

ADVANCED BATTERY TECHNOLOGIES, INC.

Form 8-K

June 15, 2007

**UNITED STATES**

**SECURITIES AND EXCHANGE COMMISSION**

**Washington, D.C. 20549**

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**FORM 8-K**

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

**COMMISSION FILE NO.: 0-13337**

**Date of Report: December 8, 2006**

**ADVANCED BATTERY TECHNOLOGIES, INC.**

(Exact name of registrant as specified in its charter)

**Delaware**

(State or Other Jurisdiction of

**22-2497491**

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

incorporation or organization)

**21 West 39th Street, Suite 2A New York, NY 10018**

(Address of Principal Executive Offices)

**212-391-2752**

(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))

**Item 4.02****Non-Reliance on Previously Issued Financial Statements.**

On December 8, 2006 the Chief Executive Officer and Chief Financial Officer of Advanced Battery concluded that the financial statements included in Advanced Battery's Quarterly Reports on Forms 10-QSB for the periods ending March 31, 2006, June 30, 2006 and September 30, 2006 should no longer be relied upon. The officers concluded that the accounting in those statements for the acquisition in January 2006 of a 30% interest in ZQ Power-Tech was erroneous.

In January 2006 Advanced Battery acquired 30% of ZQ Power-Tech from Zhiguo Fu, the Chairman of Advanced Battery, in exchange for 11.4 million common shares. Prior to that date, Advanced Battery had acquired the other 70% of ZQ Power-Tech. The acquisition of the minority interest was accounted for in the 2006 10-QSBs at book value, consistent with accounting for entities under common control. Upon further review of SFAS 141, management determined that this transaction should have been accounted for using the purchase method instead.

Advanced Battery will file amendments to the three Quarterly Reports in the near future, restating the financial statements to properly account for the acquisition. The impact that the restatements will have on the financial statements on is shown in the following tables.

**Financial Statements for the Quarter ended March 31, 2006**

|                                    | As<br>Reported | As Restated    |
|------------------------------------|----------------|----------------|
| Property, plant and equipment, net | 7,846,099      | 8,342,061      |
| Construction in progress           | 3,955,708      | 4,311,964      |
| Right to use land and power, net   | 422,588        | 816,171        |
| Patents, net                       | 109,859        | 763,097        |
| Goodwill                           | -              | 2,116,595      |
| <br>Total Assets                   | <br>17,346,373 | <br>21,362,007 |
| <br>Additional paid-in capital     | <br>13,830,986 | <br>17,874,207 |
| Accumulated deficit                | (2,653,108)    | (2,680,695)    |

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|                                            |            |            |
|--------------------------------------------|------------|------------|
| Total Liabilities and Stockholders' Equity | 17,346,373 | 21,362,007 |
| Deprecation and amortization expenses      | 204,702    | 232,289    |
| General and administrative expenses        | 336,552    | 364,139    |
| Net income (loss)                          | 296,120    | 268,533    |
| Net income (loss) per share                | 0.007      | 0.007      |

Financial Statements for the Quarter ended June 30, 2006

|                                            | As<br>Reported | As Restated    |
|--------------------------------------------|----------------|----------------|
| Property, plant and equipment, net         | 7,708,438      | 8,229,067      |
| Construction in progress                   | 3,966,824      | 4,324,079      |
| Right to use land and power, net           | 420,030        | 807,743        |
| Patents, net                               | 103,315        | 742,007        |
| Goodwill                                   | -              | 2,112,525      |
| <br>Total Assets                           | <br>17,482,365 | <br>21,499,179 |
| <br>Additional paid-in capital             | <br>13,937,014 | <br>17,981,565 |
| Accumulated deficit                        | (2,053,706)    | (2,081,443)    |
| Total Liabilities and Stockholders' Equity | 17,482,365     | 21,499,179     |
| <br>Deprecation and amortization expneses  | <br>335,806    | <br>363,543    |
| General and adminstrative expenses         | 704,482        | 759,806        |
| Net income (loss)                          | 895,522        | 840,198        |
| <br>Net income (loss) per share            | <br>0.020      | <br>0.019      |

Financial Statements for the Quarter ended September 30, 2006

|                                    | As Reported    | As Restated    |
|------------------------------------|----------------|----------------|
| Property, plant and equipment, net | 7,629,309      | 8,155,911      |
| Construction in progress           | 4,011,606      | 4,372,942      |
| Right to use land and power, net   | 420,985        | 813,261        |
| Patents, net                       | 100,029        | 746,018        |
| Goodwill                           | -              | 2,146,774      |
| <br>Total Assets                   | <br>19,062,273 | <br>23,135,250 |
| <br>Additional paid-in capital     | <br>14,050,593 | <br>18,151,465 |
| Accumulated deficit                | (1,027,502)    | (1,055,397)    |

|                                            |            |            |
|--------------------------------------------|------------|------------|
| Total Liabilities and Stockholders' Equity | 19,062,273 | 23,135,250 |
| Deprecation and amortization expenses      | 533,537    | 589,169    |
| General and administrative expenses        | 958,484    | 1,041,703  |
| Net income (loss)                          | 1,921,726  | 1,838,507  |
| Net income (loss) per share                | 0.046      | 0.044      |

The Chief Executive Officer and the Chief Financial Officer have discussed with Advanced Battery's independent accountant the matters disclosed in this report.

### **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.

ADVANCED BATTERY TECHNOLOGIES, INC.

Dated: June 14, 2007

By: /s/ Fu Zhiguo

Fu Zhiguo, Chief Executive Officer