| Increase (decrease) in accrued royalties | 199 | (12,529) |
| Increase in accounts payable | 70,255 | 1,534 |
| Increase in other liabilities | 60,621 | 36,306 |
| Net cash (used) provided by operating activities | \$ (8,535) | \$ (144,334) |

See accompanying notes.

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Findex.com, Inc.
Notes to Condensed Consolidated Financial Statements
June 30, 2013
(Unaudited)

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

BASIS OF PRESENTATION

The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with Generally Accepted Accounting Principles for interim financial information and with the instructions to Form 10-Q and Article 8 of Regulation S-X. Accordingly, they do not include all of the information and footnotes required by Generally Accepted Accounting Principles for complete financial statements. The accompanying unaudited condensed consolidated financial statements reflect all adjustments that, in the opinion of management, are considered necessary for a fair presentation of the financial position, results of operations, and cash flows for the periods presented. The results of operations for such periods are not necessarily indicative of the results expected for the full year or for any future period. The December 31, 2012 condensed consolidated balance sheet was derived from our audited financial statements at that date. The accompanying financial statements should be read in conjunction with the audited consolidated financial statements of Findex.com, Inc. included in our Form 10-K for the year ended December 31, 2012.

RECLASSIFICATIONS

Certain accounts in our 2012 financial statements have been reclassified for comparative purposes to conform with the presentation in our 2013 financial statements.

DISCONTINUED OPERATIONS

On May 5, 2011, we entered into a Software Product Line Purchase Agreement with WORDsearch Corp., L.L.C. In accordance with the Software Product Line Purchase Agreement, WORDsearch agreed to acquire from us all of the assets associated with the QuickVerse® product line which centered around our industry-leading Bible-study software program. The specific assets conveyed include, among others, the underlying software source code, registered trade names, and existing product inventories. As a result, we have classified this asset as well as all revenues and expenses directly related to the QuickVerse® product line as discontinued operations. See Note 12.

INTANGIBLE ASSETS

In accordance with Financial Accounting Standards Board Accounting Standards Codification (“ASC”) 350-30, General Intangibles Other Than Goodwill, intangible assets with an indefinite useful life are not amortized. Intangible assets with a finite useful life are amortized on the straight-line method over the estimated useful lives, generally three to ten years. All intangible assets are tested for impairment annually during the fourth quarter.

SOFTWARE DEVELOPMENT COSTS

In accordance with ASC 985-20-25, Costs of Software to Be Sold, Leased, or Marketed, software development costs are expensed as incurred until technological feasibility and marketability has been established, generally with release of a beta version for customer testing. Once the point of technological feasibility and marketability is reached, direct production costs (including labor directly associated with the development projects), indirect costs (including allocated fringe benefits, payroll taxes, facilities costs, and management supervision), and other direct costs (including

costs of outside consultants, purchased software to be included in the software product being developed, travel expenses, material and supplies, and other direct costs) are capitalized until the product is available for general release to customers. We amortize capitalized costs on a product-by-product basis. Amortization for each period is the greater of the amount computed using (i) the straight-line basis over the estimated product life (generally from 12 to 18 months, but up to 60 months), or (ii) the ratio of current revenues to total projected product revenues. We did not recognize any capitalized software development costs or associated accumulated amortization for the six months end June 30, 2013 and 2012, respectively.

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Capitalized software development costs are stated at the lower of amortized costs or net realizable value. Recoverability of these capitalized costs is determined at each balance sheet date by comparing the forecasted future revenues from the related products, based on management's best estimates using appropriate assumptions and projections at the time, to the carrying amount of the capitalized software development costs. If the carrying value is determined not to be recoverable from future revenues, an impairment loss is recognized equal to the amount by which the carrying amount exceeds the future revenues. We did not recognize any impairment expense for the six months ended June 30, 2013 and 2012, respectively.

ASC 730, Research and Development, established accounting and reporting standards for research and development. In accordance with ASC 730-10, costs we incur to enhance our existing products after general release to the public (bug fixes) are expensed in the period they are incurred and included in research and development costs. Research and development costs incurred prior to determination of technological feasibility and marketability and after general release to the public and charged to expense were \$- and - for the six months ended June 30, 2013 and 2012, respectively, included in general and administrative expenses of discontinued operations.

We capitalize costs related to the development of computer software developed or obtained for internal use in accordance with the ASC 350-40, Internal-Use Software. Software obtained for internal use has generally been enterprise level business and finance software that we customize to meet our specific operational needs. We have not sold, leased, or licensed software developed for internal use to our customers and have no intention of doing so in the future.

We capitalize costs related to the development and maintenance of our website in accordance with ASC 350-50, Website Development Costs. Accordingly, costs expensed as incurred are as follows:

- planning the website,
- developing the applications and infrastructure until technological feasibility is established,
- developing graphics such as borders, background and text colors, fonts, frames, and buttons, and
- operating the site such as training, administration and maintenance.

Capitalized costs include those incurred to:

- obtain and register an Internet domain name,
- develop or acquire software tools necessary for the development work,
- develop or acquire software necessary for general website operations,
- develop or acquire code for web applications,
- develop or acquire (and customize) database software and software to integrate applications such as corporate databases and accounting systems into web applications,
- develop HTML web pages or templates,
- install developed applications on the web server,
- create initial hypertext links to other websites or other locations within the website, and
- test the website applications.

We amortize website development costs on a straight-line basis over the estimated life of the site, generally 36 months. Total cumulative website development costs, included in Other assets from continuing operations on our condensed consolidated balance sheets, were \$-, less accumulated amortization of \$- at June 30, 2013. As a result of the decision to postpone indefinitely the plan to revamp our FormTool.com website due to a lack of available financial and human resources, we have written down capitalized website developments costs and have recorded an impairment expense of \$18,781 in continuing operations for the six months ended June 30, 2012. See Note 7.

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REVENUE RECOGNITION

Within our operations as a whole, including those operations now classified as discontinued operations, we derive revenues from the sale of packaged software products, product support and multiple element arrangements that may include any combination of these items. We recognize software revenue for software products and related services in accordance with ASC 985-605, Software Revenue Recognition. We recognize revenue when persuasive evidence of an arrangement exists (generally a purchase order), we have delivered the product, the fee is fixed or determinable and collectability is probable.

In some situations, we receive advance payments from our customers. We defer revenue associated with these advance payments until we ship the products or offer the support. During the quarter ended March 31, 2012, we received an advance payment of \$15,000 as part of an amended licensing agreement with a certain publisher whom sells our FormTool® product line. The advanced payment was to be applied against future royalties owed to us by the publisher for sales generated from the FormTool® product line. During the nine months ended September 30, 2012, sales exceeded the royalty advance payment of \$15,000; and therefore, the deferred revenue had been fully recognized. Finally, the amended licensing agreement also extended the initial term of the agreement by three years.

