
UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

FORM 8-K/A

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): December 9, 2014

**GENERAL EMPLOYMENT
ENTERPRISES, INC**

(Exact name of registrant as specified in its charter)

Illinois

1-05707

36-6097429

(State or other jurisdiction of
incorporation or organization)

(Commission File Number)

(I.R.S. Employer Identification
Number)

184 Shuman Blvd., Ste. 420, Naperville, Illinois

60563

(Address of principal executive offices)

(Zip Code)

Registrant's telephone number, including area code:

(630) 954-0400

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))
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Item 1.01 Entry into a Material Definitive Agreement

On December 11, 2014, General Employment Enterprises, Inc. (the “Company”) entered into a Stock Exchange Agreement (the “SCRIBE Agreement”) with Brittany M. Dewan as Trustee of the Derek E. Dewan Irrevocable Living Trust II dated the 27th of July, 2010, Brittany M. Dewan, individually, Allison Dewan, individually, Mary Menze, individually, and Alex Stuckey, individually (collectively, the “Scribe Shareholders”). Pursuant to the terms of the SCRIBE Agreement the Company will acquire 100% of the outstanding stock of Scribe Solutions Inc., (“Scribe”) from the Scribe Shareholders for 640,000 shares of Series A Preferred Stock (the “Preferred Stock”) of the Company. In addition, the Company will issue warrants to certain warrant holders in Scribe for warrants to purchase common stock in the Company. This is all based on a valuation of Scribe of not less than \$6,400,000. Upon the closing of the transaction, the Company will issue 640,000 shares of Preferred Stock. The transaction has been unanimously approved by the boards of directors of the Company (the “Board”) and Scribe and a majority of their respective shareholders. The closing of the transactions set forth in the SCRIBE Agreement is subject to customary conditions to closing, and is expected to occur prior to March 31, 2014.

Item 1.02 Termination of a Material Definitive Agreement

On December 10, 2014 the Company terminated the Membership Interest Purchase Agreement (the “PIVOT Agreement”) with Pivot Companies, LLC, et al (“Pivot”), d/b/a Pivot Employment Platforms. The PIVOT Agreement was terminated pursuant to section 9.1(d) of the PIVOT Agreement for failure to satisfy certain conditions, primarily the inability to secure the necessary approvals and financings related to Pivot’s debt. The Company continues to negotiate with Pivot and their shareholders on alternative agreements or ways the two companies can work together.

Item 2.02 Results of Operations and Financial Conditions.

December 8, 2014, General Employment Enterprises Inc. (the “Company”) (NYSE MKT: JOB) issued a press release announcing financial results for the year ended, September 30, 2014. A copy of the release is attached as Exhibit 99.1.

The information furnished herein, including Exhibit 99.1, is not deemed to be “filed” for purposes of Section 18 of the Exchange Act, or otherwise subject to the liability of that section. This information will not be deemed to be incorporated by reference into any filing under the Securities Act or the Exchange Act, except to the extent that the registrant specifically incorporates them by reference.

SIGNATURE

Pursuant to the requirements of the Securities and Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Item 9.01 Financial Statements and Exhibits.

<u>Exhibit No.</u>	<u>Description</u>
99.1	Press release issued by General Employment Enterprises, Inc. dated December 8, 2014.
99.2	Press release issued by General Employment Enterprises, Inc. dated December 12, 2014.

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, thereunto duly authorized.

GENERAL EMPLOYMENT ENTERPRISES, INC.
(Registrant)

Date: December 31, 2014

By: /s/ Andrew J. Norstrud
Andrew J. Norstrud
Chief Executive Officer

General Employment Enterprises, Inc. Announces Results for Fiscal 2014 Fourth Quarter and Year End

NAPERVILLE, Ill., Dec. 8, 2014 /PRNewswire/ – **General Employment Enterprises, Inc. (NYSE MKT:JOB)** (“the Company” or “General Employment”) announced results for the fourth quarter and year ended September 30, 2014.

