

PLENUM COMMUNICATIONS INC/MN

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Table of Contents

To jump to a section, double-click on the section name.

8-K/A

ITEM 7	1
Balance Sheet	3
Income Statement	4
Cash Flow Statement	4
Table4	6
Table5	7
Balance Sheet2	8
Income Statement2	9
Income Statement3	9

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 8-K/A

AMENDMENT NO. 1
TO
CURRENT REPORT
PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934

Date of report (Date of earliest event reported) MAY 17, 1999

PLENUM COMMUNICATIONS, INC.
(Exact Name of Registrant as Specified in its Charter)

MINNESOTA
(State or Other Jurisdiction of
Incorporation)

0-25159
(Commission File Number)

91-1524747
(IRS Employer Identification Number)

PLENUM COMMUNICATIONS, INC.
3003 - 80TH AVENUE SE
MERCER ISLAND, WA 98040
(Address of Principal Executive Offices)

(206) 236-1995
(Registrant's Telephone, Including Area Code)

1

PLENUM COMMUNICATIONS, INC.

This 8-K/A filing amends an 8-K filed on June 1, 1999. Item 7 is hereby amended to state as follows:

ITEM 7. FINANCIAL STATEMENTS, PRO FORMA FINANCIAL INFORMATION AND EXHIBITS

- (a) Financial Statements of IMark.
 - (1) Audited Financial Statements of IMark, LLC as of December 31, 1998 and for the years ended December 31, 1998 and 1997 and the financial position as of March 31, 1999 (unaudited) and the results of operations for the three months ended March 31, 1999 and 1998 (unaudited).
- (b) Pro Forma Financial Information.

(1) Unaudited Pro Forma Combined Condensed Financial Statements of Plenum Communications, Inc. and IMark, LLC for the three months ended March 31, 1999 and the year ended December 31, 1998 and the financial position as of March 31, 1999.

(c) Exhibits:

Exhibit No.	Description
10.5	Asset Purchase Agreement dated as of May 17, 1999, among Plenum Communications, Inc., LION, Inc., IMark, Inc., IMark Design Group, and the principal shareholders of IMark (1)
99	Press release dated May 20, 1999, announcing the Company's acquisition of the IMark assets (1)

(1) Incorporated by reference to the same Exhibit numbers to the Company's Form 8-K as filed with the Securities and Exchange Commission on June 1, 1999, File No. 0-25159.

2

IMARK, LLC
 Financial Statements and Report
 of Independent Certified Public Accountants
 March 31, 1999 (unaudited) and
 December 31, 1998

Report of independent certified public accountants

Financial statements

Balance Sheets
 Statements of Earnings and Members' Equity
 Statements of Cash Flows
 Notes to Financial Statements

REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

Members of the Firm
 IMark, LLC

We have audited the accompanying balance sheet of IMark, LLC (a Colorado Limited Liability Company) as of December 31, 1998, and the related statements of earnings and members' equity, and cash flows for each of the two years in the period ended December 31, 1998. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall

financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of IMark, LLC as of December 31, 1998, and the results of its operations and its cash flows for each of the two years in the period ended December 31, 1998 in conformity with generally accepted accounting principles.

GRANT THORNTON LLP

Seattle, Washington
June 24, 1999

3

IMark, LLC
BALANCE SHEET

ASSETS

	March 31, 1999	December 31, 1998
	----- (unaudited)	-----
CURRENT ASSETS		
Cash and cash equivalents	\$ 47,002	\$ 14,887
Accounts receivable	48,871	23,444
Prepaid expenses	-	1,726
	-----	-----
Total current assets	95,873	40,057
PROPERTY AND EQUIPMENT - net	39,361	23,422
OTHER ASSETS	1,800	640
	-----	-----
	\$ 137,034	\$ 64,119
	-----	-----
LIABILITIES		
CURRENT LIABILITIES		
Accounts payable	\$ 1,730	\$ -
Accrued payroll liabilities	13,758	-
Deferred revenue	12,277	9,903
	-----	-----
Total current liabilities	27,765	9,903
COMMITMENTS	-	-
MEMBERS' EQUITY	109,269	54,216
	-----	-----
	\$ 137,034	\$ 64,119
	-----	-----

The accompanying notes are an integral part of these statements.