EARNINGS PER SHARE

We follow the guidance of ASC 260, Earnings Per Share, to calculate and report basic and diluted earnings per share (“EPS”). Basic EPS is computed by dividing income available to common shareholders by the weighted average number of shares of common stock outstanding for the period. Diluted EPS is computed by giving effect to all dilutive potential shares of common stock that were outstanding during the period. For us, dilutive potential shares of common stock consist of the incremental shares of common stock issuable upon the exercise of stock options and warrants for all periods, convertible notes payable and the incremental shares of common stock issuable upon the conversion of convertible preferred stock.

When discontinued operations, extraordinary items, and/or the cumulative effect of an accounting change are present, income before any of such items on a per share basis represents the “control number” in determining whether potential shares of common stock are dilutive or anti-dilutive. Thus, the same number of potential shares of common stock used in computing diluted EPS for income from continuing operations is used in calculating all other reported diluted EPS amounts. In the case of a net loss, it is assumed that no incremental shares would be issued because they would be anti-dilutive. In addition, certain options and warrants are considered anti-dilutive because the exercise prices were above the average market price during the period. Anti-dilutive shares are not included in the computation of diluted EPS, in accordance with ASC 260-10-45-17.

The following table shows the amounts used in computing earnings per common share and the average number of shares of dilutive potential common stock:

| For the Three Months Ended June 30, | 2013 | 2012 |
|---|---------------|--------------|
| Net loss from continuing operations | \$ (122,718) | \$ (68,363) |
| Preferred stock dividends | --- | --- |
| Net loss available to common shareholders | \$ (122,718) | \$ (68,363) |

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| | | |
|---|--------|-----------|
| Net income from discontinued operations | \$ --- | \$ 22,234 |
| Preferred stock dividends | --- | --- |
| Net income available to common shareholders | \$ --- | \$ 22,234 |

| | | |
|---|-------------|------------|
| Basic weighted average shares outstanding | 103,635,060 | 77,993,935 |
| Dilutive effect of: | | |
| Stock options | --- | --- |
| Warrants | --- | --- |
| Diluted weighted average shares outstanding | 103,635,060 | 77,993,935 |

| | | |
|-----------------------------------|------|------|
| For the Six Months Ended June 30, | 2013 | 2012 |
|-----------------------------------|------|------|

| | | |
|---|---------------|---------------|
| Net loss from continuing operations | \$ (215,445) | \$ (200,839) |
| Preferred stock dividends | --- | --- |
| Net loss available to common shareholders | \$ (215,445) | \$ (200,839) |

| | | |
|---|--------|-----------|
| Net income from discontinued operations | \$ --- | \$ 26,087 |
| Preferred stock dividends | --- | --- |
| Net income available to common shareholders | \$ --- | \$ 26,087 |

| | | |
|---|-------------|------------|
| Basic weighted average shares outstanding | 103,635,060 | 77,993,935 |
| Dilutive effect of: | | |
| Stock options | --- | --- |
| Warrants | --- | --- |
| Diluted weighted average shares outstanding | 103,635,060 | 77,993,935 |

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RECENT ACCOUNTING PRONOUNCEMENTS

At June 30, 2013, there were no recent accounting pronouncements that we believe would have a material impact on our consolidated financial statements.

NOTE 2 – GOING CONCERN

The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with Generally Accepted Accounting Principles in the United States applicable to a going concern. As of June 30, 2013, we had a net loss of \$215,445 and negative working capital of \$488,439, and an accumulated deficit of \$8,779,319 and \$8,563,875 as of June 30, 2013 and December 31, 2012, respectively. Although these factors raise substantial doubt as to our ability to continue as a going concern through December 31, 2013, we are taking several actions intended to mitigate against this risk. These actions include pursuing mergers and acquisitions that will provide profitable operations and positive operating cash flow.

NOTE 3 – RECEIVABLE, IN ESCROW

At June 30, 2013, and 2012, respectively we had Receivable, in escrow, net in the amounts of \$2,621 and \$36,957 held in escrow by WORDsearch Corp., L.L.C. As part of the Software Product Line Purchase Agreement for the sale of our QuickVerse® product line, it was agreed that WORDsearch would hold a portion of the original purchase price of \$975,000 in cash in escrow. These funds were to be held for settlement agreements reached with certain of our royalty content providers pursuant to which reductions in the total accrued royalty balance owed by us to them were to be finalized, which agreements were part of a broad initiative on our part arising in connection with our sale to WORDsearch of our QuickVerse® product line. As of the date of this filing, multiple direct attempts by us to the principals of WORDsearch to recover the remaining escrow balance of the \$975,000 purchase price have gone unanswered by the principals of WORDsearch. Therefore, we have made a determination, at least for the time being pending our further efforts to recover the amounts due, to reserve the amount of \$34,336 under Bad debt expense for the six months ending June 30, 2013. See Note 12.

NOTE 4 – INVENTORIES

At June 30, 2013, inventories consisted of the following:

| | |
|-------------------------------------|---------|
| Raw materials | \$2,250 |
| Finished goods | 2,574 |
| Less reserve for obsolete inventory | (4,324) |
| Inventories | \$500 |

NOTE 5 – RESERVES AND ALLOWANCES

At June 30, 2013, the allowance for doubtful accounts included in Accounts receivable, trade, net, consisted of the following:

| | |
|---|-------|
| Balance December 31, 2012 | \$400 |
| Bad debts provision | --- |
| Accounts written off | --- |
| Collection of accounts previously written off | --- |
| Balance June 30, 2013 | \$400 |

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At June 30, 2013, the reserve for obsolete inventory included in Inventories consisted of the following:

| | |
|--|---------|
| Balance December 31, 2012 | \$2,275 |
| Provision for obsolete inventory | 2,049 |
| Obsolete inventory written off | --- |
| Reserve for obsolete inventory from discontinued operations | --- |
| Balance June 30, 2013 | \$4,324 |

At June 30, 2013, the reserve for sales returns included in Other current liabilities consisted of the following:

| | |
|----------------------------------|-------|
| Balance December 31, 2012 | \$200 |
| Return provision – sales | --- |
| Return provision – cost of sales | --- |
| Returns processed | --- |
| Balance June 30, 2013 | \$200 |

NOTE 6 – DEBT

At June 30, 2013, the current portion of debt consisted of the following:

| | |
|---|----------|
| Unsecured term note payable to a former shareholder due January 2012, plus interest at 5% APR. Interest on overdue principal accruing at 10% APR. | \$28,783 |
| Current portion of debt | \$28,783 |

At June 30, 2013, we were in arrears on the unsecured term notes payable to the former shareholder.