The Company reported revenues of \$9.4 million for the fiscal fourth quarter ended September 30, 2014 as compared to revenues of \$11.3 million in the same period of fiscal 2013. Contract staffing services contributed \$7.6 million or 81% of consolidated revenues and direct placement services contributed \$1.8 million or 19% of consolidated revenue. The decline in revenue was primarily a result of planning reduction in certain lower margin, less profitable light industrial business. General Employment recorded a net profit from operations of approximately \$625,000 in the fourth quarter compared to a net loss from operations of approximately \$855,000 in the fourth quarter of fiscal 2013. Net income from continuing operations for the fourth quarter of 2014 was approximately \$463,000 compared to a net loss from continuing operations of approximately \$916,000.

For the year ended September 30, 2014, General Employment reported revenues of \$39.8 million, a decrease of 14% as compared to fiscal 2013 revenues. Contract Staffing services contributed approximately \$32.7 million or 82% of consolidated revenues and Direct Placement services contributed approximately \$7.1 million or 18% of consolidated revenue. The decline in revenue was primarily a result of planning reduction in certain lower margin, less profitable light industrial business. The Company recorded a net loss of \$1.4 million or a loss of (\$0.06) per basic and diluted share, compared to a net loss of \$1.9 million or a loss of (\$0.09) per basic and diluted share in fiscal 2013.

In both fiscal year 2014 and 2013 the Company received a significant rebate from the Ohio Bureau of Workers Compensation. The rebate in fiscal year 2014 was approximately \$1,080,000 resulting in the overall workers compensation expense for the year ended September 30, 2014 being approximately \$450,000 less than the year ended September 30, 2013.

Andrew Norstrud, Chief Executive Officer of General Employment, commented, “Fiscal 2014 was a successful year for the Company as we enhanced our financial reporting structure and started to reduce our non-core expenses. We made excellent progress implementing these operational changes and believe we are now well positioned to capitalize on these improvements to drive performance going forward.”

Mr. Norstrud added, “We further strengthened our financial position following the close of the fourth quarter, with the completion of a strategic capital raise in which the Company issued 200,000 shares of Preferred Stock for a total purchase price of \$2 million and an 8% annual dividend rate. We have executed securities purchase agreements with approximately 20 accredited investors for the sale of Series A Preferred Stock, that the proceeds are in escrow pending a closing. We anticipate a closing will occur in January 2015 upon receipt of necessary approval from NYSE MKT of the Company’s additional listing application and necessary clearance from the SEC of the Company’s Information Statement. This financing provides funding for working capital, and for both internal and acquisition growth. Once we are able to complete this financing, coupled with the operational improvements the Company has initiated, we believe General Employment is positioned favorably as we enter Calendar Year 2015. Increasing our breadth and depth of services offering and expansion of our geographical footprint into new markets are the primary areas of focus to fuel our organic growth. Additionally, we will augment internal growth by making select strategic acquisitions into higher margin businesses,” Mr. Norstrud concluded.

GENERAL EMPLOYMENT ENTERPRISES, INC.
CONSOLIDATED BALANCE SHEETS

(In Thousands)

	September 30, 2014	September 30, 2013
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	\$ 168	\$ 361
Accounts receivable, less allowances (2014 - \$395; 2013 - \$272)	4,907	6,697
Other current assets	1,650	416
Assets of discontinued operations, less allowances (2014 - \$265; 2013 - \$35)	—	238
Total current assets	<u>6,725</u>	<u>7,712</u>
Property and equipment, net	453	530
Goodwill	1,106	1,106
Intangible assets, net	1,560	1,884
TOTAL ASSETS	<u>\$ 9,844</u>	<u>\$ 11,232</u>
LIABILITIES AND SHAREHOLDERS' EQUITY		
CURRENT LIABILITIES:		
Short-term debt	\$ 2,711	\$ 3,734
Accounts payable	910	1,015
Accrued compensation	2,633	2,733
Convertible note payable - current portion, net of discount	35	—
Derivative liability	131	—
Other current liabilities	1,214	981
Liabilities from discontinued operations	—	30
Total current liabilities	<u>7,634</u>	<u>8,493</u>
Convertible note payable, net of discount	132	—
Other long-term liabilities	<u>13</u>	<u>126</u>
Total long-term liabilities	145	126
Commitments and contingencies		
SHAREHOLDERS' EQUITY		
Preferred stock; no par value; authorized - 20,000 shares; issued and outstanding - none	—	—
Common stock, no-par value; authorized - 200,000 shares; issued and outstanding - 25,899 shares at September 30, 2014 and 22,799 shares at September 30, 2013	—	—
Additional paid in capital	11,658	10,851
Accumulated deficit	<u>(9,593)</u>	<u>(8,238)</u>
Total shareholders' equity	<u>2,065</u>	<u>2,613</u>
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	<u>\$ 9,844</u>	<u>\$ 11,232</u>

