

VIEW SYSTEMS INC  
Form 10-Q  
August 20, 2012

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

FORM 10-Q

QUARTERLY REPORT UNDER TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934 FOR THE QUARTERLY PERIOD ENDED March 31, 2012

TRANSITION REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

Commission file number 000-30178

VIEW SYSTEMS, INC.  
(Exact name of registrant as specified in its charter)

Nevada  
(State or other jurisdiction of  
incorporation or organization)

59-2928366  
(I.R.S. Employer Identification No.)

1550 Caton Center Drive, Suite E, Baltimore, Maryland 21227  
(Address of principal executive offices) (Zip Code)

(410) 242-8439  
(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  Smaller reporting company   
(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

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Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

Class	Outstanding at August 15, 2012
Common Stock, \$.001 par value per share	170,421,178

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VIEW SYSTEMS, INC.  
 FORM 10-Q  
 FOR THE PERIOD ENDED MARCH 31, 2012 (UNAUDITED)

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Safe Harbor Statement Under the Private Securities Litigation Reform Act of 1995

Information included in this Form 10-Q contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended (“Securities Act”), and Section 21E of the Securities Exchange Act of 1934, as amended (“Exchange Act”). This information may involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of View Systems, Inc. (the “Company”), to be materially different from future results, performance or achievements expressed or implied by any forward-looking statements. Forward-looking statements, which involve assumptions and describe future plans, strategies and expectations of the Company, are generally identifiable by use of the words “may,” “will,” “should,” “expect,” “anticipate,” “estimate,” “believe,” “intend,” or “project” or the negative of these words or other variations on these words or comparable terminology. These forward-looking statements are based on assumptions that may be incorrect, and there can be no assurance that these projections included in these forward-looking statements will come to pass. Actual results of the Company could differ materially from those expressed or implied by the forward-looking statements as a result of various factors. Except as required by applicable laws, the Company has no obligation to update publicly any forward-looking statements for any reason, even if new information becomes available or other events occur in the future.

## PART I. FINANCIAL INFORMATION

## ITEM 1. FINANCIAL STATEMENTS

View Systems, Inc. and Subsidiaries  
Consolidated Balance Sheets (Unaudited)

	March 31, 2012	December 31, 2011
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash	\$66,442	\$29,041
Accounts Receivable (Net of Allowance for Doubtful Accounts of \$5,450)	3,821	78,222
Inventory	189,025	161,349
Prepaid Expenses	23,700	29,100
<b>Total Current Assets</b>	<b>282,988</b>	<b>297,712</b>
Property and Equipment (Net)	26,326	31,126
<b>Other Assets</b>		
Deposits	2,872	2,872
<b>Total Other Assets</b>	<b>2,872</b>	<b>2,872</b>
<b>Total Assets</b>	<b>\$312,186</b>	<b>\$331,710</b>
<b>LIABILITIES AND STOCKHOLDERS' DEFICIT</b>		
<b>Current Liabilities</b>		
Accounts Payable and Accrued Expenses	\$473,440	\$548,999
Deferred Compensation	244,090	227,353
Accrued and Withheld Payroll Taxes Payable	137,396	137,396
Accrued Interest Payable	101,053	87,840
Accrued Royalties Payable	225,000	225,000
Loans from Stockholders	159,528	165,167
Notes Payable - Current Portion	196,846	200,628
Stock Settlement Payable	124,578	124,578
Deferred Revenue	387,497	398,078
<b>Total Current Liabilities</b>	<b>2,049,428</b>	<b>2,115,039</b>
<b>Long-Term Debt</b>		
Note payable, Net of Current Portion	100,294	103,428
<b>Total Liabilities</b>	<b>2,149,722</b>	<b>2,218,467</b>

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Stockholders' Deficit:

Convertible Preferred Stock, Authorized 10,000,000 Shares, \$.01 Par Value,		
Issued and outstanding 1,489,647	14,896	14,896
Common Stock, Authorized 950,000,000 Shares, \$.001 Par Value,		
Issued and Outstanding 137,179,400	137,179	-
Issued and Outstanding 131,179,400	-	131,179
Common Stock Issuable 9,377,778	187,000	-
Stock Settlement in Process	(124,578 )	(124,578 )
Additional Paid in Capital	22,844,169	22,806,669
Accumulated Deficit	(24,896,202)	(24,714,923)
<b>Total Stockholders' Deficit</b>	<b>(1,837,536 )</b>	<b>(1,886,757 )</b>
<b>Total Liabilities and Stockholders' Deficit</b>	<b>\$312,186</b>	<b>\$331,710</b>