NOTE 7 – IMPAIRMENT EXPENSE

For the six months ended June 30, 2013 and 2012, respectively, we tested for impairment certain intangible assets associated with the FormTool® product line. During the six months ended June 30, 2013, we experienced a sharp decline in revenue derived from our FormTool product line. Furthermore, during the six months ended June 30, 2012, the decision was made to postpone indefinitely the plan to revamp our FormTool.com website due to a lack of available financial and human resources. In accordance with ASC 360-10-35, Property, Plant, and Equipment, Overall, Subsequent Measurement, we recognized a total impairment expense of \$33,561 and \$18,781 during the six months ended June 30, 2013 and 2012, respectively, for the intangible assets. This has been treated as an operating expense and included in Impairment expense on our Condensed Consolidated Statement of Operations.

NOTE 8 – GAIN ON DEBT SETTLEMNT

During the six months ended June 30, 2012, we recognized income from debt forgiveness totaling \$28,504. This income from debt forgiveness mainly results from settlement agreements involving certain of our vendors whom trade payables were owed by us to them, as well as a settlement with a former employee with whom we had payroll accrued and unpaid from June 2010 through September 2011. This has been treated as a gain from extinguishment of debt and included in Gain on debt settlement on our Condensed Consolidated Statement of Operations.

NOTE 9 – COMMITMENTS AND CONTINGENCIES

We are subject to legal proceedings and claims that may arise in the ordinary course of our business. In the opinion of management, the amount of potential liability we are likely to be found liable for otherwise incur as a result of these actions is not so much as would materially affect our financial condition.

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The employment agreement with our Chief Executive Officer expired on April 14, 2010. This agreement was not extended nor is a new agreement being considered. Our Chief Executive Officer, however, has continued to be employed by us on an at-will basis since the expiration of his employment agreement at the following base annual salary rates:

| | |
|--------------------|-------------------------------|
| | Chief Executive Officer |
| Base Annual Salary | \$ 75,000 |

Although the employment agreement has expired, we have accrued the following for our Chief Executive Officer as of June 30, 2013:

| | |
|---|---------------------------|
| | Accrued Base Salary |
| Included in Accrued Payroll at June 30, 2013 | \$ 60,553 |

We have included third-party technology in FormTool® under a contract with a publisher provider that has expired. We are currently pursuing resolution, however, there is no guarantee that we will be able to secure a new agreement, or an extension, and should the publisher demand we cease and desist including their technology, the unknown potential negative impact could be material.

We do not collect sales/use taxes or other taxes with respect to shipments of most of our goods into most states in the U.S. Our fulfillment center and customer service center networks, and any future expansion of those networks, along with other aspects of our evolving business, may result in additional sales/use and other tax obligations. One or more states may seek to impose sales/use or other tax collection obligations on out-of-jurisdiction companies that engage in e-commerce. A successful assertion by one or more states that we should collect sales/use or other taxes on the sale of merchandise or services could result in substantial tax liabilities for past sales, decrease our ability to compete with traditional retailers, and otherwise harm our business.

Currently, decisions of the U.S. Supreme Court restrict the imposition of obligations to collect state and local taxes and use taxes with respect to sales made over the Internet. However, a number of states, as well as the U.S. Congress, have been considering various initiatives that could limit or supersede the Supreme Court's constitutional concerns and result in a reversal of its current position, we could be required to collect sales and use taxes in additional states. The imposition by state and local governments of various taxes upon Internet commerce could create administrative burdens for us, put us at a competitive disadvantage if they do not impose similar obligations on all of our online competitors and decrease our future sales.

NOTE 10 – RISKS AND UNCERTAINTIES

Our future operating results may be affected by a number of factors. We depend upon a number of major inventory and intellectual property suppliers. If a critical supplier had operational problems or ceased making materials available to us, operations could be adversely affected.

NOTE 11 – RELATED PARTY TRANSACTIONS

Our executive officers and employees, from time to time, make purchases of materials and various expense items (including business related travel) in the ordinary course of business via their personal credit cards in lieu of a corporate check for COD orders and/or prior to establishment of a line of credit with a vendor. We do not provide our employees or executive officers with corporate credit cards and reimburse these purchases as quickly as possible. The unpaid expense account balances are included in Accounts payable, related parties on our Condensed Consolidated Balance Sheets.

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After the divestiture of the QuickVerse® product line in 2011 and as a result largely leaving the Christian publishing space, our Chief Executive Officer entered into a license agreement for an updated version of the ClickArt software program. Given the shift in the company's strategy to focus largely on acquiring or merging with another company and to develop its remaining software assets outside of the Christian space, the board of directors had no objection to the CEO entering into such agreement and felt there was no conflict of interest.

NOTE 12 – DISCONTINUED OPERATIONS

On May 5, 2011, we entered into a Software Product Line Purchase Agreement to sell our QuickVerse® product line to WORDsearch Corp., L.L.C. In accordance with the Software Product Line Purchase Agreement, WORDsearch agreed to acquire from us all of the assets associated with our QuickVerse® product line for \$975,000 in cash at closing and the assumption of up to \$140,000 of our then-existing liabilities at closing.

On June 30, 2011, closing of the asset sale transaction governed by the Software Product Line Purchase Agreement, which is transitional in nature and expected to be ongoing through approximately the end of April, 2012, commenced. As one of the initial parts of the closing, on July 1, 2011 WORDsearch assumed possession of the physical assets conveyed in the transaction as well as control and responsibility of the business operations related to the QuickVerse® product line, including, among many other things, the receipt of revenues for sales in exchange for partial payment of the cash portion of the purchase price being paid to us. On April 13, 2012, we determined that the final closing conditions under the Software Product Line Purchase Agreement had been met, which meant that we were able to deliver to WORDsearch the last in a series of officer's certificates required thereunder. Having delivered such certificate to WORDsearch on April 13, 2012, the sale of the QuickVerse® product line to WORDsearch was complete. As of the date of this filing, multiple direct attempts by us to the principals of WORDsearch to recover the remaining escrow balance of the \$975,000 purchase price have gone unanswered by the principals of WORDsearch. Therefore, we have made a determination, at least for the time being pending our further efforts to recover the amounts due, to reserve the amount of \$34,336 under Bad debt expense for the six months ending June 30, 2013. See Note 3.