GENERAL EMPLOYMENT ENTERPRISES, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS
(In Thousands, Except Per Share Data)

	Years Ended September 30,	
	2014	2013
NET REVENUES:		
Contract staffing services	\$ 32,723	\$ 39,187
Direct hire placement services	7,088	7,317
NET REVENUES	39,811	46,504
Cost of contract services	26,417	32,318
Selling, general and administrative expenses	13,733	15,173
Amortization of intangible assets	326	320
LOSS FROM OPERATIONS	(665)	(1,307)
(Gain) on change in derivative liability	(47)	
Interest expense	507	251
LOSS FROM CONTINUING OPERATIONS BEFORE INCOME TAX PROVISION	(1,125)	(1,558)
Provision for income tax	—	(8)
LOSS FROM CONTINUING OPERATIONS	\$ (1,125)	\$ (1,566)
Loss from discontinued operations	\$ (230)	\$ (324)
NET LOSS	\$ (1,355)	\$ (1,890)
BASIC AND DILUTED LOSS PER SHARE		
From continuing operations	\$ (0.05)	\$ (0.07)
From discontinued operations	\$ (0.01)	\$ (0.01)
Total net loss per share	\$ (0.06)	\$ (0.09)
WEIGHTED AVERAGE NUMBER OF SHARES - BASIC AND DILUTED	24,360	21,969

GENERAL EMPLOYMENT ENTERPRISES, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS

(In Thousands)

	Three Months Ended September 30,	
	2014	2013
	(UNAUDITED)	(UNAUDITED)
NET REVENUES:		
Contract staffing services	\$ 7,612	\$ 9,835
Direct hire placement services	1,835	1,510
NET REVENUES	9,447	11,345
Cost of contract services	5,122	8,512
Selling, general and administrative expenses	3,618	3,608
Amortization of intangible assets	82	80
PROFIT (LOSS) FROM OPERATIONS	625	(855)
(Gain) on change in derivative liability	(47)	
Interest expense	209	61
PROFIT (LOSS) FROM CONTINUING OPERATIONS BEFORE INCOME TAX PROVISION	463	(916)
Provision for income tax	—	—
LOSS FROM CONTINUING OPERATIONS	\$ 463	\$ (916)
Loss from discontinued operations	\$ (230)	\$ (105)
NET PROFIT (LOSS)	\$ 233	\$ (1,021)

GENERAL EMPLOYMENT ENTERPRISES, INC.
UNAUDITED PRO FORMA COMBINED FINANCIAL INFORMATION

The following unaudited pro forma combined financial information is based on the historical financial statements of the Company after giving effect to the proposed issuance of preferred equity. The notes to the unaudited pro forma financial information describe adjustments to the financial information presented.

The unaudited pro forma combined balance sheet is presented as if the issuance had occurred on September 30, 2014.

The unaudited pro forma balance sheet should be read in conjunction with the historical consolidated financial statements and accompanying notes of the Company included in the annual report on form 10-K for the year ended September 30, 2013.

GENERAL EMPLOYMENT ENTERPRISES, INC.
UNAUDITED PRO FORMA COMBINED BALANCE SHEET
AS OF SEPTEMBER 30, 2014
(UNAUDITED)

GENERAL EMPLOYMENT ENTERPRISES, INC.
PRO FORMA CONSOLIDATED BALANCE SHEET

(In Thousands)

