

American Home Food Products, Inc.
Form 8-K/A
December 21, 2007

UNITED STATES

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

American Home Food Products, Inc.

(Formerly Novex Systems, International, Inc.)

(Exact name of registrant as specified in its charter)

Date of Report (Date of earliest event reported): August 15, 2007

New York
(State or Other Jurisdiction
of Incorporation)

0-26112
(Commission
File Number)

41-1759882
(IRS Employer
Identification No.)

500 West 37th Street, New York, NY
(Address of Principal Executive Offices)

10018
(Zip Code)

Registrant's telephone number, including area code: (212) 239-1200

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Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of Universal 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 230.14a-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 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
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American Home Foods Products, Inc., a New York corporation ("AHFP" or "the Company"), hereby amends its Current Report on Form 8-K filed August 15, 2007, to include the required financial statements relating to the acquisition by AHF Acquisition Corporation ("AHF"), a wholly-owned subsidiary of the Company, of all the interests in Artisanal Cheese, LLC ("Artisanal") held by the members of Artisanal, as described in such Current Report, by providing the financial statements and pro forma financial information included herein.

Item 9.01 Financial Statements and Exhibits.

(a) Financial Statements of Business Acquired:

Attached hereto are the required financial statements related to the acquisition.

(b) Pro Forma Financial Information:

Attached hereto is the required pro forma financial information related to the acquisition.

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(a) Historical financial statements of the business acquired (Artisanal Cheese, LLC)

As of and for the year ended December 31, 2006 and 2005

Independent Auditors' Report
Balance Sheets
Statement of Operations
Statements of Members' Equity (Deficit)
Cash Flow Statements
Notes to Financial Statements

(b) Pro Forma Combined Financial Information

Introduction

Pro Forma Combined Balance Sheet at May 31, 2007 and related notes thereto.

Pro Forma Combined Statement of Operations for the year ended May 31, 2007 and related notes thereto.

Artisanal Cheese, LLC Financial Statements

Years Ended December 31, 2006 and 2005

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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

Members

Artisanal Cheese, LLC

New York, New York

We have audited the accompanying balance sheets of Artisanal Cheese, LLC as of December 31, 2006 and 2005 and the related statements of operations, members' equity (deficit) and cash flows for each of the years ended December 31, 2006 and 2005. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards as established Auditing Standards Board (United States) and in accordance with the auditing standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Artisanal Cheese, LLC at December 31, 2006 and 2005 and the results of its operations and its cash flows for each of the years ended December 31, 2006 and 2005, in conformity with accounting principles generally accepted in the United States.

The accompanying consolidated financial statements have been prepared assuming that Artisanal Cheese, LLC will continue as a going concern. As more fully described in Note 2, the Company has incurred recurring operating losses and will have to obtain additional capital to sustain operations. These conditions raise substantial doubt about the Company's ability to continue as a going concern. Management's plans in regard to these matters are also described in Note 2. The financial statements do not include any adjustments to reflect the possible effects on the recoverability and classification of assets or the amounts and classification of liabilities that may result from the outcome of this uncertainty.

/s/ Sherb & Co., LLP

Sherb & Co., LLP

New York, New York

December 12, 2007

ARTISANAL CHEESE, LLC
BALANCE SHEETS
As of December 31,

	<u>2006</u>	<u>2005</u>
Assets		
Cash	\$ 142,703	\$ 218,333
Accounts Receivable	607,914	540,844
Accounts Receivable, Related Parties	400,013	177,581
Inventories	308,226	345,440
Prepaid Expenses and Other Current Assets	8,703	32,336
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Total Current Assets	1,467,559	1,314,534
Property and Equipment (less accumulated depreciation of \$719,643 in 2006 and \$570,015 in 2005)	919,276	1,068,904
Other Assets	24,787	24,787
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Total Assets	\$ 2,411,622	\$ 2,408,225
Liabilities and Members Equity (Deficit)		
Accounts Payable	\$ 875,290	\$ 786,232
Debt Due to Related Parties	239,500	267,131
Accrued Management Fee to Related Party	655,561	51,880
Advances by Related Parties	635,892	741,051
Deferred Revenue	147,619	81,563
Accrued Expenses and Other Current Liabilities	22,306	4,810
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Total Current Liabilities	2,576,168	1,932,667
Members Equity (Deficit)		
Members contributions	2,572,650	2,572,650
Accumulated Deficit	(2,737,196)	(2,097,092)
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Total Members (Deficit)	(164,546)	475,558
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Total Liabilities & Members (Deficit)	\$ 2,411,622	\$ 2,408,225
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See Notes to Financial Statements