As a result of the decision to sell the QuickVerse® product line, we have classified this asset as discontinued operations for the six months ended June 30, 2013 and 2012. We have recorded the remaining class of liabilities for the QuickVerse® product line as presented below:

| | | |
|---|---------------|-------------------|
| Other current liabilities from discontinued operations: | June 30, 2013 | December 31, 2012 |
| Accrued royalties | \$ 114,368 | \$ 114,368 |
| Other current liabilities from discontinued operations | \$ 114,368 | \$ 114,368 |

The following table presents the results of operations of our discontinued operations for the six months ended June 30, 2013 and 2012:

| Six Months Ended June 30, | 2013 | 2012 |
|---|--------|--------|
| Gross revenues | \$ --- | \$ --- |
| Less estimated sales returns and allowances | --- | --- |
| Net revenues | --- | --- |
| Cost of sales | --- | --- |
| Gross profit | --- | --- |

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| | | |
|---|-----|-----------------|
| Operating expenses: | | |
| Advertising and direct marketing | --- | --- |
| Sales and marketing wages | --- | --- |
| Total sales and marketing | --- | --- |
| Other general and administrative costs | --- | --- |
| Total general and administrative | --- | --- |
| Income from operations of discontinued component | --- | --- |
| Gain on debt settlement | --- | 26,087 |
| Income tax (provision) | --- | --- |
| Income from discontinued operations, net of taxes | \$ | \$--- \$ 26,087 |

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For the six months ended June 30, 2012, the gain on debt settlement within our discontinued operations results from settlement agreements reached with certain of our royalty content providers pursuant to which reductions in the total accrued royalty balance owed by us to them were finalized, which agreements were part of a broad initiative on our part arising in connection with our sale to WORDsearch of our QuickVerse® product line.

NOTE 13 – SUBSEQUENT EVENTS

In July 2013, we agreed to sell the findex.com domain name to a third party in exchange for \$13,000.

The date to which events occurring after June 30, 2013, the date of the most recent balance sheet, have been evaluated for possible adjustment to the financial statements or disclosure is August 19, 2013, which is the date on which the financial statements were available to be issued.

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ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS.

Cautionary Statement Regarding Forward-Looking Statements

Certain statements made in this Quarterly Report on Form 10-Q are "forward-looking statements" (within the meaning of the Private Securities Litigation Reform Act of 1995) regarding the plans and objectives of management for future operations. Such statements involve known and unknown risks, uncertainties and other factors that may cause actual results, performance or achievements of Findex.com, Inc. ("we", "us", "our" or the "Company") to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. The forward-looking statements included herein are based on current expectations that involve numerous risks and uncertainties. The Company's plans and objectives are based, in part, on assumptions involving the continued expansion of business. Assumptions relating to the foregoing involve judgments with respect to, among other things, future economic, competitive and market conditions and future business decisions, all of which are difficult or impossible to predict accurately and many of which are beyond the control of the Company. Although the Company believes its assumptions underlying the forward-looking statements are reasonable, any of the assumptions could prove inaccurate and, therefore, there can be no assurance the forward-looking statements included in this Quarterly Report will prove to be accurate. In light of the significant uncertainties inherent in the forward-looking statements included herein, the inclusion of such information should not be regarded as a representation by the Company or any other person that the objectives and plans of the Company will be achieved.

This information should be read in conjunction with our unaudited condensed consolidated financial statements and the notes thereto included in Item 1 of Part I of this quarterly report, and our audited financial statements and the notes thereto and our Management's Discussion and Analysis of Financial Condition and Results of Operation contained in our annual report on Form 10-K for the fiscal year ended December 31, 2012.

Description of Business

Since 1999, our business has been developing, publishing, marketing, distributing and direct-selling off-the-shelf consumer and organizational software products for the Windows platform. Following divestitures of two software titles which had consistently accounted for the overwhelming majority of our revenues while owned by us, including our Membership Plus® product line, which we sold in late 2007, and our flagship QuickVerse® product line, which we sold during 2011, and title acquisitions during the same period that, in the aggregate, have been relatively insignificant in offsetting the loss of revenues associated with those divestitures, our continuing operations, while not nominal, are currently very limited and insubstantial in terms of revenue, both relative to what they had been prior thereto and by any appropriate standalone measure. Specifically, our current operations consist exclusively of those relating to FormTool.com and its related line of products which we acquired in February 2008, as well as two language tutorial products, which were retained after the sale of the QuickVerse® product line.

Beyond our current software business, a current principal focus of ours surrounds, and has increasingly surrounded for some time, the identification and evaluation of what we perceive as our best broader-range strategic options for realizing the most favorable economic outcome for our shareholders, and ultimately the selection and pursuit of one or more of those options. With very different though similarly difficult-to-meaningfully-forecast capital allocation considerations, the options under consideration in this regard have included the pursuit of a business combination transaction involving a potential merger or acquisition aimed at revenue re-development and long-term growth, on the one hand, and liquidation and/or winding-down, aimed in the very different direction of business cessation, on the other. Unless and until we determine to liquidate and/or wind down, we will continue to be largely focused on acquiring or merging with another operating company.

Management Overview

During the six months ended June 30, 2013, there were no new developments to the FormTool® product line in regards to either the software program itself or the dedicated website. Although we formulated plans prior to 2013 to develop a new version of our FormTool® software package as well as to undertake a cosmetic and functional makeover of the related marketing website, and executing such plans remains a relatively high priority, our ability to do so has been dependent, among other things, on our having available the requisite financial resources, which, to date, we have not, and which, looking ahead, is highly uncertain. At this time, and given these financial constraints, we are unable to provide any estimate in terms of our completing either the FormTool® product and/or website updates that we believe ought be meaningfully relied upon, and, moreover, there can be no assurance that, should financial resources become available, we will continue to be of a view that FormTool® is worthy of further investment as a business line given the current uncertainties surrounding our broader strategic objectives.

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During the six months ended June 30, 2013, we continued to market and sell our two language tutorial products, Greek Tutor™ and Hebrew Tutor™, to retail stores as well as to end users. With sales on the decline, we believe that these software programs, too, are in need of updating both for general market perception purposes and because of their current incompatibility with some of the newer platform technologies that have been widely adopted throughout the broader consumer software market. Given the same financial constraints that have been and are likely to continue to impede advancements in our FormTool® line, however, there can be no assurance that we will be able to initiate and/or complete any such update in the foreseeable future.