4

IMark, LLC

STATEMENTS OF EARNINGS AND MEMBERS' EQUITY

	Three months ended March 31,		Year ended December 31,	
	1999	1998	1998	1997
	(unaudited)	(unaudited)		
Revenues	\$ 143,357	\$ 27,148	\$ 168,351	\$ 39,916
Expenses				
Marketing and administrative	32,659	5,933	46,589	15,573
Salaries and payroll taxes	28,470	1,000	19,312	-
Depreciation and amortization	2,867	683	3,587	2,744
	63,996	7,616	69,488	18,317
Operating profit	79,361	19,532	98,863	21,599
Other income (expense)				
Interest expense	(49)	(134)	(281)	-
Interest income	269	-	14	177
NET EARNINGS	79,581	19,398	98,596	21,776
Members' equity at beginning of year	54,216	11,098	11,098	171
Members' draws and distributions during the year	(24,528)	(11,098)	(55,478)	(10,849)
Members' equity at end of year	\$ 109,269	\$ 19,398	\$ 54,216	\$ 11,098

The accompanying notes are an integral part of these statements.

5

IMark, LLC

STATEMENTS OF CASH FLOWS

	Three months ended March 31,		Year ended December 31,	
	1999	1998	1998	1997
	(unaudited)	(unaudited)		
Increase (Decrease) in Cash and Cash Equivalents				
Cash flows from operating activities				
Net earnings	\$ 79,581	\$ 19,398	\$ 98,596	\$ 21,776
Adjustments to reconcile net earnings to net cash provided by operating activities				
Depreciation and amortization	2,867	683	3,587	2,744
Changes in assets and liabilities				
Accounts receivable	(25,427)	(6,308)	(21,239)	(2,205)
Prepaid expenses and other assets	566	-	(2,366)	-
Deferred revenue	2,374	-	9,903	-
Accounts payable	1,730	(1,000)	(2,342)	2,342
Accrued payroll liabilities	13,758	-	-	-
Net cash provided by operating activities	75,449	12,773	86,139	24,657
Cash flows from investing activities				
Purchase of property and equipment	(18,806)	(1,538)	(19,758)	(7,624)
Net cash used in				

investing activities	(18,806)	(1,538)	(19,758)	(7,624)
Cash flows from financing activities				
Payments on capital leases	-	(1,030)	(1,651)	(720)
Members' draws, net	(24,528)	(11,098)	(55,478)	(10,849)
	-----	-----	-----	-----
Net cash used in financing activities	(24,528)	(12,128)	(57,129)	(11,569)
	-----	-----	-----	-----
Net increase (decrease) in cash and cash equivalents	32,115	(893)	9,252	5,464
Cash and cash equivalents at beginning of period	14,887	5,635	5,635	171
	-----	-----	-----	-----
Cash and cash equivalents at end of period	\$ 47,002	\$ 4,742	\$ 14,887	\$ 5,635
	-----	-----	-----	-----
Non-cash investing and financing activities:				
Property and equipment purchased under capital leases	\$ -	\$ -	\$ -	\$ 2,371
	-----	-----	-----	-----

The accompanying notes are an integral part of these statements.

6

IMark, LLC

NOTES TO FINANCIAL STATEMENTS

March 31, 1999 (unaudited) and December 31, 1998

NOTE A - SUMMARY OF ACCOUNTING POLICIES

IMark, LLC (the Company), a Colorado Limited Liability Corporation, provides web design, a mortgage directory service, and mortgage tools through the Internet to numerous brokers and consumers throughout the United States. On April 16, 1999, the Company filed its Articles of Incorporation in the State of Colorado and became a Colorado Corporation. On May 17, 1999, the Company entered into an agreement to sell all of the Company's assets to LION, Inc., a wholly-owned subsidiary of Plenum Communications, Inc.

A summary of significant accounting polices consistently applied in the preparation of the accompanying financial statements follows.

1. CASH EQUIVALENTS

For purposes of the statement of cash flows, the Company considers all highly-liquid debt instruments purchased with a maturity of three months or less to be cash equivalents.

2. REVENUE RECOGNITION

Subscription and service fees are recognized as revenue over the respective subscription periods or at the time the services are provided.

3. ACCOUNTS RECEIVABLE

The Company considers accounts receivable to be fully collectible; accordingly, no allowance for doubtful accounts is provided. If amounts become uncollectible, they will be charged to operations when that determination is made.

4. PROPERTY AND EQUIPMENT

Property and equipment are stated at cost less accumulated depreciation and

amortization. Depreciation and amortization are provided for in amounts sufficient to relate the cost of depreciable assets to operations over their estimated service lives, principally on a straight-line basis. Estimated service lives of property and equipment range from three to five years.

