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ICEWEB INC
Form 10QSB/A
November 10, 2005

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

FORM 10-QSB/A
AMENDMENT NO. 1

(Mark One)

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(D) OF THE SECURITIES
EXCHANGE ACT OF 1934

For the quarterly period ended December 31, 2004

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 0-27865

ICEWEB, INC.

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

DELAWARE

(State or other jurisdiction
of incorporation)

13-2640971

(I.R.S. Employer
Identification No.)

205 VAN BUREN STREET, SUITE 420, HERNDON, VA 20170

(Address of principal executive offices)

703) 964-8000

(Issuer's telephone number)

Check 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 is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

APPLICABLE ONLY TO CORPORATE ISSUERS

State the number of shares outstanding of each of the issuer's classes of common equity, as of the latest practicable date: 465,190,240 issued and outstanding at

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January 31, 2005.

Transitional Small Business Disclosure Format: Yes [] No [X]

EXPLANATORY NOTE

We are amending the Form 10-QSB for the period ended December 31, 2004 to restate our Consolidated Balance Sheet (unaudited) at December 31, 2004, Consolidated Statements of Operations (unaudited) for the three months ended December 31, 2004 and Consolidated Statements of Cash Flows (unaudited) for the three months ended December 31, 2004 to reflect a change in classification of assets relating to the acquisition of The Seven Corporation, Iplicity, Inc. and DevElements, Inc. per SFAS 141. Amounts previously recorded as goodwill have been reclassified as intangible assets.

The Items of this Form 10-QSB/A for the period ended December 31, 2004 which are amended and restated are as follows: Part I, Item 1. Financial Statements including the Consolidated Balance Sheet (unaudited) at December 31, 2004, Consolidated Statements of Operations (unaudited) for the three ended December 31, 2004, Consolidated Statement of Cash Flows (unaudited) for the three months ended December 31, 2004 and Notes to Consolidated Financial Statements (unaudited), Item 2. Management's Discussion and Analysis or Plan or Operation and Item 3. Controls and Procedures. Further, Part II, Item 6. Exhibits and Reports on Form 8-K, includes currently dated certificates from the Company's Chief Executive Officer and principal accounting and financial officer in Exhibits 31.1, 31.2 and 32.1.

The remaining Items contained in this Form 10-QSB/A consist of all other Items originally contained in our Form 10-QSB for the period ended December 31, 2004 as filed on February 22, 2005. This Form 10-QSB/A does not reflect events occurring after the filing of the original Form 10-QSB, nor modify or update those disclosures in any way other than as required to reflect the effects of the restatement.

ICEWEB INC.

FORM 10-QSB/A

FOR THE QUARTER ENDED DECEMBER 31, 2004

INDEX

PART I Financial Information

Item 1. Financial Statements4

 Unaudited Consolidated Balance Sheet at December 31, 20044

 Unaudited Consolidated Statements of Operations for the
 three months ended December 31, 2004 and December 31, 20035

 Unaudited Consolidated Statements of Cash Flows for the
 three months ended December 31, 2004 and December 31, 20036

 Notes to Unaudited Consolidated Financial Statements7

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Item 2. Management's Discussion and Analysis or Plan of Operation9
Item 3. Controls and Procedures11
PART II OTHER INFORMATION12
Signatures13

FORWARD-LOOKING STATEMENTS

This Quarterly Report and related documents include "forward-looking statements" within the meaning of Section 27A of the Securities Act and Section 21E of the Exchange Act. Forward-looking statements involve known and unknown risks, uncertainties, and other factors which could cause the Company's actual results, performance (financial or operating) or achievements expressed or implied by such forward looking statements not to occur or be realized. Such forward looking statements generally are based upon the Company's best estimates of future results, performance or achievement, based upon current conditions and the most recent results of operations. Forward-looking statements may be identified by the use of forward-looking terminology such as "may," "will," "expect," "believe," "estimate," "anticipate," "continue," or similar terms, variations of those terms or the negative of those terms. Potential risks and uncertainties include, among other things, such factors as: our high level of indebtedness and ability to satisfy the same, our history of unprofitable operations, the continued availability of financing in the amounts, at the times and on the terms required, to support our future business and capital projects, the extent to which we are successful in developing, acquiring, licensing or securing patents for proprietary products, changes in economic conditions specific to any one or more of our markets, changes in general economic conditions, our ability to produce and install product that conforms to contract specifications and in a time frame that meets the contract requirements, and the other factors and information disclosed and discussed in other sections of this report. Investors and shareholders should carefully consider such risks, Uncertainties and other information, disclosures and discussions which contain cautionary statements identifying important factors that could cause actual results to differ materially from those provided in the forward-looking statements. We undertake no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

