

SECURITIES & EXCHANGE COMMISSION EDGAR FILING

American Resources Corp

Form: 8-K/A

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

FORM 8-K/A
Amendment No. 1

CURRENT REPORT
Pursuant to Section 13 OR 15(d) of The Securities
Exchange Act of 1934

Date of Report (Date of earliest event reported): July 11, 2016

NGFC EQUITIES, INC.

(Exact name of registrant as specified in its charter)

Florida (State or other jurisdiction of incorporation)	000-55456 (Commission File Number)	46-3914127 IRS Employer Identification No.
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45 Almeria Avenue Coral Gables, Florida 33134 (Address of principal executive offices)	33134 (Zip Code)
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(305) 865-8193
(Registrant's telephone number, including area code)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the 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 under the Exchange Act (17 CFR 240.14a-12)
- 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))

FORWARD LOOKING STATEMENTS

This Form 8-K and other reports filed by Registrant from time to time with the Securities and Exchange Commission (collectively the "Filings") contain or may contain forward looking statements and information that are based upon beliefs of, and information currently available to, Registrant's management as well as estimates and assumptions made by Registrant's management. When used in the filings the words "anticipate", "believe", "estimate", "expect", "future", "intend", "plan" or the negative of these terms and similar expressions as they relate to Registrant or Registrant's management identify forward looking statements. Such statements reflect the current view of Registrant with respect to future events and are subject to risks, uncertainties, assumptions and other factors relating to Registrant's industry, Registrant's operations and results of operations and any businesses that may be acquired by Registrant. Should one or more of these risks or uncertainties materialize, or should the underlying assumptions prove incorrect, actual results may differ significantly from those anticipated, believed, estimated, expected, intended or planned.

Although Registrant believes that the expectations reflected in the forward looking statements are reasonable, Registrant cannot guarantee future results, levels of activity, performance or achievements. Except as required by applicable law, including the securities laws of the United States, Registrant does not intend to update any of the forward-looking statements to conform these statements to actual results.

In this Current Report on Form 8-K, "Company," "our company," "NGFC," "us," and "our" refer to NGFC Equities, Inc., unless the context requires otherwise.

Explanatory Note

This Amendment No. 1 on Form 8-K/A (this "Form 8-K/A") is an amendment to the Current Report Form 8-K of NGFC Equities Inc., dated May 20, 2016 (the "Original Form 8-K"). This Form 8-K/A is being filed to correct following issues cited in the Original Form 8-K:

1. In the Original Form 8-K, under item 2.01, when announcing NGFC resigning as the general partner ("GP") of NGFC Limited Partnership ("NGLP") and appointing I Andrew Weeraratne, the CEO of NGFC as GP and deconsolidating NGLP in our preparation of the financial statements, was called a Spin-off. We would like instead, use the term deconsolidation of NGFC Limited Partnership since defining that event as a Spin-off is not appropriate.
2. We discovered that we have overlooked the fact that according to NGLP Partnership Agreement, NGFC cannot resign as the GP until all Limited Partners ("LPs") are informed in writing giving 30-days notice and as such our Board of Directors at a meeting held on July 10, 2016 decided to withdraw the original resignation made on May 19, 2016 by NGFC to resign as the GP of NGLP and wait for NGFC to resign as GP until after we have informed all LPs the decision of NGFC to resign as GP of NGLP and give LPs the 30-days to respond to that.
3. On the body of the Original Form 8-K, we have stated, "As of May 20, 2016, this option has been given to 13 Limited Partners to convert their capital of \$485,350 to 1,617,833 shares of NGFC prior to March 31, 2017," it should properly read "As of May 20, 2016, this option has been given to 14 Limited Partners to convert their capital of \$535,350 to 1,784,500 shares of NGFC prior to March 31, 2017."
4. On the "Unaudited Proforma Consolidated Statements of Operations for the Six Months Ended March 31, 2016, we made an error on the line "Unrealized loss on marketable securities" where we have added the historical figure with the proforma adjustment instead of subtracting it as required to come up with the result. We have corrected that with this Amendment.