A key focus of management during the six months ended June 30, 2013 centered on reducing our ongoing operational expenses, including personnel, sales and marketing, and general overhead. Simultaneously, and moving forward, management is concentrated on the strategic determination to begin a long-term shift in our product lines away from those within the faith-based vertical market and more towards those that extend across the business and consumer segments more generally.

Near-term liquidity poses a continuous challenge to us and is expected to continue to do so for the foreseeable future. And the need to find ways to stretch our very limited economic resources places ongoing strains on our very limited human resources.

Results of Continuing Operations for Quarters Ending June 30, 2013 and June 30, 2012

| Statements of Continuing Operations for Quarters Ending June 30 | | | |
|---|--------------|--------------|-------------|
| | 2013 | 2012 | Change |
| Net revenues | \$ 8,564 | \$ 27,145 | \$ (18,581) |
| Cost of sales | (2,254) | (2,824) | 570 |
| Gross profit | \$ 6,310 | \$ 24,321 | \$ (18,011) |
| Sales, marketing and general and administrative expenses | (151,494) | (232,984) | 81,490 |
| Bad debt expense | (34,336) | (100) | (34,236) |
| Impairment expense | (33,561) | (18,781) | (14,780) |
| Total operating expenses | \$ (219,391) | \$ (251,865) | \$ 32,474 |
| Loss from operations | \$ (213,081) | \$ (227,544) | \$ 14,463 |
| Other income (expenses), net | (2,364) | (1,799) | (565) |
| Gain on debt settlement | --- | 28,504 | (28,504) |
| Loss before income taxes | \$ (215,445) | \$ (200,839) | \$ (14,606) |
| Income tax (provision) | --- | --- | --- |
| Net loss from continuing operations | \$ (215,445) | \$ (200,839) | \$ (14,606) |

The differing results of operations are primarily attributable to the following for the six months ended June 30, 2013:

a decrease in retail sales for our Greek and Hebrew Tutor software products as well as a decrease in sales for our FormTool® product line;

a decrease in cost of sales due to the decrease in our direct costs and freight costs associated with the decrease in our Greek and Hebrew Tutor software product sales; a decrease in royalty expense attributable to the decrease in sales of the FormTool Pro product line;

a decrease in sales, marketing and general and administrative expenses resulting from our continued cost-cutting initiatives;

an increase in bad debt expense due to multiple direct attempts by us to the principals of WORDsearch to recover the remaining escrow balance of the \$975,000 Software Product Line Purchase Agreement have gone unanswered by the principals of WORDsearch;

an impairment expense related to a valuation decrease in the intangible asset as a result of a sharp decline in revenue derived from the asset; and

a decrease in gain on debt settlements as we experienced fewer negotiations with vendors to accept a reduction in trade payables owed to them, and debt settlements with customers whom had a credit balance owed to them by us.

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In future periods, and notwithstanding our remaining focus on our FormTool® business and line of language tutorial products, we anticipate a continued reduction to our sales, marketing and general and administrative expenses due to the decision to sell the QuickVerse® product line.

In the past, our software products have been highly seasonal. More than 50% of our annual sales have occurred in the five months of September through January; the five months of April through August have generally been our weakest, generating less than 30% of our annual sales. Although there can be no assurance, our continuing operations may experience the same seasonality as in previous years.

Revenues

The following table presents our revenues for continuing operations for the six months ended June 30, 2013 and June 30, 2012 and dollar and percentage changes from the prior year.

| | Change | | | | | |
|---|----------|---------------|-----------|---------------|------------|-------|
| Revenues for Continuing Operations for Quarters Ending June 30 | 2013 | % to Sales | 2012 | % to Sales | \$ | % |
| Gross revenues | \$ 8,859 | 100 % | \$ 27,083 | 100 % | \$(18,224) | 67 % |
| Less estimated sales returns and allowances | (295) | 3 % | 62 | 0 % | (357) | 576 % |
| Net revenues | \$ 8,564 | 97 % | \$ 27,145 | 100 % | \$(18,581) | 68 % |

The decrease in gross revenues for the six months ended June 30, 2013 was attributable to a sharp fall-off in demand in the retail channel for our FormTool® software products due, we believe, to the lack of relatively recent updating of the products and their lack of compatibility with newer platform technologies. In addition, we lost a major customer whom previously purchased our Greek and Hebrew Tutor software products, Lifeway Christian Resources, when we sold the QuickVerse® product line to WORDsearch, whom is a subsidiary of Lifeway Christian Resources. Although there can be no assurance, and provided we have available to us the necessary investment capital, either internally generated and/or externally infused, which itself cannot be assured, we do anticipate our revenues in relation to the FormTool® product line to grow, at least at a low, single-digit annual percentage rate in the near- to mid-term based on an increase in marketing efforts and the development of the new version of the product.

Cost of Sales

Cost of sales consists primarily of direct costs, royalties accrued to third party providers of intellectual property and the costs associated with reproducing, packaging, and shipping our products. Cost of sales decreased by \$570 from \$2,824 for the six months ended June 30, 2012 to \$2,254 for the six months ended June 30, 2013. The overall decrease in cost of sales for the six months ended June 30, 2013 is mainly attributable to the decrease in direct costs, royalties, and freight costs. The decrease in direct costs and freight costs are attributable to the following:

a portion of our sales in the FormTool® product line were to end users as a downloadable product during the six months ended June 30, 2013 as compared to slightly more overall retail product sales during the six months ended June 30, 2012; and

a portion of our sales in the FormTool® product line were generated from our licensing agreement with a certain publisher who sells our FormTool® product line in which we do not incur any direct costs or freight costs.

Although there can be no assurance, we would anticipate our cost of sales to increase in the future in relation to anticipated increases in our revenues for the FormTool® product line.

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Sales, General and Administrative

| | Change | | | | | | |
|---|-----------|------------|-----------|------------|------------|-------|--|
| Sales, General and Administrative Costs for Continuing Operations for Quarters Ending June 30 | 2013 | % to Sales | 2012 | % to Sales | \$ | % | |
| Selected expenses: | | | | | | | |
| Advertising and direct marketing | 1,458 | 16 % | 1,579 | 6 % | (121) | 8 % | |
| Total sales and marketing | \$1,458 | 16 % | \$1,579 | 6 % | \$(121) | 8 % | |
| Personnel costs | \$50,241 | 567 % | \$98,264 | 363 % | \$(48,023) | 49 % | |
| Amortization and depreciation | 8,385 | 95 % | 10,869 | 40 % | (2,484) | 23 % | |
| Accounting | 42,231 | 477 % | 31,010 | 114 % | 11,221 | 36 % | |
| Legal | 21,433 | 242 % | 32,578 | 120 % | (11,145) | 34 % | |
| Directors fees | 12,000 | 135 % | 3,000 | 11 % | 9,000 | 300 % | |
| Other general and administrative costs | 15,746 | 178 % | 55,684 | 206 % | (39,938) | 72 % | |
| Total general and administrative | \$150,036 | 1694 % | \$231,405 | 854 % | \$(81,369) | 35 % | |
| Total sales, marketing, general and administrative | \$151,494 | 1710 % | \$232,984 | 860 % | \$(81,490) | 35 % | |

