

FITLIFE BRANDS, INC.
Form 10-Q
November 15, 2016

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

FORM 10-Q

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

For the quarterly period ended September 30, 2016

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

For the transition period from N/A to N/A

Commission File No. 000-52369

FITLIFE BRANDS, INC.
(Name of small business issuer as specified in its charter)

Nevada 20-3464383
(State or other jurisdiction of incorporation) (IRS Employer Identification No.)

4509 S. 143rd Street, Suite 1, Omaha, NE 68137
(Address of principal executive offices)

(402) 884-1894
(Issuer's telephone number)

(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 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 (Sec.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, or a non-accelerated filer. See definition of "accelerated filer and large accelerated filer" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer Accelerated filer
Non-Accelerated filer Small reporting company

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Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

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

Class	Outstanding at November 14, 2016
Common stock, \$0.01 par value	10,450,965

FITLIFE BRANDS, INC.
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FOR THE QUARTER ENDED SEPTEMBER 30, 2016

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<u>32.1</u>	<u>Certification of Chief Executive Officer Pursuant to Section 906 of the Sarbanes-Oxley Act.</u>

32.2

Certification of Chief Financial Officer Pursuant to Section 906 of the Sarbanes-Oxley Act.

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PART I

FINANCIAL INFORMATION

Item 1. Financial Statements

The accompanying reviewed interim consolidated financial statements have been prepared in accordance with the instructions to Form 10-Q. Therefore, they do not include all information and footnotes necessary for a complete presentation of financial position, results of operations, cash flows, and stockholders' equity in conformity with generally accepted accounting principles. Except as disclosed herein, there has been no material change in the information disclosed in the notes to the consolidated financial statements included in the Company's Annual Report on Form 10-K for the year ended December 31, 2015. In the opinion of management, all adjustments considered necessary for a fair presentation of the results of operations and financial position have been included and all such adjustments are of a normal recurring nature. Operating results for the three and nine months ended September 30, 2016 are not necessarily indicative of the results that can be expected for the year ending December 31, 2016.

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CONDENSED CONSOLIDATED BALANCE SHEETS

	(Unaudited)	
	September 30,	December 31,
ASSETS:	2016	2015
CURRENT ASSETS		
Cash	\$1,986,362	\$1,532,550
Accounts receivable, net	4,054,240	2,684,567
Security deposits	24,956	26,077
Inventory	4,432,975	4,790,301
Note receivable, current portion	6,532	16,517
Prepaid income tax	1,000	152,000
Prepaid expenses and other current assets	189,316	334,483
Total current assets	10,695,380	9,536,494
PROPERTY AND EQUIPMENT, net	187,514	226,804
Note receivable, net of current portion	52,695	52,695
Deferred Taxes	689,000	812,879
Intangibles assets, net	6,613,005	6,929,505
TOTAL ASSETS	\$18,237,595	\$17,558,378
LIABILITIES AND STOCKHOLDERS' EQUITY:		
CURRENT LIABILITIES:		
Accounts payable	\$2,697,100	\$3,363,906
Accrued expenses and other liabilities	633,891	1,003,832
Litigation Reserve	-	95,775
Income tax payable	13,000	-
Line of credit	2,010,305	1,490,305
Term loan agreement, current portion	539,951	525,589
Notes payable	42,211	54,036
Total current liabilities	5,936,457	6,533,443
LONG-TERM DEBT, net of current portion	507,340	914,138

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TOTAL LIABILITIES	6,443,797	7,447,581
CONTINGENCIES AND COMMITMENTS	-	-
STOCKHOLDERS' EQUITY:		
Common stock, \$.01 par value, 150,000,000 shares authorized; 10,413,621 and 10,444,357 issued and outstanding as of September 30, 2016 and December 31, 2015, respectively	104,136	104,443
Subscribed common stock	373	97
Treasury stock	-	(142,228)
Additional paid-in capital	30,971,453	30,963,122
Accumulated deficit	(19,282,165)	(20,814,637)
Total stockholders' equity	\$11,793,798	\$10,110,797
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	\$18,237,595	\$17,558,378

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