	September 30, 2014	Pro-forma Adjustments	September 30, 2014
ASSETS			
CURRENT ASSETS:			
Cash and cash equivalents	\$ 168	\$ 2,000 (1)	\$ 2,168
Accounts receivable, less allowances (2014 - \$320; 2013 - \$272)	4,907		4,907
Other current assets	1,650		1,650
Assets of discontinued operations, less allowances (2014 - \$265; 2013 - \$35)	—		—
Total current assets	6,725		8,725
Property and equipment, net	453		453
Goodwill	1,106		1,106
Intangible assets, net	1,560		1,560
TOTAL ASSETS	\$ 9,844		\$ 11,844
LIABILITIES AND SHAREHOLDERS' EQUITY			
CURRENT LIABILITIES:			
Short-term debt	\$ 2,711		\$ 2,711
Accounts payable	910		910
Accrued compensation	2,633		2,633
Convertible note payable - current portion, net of discount	35		35
Derivative liability	131		131
Other current liabilities	1,214		1,214
Liabilities from discontinued operations	—		—
Total current liabilities	7,634		7,634
Convertible note payable, net of discount	132		132
Other long-term liabilities	13		13
Total long-term liabilities	145		145
Commitments and contingencies			
SHAREHOLDERS' EQUITY			
Preferred stock; no par value; authorized - 20,000 shares; issued and outstanding - none	—	\$ 2,000 (1)	2,000
Common stock, no-par value; authorized - 200,000 shares; issued and outstanding - 25,899 shares at September 30, 2014 and 22,799 shares at September 30, 2013	—		—
Additional paid in capital	11,658		11,658
Accumulated deficit	(9,593)		(9,593)
Total shareholders' equity	2,065		4,065
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	\$ 9,844		\$ 11,844

- (1) The Company has entered into a transaction to issue 200,000 shares of Preferred Stock that are initially convertible into 10,000,000 shares of Common Stock.

About General Employment Enterprises, Inc.

General Employment Enterprises, Inc. (the “Company”) was incorporated in the State of Illinois in 1962 and is the successor to employment offices doing business since 1893. The Company operates in two industry segments, providing professional staffing services and light industrial staffing services through the names of General Employment, Ashley Ellis, Triad and Omni-One.

Forward-Looking Statements

The statements made in this press release that are not historical facts are forward-looking statements. Such forward-looking statements often contain or are prefaced by words such as “will” and “expect”. As a result of a number of factors, the Company’s actual results could differ materially from those set forth in the forward-looking statements. Certain factors that might cause the Company’s actual results to differ materially from those in the forward-looking statements include, without limitation, those factors set forth under the heading “Forward-Looking Statements” in the Company’s annual report on Form 10-K for the fiscal year ended September 30, 2013, and in the Company’s other filings with the Securities and Exchange Commission. The Company is under no obligation to (and expressly disclaims any such obligation to) and does not intend to update or alter its forward-looking statements whether as a result of new information, future events or otherwise.

CONTACT: Andrew J. Norstrud, Chief Executive Officer, Phone: 813 803 8275, andrew.norstrud@genp.com,
John Nesbett/Jennifer Belodeau, Institutional Marketing Services (IMS), Phone: 203.972.9200, jnesbett@institutionalms.com

General Employment Enterprises to Acquire Scribe Solutions, Inc.; Former CEO of MPS Group to be Appointed Chairman and CEO

NAPERVILLE, Ill., Dec. 12, 2014 /PRNewswire/ – **General Employment Enterprises, Inc. (NYSE MKT: JOB)** (“the Company” or “General Employment”) a provider of specialty staffing services today announced that it has signed a definitive agreement with Scribe Solutions, Inc. (“Scribe”), whereby General Employment will issue Series A Convertible Preferred Stock of the Company in exchange for one hundred percent of Scribe Solutions’ common stock. Under terms of the agreement, the exchange ratio is based on Scribe having a value between \$6.4 and \$7.9 million as determined by an independent appraisal firm. The transaction has been unanimously approved by the boards of directors of each Company and a majority of their respective shareholders. Upon completion of this transaction, Scribe Solutions, Inc. will become a wholly owned subsidiary of General Employment Enterprises, Inc. The stock exchange agreement is subject to certain regulatory and other approvals. Closing of the acquisition is expected to occur during the first quarter of 2015.

