

MobileSmith, Inc.  
Form 10-Q/A  
November 25, 2013

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UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, DC 20549

FORM 10-Q /A

(Mark One)

Quarterly report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

For the quarterly period ended September 30, 2013

OR

Transition report pursuant to Section 13 of 15(d) of the Securities Exchange Act of 1934

Commission File Number: 001-32634

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

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Delaware  
(State or other jurisdiction of  
incorporation or organization)

95-4439334  
(I.R.S. Employer  
Identification No.)

5400 Trinity Road, Suite 208  
Raleigh, North Carolina  
(Address of principal executive offices)

27607  
(Zip Code)

(855) 516-2413  
(Registrant's telephone number, including area code)

4505 Emperor Blvd., Ste. 320, Durham, North Carolina 27703  
(Former Name, Former Address and Former Fiscal Year, if Changed Since Last Report)

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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 during

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the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes  
x 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 x

(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 o No x

As of November 14, 2013, there were 18,352,542 shares of the registrant's common stock, par value \$0.001 per share, outstanding.

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EXPLANATORY NOTE

MobileSmith, Inc. (the "Company") is filing this Amendment No. 1 to the Quarterly Report on Form 10-Q for this quarter ended September 30, 2013, filed with the Securities and Exchange Commission on November 14, 2013 (the "Form 10-Q"), to include corrected unaudited financial statements and to correct certain clerical errors.

The Company has corrected its previously issued unaudited condensed financial statements as of and for the quarter ended September 30, 2013 to fix presentation of an expense line item that resulted in an inadvertent mathematical error in the Condensed Statements of Operations. As a result of the correction the net loss for the nine-month period ended September 30, 2013 increased from \$25,703,497 to \$25,925,401 or less than 1%.

This Quarterly Report on Form 10-Q/A is limited in scope to the corrections described above. Other than as described above, none of the other disclosures in the original Form 10-Q have been amended or updated.

For the convenience of the reader, this Quarterly Report on Form 10-Q/A sets forth the original Form 10-Q in its entirety. This Quarterly Report on Form 10-Q/A does not reflect events that may have occurred subsequent to the original filing date. Among other things, forward looking statements made in the original Form 10-Q have not been revised to reflect events that occurred or facts that became known to the Company after the filing of the original Form 10-Q, and such forward-looking statements should be read in their historical context.

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MOBILESMITH, INC.

FORM 10-Q

For the Quarterly Period Ended September 30, 2013

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## PART I – FINANCIAL INFORMATION

## Item 1. Financial Statements

MOBILESMITH, INC.  
CONDENSED BALANCE SHEETS

	September 30, 2013 (unaudited)	December 31, 2012
<b>ASSETS</b>		
<b>Current assets:</b>		
Cash and cash equivalents	\$236,745	\$58,458
Restricted cash	198,423	131,103
Accounts receivable	78,899	36,050
Prepaid expenses and other current assets	65,331	96,670
Total current assets	579,398	322,281
Property and equipment, net	87,288	149,107
Capitalized software, net	818,387	618,557
Intangible assets, net	132,868	130,057
Other assets	53,864	19,440
Assets of discontinued operations	-	15,834
<b>TOTAL ASSETS</b>	<b>\$1,671,805</b>	<b>\$1,255,276</b>
<b>LIABILITIES AND STOCKHOLDERS DEFICIT</b>		
<b>Current liabilities:</b>		
Accounts payable	\$71,005	\$217,174
Notes payable	5,025,142	5,041,741
Deferred revenue	144,178	82,308
Settlement related financial instrument liability	1,917,500	2,065,000
Accrued interest	288,502	221,404
Other accrued liabilities	385,046	148,936
Liabilities of discontinued operations	-	5,638
Total current liabilities	7,831,373	7,782,201
<b>Long-term liabilities:</b>		
Notes payable-Related Party	14,557,051	14,557,051
Notes payable - Other	9,205,570	6,075,267
Deferred revenue	-	1,028
Total long-term liabilities	23,762,621	20,633,346
Total liabilities	31,593,994	28,415,547
<b>Commitments and contingencies</b>		
<b>Stockholders' deficit:</b>		
Preferred stock, \$0.001 par value, 5,000,000 shares authorized, no shares issued and outstanding at	-	-
September 30, 2013 and December 31, 2012		
Common stock, \$0.001 par value, 45,000,000 shares authorized, 18,352,542 shares issued and	18,353	18,353
outstanding at September 30, 2013 and December 31, 2012		
Additional paid-in capital	90,321,324	67,157,841
Accumulated deficit	(120,261,866)	(94,336,465)

Total stockholders' deficit	(29,922,189 )	(27,160,271)
<b>TOTAL LIABILITIES AND STOCKHOLDERS' DEFICIT</b>	<b>\$1,671,805</b>	<b>\$1,255,276</b>

The accompanying notes are an integral part of these financial statements.

MOBILESMITH, INC.  
CONDENSED STATEMENTS OF OPERATIONS  
(unaudited)

	Three Months Ended		Nine Months Ended	
	September 30, 2013	September 30, 2012	September 30, 2013	September 30, 2012
<b>REVENUES:</b>				
Mobile Platform License and Services Fees	\$ 102,326	\$ 29,405	\$ 227,534	\$ 94,328
Total revenues	102,326	29,405	227,534	94,328
<b>COST OF REVENUES</b>	120,939	44,976	396,166	90,585
<b>GROSS PROFIT (LOSS)</b>	(18,613 )	(15,571 )	(168,632 )	