

Edgar Filing: CITY NETWORK INC - Form 8-K

CITY NETWORK INC  
Form 8-K  
December 12, 2005

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

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FORM 8-K

CURRENT REPORT  
PURSUANT TO SECTION 13 OR 15(d) OF THE  
SECURITIES EXCHANGE ACT OF 1934

Date of Report:

December 7, 2005  
(Date of earliest event reported)

CITY NETWORK, INC.  
(Exact name of registrant as specified in charter)

Nevada  
(State or other Jurisdiction of Incorporation or Organization)

001-31954  
(Commission File Number)

98-0467944  
(IRS Employer  
Identification No.)

2F-1, No. 16 Jian Ba Road  
Chung Ho City  
Taipei County 235, Taiwan, ROC  
(Address of Principal Executive Offices and zip code)

011-886-2-8226-5566  
(Registrant's telephone number, including area code)

(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12(b) under the Exchange Act (17 CFR 240.14a-12(b))
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

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ITEM 4.02 NON-RELIANCE ON PREVIOUSLY ISSUED FINANCIAL STATEMENTS OR A RELATED AUDIT REPORT OR COMPLETED INTERIM REVIEW

On December 7, 2005, City Network, Inc. (the "Registrant") received a letter from its independent registered public accounting firm, Lichter, Yu & Associates (the "Auditor"), advising the Registrant that disclosure should be made to prevent reliance on the previously issued financial statements in Form 10-KSB for the fiscal year ended December 31, 2004 (the "10-KSB"). The errors in the 10-KSB are non-cash related in nature, pertain only to the notes to the financial information and are not expected to affect the Registrant's previously reported net revenues or cash flows. The corrections necessary to revise the 10-KSB require the Registrant to include an additional note to the financial statements to provide additional disclosure on ongoing litigation. The Registrant plans to file the revised and restated 10-KSB as soon as practicable after the necessary corrections have been determined. Consequently, the Registrant and the Auditor determined that the Registrant should take immediate action to prevent future reliance on the 10-KSB pursuant to Item 4.02(b) of Form 8-K.

Certain members of the Registrant's audit committee and executive officers have discussed these matters with the Auditor and intend to further address these matters with management.

The Registrant has provided the Auditor with a copy of this disclosure prior to its filing with the Securities and Exchange Commission and requested that the Auditor furnish it with a letter addressed to the Securities and Exchange Commission stating the respects in which it agrees and does not agree. The Registrant will file a copy of the Auditor's letter required pursuant to Section 4.02(c) of Form 8-K with the Securities and Exchange Commission promptly following receipt of such letter.

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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.

CITY NETWORK, INC.

By: /s/ Tiao-Tsan Lai

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Name: Tiao-Tsan Lai

Title: Chairman and Chief Executive Officer

Dated: December 12, 2005