

Westinghouse Solar, Inc.
Form 10-Q
May 10, 2011

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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 March 31, 2011

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 Accelerated filer
Non-accelerated filer (Do not check if a smaller reporting company) 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

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As of May 4, 2011, 11,608,423 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

	March 31, 2011 (unaudited)	December 31, 2010
Assets		
Current assets:		
Cash and cash equivalents	\$3,157,095	\$ 596,046
Restricted cash	—	540,250
Accounts receivable, net	574,810	912,588
Other receivables	24,582	15,864
Inventory, net	3,121,176	4,222,800
Prepaid expenses and other current assets, net	612,173	786,653
Assets of discontinued operations	248,420	618,204
Assets held for sale – discontinued operations	112,398	290,051
Total current assets	7,850,654	7,982,456
Property and equipment, net	293,989	334,864
Other assets, net	437,942	426,492
Long term assets of discontinued operations	221,724	21,724
Total assets	\$8,804,309	\$ 8,765,536
Liabilities and Stockholders' Equity		
Current liabilities:		
Accounts payable	\$370,310	\$ 1,483,180
Accrued liabilities	585,817	607,823
Accrued warranty	62,657	51,860
Common stock warrant liability	2,447,265	285,673
Credit facility	—	540,250
Capital lease obligations – current portion	3,515	—
Note payable – current portion	82,485	136,816
Liabilities of discontinued operations	1,525,936	1,623,927
Total current liabilities	5,077,985	4,729,529
Capital lease obligations, less current portion	6,916	—
Long-term liabilities of discontinued operations	55,431	87,088
Total liabilities	5,140,332	4,816,617
Commitments, contingencies and subsequent events (Notes 18 and 19)		
Convertible redeemable preferred stock, \$0.001 par value, 1,000,000 shares authorized; 4,000 and 0 shares issued and outstanding on March 31, 2011 and December 31, 2010, respectively	1,509,649	—
Stockholders' equity:		
Common stock, \$0.001 par value; 100,000,000 shares authorized; 11,597,194 and 11,442,438 shares issued and outstanding at March 31, 2011 and December 31, 2010,	11,597	11,442

respectively (Note 1)		
Additional paid-in capital	68,201,948	68,683,205
Accumulated deficit	(66,059,217)	(64,745,728)
Total stockholders' equity	2,154,328	3,948,919
Total liabilities, convertible redeemable preferred stock and stockholders' equity	\$8,804,309	\$ 8,765,536

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

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Westinghouse Solar, Inc.
Condensed Consolidated Statements of Operations
(Unaudited)

	Three Months Ended March 31,	
	2011	2010
Net revenue	\$1,994,362	\$729,375
Cost of goods sold	1,716,563	614,196
Gross profit	277,799	115,179
Operating expenses		