Item 2.01, Completion of Acquisition or Disposition of Assets.Deconsolidation of NGFC Limited Partnership

As illustrated on the Form 8-K we filed on March 24, 2015, NGFC Limited Partnership (“NGLP”) was formed with NGFC Equities, Inc. designated as the General Partner. The purpose of NGLP was to raise funds through exempt offerings and acquire currently operating gasoline stations along with land and building and rent them to NGFC to operate through NGFC’s Energy and Retail Division. NGLP invested portion of its funds in the stock market to get a fair return until NGLP raised enough funds and then find such land and building to acquire. However, NGFC found out that this process of raising enough funds to take longer than originally anticipated and also when investing funds in the market there is the possibility of such investment to go above 40% of the total assets of the company making the company fall under the Investment Company Act of 1940 (“1940 Act”). Also, when we formed NGLP we chose to have a September 30 fiscal year-end to coincide with the fiscal year of NGFC Equities, Inc., and filed form 1065 with the IRS for the first year ending September 30, 2015. The IRS informed us on May 3, 2016 that a Partnership should have a December 31 year-end.

Thus, to avoid any complications, the Board of Directors of NGFC at a Board Meeting held on May 19, 2016 decided to pass a resolution to deconsolidate NGLP from our consolidated financial statements and do financial statements of NGLP as an independent partnership. In order to facilitate that—NGFC as allowed by the Partnership Agreement to appoint another GP without having to seek the consent of the LPs—appointed, I. Andrew Weeraratne, the CEO of NGFC who was managing NGLP on behalf of NGFC, as GP of NGLP.

At a NGFC Board meeting held July 10, 2016, the Board agreed to remain with the resolution to transfer profit interest NGFC had as GP of NGLP to the new GP Mr. Weeraratne, as agreed on the Board meeting on May 19, 2016. Also on July 10, 2016 meeting, the Board agreed to stay with the resolution mandated on the May 19, 2016 meeting for NGFC to no longer give the option to any new contributors to the Partnership (or to any new contributions by the current partner of NGLP) to convert that new capital contributed to NGLP to shares of NGFC as allowed under the Partnership agreement prior to May 20, 2016.

Approval of these two clauses we believe eliminated the reason to consolidate NGLP with NGFC as we did from the inception of NGLP even though NGFC will remain as a GP of NGFC after May 20, 2016, until all LPs are given the appropriate time to approve NGFC resigning as GP of NGLP.

When setting up NGLP, NGFC gave an option for all Limited Partners contributing capital regardless of any paper losses within a certain time period to acquire NGFC shares for \$0.30 cents per share within a certain period. If LPs of NGLP exercise this option, the LPs will transfer their capital as capital of NGFC invested in NGLP and accept shares of NGFC at \$0.30 cents per share. As of May 20, 2016, this option has been given to 14 Limited Partners to convert their capital of \$535,350 to 1,784,500 shares of NGFC prior to March 31, 2017. If the share price of NGFC is not above \$0.30 cents, or if there is no liquidity for NGFC shares then the LPs may not choose to exercise this option and thus they will expire after March 31, 2017. The Board approved to keep this option given to LPs of NGLP to stay intact as originally approved.

NGLP’s strategy is to distribute any excess profits over the amount of contribution to NGLP, paying 30% to the General Partner (“GP”) and 70% to the Limited Partners (“LPs”). GP does not charge any management fee to provide its services. However, even where there is any realized gains if there is any unrealized losses that exceeds the realized gains making the total net asset value (NAV) to be less than what all partners contributed then no partner will get any cash distribution.

NGLP allocated the final share of NGFC’s gain till May 20, 2016 on May 31, 2016. As per Partnership Agreement part of that allocated gain was distributed to NGFC in June 2016, proportionately to the extend NAV was above what all partners contributed as of May 20, 2016, and the balance of the final allocated gains will be distributed when NGLP recovers some of the unrealized losses it is holding and as excess of NAV is distributed to the other partners proportionately as per Partnership Agreement.

UNAUDITED PRO FORMA COMBINED FINANCIAL STATEMENTS

The following unaudited proforma consolidated financial statements give effect to deconsolidation of NGFC Limited Partnership (NGLP) from NGFC Equities, Inc. (NGFC) consolidated financial statements.