PART I

ITEM 1. Financial Statements

IceWEB, Inc. and Subsidiaries
CONSOLIDATED BALANCE SHEET
December 31, 2004
(Unaudited)

| | |
|--------------------------|------------|
| Current assets: | |
| Cash | \$ 118,470 |
| Accounts receivable, net | 954,849 |
| Prepaid expense | 23,181 |
| | ----- |
| Total current assets | 1,096,500 |

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| | |
|-----------------------------|---------|
| Property and equipment, net | 78,727 |
| Goodwill | 41,800 |
| Deposits | 16,170 |
| Deferred financing costs | 195,000 |
| Intangibles, net | 632,073 |

Total assets \$ 2,060,270

Liabilities and stockholders' equity

Current liabilities:

| | |
|---------------------------------|-----------|
| Accounts payable | 1,309,154 |
| Accrued expenses | 340,860 |
| Notes payable - related parties | 186,361 |
| Line of credit | 461,269 |
| Deferred revenue | 19,515 |

Total Current liabilities 2,317,159

Note payable - long term 150,000

Total liabilities 2,467,159

Stockholders' equity:

| | |
|--|-------------|
| Preferred stock (par value \$.001; 1,000,000 shares authorized no shares outstanding) | - |
| Common stock (par value \$.001 100,000,000 shares authorized 445,199,240 issued, and 432,199,240 outstanding) | 445,199 |
| Treasury Stock, at cost, (13,000,000 shares) | (13,000) |
| Subscription receivable | (20,000) |
| Additional paid in capital | 4,355,604 |
| Accumulated deficit | (5,174,692) |

Total stockholders' equity (406,889)

Total liabilities and stockholders' equity \$ 2,060,270

See accompanying notes to unaudited consolidated financial statements

Page 4

IceWEB, Inc. and Subsidiaries
CONSOLIDATED STATEMENTS OF OPERATIONS

| | Three Months Ended | |
|---------------|--------------------|--------------|
| | December 31, | December 31, |
| | 2004 | 2003 |
| | (Unaudited) | (Unaudited) |
| Revenue | \$ 1,432,883 | \$ 1,525,358 |
| Cost of Sales | 1,068,200 | 1,002,782 |

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| | | |
|--|--------------|-------------|
| Gross Profit | 364,683 | 522,576 |
| Operating Expenses: | | |
| Marketing & Selling | 12,703 | 36,860 |
| Research & Development | 193,727 | 56,000 |
| General and Administrative | 529,347 | 388,809 |
| Amortization Expense | 195,691 | - |
| Total Operating Expense | 931,468 | 481,669 |
| Operating (Loss)/Income | (566,785) | 40,907 |
| Other Income/Expense | 9,769 | - |
| Interest Expense | (20,301) | (10,976) |
| Net (Loss) Income | \$ (577,317) | \$ 29,931 |
| Basic & Diluted Loss per common share | \$ (0.00) | \$ 0.00 |
| Weighted average common shares outstanding | 443,399,240 | 381,900,000 |

See accompanying notes to unaudited consolidated financial statements

Page 5

IceWEB, Inc. and Subsidiaries
CONSOLIDATED STATEMENTS OF CASH FLOWS

| | Three Months Ended | |
|--|--------------------|--------------|
| | December 31, | December 31, |
| | 2004 | 2003 |
| | (Unaudited) | (Unaudited) |
| NET CASH USED IN OPERATING ACTIVITIES | \$ (112,671) | \$ (121,480) |
| CASH FLOWS FROM INVESTING ACTIVITIES: | | |
| Purchase of property and equipment | (8,838) | (66,679) |
| NET CASH USED IN INVESTING ACTIVITIES | (8,838) | (66,679) |
| CASH FLOWS FROM FINANCING ACTIVITIES: | | |
| Payments from related parties | 8,198 | 79,538 |
| Payment of subscription receivable | 32,000 | 70,000 |
| Proceeds from the exercise of common stock options | 21,000 | - |

