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

FORM 8-K

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

Date of report (date of earliest event report) November 12, 2010

Speedemissions, Inc.

(Exact name of registrant as specified in its charter)

Florida

(State or other jurisdiction of incorporation)

000-49688

(Commission File Number)

33-0961488

(IRS Employer Identification No.)

1015 Tyrone Road, Suite 220, Tyrone, Georgia

(Address of principal executive offices)

30290

(Zip Code)

(770) 306-7667

(Registrant's telephone number, including area code)

n/a

(Former name or former address, if changed since last report)

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 (*see* General Instruction A.2. below):

- 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))
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nine months ended September 30, 2010 compared to the same period of 2009.

- General and administrative expenses increased \$220,625 or 21.2%, mainly due to \$113,707 in Carbonga related expenses and an increase in professional fees of \$108,412 during the nine months ended September 30, 2010.
- The Company incurred a net loss of \$103,869 or (\$0.01) per basic and diluted share in the nine months ended September 30, 2010 compared to net income of \$205,599 or \$0.04 per basic share and \$0.02 per diluted share in the same period of 2009.

Richard A. Parlontieri, President and Chief Executive Officer of Speedemissions commented:

“We are still being negatively impacted in the Georgia market by the test fee price war which has been going on for much of 2010. Test fee prices have been reduced by as much as 40% (\$25.00 is the normal fee) throughout the trade area. Our Utah stores have also been affected due to test fee discounting.

There are some positive things too. The Missouri stores are increasing their customer throughput at very encouraging levels every month. In Texas, in spite of losing two top performing locations, we’re seeing steady same store growth and improvement in those stores more directly affected by high unemployment.

In addition, we have begun to see favorable results from our “Sales Culture” Training Meetings conducted in every market in August. Growth in the product sales (windshield wipers, light bulbs, etc) has been increasing every month since they were introduced in June.”

About Speedemissions Inc. <http://www.speedemissions.com>

Speedemissions, Inc., based in Atlanta, Georgia, is a leading vehicle emissions testing and safety inspections company in the United States. We provide services in certain areas where auto testing is mandated by the Environmental Protection Agency (EPA). Since the emissions testing market is highly fragmented, Speedemissions expects to be the first company to create a national brand offering their customers quick and efficient vehicle emissions testing service. The current focus of the company is in the Atlanta, Georgia; Houston, Texas; St. Louis, Missouri and Salt Lake City, Utah markets.

Certain statements contained in this news release regarding matters that are not historical facts may be forward-looking statements. Because such forward-looking statements include risks and uncertainties, actual results may differ materially from those expressed in or implied by such forward-looking statements. Factors that could cause actual results to differ materially include, but are not limited to, uncertainties pertaining to continued market acceptance for Speedemissions' products and services, its ability to succeed in growing revenue, the effect of new competitors in its market, integration of acquired businesses, and other risk factors identified from time to time in its filings with the Securities and Exchange Commission.

For Further Information: Contact Michael Shanahan, Chief Financial Officer, 770-306-7667.

Speedemissions, Inc. and Subsidiaries
Consolidated Balance Sheets

	September 30, 2010 (unaudited)	December 31, 2009
Assets		
Current assets:		
Cash	\$ 323,386	\$ 449,203
Note receivable – current portion	12,000	—
Other current assets	197,904	136,790
Total current assets	533,290	585,993
Note receivable, net of current portion	91,139	—
Property and equipment, net	777,831	953,183
Goodwill	4,251,657	4,251,657
Other assets	105,803	104,003
Total assets	<u>\$ 5,759,720</u>	<u>\$ 5,894,836</u>
Liabilities and Shareholders' Equity		
Current liabilities:		
Accounts payable	\$ 162,067	\$ 177,647
Accrued liabilities	245,719	196,544
Current portion of capitalized lease obligations	43,359	47,288
Current portion of equipment financing obligations	21,008	18,865
Current portion—deferred rent	30,513	30,513
Total current liabilities	502,666	470,857
Capitalized lease obligations, net of current portion	52,986	93,604
Equipment financing obligations, net of current portion	29,530	46,389
Deferred rent	174,920	205,701
Other long term liabilities	7,350	7,350
Total liabilities	767,452	823,901
Commitments and contingencies		
Series A convertible, redeemable preferred stock, \$.001 par value, 5,000,000 shares authorized, 5,133 shares issued and outstanding; liquidation preference: \$5,133,000	4,579,346	4,579,346
Shareholders' equity:		
Series B convertible preferred stock, \$.001 par value, 3,000,000 shares authorized, 1,296,982 shares issued and outstanding with a liquidation preference of \$3,330,650 at September 30, 2010 and 2,279,981 shares issued and outstanding with a liquidation preference of \$5,854,991 at December 31, 2009	1,297	2,280
Common stock, \$.001 par value, 250,000,000 shares authorized, 14,616,928 and 6,685,448 shares issued and outstanding at September 30, 2010 and December 31, 2009, respectively	14,617	6,685
Additional paid-in capital	15,813,617	15,795,364
Accumulated deficit	(15,416,609)	(15,312,740)
Total shareholders' equity	412,922	491,589
Total liabilities and shareholders' equity	<u>\$ 5,759,720</u>	<u>\$ 5,894,836</u>

