

FULLNET COMMUNICATIONS INC

Form 10-Q/A

November 15, 2011

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UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

(Mark One)

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

For the quarterly period ended September 30, 2011

**○ 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: 000-27031

FULLNET COMMUNICATIONS, INC.

(Exact name of registrant as specified in its charter)

OKLAHOMA

73-1473361

**(State or other jurisdiction of
incorporation or organization)**

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

201 Robert S. Kerr Avenue, Suite 210

Oklahoma City, Oklahoma 73102

(Address of principal executive offices)

(405) 236-8200

(Registrant's telephone number)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed 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 (§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, a non-accelerated filer, or a smaller reporting company.

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

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

As of November 11, 2011, 8,578,161 shares of the registrant's common stock, \$0.00001 par value, were outstanding.

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Exhibit 10.47 Employment Agreement with Timothy J. Kilkenny dated July 6, 2011

Exhibit 10.48 Employment Agreement with Roger P. Baresel dated July 6, 2011

Exhibit 10.49 Employment Agreement with Jason Ayers dated July 6, 2011

Exhibit 31.1

Exhibit 31.2

Exhibit 32.1

Exhibit 32.2

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	SEPTEMBER 30, 2011 (Unaudited)	DECEMBER 31, 2010 (Derived from Audited Statements)
ASSETS		
CURRENT ASSETS		
Cash	\$ 11,751	\$ 10,856
Accounts receivable, net	25,661	16,119
Prepaid expenses and other current assets	19,811	6,092
Total current assets	57,223	33,067
PROPERTY AND EQUIPMENT, net	89,023	86,065
OTHER ASSETS	8,599	5,288
TOTAL	\$ 154,845	\$ 124,420
LIABILITIES AND STOCKHOLDERS DEFICIT		
CURRENT LIABILITIES		
Accounts payable	\$ 368,753	\$ 399,882
Accrued and other liabilities, current portion	1,025,919	1,038,311
Notes payable, current portion	78,450	77,452
Deferred revenue	182,994	133,864
Total current liabilities	1,656,116	1,649,509
ACCRUED AND OTHER LIABILITIES, less current portion	22,178	18,265
NOTES PAYABLE, less current portion	256,473	274,848
Total liabilities	1,934,767	1,942,622

STOCKHOLDERS DEFICIT

Common stock \$.00001 par value; authorized, 10,000,000 shares; issued and outstanding, 8,578,161 and 7,852,464 shares in 2011 and 2010, respectively

Additional paid-in capital

Accumulated deficit

86	79
8,406,919	8,397,829
(10,186,927)	(10,216,110)

Total stockholders deficit

(1,779,922)	(1,818,202)
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TOTAL

\$	154,845	\$	124,420
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See accompanying notes to condensed consolidated financial statements.

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	Three Months Ended		Nine Months Ended	
	September 30, 2011	September 30, 2010	September 30, 2011	September 30, 2010
REVENUES				
Access service revenues	\$ 63,353	\$ 67,131	\$ 184,843	\$ 228,956
Co-location and other revenues	427,767	370,553	1,222,884	1,028,533
Total revenues	491,120	437,684	1,407,727	1,257,489
OPERATING COSTS AND EXPENSES				
Cost of access service revenues	42,973	44,786	131,586	142,469
Cost of co-location and other revenues	89,273	111,269	273,855	299,712
Selling, general and administrative expenses	312,624	338,118	914,820	1,037,043
Depreciation and amortization	15,278	14,952	40,066	48,635