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| | | |
|---|------------|-----------|
| NET CASH PROVIDED BY FINANCING ACTIVITIES | 61,198 | 149,538 |
| ----- | | |
| NET DECREASE IN CASH | (60,311) | (38,621) |
| CASH - beginning of period | 178,781 | 104,314 |
| ----- | | |
| CASH - end of period | \$ 118,470 | \$ 65,693 |
| ----- | | |

See accompanying notes to the unaudited consolidated financial statements

Page 6

ICEWEB, INC and Subsidiaries
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS UNAUDITED
December 31, 2004

Note 1 - Basis of Presentation

The financial statements included in this report have been prepared by the Company pursuant to the rules and regulations of the Securities and Exchange Commission for interim reporting and include all adjustments (consisting only of normal recurring adjustment) that are, in the opinion of management, necessary for a fair presentation. These financial statements have not been audited.

Certain information and footnote disclosures normally included in financial statements prepared in accordance with generally accepted accounting principles have been condensed or omitted pursuant to such rules and regulations for interim reporting. The Company believes that the disclosures contained herein are adequate to make the information presented not misleading. However, these financial statements should be read in conjunction with the financial statements and notes thereto included in the Company's annual Report for the year ended September 30, 2004, which is included in the Company's Form 10-KSB for the year ended September 30, 2004, as amended. The financial data for the interim periods presented may not necessarily reflect the results to be anticipated for the complete year.

Note 2 - Related Parties

The Company has a note payable to John R. Signorello, the Chairman and CEO, for \$109,177 plus accrued interest of approximately \$ 33,000. This note bears interest at a rate of 12.5% per annum and is due on-demand. Other Stockholders/Employees have loans totaling \$227,186 plus accrued interest of approximately \$41,000. Of this amount, \$150,000 bears interest at a rate of 12.5% per annum. The Company has issued the noteholder 10 million shares of common stock in exchange, the individual has extended the maturity date of the note by 10 years. The cost associated with these shares has been accounted for as deferred finance charges, and are being amortized over the life of the deferral period. The shares were valued at \$200,000 the fair value at the date of issuance. Also included in this amount is \$77,000 due to employees payable on demand.

Note 3 - Stockholder's Equity

The Company is authorized to issue 10,000,000 shares of Preferred Stock, par value \$.001, with such designations, rights and preferences as may be determined from time to time by the Board of Directors. There are currently zero shares of Preferred Stock issued and outstanding.

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During the period 800,000 common stock options were exercised by employees. The average exercise price of the options was .026. The Company realized proceeds of \$21,000 from the exercise of the options.

Note 4 - Stock Options

Stock option activity during the period is indicated as follows:

Page 7

| | OPTIONS AVAILABLE FOR GRANT | OPTIONS | EXERCISE PRICE |
|-----------------------------|--------------------------------|------------|-------------------|
| | ----- | ----- | ----- |
| Balance, September 30, 2004 | 40,856,040 | 47,063,960 | .01 - .04 |
| Granted | | 0 | |
| Exercised | | (800,000) | .01 - .04 |
| Forfeited | | 0 | |
| | ----- | ----- | ----- |
| Balance, December 31, 2004 | 40,856,040 | 46,263,960 | .01 - .04 |
| | ===== | ===== | ===== |

SFAS No. 123 "Accounting for Stock Based Compensation" ("SFAS 123") and SFAS No. 148 "Accounting for Stock-Based Compensation - Transition and Disclosure" ("SFAS 148") requires the Company to disclose pro forma information regarding option grants made to its employees. SFAS 123 specifies certain valuation techniques that produce estimated compensation charges that are included in the pro forma results below. These amounts have not been reflected in the Company's Statement of Operations, because Accounting Principles Board Opinion 25, "Accounting for Stock issued to Employees" specifies that no compensation charge arises when the price of the employees' stock options equal the market value of the underlying stock at the grant date, as in the case of options granted to the Company's employees.