The unaudited pro forma consolidated financial statements have been prepared for illustrative purposes only and are not necessarily indicative of the consolidated financial position or results of operations in future periods or the results that actually would have been realized had NGFC not acted as the General Partner of NGLP and had not filed consolidated financial statements with NGLP during the specified periods. The unaudited pro forma consolidated financial statements, including the notes thereto, are qualified in their entirety by reference to, and should be read in conjunction with, the historical consolidated financial statements of NGFC included in its Annual Report on Form 10-K for the year ended September 30, 2015 and its Quarterly Report on Form 10-Q for the six months ended March 31, 2016.

The unaudited pro forma combined balance sheet as of March 31, 2016 as well as the unaudited combined statements of operations for the year ended September 30, 2015 and for the six months ended March 31, 2016, presented herein, gives effect to the deconsolidation as if the transaction had occurred as of the balance sheet date for the balance sheet and at the beginning of such period for the statements of operations and includes certain adjustments within the Stockholder's Equity section that are directly attributable to the transaction.

NGFC EQUITIES, INC.
UNAUDITED PROFORMA CONSOLIDATED BALANCE SHEET
AS AT MARCH 31, 2016

	Historical Consolidated	Proforma Adjustments	Proforma Final
<u>ASSETS</u>			
Current assets			
Cash and cash equivalent	\$ 394,298	\$ (337,948)	\$ 56,350
Marketable securities	242,801	(194,238)	48,563
Loan receivable related parties	687	-	687
Inventory	4,894	-	4,894
Total current assets	<u>642,680</u>	<u>(532,186)</u>	<u>110,494</u>
Fixed assets			
Software, net	3,495		3,495
Other assets			
Investment in NGFC Partnership	-	17,521	17,521
Goodwill	361,049	-	361,049
Customer list-net of amortization	95,833	-	95,833
	<u>456,882</u>	<u>17,521</u>	<u>474,403</u>
Total assets	<u>\$ 1,103,057</u>	<u>\$ (514,665)</u>	<u>\$ 588,392</u>
<u>LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIT)</u>			
Current liabilities			
Credit Card payable	\$ 2,384	\$ -	\$ 2,384
Deferred revenue	-	-	-
Loan payable related party	-	-	-
Rent payable	2,400	-	2,400
Total current liabilities	<u>4,784</u>	<u>-</u>	<u>4,784</u>
Stockholders' equity (deficit)			
Preferred stock: \$.0001 par value; 10,000,000 shares authorized, no shares issued and outstanding			
Class A Common stock: \$.0001 par value; 230,000,000 shares authorized, 18,092,674 shares issued and outstanding for the period end	1,809		1,809
Class B Common stock: \$.0001 par value; 60,000,000 shares authorized, 7,000,000 shares issued and outstanding for the period end	700		700
Additional paid-in capital	1,040,187		1,040,187
Accumulated deficit	(558,254)	21,463	(536,791)
Total stockholders' equity (deficit)	<u>484,442</u>	<u>21,463</u>	<u>505,905</u>
Non Controlling Interest	613,831	(536,128)	77,703
Total Equity	1,098,273		583,608
Total liabilities and stockholders' equity (deficit)	<u>\$ 1,103,057</u>	<u>\$ (514,665)</u>	<u>\$ 588,392</u>