After consummation of the transaction, Andrew Norstrud, current Chief Executive Officer of the Company, will continue as Chief Financial Officer of General Employment. Derek Dewan, current Chairman and Chief Executive Officer of Scribe Solutions, Inc. will become Chairman and CEO of General Employment. Mr. Dewan was previously Chairman and CEO of MPS Group, Inc. In January 1994, Mr. Dewan joined AccuStaff Incorporated, MPS Group’s predecessor, as President and Chief Executive Officer, and took that company public in August 1994. Under Mr. Dewan’s leadership the company became a Fortune 1000 world-class, global multi-billion dollar staffing services provider, through significant organic growth and strategic acquisitions. MPS Group grew to include a vast network of offices in the United States, Canada, the United Kingdom, Continental Europe, Asia and Australia. MPS Group experienced many years of continued success during Mr. Dewan’s tenure and he led successful secondary stock offerings of \$110 million and \$370 million. The company was on the Wall Street Journal’s “top performing stock list” for three consecutive years. In 2009, Mr. Dewan was instrumental in the sale of MPS Group to the largest staffing company in the world, Adecco Group, for \$1.3 billion.

Andrew Norstrud commented, “The acquisition of Scribe brings to General Employment sustained profitability, one of the best CEOs in the industry and entry into the growing healthcare staffing market. With the addition of Derek’s expertise, we will accelerate our efforts to build out the Company’s service offerings in the professional and other staffing segments. In particular, I am excited about the Company’s entry into the higher margin and fast growing healthcare staffing market. Additionally, I am looking forward to working with Derek; his extensive experience in the staffing industry will be key in propelling our organic growth and leading a strategic acquisition strategy. We welcome the entire Scribe team to the General Employment family.”

Derek Dewan added, “I am thrilled to become a part of General Employment, a pioneer in the staffing industry. Having been in operation since 1893, the Company has a reputation for outstanding customer service and I look forward to continuing that legacy.” Dewan continued, “Andrew and the hardworking employees have achieved much success in building a great staffing company which will serve as the foundation and platform for General Employment to execute its strategy. The Company is well positioned to increase its breadth and depth of service offerings, fuel internal growth, and acquire the best operating companies in the staffing industry. I look forward to assisting General Employment in achieving its strategic goals and increasing shareholder value.”

Mary Claire Menze founded Scribe Solutions in 2008, and she will assume her previous role as President of Scribe, following the completion of the acquisition.

About General Employment Enterprises, Inc.

General Employment Enterprises, Inc. (the “Company”) was incorporated in the State of Illinois in 1962 and is the successor to employment offices doing business since 1893. The Company provides staffing services through a network of offices located in the United States. The Company operates in two industry segments, providing professional staffing services and solutions and light industrial staffing services through the names of General Employment, Ashley Ellis, Triad and Omni-One.

About Scribe Solutions, Inc.

Scribe Solutions was formed in 2008 to meet the demands that physicians face with overcrowded waiting rooms, and to overcome the challenges presented by electronic medical records (EMR), and the rising cost of quality patient care. By providing physicians with personal assistants (medical scribes), Scribe offers turnkey programs where it recruits, qualifies, hires, and trains resources to serve as scribes at sites across the United States, and alleviates the burden of documentation and clerical duties. Scribe Solutions has developed a low cost staffing solution that improves productivity by providing scribe programs to emergency departments, physician practices, and outpatient and inpatient facilities.

Forward-Looking Statements

The statements made in this press release that are not historical facts are forward-looking statements. Such forward-looking statements often contain or are prefaced by words such as “will” and “expect”. As a result of a number of factors, the Company’s actual results could differ materially from those set forth in the forward-looking statements. Certain factors that might cause the Company’s actual results to differ materially from those in the forward-looking statements include, without limitation, those factors set forth under the heading “Forward-Looking Statements” in the Company’s annual report on Form 10-K for the fiscal year ended September 30, 2013, and in the Company’s other filings with the Securities and Exchange Commission. The Company is under no obligation to (and expressly disclaims any such obligation to) and does not intend to update or alter its forward-looking statements whether as a result of new information, future events or otherwise.

CONTACT: Andrew J. Norstrud, Chief Executive Officer, Phone: (813) 803-8275, andrew.norstrud@genp.com; John Nesbett/Jennifer Belodeau, Institutional Marketing Services (IMS), Phone: 203.972.9200, jnesbett@institutionalms.com