

Blue Earth, Inc.
Form 10-Q/A
October 14, 2015

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

Amendment No. 1 to
Form 10-Q/A

(Mark One)

[X] QUARTERLY REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended March 31, 2015

OR

[] TRANSITION REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

COMMISSION FILE NUMBER 0-54669

BLUE EARTH, INC.

(Exact Name of small business issuer as specified in its charter)

Nevada
(State or other jurisdiction of
incorporation or organization)

98-0531496
(I.R.S. Employer
Identification No.)

2298 Horizon Ridge Parkway, Suite 205, Henderson, NV 89052

(Address of principal executive offices) (Zip Code)

N/A

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

Indicate by check mark whether the issuer (1) filed all reports required to be filed by Section 13 or 15(d) of the Exchange Act 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 definitions of large accelerated filer, accelerated filer, and smaller reporting company in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer <input type="checkbox"/>	Accelerated filer <input checked="" type="checkbox"/>	Non-accelerated filer <input type="checkbox"/>	Smaller reporting company <input type="checkbox"/>
		(Do not check if a 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 ☒

As of May 6, 2015 the issuer had 93,836,058 outstanding shares of Common Stock

EXPLANATORY NOTE

This Amendment No. 1 on Form 10-QA amends the Quarterly Report on Form 10-Q for the three months ended March 31, 2015 (the Original Report) of Blue Earth, Inc. (the Company), which was filed with the Securities and Exchange Commission on May 11, 2015. The Company is filing this amended Form 10-Q/A to present on a retroactive basis the effect of several Type 1 subsequent events including the resolution of certain litigation and the discontinuance of a significant component of its operations. This amendment is filed in accordance with Topic 13 of the Financial Reporting Manual of the Securities and Exchange Commission. The amended Form 10-Q/A also incorporates revisions to the notes and Management's Discussion and Analysis as the result of the response to review comments from the Securities and Exchange Commission staff. The filing of this Form 10-Q/A shall not be deemed an admission that the Original Report, when made, included any untrue statement of a material fact or omitted to state a material fact necessary to make a statement not misleading.

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PART I**ITEM 1. FINANCIAL STATEMENTS****BLUE EARTH, INC. AND SUBSIDIARIES**

Consolidated Balance Sheets

	March 31, 2015 (restated) (unaudited)	December 31, 2014
<u>ASSETS</u>		
CURRENT ASSETS		
Cash and cash equivalents	\$ 6,090,154	\$ 2,883,621
Restricted cash	632,258	632,102
Accounts receivable, net	3,438,804	1,739,822
Costs and revenues in excess of billings	552,930	3,967,207
Inventory, net	521,858	352,862
Construction in progress	71,128	68,213
Other receivables	76,194	78,926
Prepaid expenses and deposits	1,742,954	1,639,531
Total Current Assets	13,126,280	11,362,284
PROPERTY AND EQUIPMENT, net	63,881,481	56,815,626
OTHER ASSETS		
Deposits	71,544	80,455
Natural gas futures	2,259,995	2,426,266
Long term receivables	1,417,901	1,587,548
Equity method investment	9,525,841	9,353,402
Assets of discontinued operations	1,103,059	1,221,631
Contracts and technology, net	18,247,487	19,296,534
Total Other Assets	32,625,827	33,965,836
TOTAL ASSETS	\$ 109,633,588	\$ 102,143,746

LIABILITIES AND STOCKHOLDERS' EQUITY**CURRENT LIABILITIES**

Accounts payable	\$ 4,243,128	\$ 3,933,969
Current portion of notes payable, net	22,505	121,466
Related party payables	1,333,147	1,333,147
Line of credit payable	3,000,000	-
Convertible note payable	8,026,072	-

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Accrued expenses	2,546,721	2,857,597
Payroll expenses payable	261,243	167,780
Liabilities of discontinued operations	495,629	354,665
Total Current Liabilities	19,928,445	8,768,624
LONG TERM LIABILITIES		
Long term portion of notes payable	-	-
Total Liabilities	19,928,445	8,768,624
Commitments and contingencies		
STOCKHOLDERS' EQUITY		
Preferred stock; 25,000,000 shares authorized at \$0.001 par value, 400,000 and -0- shares issued and -0- and -0- shares outstanding, respectively	400	-
Common stock; 500,000,000 shares authorized at \$0.001 par value, 93,404,858 and 94,258,713 shares issued and outstanding, respectively	93,405	94,259
Additional paid-in capital	190,797,290	188,159,932
Accumulated deficit	(101,185,952)	(94,879,069)
Total Stockholders' Equity	89,705,143	93,375,122
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	\$ 109,633,588	\$ 102,143,746

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

BLUE EARTH, INC. AND SUBSIDIARIES

Consolidated Statements of Operations

(Unaudited)

	For the Three Months Ended March 31,	
	2015 (restated)	2014 (restated)
REVENUES	\$ 3,752,014	\$ 1,879,168
COST OF SALES	3,422,344	1,251,626
GROSS PROFIT	329,670	627,542
OPERATING EXPENSES		
Depreciation and amortization	1,081,579	948,820
General and administrative	5,076,380	5,024,908
Total Operating Expenses	6,157,959	5,973,728
LOSS FROM OPERATIONS	(5,828,289)	(5,346,186)
OTHER INCOME (EXPENSE)		
Other income	940	940
Loss from equity investment	(227,560)	-
Interest expense	(421,341)	(230,007)
Mark futures to market	(166,271)	-
Gain on sale of assets	7,987	11,235
Gain on settlement of litigation	989,778	-
TOTAL OTHER INCOME (EXPENSE)	183,533	(217,832)
LOSS BEFORE INCOME TAXES	(5,644,756)	(5,564,018)
INCOME TAX EXPENSE	-	-
LOSS FROM CONTINUING OPERATIONS	(5,644,756)	(5,564,018)
GAIN ON DISPOSAL OF DISCONTINUED OPERATIONS,		
net of income taxes of \$0	-	-
GAIN (LOSS) FROM DISCONTINUED OPERATIONS,		
net of income taxes of \$0	(662,127)	(122,442)
NET LOSS	(6,306,883)	(5,686,460)

PREFERRED DIVIDENDS	-	(392,888)
NET LOSS ATTRIBUTABLE TO COMMON SHAREHOLDERS	\$ (6,306,883)	\$ (6,079,348)
BASIC AND DILUTE		