Speedemissions, Inc. and Subsidiaries
Consolidated Statements of Operations
(unaudited)

	Three Months Ended September 30		Nine Months Ended September 30	
	2010	2009	2010	2009
Revenue	\$ 2,313,816	\$2,599,350	\$7,262,663	\$7,657,600
Costs of operations:				
Cost of emission certificates	498,599	560,042	1,607,340	1,673,285
Store operating expenses	1,487,037	1,595,521	4,579,162	4,743,112
General and administrative expenses	380,301	378,880	1,261,924	1,041,299
(Gain) loss on disposal of non-strategic assets	—	(5,500)	9,713	(30,330)
Gain from settlement of lawsuit	(106,881)	—	(106,881)	—
Operating income (loss)	54,760	70,407	(88,595)	230,234
Interest income (expense)				
Interest income	1,272	34	1,900	85
Interest expense	(4,937)	(9,910)	(17,174)	(24,720)
Interest expense, net	(3,665)	(9,876)	(15,274)	(24,635)
Net income (loss)	<u>\$ 51,095</u>	<u>\$ 60,531</u>	<u>\$ (103,869)</u>	<u>\$ 205,599</u>
Basic net income (loss) per share	<u>\$ 0.00</u>	<u>\$ 0.01</u>	<u>\$ (0.01)</u>	<u>\$ 0.04</u>
Diluted net income (loss) per share	<u>\$ 0.00</u>	<u>\$ 0.01</u>	<u>\$ (0.01)</u>	<u>\$ 0.02</u>
Weighted average common shares outstanding, basic	<u>13,179,213</u>	<u>5,162,108</u>	<u>9,570,761</u>	<u>5,162,108</u>
Weighted average common shares outstanding, diluted	<u>17,456,713</u>	<u>9,439,606</u>	<u>9,570,761</u>	<u>9,439,606</u>

Speedemissions, Inc. and Subsidiaries
Consolidated Statements of Cash Flows
(unaudited)

	Nine Months Ended September 30,	
	2010	2009
Cash flows from operating activities:		
Net income (loss)	\$(103,869)	\$ 205,599
Adjustments to reconcile net income (loss) to net cash from operating activities:		
Depreciation and amortization	206,088	240,546
(Gain) loss on disposal of assets	9,713	(30,330)
Share-based compensation	25,201	35,511
Gain from settlement of lawsuit	(106,881)	—
Changes in operating assets and liabilities:		
Other current assets	(61,114)	(6,347)
Other assets	(1,800)	(850)
Accounts payable and accrued liabilities	33,596	(205,296)
Other liabilities	(30,781)	(2,568)
Net cash (used in) provided by operating activities	<u>(29,847)</u>	<u>236,265</u>
Cash flows from investing activities:		
Proceeds from note receivable	3,742	—
Proceeds from sales of property and equipment	20,000	30,330
Purchases of property and equipment	(60,449)	(64,435)
Net cash used in investing activities	<u>(36,707)</u>	<u>(34,105)</u>
Cash flows from financing activities:		
Payments on equipment financing obligations	(14,716)	(12,051)
Payments on capitalized leases	(44,547)	(30,997)
Net cash used in financing activities	<u>(59,263)</u>	<u>(43,048)</u>
Net (decrease) increase in cash	(125,817)	159,112
Cash at beginning of period	449,203	512,492
Cash at end of period	<u>\$ 323,386</u>	<u>\$ 671,604</u>
Supplemental Information:		
Cash paid during the period for interest	<u>\$ 16,513</u>	<u>\$ 23,288</u>