**ARTISANAL CHEESE, LLC
STATEMENTS OF OPERATIONS
YEARS ENDED DECEMBER 31,**

	2006	2005
Sales	\$ 5,879,072	\$ 5,018,576
Cost of Goods Sold	3,426,176	3,089,192
Gross Profit	2,452,896	1,929,384
Selling, General & Administrative	2,905,848	2,163,751
Depreciation	149,628	186,465
Loss Before Other Income and Expenses	(602,580)	(420,832)
Other Income/(Expenses)		
Interest (Expense)	(34,730)	(16,269)
Other Income	48,058	31,692
Other (Expenses)	(50,852)	
Total Other Income/(Expense)	(37,524)	15,423
Net Loss	\$ (640,104)	\$ (405,409)

See Notes to Financial Statements

ARTISANAL CHEESE, LLC
STATEMENT OF MEMBERS EQUITY(DEFICIT)
YEARS ENDED DECEMBER 31, 2006 and 2005

	Members Contributions	Accumulated Deficit	Total Members Equity (Deficit)
Balance, December 31, 2004	\$ 2,324,200	\$ (1,691,683)	\$ 632,517
Net loss		(405,409)	(405,409)
Capital Contribution	248,450		248,450
Balance, December 31, 2005	\$ 2,572,650	(2,097,092)	475,558
Net loss		(640,104)	(640,104)
Balance, December 31, 2006	\$ 2,572,650	\$ (2,737,196)	\$ (164,546)

See Notes to Financial Statements

ARTISANAL CHEESE, LLC
STATEMENTS OF CASH FLOWS
Years Ended December 31,

	<u>2006</u>	<u>2005</u>
Cash Flows From Operating Activities:		
Net Loss	\$ (640,104)	\$ (405,409)
Adjustments to reconcile net income/(loss) to net cash provided by/(used in) operating activities:		
Depreciation	149,628	186,465
Management Fee	618,681	
Changes in assets and liabilities:		
Accounts Receivable	(67,070)	151,842
Accounts Receivable, Related Parties	(222,432)	(177,581)
Inventories	37,214	(92,838)
Prepaid Expenses and Other Current Assets	23,633	(19,758)
Accounts Payable	89,058	192,147
Deferred Revenue	66,056	37,971
Accrued Expenses and Other Current Liabilities	2,496	(59,903)
Advances by Related Parties	(105,159)	(20,617)
Net cash provided by/(used in) operating activities:	(47,999)	(207,681)
Cash Flows From Investing Activities:		
Purchase of Fixed Assets		(18,025)
Net cash provided by/(used in) investing activities:		(18,025)
Cash Flows From Financing Activities:		
Repayment of Related Party Debt	(27,631)	
Increase in Related Party Debt		63,877
Members' Contribution		248,450
Net cash provided by/(used in) financing activities:	(27,631)	312,327
Net change in cash and cash equivalents	(75,630)	86,621
Cash and cash equivalents at beginning of period	218,333	131,712
Cash and cash equivalents at end of period	\$ 142,703	\$ 218,333

See Notes to Financial Statements and Supplemental Disclosures to Statements of Cash Flows

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ARTISANAL CHEESE, LLC
Supplemental Disclosures to Statements of Cash Flows

	For Years Ended	
	December 31,	
	2006	2005
Cash Flow Information		
Cash payments during the year for		
Interest	\$ 34,730	\$ 16,269
Taxes	\$	\$

ARTISANAL CHEESE, LLC

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2006, AND 2005

1. ORGANIZATION AND NATURE OF BUSINESS

Artisanal Cheese, LLC ("Artisanal" or the "Company") is a limited liability company organized pursuant to the New York Limited Liability Company Law. The Company distributes a proprietary brand of Artisanal Premium Cheese to fine food wholesalers, specialty food outlets, restaurants and through its catalogue and website at www.artisanalcheese.com. In August 2007 the members of Artisanal sold all their interests in the Company to AHF Acquisition Corporation ("AHF"), a wholly-owned subsidiary of American Home Food Products, Inc. See Note 14 - Subsequent Events.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Going Concern

The accompanying financial statements have been prepared on a going concern basis, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business. During the years ended December 31, 2006 and 2005, the Company incurred net losses and at December 31, 2006, has deficiencies in working capital and equity as well as negative cash flows. These factors indicate that the Company may be unable to continue as a going concern.

The financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts or the amounts or classification of liabilities that might be necessary should the Company be unable to continue as a going concern. The Company's continuation as a going concern is dependent upon its ability to generate sufficient cash flows to meet its obligations on a timely basis, to obtain additional financing as may be required and ultimately to attain profitable operations and positive cash flows. Additionally, the Company is in discussions to raise additional debt and equity financing. However, there can be no assurance that these efforts will be successful.

Fair Value of Financial Instruments

The carrying amounts reported in the balance sheet for cash, receivables, prepaid expenses, accounts payable, accrued expenses and deferred revenue approximate fair value based on the short-term maturity of these instruments.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates. In establishing these estimates, the Company's management uses its judgment based on its knowledge of the situations and its historical experience in with similar matters.