Pro forma results are as follows for the three months ended December 31, 2004:

| | |
|--|-----------|
| Actual net loss | (577,317) |
| SFAS 123 Compensation Cost | 4,620 |
| | ----- |
| Pro forma net loss | (581,937) |
| | ----- |
| Pro forma basic and diluted net loss per share | (0.00) |

Under SFAS 123, the fair value of each option grant is estimated on the date of grant using the Black-Scholes option-pricing model. The following weighted average assumptions were used:

| | |
|-------------------------|-----|
| Risk free interest rate | 4% |
| Expected dividends | 0 |
| Volatility factor | 52% |

The Black-Scholes option valuation model was developed for use in estimating the fair value of traded options that have no vesting restrictions and are fully transferable. In addition, option valuation models require the input of highly subjective assumptions including the expected stock price volatility. Because the Company's employee stock options have characteristics significantly different from those of traded options, and because changes in the subjective input assumptions can materially affect the fair value estimate, in management's opinion the existing models do not necessarily provide a reliable single measure of the fair value of the Company's options.

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Note 5 - Accounts Receivable

Accounts receivable consist of normal trade receivables. The Company assesses the collectibility of its accounts receivable regularly. Based on the most recent assessment, we recorded bad debt expense of \$0 for the period ending December 31, 2004.

Note 6 - Subsequent Events

On January 4th the Company issued a Private Placement Memorandum. The Company has received \$500,000. The pricing of the placement is .025 cents per unit. The units consist of one common share at par value .001 and two warrants priced at .05 and .10 respectively expiring in 2009 and 2010 respectively.

Page 8

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS or PLAN OF OPERATION

THE FOLLOWING DISCUSSION SHOULD BE READ TOGETHER WITH THE INFORMATION CONTAINED IN THE FINANCIAL STATEMENTS AND RELATED NOTES INCLUDED ELSEWHERE IN THIS REPORT.

OVERVIEW

We are a diversified technology Company headquartered in Herndon, VA. Since our formation in 2001, our business plan has evolved as our revenues have grown. Our products and services offering include skilled technical consulting services, a full catalog of third party hardware and software and a branded suite of online training, content management (CMS), collaboration, portal and integration products.

Our future growth and the continued support of a comprehensive product line is dependent upon a significant growth in revenues from software licenses and the availability of additional working capital to fund the next version of software. While we continue to explore acquisition opportunities, our short-term focus is development and launch of the new version of IceWEB software known as "Smart Enterprise Suite 3.0." This version of the IceWEB product line will include new features, including wireless and PDA connectivity, more robust reporting tools and a tightly integrated technology platform. The product will be offered as an application service over the internet. It will include functionality that allows the customer to click and choose what service is needed and the length of which time the software is to be used. Over the last two quarters we have ported our platform to dot net nuke, an open systems architecture.

Our client base continues to broaden. The Company is signing new customers on a daily basis. The Company uses its website as the predominant marketing tool.

RESULTS OF OPERATIONS

Revenues

We generate revenues from software, application development and network management services and integrated technology, infrastructure solutions and third party hardware sales. For the three months ended December 31, 2004, we generated revenues of \$1,432,883 compared to \$1,525,358 in the comparative period in 2003, a decrease of approximately 6%. The primary reason for the decrease in revenue is that the Company continues to incur cash flow deficits. The cash flow issues have inhibited the Company's relationship with its suppliers and hindered its ability to generate additional revenue.

Cost of Sales

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For the three months ended December 31, 2004, cost of sales was \$1,068,200, or approximately 75% of revenues, compared to \$1,002,782 or approximately 66% of revenues, for the three months ended December 31, 2003. The Company attributes the increase in the cost of sales to increase costs associated with programmers and other technical human resources.

Total Operating Expenses

Our total operating expenses increased approximately 193% for the three months ended December 31, 2004 as compared to the same period in fiscal 2003. These increases include: approximately \$194,000 in research and development costs and approximately \$195,000 in amortization expense.

Marketing and Selling - our marketing and selling expense consists of personnel costs, including commissions, public relations, advertising, marketing programs, lead generation, travel and trade shows. For the three months ended December 31, 2004, marketing and selling costs were \$12,703 as compared to \$36,860 for comparative period in 2003, a decrease of \$24,157 or approximately 65%. These increases were the result of additional marketing personnel, trade show events, online web marketing, advertising and print advertising during fiscal 2004.