NGFC EQUITIES, INC.
UNAUDITED PROFORMA CONSOLIDATED STATEMENTS OF OPERATIONS
FOR THE SIX MONTHS ENDED MARCH 31, 2016

	Historical Consolidated	Proforma Adjustments	Proforma Final
Revenue			

Sales	\$	144,862	\$	144,862
Cost of goods sold				
Purchases - Parts and Materials		54,098		54,098
Total Cost of Goods Sold		<u>54,098</u>		<u>54,098</u>
Gross profits		90,764		90,764
Operating expenses				
Legal fees		4,535		4,535
Accounting fees		12,700		12,700
Officer compensation		31,637		31,637
Depreciation and amortization		25,500		25,500
Consulting fees		20,250		20,250
General and administrative		26,420	(800)	25,620
Total operating expenses		<u>121,042</u>	<u>(800)</u>	<u>120,242</u>
Loss from operations	\$	<u>(30,278)</u>	\$	<u>800</u>
Other income				
Long term capital loss		(550)		(550)
Realized gain on marketable securities		117,085	(83,675)	33,410
Unrealized loss on marketable securities		(107,286)	83,453	(23,833)
Dividends received		1,109	(574)	535
Total other income/(loss)		<u>10,358</u>	<u>(796)</u>	<u>9,562</u>
Net loss		(19,920)	4	(19,916)
Less: Net income (loss) attributable to the Non Controlling Interest		(24,820)	(1,419)	(26,239)
Net loss attributable to NGFC Shareholders		(44,740)	(1,415)	(46,155)
Basic and diluted loss per common share	\$	<u>(0.00)</u>	\$	<u>(0.00)</u>
Basic and diluted weighted average number of common shares outstanding		<u>25,046,438</u>		<u>25,046,438</u>

NGFC EQUITIES, INC.
UNAUDITED PROFORMA CONSOLIDATED STATEMENTS OF OPERATIONS
FOR THE YEAR ENDED SEPTEMBER 30, 2015

	Historical Consolidated	Proforma Adjustments	Proforma Final
Revenue			
Sales	\$ 62,429		\$ 62,429
Cost of goods sold	<u>60,222</u>		<u>60,222</u>
Gross profits	2,207		2,207
Operating expenses			
Legal fees	21,457	(2,500)	18,957
Accounting fees	12,550		12,550
Officer compensation	62,754		62,754
Depreciation and amortization	30,167		30,167
Consulting fees	166,250		66,250
General and administrative	113,915	(401)	113,514
Total operating expenses	\$ <u>407,093</u>	\$ <u>(2,901)</u>	\$ <u>404,192</u>
Loss from operations	<u>(404,886)</u>	<u>2,901</u>	<u>(401,985)</u>
Other income			
Realized gain on marketable securities	17,274	(10,266)	7,008
Unrealized loss on marketable securities	(57,176)	28,824	28,352
Dividends received	333		333
Total other income	\$ <u>(39,569)</u>	<u>18,558</u>	\$ <u>(21,011)</u>
Net loss	(444,455)	21,459	(422,996)
Less: Net Loss attributable to the Non Controlling Interest	19,896	(5,346)	14,550
Net loss attributable to NGFC Shareholders	\$ <u>(424,559)</u>	\$ <u>16,113</u>	\$ <u>(408,446)</u>
Net loss attributable to NGFC basic and diluted loss per common share	<u>(0.02)</u>		<u>(0.02)</u>

Basic and diluted weighted average number of
common shares outstanding

22,137,706

22,137,706

The cash and marketable securities adjusted out of historical consolidated Balance Sheet are the balances of NGLP as of March 31, 2016. \$17,521 represents \$16,721, the amount NGFC has invested in NGLP and \$800 that NGLP owes to NGFC for audit and accounting fees. \$21,463 adjusted out of the consolidated Balance Sheet is the net accumulated loss of NGLP as of March 31, 2016 and \$536,128 represents the total capital of NGLP.

The amounts adjusted out of consolidated Statement of Operations for the six months ended March 31, 2016 mainly the capital gain, dividends and unrealized capital losses belong to NGLP for that period and \$800 expenses for audit and accounting expenses. Net loss of \$4 for the period has been adjusted along with \$1,419, representing losses regarding the loss attributable to the non-controlling interest due to NGLP consolidation.

The amounts adjusted out of consolidated Statement of Operations for the year ended September 30, 2015 also represent the capital gain, dividends and unrealized capital losses belong to NGLP for that period and \$400 expenses for audit and accounting expenses and \$2,500 of organizational cost. Net loss of \$21,459 for the period has been adjusted along with \$5,346, representing losses regarding the loss attributable to the non-controlling interest due to NGLP consolidation.

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.

Date: July 11, 2016

NGFC Equities, Inc.

By: /s/ I. Andrew Weeraratne
Name: I. Andrew Weeraratne
Title: Chief Executive Officer