Cash and Cash Equivalents

The Company considers all highly liquid investments with an original maturity of three months or less to be cash equivalents. Cash equivalents include investments in money market funds and are stated at cost, which approximates market value. Cash at times may exceed FDIC insurable limits.

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Trade Accounts Receivable and Accounts Receivable - Related Party, Net

The Company's accounts receivable consist primarily of amounts due from the sale of its products. The Company records an allowance for doubtful accounts based on management's estimate of collectibility of such trade receivables outstanding and writes off amounts which it deems to be uncollectible against the recorded allowance for doubtful accounts. The allowance for doubtful accounts represents an amount considered by management to be adequate to cover potential losses, if any. At December 31, 2005 and 2006, management believes all uncollectible amounts have been written off and accordingly the allowance for doubtful accounts at December 31, 2005 and 2006 was zero. Bad debt expense recorded for the years ended December 31, 2006 and 2005 was \$75,832 and \$35,248, respectively, and is included in general and administrative expense in the statements of operations.

Concentration of Credit Risk

Financial instruments that potentially subject the Company to concentrations of credit risk consist of trade receivables. The majority of the Company's trade receivables are from the sale of the Company's products. One customer represented 27% and 34% of outstanding trade receivables as of December 31, 2006 and 2005, respectively.

Inventories

Inventories are stated at the lower of cost or market. Cost is determined using the first-in, first-out (FIFO) method.

Property and Equipment

Property and equipment are carried at cost. Amounts incurred for repairs and maintenance are charged to operations in the period incurred. Depreciation is calculated on a straight-line basis over the following useful lives:

Equipment	3-5 years
Furniture and fixtures	5-7 years
Leasehold improvements	5-10 years
Software	2-5 years

Revenue Recognition

The Company recognizes revenues associated with the sale of its products at the time of delivery to customers and revenue associated with the performance of services at the time such services are provided.

Gift Certificates

The Company sells gift certificates through its website and through selected third parties. The Company does not charge administrative fees on unused gift cards and its gift cards do not have an expiration date. The Company recognizes income from gift certificates when: (i) the gift certificate is redeemed by the customer; or (ii) the likelihood of the gift certificate being redeemed by the customer is remote (gift certificate breakage) and it determines that it does not have a legal obligation to remit the value of unredeemed gift certificates to the relevant jurisdictions. Management determines its gift certificates breakage rate based upon historical redemption patterns.

Shipping and Handling Costs

Shipping and handling costs are included in cost of sales.

Advertising Costs

All advertising costs are expensed as incurred. Advertising expenses for the years ending December 31, 2006 and 2005 were \$26,680 and \$27,640, respectively.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Interest Expense

Interest expense relates to interest owed on the Company's debt. Interest expense is recognized over the period the debt is outstanding at the stated interest rates.

Income Taxes

The Company is operated in a manner consistent with its treatment as a partnership for federal and state income tax purposes. Accordingly, any income tax liability or benefit related to the operation of the Company accrues to the individual members of the Company (Members).

Recent Accounting Pronouncements

In February 2007, the Financial Accounting Standards Board (the FASB) issued SFAS No. 159, The Fair Value Option for Financial Assets and Financial Liabilities (SFAS No. 159). SFAS No. 159 permits entities to choose, at specified election dates, to measure eligible items at fair value (the fair value option). A business entity shall report unrealized gains and losses on items for which the fair value option has been elected in earnings at each subsequent reporting date. The objective is to improve financial reporting by providing entities with the opportunity to mitigate volatility in reported earnings caused by measuring related assets and liabilities differently without having to apply complex hedge accounting provisions. SFAS No. 159 is effective as of the beginning of an entity's first fiscal year that begins after November 15, 2007. Early adoption is permitted as of the beginning of a fiscal year that begins on or before November 15, 2007, provided the entity also elects to apply the provisions of SFAS No. 157, Fair Value Measurements (SFAS No. 157). Management is in the process of assessing if this statement will have a material impact on the Company's financial statements once adopted.

In September 2006, the FASB issued SFAS No. 157. SFAS No. 157 defines fair value, establishes a framework for measuring fair value in generally accepted accounting principles, and expands disclosures about fair value measurements. This Statement applies under other accounting pronouncements that require or permit fair value measurements, the FASB having previously concluded in those accounting pronouncements that fair value is a relevant measurement attribute. Accordingly, this Statement does not require any new fair value measurements. However, for some entities, the application of this Statement will change current practices. This Statement is effective for financial statements for fiscal years beginning after November 15, 2007. Early adoption is permitted provided that the reporting entity has not yet issued financial statements for that fiscal year. Management is in the process of assessing if this statement will have a material impact on the Company's financial statements once adopted.

3. ACCOUNTS RECEIVABLE

Accounts receivable consist of the following at December 31,

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	2006	2005
Wholesale	\$ 331,983	\$ 246,413
Catalog	259,610	282,705
Retail	7,975	
Employees		