Page 9

Research and development - our research and development expense consists primarily of personnel costs related to the development of the software products. For the three months ended December 31, 2004, research and development expenses were 193,727 as compared to \$56,000 in the comparative period in 2003. The research and development expenses in fiscal 2004 are related to efforts to further develop and enhance certain software products acquired by us during this fiscal year. General and administrative expense - our general and administrative expense consists primarily of personnel costs, rent, legal, accounting, human resources, telecommunications, office supplies and corporate governance and compliance. For the three months ended December 31, 2004, general and administrative expenses were \$529,347 as compared to \$388,809 for the comparative period in 2003, an increase of \$140,538 or approximately 36%. These increased general and administrative expenses reflect increases in personnel costs and other fixed expenses resulting from acquisitions made by us during fiscal 2004. We expect general and administrative expenses to stabilize and potentially decrease as a percentage of sales due to the process efficiencies we have been developing. At this time, we do not anticipate any significant changes in the number of employees through hiring or firing practices; however, any additional acquisitions could result in increased general and administrative expenses.

Other Income/Expense

For the three months ended December 31, 2004, The Company recognized other income of \$9,769 which represents rental revenue generated from a sublet of office space.

Interest Expense

Interest expense consists primarily of the amounts accrued on the notes payable to John R. Signorello and an unaffiliated third party as described in Note 2 of the notes to unaudited consolidated Financial Statements appearing elsewhere herein. For the three months ended December 31, 2004 interest expense was \$20,301 as compared to \$10,976 the comparative period in 2003.

Amortization Expense

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Amortization expense for intangibles is provided by use of the straight-line method for developed software and the expected cash flow method for custom relationship capitalized during acquisitions.

LIQUIDITY AND CAPITAL RESOURCES

At December 31, 2004, we had a cash balance of \$118,470 and a working capital deficit of \$1,220,659. The report of our independent auditors on our financial statements for the year ended September 30, 2004 contains an explanatory paragraph regarding our ability to continue as a going concern. Net cash used in operations was (\$112,671) for the three months ended December 31, 2004, as compared to net cash used in operations of (\$121,480) for the three months ended December 31, 2003. For the three months ended December 31, 2004, we used cash to fund our net loss of (\$577,317) offset by non-cash items such as depreciation expense of \$16,362 and amortization expense of \$195,691.

Net cash used in investing activities for the three months ended December 31, 2004 was \$8,838 as compared to \$66,679 for the comparative period in 2003. Net cash provided by financing activities for the three months ended December 31, 2004 was \$61,198 as compared to \$149,538 for the comparative period in 2003.

Our operations continue to use more cash than they currently generate. We have expended funds not only for our continuing operations but to fund research and development costs associated with our software. Because of the continued need for substantial amounts of working capital to fund the growth of the business and to pay our operating expenses, we expect to continue to experience negative operating and investing cash flows for the foreseeable future. While we presently expect an increase in software sales during the balance of fiscal 2004 and into fiscal 2005, would have a positive effect on the operating cash flow, as a result of the current uncertainty of the software revenues it is likely that our existing working capital will not be sufficient to fund the continued implementation of our plan of operation during the next 12 months and to meet

Page 10

our capital commitments and general operating expenses. We are unable to predict at this time the exact amount of additional working capital we will require, however, in order to provide any additional working capital which we may require, we will in all likelihood be required to raise additional capital through the sale of equity or debt securities. Subsequent to this document we have raised \$500,000 through the sale of equity. We will still need to raise a minimum of \$1,000,000 to sustain our current growth rate and operations.

CRITICAL ACCOUNTING POLICIES

Financial Reporting Release No. 60, which was released by the U.S. Securities and Exchange Commission encourages all companies to include a discussion of critical accounting policies or methods used in the preparation of financial statements. Our consolidated financial statements include a summary of the significant accounting policies and methods used in the preparation of our consolidated financial statements. Management believes the following critical accounting policies affect the significant judgments and estimates used in the preparation of the financial statements.

Revenue Recognition - revenues are recognized at the time of shipment of the respective products and/or services. Our Company includes shipping and handling fees billed to customers as revenues. Costs of sales include outbound freight. Licenses and software are billed as services are rendered on a biweekly schedule.

