

Westinghouse Solar, Inc.
Form 10-Q
August 14, 2012

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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

FORM 10-Q

Quarterly Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934
For the quarterly period ended June 30, 2012

or

Transition Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934
For the transition period from _____ to _____

Commission File Number 001-33695

Westinghouse Solar, Inc.
(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation or organization)

90-0181035
(I.R.S. Employer Identification No.)

1475 S. Bascom Ave. Suite 101, Campbell, CA
(Address of principal executive offices)

95008
(Zip Code)

(408) 402-9400
(Registrant's telephone number, including area code)

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, or a smaller reporting company. See the definitions of "large accelerated filer", "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer
Non-accelerated filer

Accelerated filer
Smaller reporting company

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(Do not check if a smaller reporting
company)

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

As of August 10, 2012, 19,148,083 shares of the issuer's common stock, par value \$0.001 per share, were outstanding
(including non-vested restricted shares).

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PART I - FINANCIAL INFORMATION

Item 1. Financial Statements.

Westinghouse Solar, Inc.
Condensed Consolidated Balance Sheets

	June 30, 2012 (unaudited)	December 31, 2011
Assets		
Current assets:		
Cash and cash equivalents	\$ 192,544	\$ 1,346,777
Accounts receivable, net	573,552	1,096,580
Other receivables	467,401	469,469
Inventory, net	2,319,705	4,172,809
Prepaid expenses and other current assets, net	474,423	978,709
Assets of discontinued operations	17,296	87,455
Assets held for sale – discontinued operations	15,570	18,293
Total current assets	4,060,491	8,170,092
Property and equipment, net	116,302	196,718
Other assets, net	1,546,427	955,570
Assets of discontinued operations – long-term	200,000	209,913
Total assets	\$ 5,923,220	\$ 9,532,293
Liabilities and Stockholders' Equity		
Current liabilities:		
Accounts payable	\$ 3,100,461	\$ 3,865,039
Accrued liabilities	725,191	428,813
Accrued warranty	294,036	217,812
Common stock warrant liability	10,123	317,490
Credit facility	94,077	92,266
Capital lease obligations – current portion	4,731	4,699
Note payable – current portion	95,067	283,252
Liabilities of discontinued operations – short-term	1,117,999	1,308,820
Total current liabilities	5,441,685	6,518,191
Capital lease obligations, less current portion	2,362	4,713
Long-term liabilities of discontinued operations	—	10,200
Total liabilities	5,444,047	6,533,104
Commitments, contingencies and subsequent events (Notes 17 and 18)		
Stockholders' equity:		
Convertible redeemable preferred stock, \$0.001 par value, 1,000,000 shares authorized; 2,273 shares issued and outstanding on June 30, 2012 and December 31, 2011	751,223	751,223
Common stock, \$0.001 par value; 100,000,000 shares authorized; 19,165,060 and 16,040,581 shares issued and outstanding at June 30, 2012 and December 31, 2011, respectively (Note 1)	19,165	16,041

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Additional paid-in capital	75,250,830	72,683,781
Accumulated deficit	(75,542,045)	(70,451,856)
Total stockholders' equity	479,173	2,999,189
Total liabilities and stockholders' equity	\$5,923,220	\$ 9,532,293

The accompanying notes are an integral part of these condensed consolidated financial statements

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Westinghouse Solar, Inc.
Condensed Consolidated Statements of Comprehensive Income (Loss)
(Unaudited)

	Three Months Ended		Six Months Ended	
	June 30,		June 30,	
	2012	2011	2012	2011
Net revenue	\$1,209,211	\$2,757,729	\$3,631,551	\$4,752,091
Cost of goods sold	1,243,034	2,563,842	3,423,003	4,280,405
Gross profit	(33,823)	193,887	208,548	471,686