

Edgar Filing: SONIC JET PERFORMANCE INC - Form 8-K/A

SONIC JET PERFORMANCE INC
Form 8-K/A
September 09, 2002

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 8-K/A

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

Date of report: September 9, 2002

Sonic Jet Performance, Inc.

(Exact Name of Registrant as Specified in Its Charter)

Colorado

84-1383888

(State or Other Jurisdiction of
Incorporation or Organization)

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

15662 Commerce Lane, Huntington Beach, CA 92649

(Address of principal executive offices) (ZIP Code)

(714) 895-0944

(Registrant's Telephone Number, Including Area Code)

Not Applicable

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

ITEM 1. CHANGE IN CONTROL OF REGISTRANT

NONE

ITEM 2. ACQUISITION OR DISPOSAL OF ASSETS

On June 13, 2002, Sonic Jet Performance, Inc. ("Sonic Jet") Entered into a Stock Purchase Agreement with Technical Solutions G, Inc. a Nevada Corporation ("TSG"), Garth Barrett, an individual, and TS Group, LLC, a Texas Limited Liability Company (hereinafter collectively known as the "Seller") whereby Sonic Jet purchased 100% of the issued and outstanding common stock from.

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In exchange for the Common Stock of Seller, Sonic Jet agrees to deliver Four Hundred Thousand Dollars (\$400,000) of working capital and exchange six million shares (6,000,000) of Sonic Jet. The shares will be allocated as follows:

(i) Garth Barrett, to receive 2,000,000 share of Sonic Jet Common Stock in exchange for 8,000 shares of TSG Common Stock.

(ii) TS Group, LLC to receive (4,000,000) share of Sonic Jet Common Stock which is subject to a security interest from a note due to TSG from TS Group.

As a result of the transactions TSG will become a wholly owned subsidiary of Sonic Jet. TSG manufactures a line of specialty vehicles for the military and law enforcement markets. Sonic and Shareholders agree that the structure for the acquisition of TSG shares by Sonic will be deemed a tax-free transaction.

ITEM 3. BANKRUPTCY OR RECEIVERSHIP

NONE

ITEM 4. CHANGES IN REGISTRANT'S CERTIFYING ACCOUNTING

NONE

ITEM 5. OTHER EVENTS

NONE

ITEM 6. RESIGNATION OF REGISTRANT'S DIRECTORS

NONE

ITEM 7. FINANCIAL STATEMENTS AND EXHIBITS

(a) Financial statements of businesses acquired:

The financial statements required by this item are not included herewith and will be filed within 60 days of the required filing date of this Form 8-K.

(b) Pro forma financial information:

Sonic Jet Performance, Inc. Consolidated Balance Sheet (assets)	F-2
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Sonic Jet Performance, Inc. Consolidated Statement of Operations	F-4
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(c) Exhibits:

2.1 Stock Purchase Agreement between, Sonic Jet Performance, Inc., a Colorado corporation ("Sonic"), and Technical Solutions Group, Inc. a Nevada Corporation ("TSG"), Garth Barrett, an individual, and TS Group, LLC, a

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Texas Limited Liability Company (collectively referred to as the "Sellers").

ITEM 8. CHANGE IN FISCAL YEAR

None.

ITEM 9. REGULATION FD DISCLOSURE

None.

Sonic Jet Performance, Inc. and Subsidiaries
Pro Forma Consolidated Financial Statements

For the Six-Month Period Ended June 30, 2002

Michael Johnson & Co., LLC.
9175 E. Kenyon Avenue, Suite 100
Denver, CO 80237
Phone: 303-796-0099
Fax: 303-796-0137

PRO FORMA CONSOLIDATED FINANCIAL DATA

The Unaudited Pro Forma Consolidated Balance Sheet and the Unaudited Consolidated Statement of Operations of Sonic Jet Performance, Inc. ("the Company") have been prepared to illustrate the estimated effect of the acquisition of Technical Solutions Group, Inc. (TSG) as if it had occurred on January 1, 2002. The acquisition was accounted for by the purchase method of accounting. The Pro Forma Financial Statements do not purport to be indicative of the results of operations or financial position of the Company that would have actually been obtained had such transactions been completed as of the assumed dates and for the period presented, or which may be obtained in the future. The pro forma adjustments are described in the accompanying notes and are based upon available information and certain assumptions that the Company believes are reasonable.

A preliminary allocation of the purchase price has been made to major categories of assets and liabilities in the accompanying Pro Forma Financial Statements based on available information. The actual allocation of purchase price and the resulting effect on income from operations may differ significantly from the pro forma amounts included herein. These pro forma adjustments represent the Company's preliminary determination of purchase accounting adjustments and are based upon available information and certain assumptions that the Company believes to be reasonable. Consequently, the amounts reflected in the Pro Forma Financial Statements are subject to change, and the final amounts may differ

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substantially.

The accompanying Pro Forma Consolidated Financial Statements should be read in conjunction with the historical financial statements and related notes thereto for Sonic Jet Performance, Inc. and Technical Solutions Group, Inc.