5. INCOME TAXES

Income taxes on the net earnings for the year are payable personally by the members and, accordingly, are not reflected in the financial statements.

6. MEMBERS' DRAWS AND DISTRIBUTIONS

Distributions to members are considered a reduction from retained earnings to the extent that the Company has retained earnings. Distributions to members in excess of retained earnings are accounted for as a reduction in each member's equity account.

7

IMark, LLC

NOTES TO FINANCIAL STATEMENTS

March 31, 1999 (unaudited) and December 31, 1998

NOTE A - SUMMARY OF ACCOUNTING POLICIES - Continued

7. USE OF ESTIMATES

In preparing the Company's financial statements, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

8. ADVERTISING COSTS

Advertising costs are expensed as incurred. Advertising expense was \$7,059 and \$197 for the three months ended March 31, 1999 and 1998 (unaudited), respectively, and \$6,480 and \$1,292 for the years ended December 31, 1998 and 1997, respectively.

NOTE B - PROPERTY AND EQUIPMENT

Property and equipment consist of the following:

	March 31, 1999 ----- (unaudited)	December 31, 1998 -----
Computer equipment	\$ 27,193	\$ 14,511
Computer software	13,918	9,605
Equipment	1,804	1,804
Furniture	5,644	3,833
	-----	-----
	48,559	29,753
Less accumulated depreciation and amortization	9,198	6,331
	-----	-----
	\$ 39,361	\$ 23,422
	-----	-----

IMark, LLC

NOTES TO FINANCIAL STATEMENTS

March 31, 1999 (unaudited) and December 31, 1998

NOTE C - COMMITMENTS

The Company conducts a portion of its operations utilizing leased facilities and equipment. The following is a schedule by years of approximate minimum rental payments under such operating leases, which expire at various dates through December 2001.

Year ending	March 31, ----- (unaudited)	December 31, -----
1999	\$ 26,000	\$ 22,600
2000	2,500	8,300
2001	1,500	2,100
	-----	-----
Total minimum payments required	\$ 30,000	\$ 33,000
	-----	-----

The leases provide for payment of taxes and other expenses by the Company. Rent expense for leased facilities totaled approximately \$2,486 and \$0 for the three months ended March 31, 1999 and 1998 (unaudited), respectively, and \$1,351 and \$0 for the years ended December 31, 1998 and 1997, respectively.

PRO FORMA FINANCIAL INFORMATION

On May 17, 1999, Plenum Communications, Inc. (the "Company"), LION, Inc. ("LION"), IMark, Inc., a Colorado corporation and IMark Design Group, a Colorado limited liability company (IMark, Inc. and IMark Design Group collectively referred to as "IMark"), and the principal shareholders of IMark, entered into an Asset Purchase Agreement pursuant to which the Company acquired substantially all of the assets of IMark, including its mortgage industry Internet sites, and assumed certain liabilities and obligations for a purchase price of \$600,000 payable in shares of common stock of the Company (the "Acquisition").

The accompanying unaudited pro forma combined condensed financial statements have been derived from the historical results of operations of Plenum Communications, Inc. and LION, Inc., collectively referred to as Plenum, and IMark for the three months ended March 31, 1999 and the year ended December 31, 1998 and the financial position as of March 31, 1999.

The unaudited pro forma combined condensed financial statements are presented

for informational purposes only and do not purport to be indicative of the operating results that actually would have occurred if the Acquisition had been consummated on January 1, 1998, nor which may result from future operations. The pro forma adjustments are based on available information and certain assumptions that the Company believes are reasonable. The purchase of assets has been accounted for using the purchase method of accounting. These pro forma financial statements should be read in conjunction with the Company's December 31, 1998 financial statements and notes thereto contained in its Form 10-KSB dated March 30, 1999, the IMark audited financial statements included in this filing and the Asset Purchase Agreement.