The differing results of total sales, marketing, general and administrative costs are primarily attributable to the following for the six months ended June 30, 2013:

- a decrease in personnel expenses
- an increase in accounting costs due to hiring a contractor for our ongoing accounting needs;
- a decrease in legal costs as we experienced fewer legal costs as compared to the legal costs incurred during the six months ended June 30, 2012, of which were attributed to the relatively dramatic changes to our business and operations as a result of the QuickVerse® product line sale;
- a decrease in our directors fees due to the resignation of two outside directors during December 2012; and
- an overall decrease in other general and administrative costs resulting from our continued cost-cutting initiatives.

During the six months ended June 30, 2013, there were no new developments to the FormTool® product line in regards to either the software program itself or the dedicated website. Although we formulated plans prior to 2013 to develop a new version of our FormTool® software package as well as to undertake a cosmetic and functional makeover of the related marketing website, and executing such plans remains a relatively high priority, our ability to do so has been dependent, among other things, on our having available the requisite financial resources, which, to date, we have not, and which, looking ahead, is highly uncertain. At this time, and given these financial constraints, we are unable to provide any estimate in terms of our completing either the FormTool® product and/or website updates that we believe ought be meaningfully relied upon, and, moreover, there can be no assurance that, should financial resources become available, we will continue to be of a view that FormTool® is worthy of further investment as a business line given the current uncertainties surrounding our broader strategic objectives.

During the six months ended June 30, 2013, we continued to market and sell our two language tutorial products, Greek Tutor™ and Hebrew Tutor™, to retail stores as well as to end users. With sales on the decline, we believe that these software programs, too, are in need of updating, both for general market perception purposes and because of their current incompatibility with some of the newer platform technologies that have been widely adopted throughout the broader consumer software market. Given the same financial constraints that have been and are likely to continue to impede advancements in our FormTool® line, however, there can be no assurance that we will be able to initiate and/or complete any such update in the foreseeable future.

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Income Taxes

For the six months ended June 30, 2013 and 2012, based on uncertainty about the timing of and ability to generate future taxable income and our assessment that the realization of the deferred tax assets no longer met the “more likely than not” criterion for realization, we provided for a full valuation allowance against our net deferred tax assets. If we determine that it is more likely than not that we will be able to realize our deferred tax assets in the future, an adjustment to the deferred tax asset valuation allowance would be recorded in the period when such determination is made.

Liquidity And Capital Resources

Our primary needs for liquidity and capital resources are the working capital requirements of our continued operations, which includes the ongoing internal development of new products, expansion and upgrade of existing products, and marketing and sales, as well as funding for the acquisition of new product lines and/or companies. At this time it is unlikely that cash generated through our continuing operations will be sufficient to sustain our continuing operations. Furthermore, our pursuit of an aggressive growth plan, whether based on internally developed products, licensing opportunities, or strategic product line and/or company acquisitions, will likely require funding from outside sources. Funding from outside sources may include but is not limited to the pursuit of other financing options such as commercial loans, common stock and/or preferred stock issuances and convertible notes.

Our decision during the first half of 2011 to sell the QuickVerse® product line as well as the divestiture of our Membership Plus® product line in October 2007 was driven by a combination of our need to raise cash and a strategic determination to begin a long-term shift in our product lines away from those within the faith-based vertical market and more towards those that extend across the business-to-business and consumer segments more generally. With a portion of the net proceeds we realized from the sale of our Membership Plus® product line, we purchased FormTool® in February 2008 which was our first product line acquisition outside of the faith-based market.

Though it had been our reasoned hope and expectation to re-deploy into new business opportunities all or most of the net proceeds realized from the sale of the QuickVerse® product line, as it has turned out, interim and developing cash requirements associated with the mere exploration and pursuit of prospective new business opportunities have (i) been substantially higher than we had anticipated, (ii) become substantial on an aggregate, standalone basis and meaningfully depleted such net proceeds, (iii) increasingly imposed a significant strain on both our general liquidity, and (iv) led to a dramatic reduction in our cash currently available for both the exploration and pursuit of prospective new business opportunities and any capital investment therein.

| | June 30, | December |
|---------------------|--------------|--------------|
| Working Capital | 2013 | 31, 2012 |
| Current assets | \$ 9,318 | \$ 51,743 |
| Current liabilities | \$ 497,757 | \$ 366,685 |
| Retained deficit | \$ 8,779,319 | \$ 8,563,875 |

While liquidity for our day-to-day continuing operations remains a very serious ongoing concern for us, and while there can be no continuing assurance, the situation suggested by our consistently and significantly negative ratio of current assets to current liabilities has historically been manageable.

| Cash Flows for Six Months Ending June 30 | 2013 | 2012 | Change | % |
|---|------------|--------------|------------|------|
| Cash flows (used) by operating activities | \$ (8,535) | \$ (144,334) | \$ 135,799 | 94 % |

| | | | | |
|---|--------|-------------|----------|-------|
| Cash flows provided by investing activities | \$ --- | \$ --- | \$ --- | 0 % |
| Cash flows (used) by financing activities | \$ --- | \$ (4,404) | \$ 4,404 | 100 % |

Net cash used by operating activities for the six months ended June 30, 2013 consisted mainly of cash payments going out for our accounting firm and our insurance providers.

For the six months ended June 30, 2013, there was a lack of investing activities related to capitalized software and website development.

The decrease in net cash used by financing activities for the six months ended June 30, 2013 was the result of fewer long-term notes payable obligations, and therefore; fewer payments made on long-term notes payable.

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Financing

Although no attempt has been made for several years now, we have been unable to secure bank financing due to our internal financial ratios and negative working capital position, and we do not expect that we will be successful in securing any such financing if we were to recommence efforts to do so unless and until our ratios in this regard improve. In the future, two possible sources of financing remain that would include the financing of our open accounts receivable and equity financing.

Contractual Liabilities

As of August 19, 2013 we had no contractual liabilities.

