

IZEA, Inc.  
Form 10-Q  
May 21, 2018  
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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 March 31, 2018

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

For the transition period from \_\_\_\_\_ to \_\_\_\_\_

Commission File No.: 001-37703

IZEA, INC.  
(Exact name of registrant as specified in its charter)

Nevada 37-1530765  
(State or other jurisdiction of (I.R.S. Employer  
incorporation or organization) Identification No.)

480 N. Orlando Avenue, Suite 200 32789  
Winter Park, FL  
(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code: (407) 674-6911

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, a smaller reporting company or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act.  
Large accelerated filer  Accelerated filer  Smaller reporting company

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Non-accelerated filer  (Do not check if a smaller reporting company) Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards pursuant to Section 13(a) of the Exchange Act.

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

APPLICABLE ONLY TO CORPORATE REGISTRANTS

As of May 14, 2018, there were 5,844,744 shares of our common stock outstanding.

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## PART I - FINANCIAL INFORMATION

## ITEM 1 - FINANCIAL STATEMENTS

## IZEA, Inc.

## Unaudited Consolidated Balance Sheets

	March 31, 2018	December 31, 2017
Assets		
Current:		
Cash and cash equivalents	\$2,760,285	\$3,906,797
Accounts receivable, net	3,288,576	3,647,025
Prepaid expenses	672,273	389,104
Other current assets	39,286	9,140
Total current assets	6,760,420	7,952,066
Property and equipment, net	369,345	286,043
Goodwill	3,604,720	3,604,720
Intangible assets, net	532,114	667,909
Software development costs, net	1,013,657	967,927
Security deposits	148,330	148,638
Total assets	\$12,428,586	\$13,627,303
Liabilities and Stockholders' Equity		
Current liabilities:		
Accounts payable	\$1,260,531	\$1,756,841
Accrued expenses	1,711,105	1,592,356
Contract liabilities	4,014,829	—
Unearned revenue	—	3,070,502
Line of credit	731,179	500,550
Current portion of deferred rent	47,072	45,127
Current portion of acquisition costs payable	530,364	741,155
Total current liabilities	8,295,080	7,706,531
Deferred rent, less current portion	4,355	17,419
Acquisition costs payable, less current portion	433,312	609,768
Total liabilities	8,732,747	8,333,718
Commitments and Contingencies	—	—
Stockholders' equity:		
Preferred stock; \$.0001 par value; 10,000,000 shares authorized; no shares issued and outstanding	—	—
Common stock, \$.0001 par value; 200,000,000 shares authorized; 5,819,246 and 5,733,981, respectively, issued and outstanding	582	573
Additional paid-in capital	53,116,619	52,570,432
Accumulated deficit	(49,421,362 )	(47,277,420 )
Total stockholders' equity	3,695,839	5,293,585

Total liabilities and stockholders' equity	\$12,428,586	\$13,627,303
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See accompanying notes to the unaudited consolidated financial statements.

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IZEA, Inc.

Unaudited Consolidated Statements of Operations

	Three Months Ended	
	March 31,	
	2018	2017
Revenue	\$3,896,441	\$4,834,505
Costs and expenses:		
Cost of revenue (exclusive of amortization)	2,163,142	2,337,060
Sales and marketing	1,755,526	2,388,820
General and administrative	1,615,222	2,446,918
Depreciation and amortization	265,455	362,606
Total costs and expenses	5,799,345	7,535,404
Loss from operations	(1,902,904 )	(2,700,899 )
Other income (expense):		
Interest expense	(21,311 )	(17,076 )
Change in fair value of derivatives, net	(125,595 )	(618 )
Other income (expense), net	4,690	(627 )
Total other income (expense), net	(142,216 )	(18,321 )
Net loss	\$(2,045,120)	\$(2,719,220)
Weighted average common shares outstanding – basic and diluted	5,802,099	5,598,200
Basic and diluted loss per common share	\$(0.35 )	\$(0.49 )