10

Plenum Communications, Inc.
PRO FORMA COMBINED CONDENSED BALANCE SHEET

ASSETS

	March 31, 1999		Pro Forma Adjustments	Pro Forma Combined
	Plenum	IMark		
CURRENT ASSETS				
Cash and cash equivalents	\$ 551,024	\$ 47,002	\$ -	\$ 598,026
Accounts receivable, less allowance for doubtful accounts of \$18,408	144,931	48,871	-	193,802
Prepaid expenses and other	85,479	-	-	85,479
Total current assets	781,434	95,873	-	877,307
PROPERTY AND EQUIPMENT - net	337,676	39,361	-	377,037
OTHER ASSETS				
Intangible assets, net	-	-	425,101(1)	425,101
Other	-	1,800	-	1,800
	\$1,119,110	\$ 137,034	\$ 425,101	\$ 1,681,245
LIABILITIES				
CURRENT LIABILITIES				
Accounts payable	\$ 133,088	\$ 1,730	\$ -	\$ 134,818
Accrued liabilities	267,936	13,758	-	281,694
Deferred revenue	129,024	12,277	-	141,301
Convertible debentures	131,188	-	-	131,188
Total current liabilities	661,236	27,765	-	689,001
COMMITMENTS AND CONTINGENCIES	-	-	-	-
STOCKHOLDERS' EQUITY	457,874	109,269	425,101(1)	992,244
	\$1,119,110	\$ 137,034	\$ 425,101	\$ 1,681,245

See notes to pro forma combined condensed financial statements.

11

Plenum Communications, Inc.
PRO FORMA COMBINED STATEMENT OF OPERATIONS

	Three Months Ended March 31, 1999		Pro Forma Adjustments	Pro Forma Combined
	Plenum	IMark		
Revenues	\$ 710,278	\$ 143,357	\$ -	\$ 853,635
Expenses				
Marketing and administrative	383,777	32,659	-	416,436
Salaries and payroll taxes	605,726	28,470	15,000 (2)	649,196
Depreciation and amortization	27,344	2,867	28,340 (1)	58,551
	1,016,847	63,996	43,340	1,124,183
Operating (loss) income	(306,569)	79,361	(43,340)	(270,548)
Other income (expense)				
Interest expense	(46,345)	(49)	-	(46,394)
Interest income	9,231	269	-	9,500
NET (LOSS) EARNINGS	\$ (343,683)	\$ 79,581	\$ (43,340)	\$ (307,442)
Loss per common share	\$ (.01)			\$ (.01)
Weighted average shares outstanding	25,068,256			25,421,198

See notes to pro forma combined condensed financial statements.

12

Plenum Communications, Inc.
PRO FORMA COMBINED STATEMENT OF OPERATIONS

	Year Ended December 31, 1998		Pro Forma Adjustments	Pro Forma Combined
	Plenum	IMark		
Revenues	\$ 1,856,336	\$ 168,351	\$ -	\$ 2,024,687
Expenses				
Marketing and administrative	1,234,236	46,589	-	1,280,825
Salaries and payroll taxes	1,575,393	19,312	60,000 (2)	1,654,705
Depreciation and amortization	81,013	3,587	113,360 (1)	197,960
	2,890,642	69,488	(173,360)	3,133,490
Operating (loss) income	(1,034,306)	98,863	(173,360)	(1,108,803)
Other income (expense)				
Interest expense	(203,604)	(281)	-	(203,885)
Interest income	10,192	14	-	10,206
NET (LOSS) EARNINGS	\$ (1,227,718)	\$ 98,596	\$ (173,360)	\$ (1,302,482)
Loss per common share	\$ (.06)			\$ (.06)
Weighted average shares outstanding	22,190,181			22,543,123

See notes to pro forma combined condensed financial statements.

Plenum Communications, Inc.
 NOTES TO PRO FORMA COMBINED CONDENSED FINANCIAL STATEMENTS

- (1) Intangible assets represent goodwill associated with the purchase of assets from IMark. Goodwill will be amortized over a period of 5 years. The assets purchased from IMark totaling \$64,782 were acquired for approximately \$600,000 of Plenum's common stock, plus acquisition costs of \$31,582. The excess purchase price over the fair value of assets purchased from IMark totaled \$556,801 and was allocated to goodwill.
- (2) Adjustments to record salaries and payroll taxes related to five-year employment agreements entered into by IMark's two shareholders with LION.

SIGNATURES

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

PLENUM COMMUNICATIONS, INC.
 (Registrant)

By: /s/ Allen Ringer

 Allen Ringer
 President and Chief Executive Officer

DATE: JULY 30, 1999

EXHIBIT INDEX

Exhibit No. -----	Description -----
10.5	Asset Purchase Agreement dated as of May 17, 1999, among Plenum Communications, Inc., LION, Inc., IMark, Inc., IMark Design Group, and the principal shareholders of IMark (1)
99	Press release dated May 20, 1999, announcing the Company's acquisition of the IMark assets (1)

 (1) Incorporated by reference to the same Exhibit numbers to the Company's Form 8-K as filed with the Securities and Exchange Commission on June 1, 1999, File No. 0-25159.