Use of Estimates - Management's discussion and analysis of financial condition

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and results of operations is based upon our unaudited consolidated financial statements, which have been prepared in accordance with accounting principles generally accepted in the United States of America. The preparation of these financial statements requires management to make estimates and judgments that affect the reported amounts of assets, liabilities, revenues, and expenses, and related disclosure of contingent assets and liabilities. On an ongoing basis, management evaluates these estimates, including those related to allowances for doubtful accounts receivable and the carrying value of inventories and long-lived assets. Management bases these estimates on historical experience and on various other assumptions that are believed to be reasonable under the circumstances, the results of which form the basis of making judgments about the carrying value of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions or conditions.

Item 3. Controls and Procedures

Our Chief Executive Officer who also serves as our principal financial and accounting officer, has conducted an evaluation of the effectiveness of our disclosure controls and procedures (as defined in Rule 13a-15(e) promulgated under the Securities and Exchange Act of 1934, as amended) as of a date (the "Evaluation Date") as of the end of the period covered by the report. As set forth below management determined that there was a material weakness in the Company's internal control over financial reporting as of December 31, 2004 as more fully described below. Based upon that evaluation, the Company's Chief Executive Officer has concluded that our disclosure controls and procedures were not effective because of the material weakness described below.

In this Quarterly Report on Form 10-QSB/A the Company is restating its Consolidated Balance Sheet (unaudited) at December 31, 2004 and its Consolidated Statement of Operations (unaudited) for the three months ended December 31, 2004 and Consolidated Statement of Cash Flows (unaudited) for the three months ended December 31, 2004 which appeared in its Quarterly Report on Form 10-QSB for the period ended December 31, 2004 as previously filed with the Securities and Exchange Commission. These restatements were made to reflect a change in classification of assets relating to the acquisition of The Seven Corporation, Iplicity, Inc. and DevElements, Inc. per SFAS 141. Amounts previously recorded as goodwill have been reclassified as intangible assets which resulted in recording amortization expense of these intangible assets in the period ended December 31, 2004. The restatements resulted from comments from the staff of the Securities and Exchange Commission.

Page 11

As a result of these restatements and the amortization of these intangible assets, the amount of the Company's total assets was overstated, the amount of its additional paid-in capital and accumulated deficit was understated and the amount of its total stockholders' equity and total liabilities and stockholders' equity were overstated, all as which appear on its Consolidated Balance Sheet (unaudited) at December 31, 2004 from that as previously reported. In addition, these changes resulted in an increase of the Company's net loss for period ended and an increase in loss available to common stockholders both as reflected on the Company's Consolidated Statement of Operations (unaudited) appearing elsewhere herein. Finally, the Consolidated Statement of Cash Flows for the three months ended December 31, 2004 has been restated to incorporate the foregoing changes.

Because of these accounting errors, the Company has determined that a deficiency in internal controls existed related to the classification of goodwill and intangible assets. Accordingly, management determined that this control deficiency constituted a material weakness. Management has taken the remedial

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steps necessary to eliminate the material weakness relating to financial disclosure controls that resulted in the restatement discussed above. Other than the changes discussed above, there have been no changes made in the Company's internal controls or in other factors that could materially affect its internal controls subsequent to the end of the period covered by this report based on such evaluation.

Part II - OTHER INFORMATION

Item 1. Legal Proceedings

The Company is not involved in any material legal proceedings.

Item 2. Changes in Securities and small business issuer purchases of equity securities

None

Item 3. Defaults upon Senior Securities

The Company is currently out of compliance with the Tangible Net Worth covenant as stated in our Loan Agreement with Comerica.

Item 4. Submission of Matters to a Vote of Security Holders

None.

Item 5. Other Information

None.

Item 6. Exhibits and Reports on Form 8-K

- Exhibit 31.1 Certification of Chief Executive Officer pursuant to Section 302
- Exhibit 31.2 Certification of Principal Financial Officer pursuant to Section 302
- Exhibit 32.1 Certification of Chief Executive Officer pursuant to Section 906

b) Reports on Form 8-K

8K filed on 10/08/04 pursuant to items 8.01 and 9.01
8K filed on 10/18/04 pursuant to items 8.01 and 9.01
8K/A filed on 10/29/2004 pursuant to item 9.01

Page 12

SIGNATURES

In accordance with the requirements of the Exchange Act, the registrant caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

ICEWEB, Inc.

Dated: November 9, 2005

By: /s/ John R. Signorello

John R. Signorello, Chairman and CEO,
principal executive officer and principal
financial and accounting officer