/s/ Michael Johnson & Co., LLC.
 Michael Johnson & Co., LLC.
 Denver, Colorado
 September 5, 2002

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SONIC JET PERFORMANCE, INC. AND SUBSIDIARIES
 Pro Forma Consolidated Balance Sheet
 June 30, 2002

	Sonic Jet Performance, Inc.	Technical Solution Group, Inc.	Pro Forma Adjustments	Pro For Consolid Balanc
	-----	-----	-----	-----
ASSETS:				
Current Assets:				
Cash	\$ 90,711	\$ 3,102	\$ -	\$ 93
Restricted cash	166,457	-	-	166
Accounts receivable	86,582	1,338	-	87
Note Receivable	-	458,729	-	458
Investment	50,000	-	(3) (50,000)	-
Inventories	182,970	-	-	182
Other current assets	2,506	-	-	2
	-----	-----	-----	-----
Total Current Assets	579,226	463,169	(50,000)	992
	-----	-----	-----	-----
Property and Equipment, net	1,109,217	214,892	-	1,324
	-----	-----	-----	-----
Other Assets:				
Acquisition	-	-	(1) 1,200,000	1,200
Licensing rights	267,500	-	-	267
	-----	-----	-----	-----
Total Other Assets	267,500	-	1,200,000	1,467
	-----	-----	-----	-----
TOTAL ASSETS	\$ 1,955,943	\$ 678,061	\$1,150,000	\$ 3,784
	=====	=====	=====	=====

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SONIC JET PERFORMANCE, INC. AND SUBSIDIARIES
 Pro Forma Consolidated Balance Sheet
 June 30, 2002
 (Unaudited)

	Sonic Jet Performance, Inc. -----	Technical Solution Group, Inc. -----	
LIABILITIES AND STOCKHOLDERS' EQUITY:			
Current Liabilities:			
Accounts payable	\$ 421,416	\$ 746,481	
Advance from Customers	-	974,980	
Accrued payroll taxes	50,575	-	
Accrued interest and other expenses	255,254	47,396	
Line of credit	-	81,314	
Loan from shareholder	55,000	15,689	
	-----	-----	
Total Current Liabilities	782,245	1,865,860	
	-----	-----	
Long-term Liabilities;			
Notes Payable	-	799,700	(3)
	-----	-----	
Total Long-term Liabilities	-	799,700	
	-----	-----	
TOTAL LIABILITIES	782,245	2,665,560	
	-----	-----	
Stockholders' Equity:			
Preferred stock	365,000	-	
Common stock	12,648,235	24,000	(2)
		-	(1)
Additional Paid in Capital	-	458,729	(2)
Accumulated deficit	(11,839,537)	(2,470,228)	(2)
	-----	-----	
Total Stockholders' Equity	1,173,698	(1,987,499)	
	-----	-----	
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	\$ 1,955,943	\$ 678,061	\$
	=====	=====	=====

SONIC JET PERFORMANCE, INC. AND SUBSIDIARIES
 Pro Forma Consolidated Statement of Operations
 For the Six-Months Ended June 30, 2002
 (Unaudited)

	Sonic Jet Performance Inc.	Technical Solutions Group, Inc.	Pro Forma Adjustme
	-----	-----	-----
REVENUES:	\$ 362,632	\$ 748,700	
COST OF SALES	209,614	1,058,568	
GROSS PROFIT	153,018	(309,868)	
OPERATING EXPENSES:			
Sales, General and Administrative	1,018,189	969,804	
Total Operating Expenses	1,018,189	969,804	
Net Loss from Operations	(865,171)	(1,279,672)	
OTHER INCOME/EXPENSES			
Other income	31,426	52	
Interest income	3,213	-	
Interest expenses	-	(18,363)	
	34,639	(18,311)	
NET LOSS	\$ (830,532)	\$ (1,297,983)	
Net Loss Per Share	\$ (0.03)	\$ (0.21)	
Weighted average number of shares outstanding	27,928,115	6,000,000	

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Notes to the Pro Forma Balance Sheet at June 30, 2002

- (1) The estimated purchase price and preliminary adjustments to historical book value of Sonic Jet Performance as a result of the TSG acquisition as follows:

Purchase price:	
Estimate value of stock issued	\$1,200,000
Book value of net assets acquired	1,172,245
Adjustment to reflect fair market value of net assets	(1,172,245)

Purchase price in excess of net assets acquired	\$1,200,000
	=====

Preliminary allocation of purchase price in excess of net assets required:	
Estimated goodwill	\$1,200,000

- (2) The adjustments to additional paid-in capital, accumulated deficit, and capital stock as a result of the TSG acquisition:

Elimination of TSG additional paid in capital	\$(458,729)
Elimination of TSG pre business combination accumulated deficit	482,729
Elimination of TSG capital stock	(24,000)

Total	\$ 0
	=====

- (3) The adjustments to eliminate intercompany receivables and payables as a result of the TSG acquisition:

Investment	\$(50,000)
Notes Payable	50,000

Total	\$ 0
	=====

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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, thereunto duly authorized.

SONIC JET PERFORMANCE, INC.

By: /s/ Madhava Rao Mankal

Date: September 9, 2002
Madhava Rao Mankal,
Chief Financial Officer/Secretary