Discontinued Operations

On May 5, 2011, we entered into a Software Product Line Purchase Agreement to sell the QuickVerse® product line to WORDsearch. On June 30, 2011, closing of the asset sale transaction governed by the Software Product Line Purchase Agreement, which was transitional in nature and expected to be ongoing through approximately the end of April, 2012, commenced. As one of the initial parts of the closing, on July 1, 2011 WORDsearch assumed possession of the physical assets conveyed in the transaction as well as control and responsibility of the business operations related to the QuickVerse® product line, including, among many other things, the receipt of revenues for sales in exchange for partial payment of the cash portion of the purchase price being paid to us. On April 13, 2012, we determined that the final closing conditions under the Software Product Line Purchase Agreement had been met, and the sale of the QuickVerse® product line to WORDsearch was complete. As a result, we have classified this asset as discontinued operations for the six months ended June 30, 2013 and 2012.

Off-Balance Sheet Arrangements

We do not have any off-balance sheet arrangements that have or are reasonably likely to have a current or future effect on our financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources that is material to investors.

Contractual Obligations

As a “smaller reporting company” as defined by Item 10 of Regulation S-K, we are not required to provide this information.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK.

As a “smaller reporting company” as defined by Item 10 of Regulation S-K, we are not required to provide this information.

ITEM 4T. CONTROLS AND PROCEDURES.

Evaluation of Disclosure Controls and Procedures

As required by paragraph (b) of Rule 13a-15 under the Exchange Act, our principal executive and principal financial officers are responsible for assessing the effectiveness of our disclosure controls and procedures (as defined in Rule 13a-15(f) under the Exchange Act). Accordingly, we maintain disclosure controls and procedures designed to ensure that information required to be disclosed in our filings under the Securities Exchange Act of 1934 is recorded,

processed, summarized and reported within the time periods specified in the Securities and Exchange Commission's rules and forms. Our Chief Executive Officer/Chief Financial Officer has evaluated our disclosure controls and procedures as of the end of the period covered by this Quarterly Report on Form 10-Q June 30, 2013, and has determined that such disclosure controls and procedures are not effective. Our disclosure controls and procedures are not effective as a result of the material weakness in internal control over financial reporting because of inadequate segregation of duties over authorization, review and recording of transactions as well as the financial reporting of such transactions. Management is attempting to develop a plan to mitigate the above material weaknesses. Despite the existence of these material weaknesses, we believe the financial information presented herein is materially correct and in accordance with generally accepted accounting principles.

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Changes in Internal Controls

There were no changes in our internal control over financial reporting during the fiscal quarter covered by this report, other than those disclosed above that materially affected, or is reasonable likely to materially effect, the Company's internal control over financial reporting.

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PART II – OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS.

As of the date of this quarterly report on Form 10-Q for the period ended June 30, 2013, and to the best knowledge of our officers and directors, there were no pending material legal proceedings to which we were a party and we were not aware that any were contemplated. There can be no assurance, however, that we will not be made a party to litigation in the future.

ITEM 1A. RISK FACTORS.

As a “smaller reporting company” as defined by Item 10 of Regulation S-K, the Company is not required to provide information required by this Item.

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

There were no reportable events under this Item 2 during the quarterly period ended June 30, 2013.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES.

As of the date of this quarterly report on Form 10-Q for the period ended June 30, 2013, we are in default under a certain unsecured term note payable to a former shareholder in the total amount of approximately \$34,000. The arrearage as of such date was \$28,783, plus interest. In accordance with the terms of the note, however, our default has triggered an acceleration of the entire balance plus accumulated interest.

ITEM 4. (REMOVED AND RESERVED).

There were no reportable events under this Item 4 during the quarterly period ended June 30, 2013.

ITEM 5. OTHER INFORMATION.

As of the date of this quarterly report on Form 10-Q for the period ended June 30, 2013, there were no reportable events under this Item 5.

ITEM 6. EXHIBITS.

Exhibits required by Item 601 of Regulation S-K.

No. Description of Exhibit

2.1 Share Exchange Agreement between Findex.com, Inc. and the stockholders of Reagan Holdings, Inc. dated March 7, 2000, incorporated by reference to Exhibit 2.1 on Form 8-K filed March 15, 2000.

3(i)(1) Restated Articles of Incorporation of Findex.com, Inc. dated June 1999 incorporated by reference to Exhibit 3.1 on Form 8-K filed March 15, 2000.

3(i)(2) Amendment to Articles of Incorporation of Findex.com, Inc. dated November 10, 2004 incorporated by reference to Exhibit 3.1(ii) on Form 10-QSB filed November 10, 2004.

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- 3(ii) Restated By-Laws of Findex.com, Inc., incorporated by reference to Exhibit 3.3 on Form 8-K filed March 15, 2000.
- 10.1 Stock Incentive Plan of Findex.com, Inc. dated May 7, 1999, incorporated by reference to Exhibit 10.1 on Form 10-KSB/A filed May 13, 2004.
- 10.2 Share Exchange Agreement between Findex.com, Inc. and the stockholders of Reagan Holdings Inc., dated March 7, 2000, incorporated by reference to Exhibit 2.1 on Form 8-K filed March 15, 2000.

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- 10.3 License Agreement between Findex.com, Inc. and Parsons Technology, Inc. dated June 30, 1999, incorporated by reference to Exhibit 10.3 on Form 10-KSB/A filed May 13, 2004.
- 10.4 Employment Agreement between Findex.com, Inc. and Steven Malone dated July 25, 2003, incorporated by reference to Exhibit 10.4 on Form 10-KSB/A filed May 13, 2004.
- 10.5 Employment Agreement between Findex.com, Inc. and Kirk Rowland dated July 25, 2003, incorporated by reference to Exhibit 10.5 on Form 10-KSB/A filed May 13, 2004.
- 10.6 Employment Agreement between Findex.com, Inc. and William Terrill dated June 7, 2002, incorporated by reference to Exhibit 10.6 on Form 10-KSB/A filed May 13, 2004.
- 10.7 Restricted Stock Compensation Agreement between Findex.com, Inc. and John A. Kuehne dated July 25, 2003, incorporated by reference to Exhibit 10.7 on Form 10-KSB/A filed May 13, 2004.
- 10.8 Restricted Stock Compensation Agreement between Findex.com, Inc. and Henry M. Washington dated July 25, 2003, incorporated by reference to Exhibit 10.8 on Form 10-KSB/A filed May 13, 2004.
- 10.9 Restricted Stock Compensation Agreement between Findex.com, Inc. and William Terrill dated July 25, 2003, incorporated by reference to Exhibit 10.9 on Form 10-KSB/A filed May 13, 2004.
- 10.10 Stock Purchase Agreement, including the form of warrant agreement, between Findex.com, Inc. and Barron Partners, LP dated July 19, 2004, incorporated by reference to Exhibit 10.1 on Form 8-K filed July 28, 2004.
- 10.11 Amendment No. 1 to Stock Purchase Agreement between Findex.com, Inc. and Barron Partners, LP dated September 30, 2004, incorporated by reference to Exhibit 10.3 on Form 8-K filed October 6, 2004.
- 10.12 Registration Rights Agreement between Findex.com, Inc. and Barron Partners, LP dated July 26, 2004, incorporated by reference to Exhibit 10.2 on Form 8-K filed July 28, 2004.
- 10.13 Waiver Certificate between Findex.com, Inc. and Barron Partners, LP dated September 16, 2004, incorporated by reference to Exhibit 10.4 on Form 8-K filed October 6, 2004.
- 10.14 Settlement Agreement between Findex.com, Inc., The Zondervan Corporation, Mattel, Inc., TLC Multimedia, Inc., and Riverdeep, Inc. dated October 20, 2003, incorporated by reference to Exhibit 10.14 on Form 10-KSB/A filed December 14, 2005.
- 10.15 Employment Agreement Extension between Findex.com, Inc and Steven Malone dated March 31, 2006, incorporated by reference to Exhibit 10.1 on Form 8-K filed April 6, 2006.
- 10.16 Employment Agreement Extension between Findex.com, Inc and William Terrill dated March 31, 2006, incorporated by reference to Exhibit 10.2 on Form 8-K filed April 6, 2006.
- 10.17 Employment Agreement Extension between Findex.com, Inc and Kirk R. Rowland dated March 31, 2006, incorporated by reference to Exhibit 10.3 on Form 8-K filed April 6, 2006.
- 10.18 Promissory Note to Barron Partners, LP dated April 7, 2006, incorporated by reference to Exhibit 10.1 on Form 8-K filed April 13, 2006.

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10.19 Share Exchange Agreement between Findex.com, Inc. and the stockholders of Reagan Holdings Inc., dated March 7, 2000, incorporated by reference to Exhibit 2.1 on Form 8-K filed March 15, 2000.

10.20 Convertible Secured Promissory Note between FindEx.com, Inc. and W. Sam Chandoha, dated July 20, 2006, incorporated by reference to Exhibit 10.1 on Form 8-K filed July 26, 2006.

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- 10.21 Security Agreement between FindEx.com, Inc. and W. Sam Chandoha, dated July 20, 2006 incorporated by reference to Exhibit 10.2 on Form 8-K filed July 26, 2006.
- 10.22 Common Stock Purchase Warrant between FindEx.com, Inc. and W. Sam Chandoha, dated July 20, 2006 incorporated by reference to Exhibit 10.3 on Form 8-K filed July 26, 2006.
- 10.23 Modification and Extension Agreement Between FindEx.com, Inc. and W. Sam Chandoha, dated September 20, 2006, incorporated by reference to Exhibit 10.1 on Form 8-K filed September 25, 2006.
- 10.24 Employment Agreement Extension Amendment between Findex.com, Inc. and Steven Malone dated April 13, 2007, incorporated by reference to Exhibit 10.24 on Form 10-KSB filed April 17, 2007.
- 10.25 Employment Agreement Extension Amendment between Findex.com, Inc. and William Terrill dated April 13, 2007, incorporated by reference to Exhibit 10.25 on Form 10-KSB filed April 17, 2007.
- 10.26 Employment Agreement Extension Amendment between Findex.com, Inc. and Kirk R. Rowland dated April 13, 2007, incorporated by reference to Exhibit 10.26 on Form 10-KSB filed April 17, 2007.
- 10.27 Asset Purchase Agreement between Findex.com, Inc. and ACS Technologies Group, Inc. dated October 18, 2007, incorporated by reference to Exhibit 10.27 on Form 8-K filed October 24, 2007.
- 10.28 Partial Assignment of License Agreement Among Findex.com, Inc., Riverdeep, Inc., LLC and ACS Technologies Group, Inc. dated October 11, 2007, incorporated by reference to Exhibit 10.28 on Form 8-K filed October 24, 2007.
- 10.29 Asset Purchase Agreement between Findex.com, Inc. and ORG Professional, LLC dated February 25, 2008, incorporated by reference to Exhibit 10.29 on Form 8-K filed on February 28, 2008.
- 10.30 Warrant Cancellation Agreement between Findex.com, Inc. and Barron Partners, L.P. dated March 6, 2008, incorporated by reference to Exhibit 10.30 on Form 8-K filed on March 10, 2008.
- 10.31 Employment Agreement Extension Amendment between Findex.com, Inc. and Steven Malone dated April 14, 2008, incorporated by reference to Exhibit 10.31 on Form 10-KSB filed on April 15, 2008.
- 10.32 Employment Agreement Extension Amendment between Findex.com, Inc. and William Terrill dated April 14, 2008, incorporated by reference to Exhibit 10.32 on Form 10-KSB filed on April 15, 2008.
- 10.33 Employment Agreement Extension Amendment between Findex.com, Inc. and Kirk R. Rowland dated April 14, 2008, incorporated by reference to Exhibit 10.33 on Form 10-KSB filed on April 15, 2008.
- 10.34 License Agreement between Findex.com, Inc. and Houghton Mifflin Harcourt Publishing Company dated May 7, 2010, incorporated by reference to Exhibit 10.34 on Form 10-K filed on April 15, 2012.
- 10.35 Software Product Line Purchase Agreement between FindEx.com, Inc. and WORDsearch Corp., L.L.C. dated May 5, 2011, incorporated by reference to Exhibit 10.35 on Form 8-K filed on May 10, 2011.
- 10.36 Promissory Note to Barron Partners, LP dated August 18, 2011, incorporated by reference to Exhibit 10.36 on Form 10-Q filed on August 22, 2011.

- 10.37 Letter of Intent between Findex.com, Inc. and Next Level Hockey, LLC dated June 6, 2013, incorporated by reference to Exhibit 10.37 on Form 8-K filed on June 7, 2013.
- 31.1 Certification of Chief Executive Officer and Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 and dated August 19, 2013. FILED HEREWITH.
- 32.1 Certification of Chief Executive Officer and Chief Financial Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 and dated August 19, 2013. FILED HEREWITH.

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Signatures

Pursuant to the requirements of the Securities and Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

FINDEX.COM,
INC.

Date: August 19, 2013 By/s/ Steven
Malone
Steven Malone
President
Chief Executive
Officer (Principal
Executive
Officer)
Chief Financial
Officer (Principal
Accounting
Officer)

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