

ASPEN GROUP, INC.  
Form 10-Q  
May 15, 2012

---

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 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, 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: 333-165685

Aspen Group, Inc.

(Exact name of registrant as specified in its charter)

Delaware  
(State or other jurisdiction of  
incorporation or organization)

27-1933597  
(I.R.S. Employer Identification No.)

720 South Colorado Boulevard, Suite  
1150N  
Denver, CO  
(Address of principal executive offices)

80246  
(Zip Code)

Registrants telephone number: (646) 450-1843

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 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.

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

Class	Outstanding as of May 10, 2012
Common Stock, \$0.001 par value per share	35,295,204 shares

---

---

---

## Index

## PART I – FINANCIAL INFORMATION

Item 1.	Condensed Consolidated Financial Statements	
	Condensed Consolidated Balance Sheets as of March 31, 2012 (Unaudited) and December 31, 2011	F-2
	Condensed Consolidated Statements of Operations for the three months ended March 31, 2012 and 2011 (Unaudited)	F-3
	Condensed Consolidated Statements of Changes in Stockholders Equity for the three months ended March 31, 2012 (Unaudited)	F-4
	Condensed Consolidated Statements of Cash Flows for the three months ended March 31, 2012 and 2011 (Unaudited)	F-5
	Notes to Condensed Consolidated Financial Statements (Unaudited)	F-6
Item 2.	Management’s Discussion and Analysis of Financial Condition and Results of Operations.	3
Item 3.	Quantitative and Qualitative Disclosures About Market Risk.	7
Item 4.	Controls and Procedures.	7
PART II – OTHER INFORMATION		
Item 1.	Legal Proceedings.	8
Item 1A.	Risk Factors.	8
Item 2.	Unregistered Sales of Equity Securities and Use of Proceeds.	8
Item 3.	Defaults Upon Senior Securities.	8
Item 4.	Mine Safety Disclosures.	8
Item 5.	Other Information.	8
Item 6.	Exhibits.	8
SIGNATURES		9



## PART I. FINANCIAL INFORMATION

## ITEM 1. FINANCIAL STATEMENTS

ASPEN GROUP, INC. AND SUBSIDIARIES  
CONDENSED CONSOLIDATED BALANCE SHEETS

Assets	March 31, 2012 (Unaudited)	December 31, 2011
Current assets:		
Cash and cash equivalents	\$ 246,525	\$ 766,602
Restricted cash	105,865	-
Accounts receivable, net of allowance of \$61,500 and \$47,595, respectively	1,162,380	847,234
Accounts receivable, secured - related party	772,793	772,793
Receivable from stockholder, secured - related party	2,209,960	2,209,960
Note receivable from officer, secured - related party	-	150,000
Prepaid expenses and other current assets	125,850	103,478
Total current assets	4,623,373	4,850,067
Property and equipment, net	113,534	129,944
Intangible assets, net	1,295,768	1,236,996
Other assets	6,559	6,559
Total assets	\$ 6,039,234	\$ 6,223,566

Liabilities and Stockholders' Equity

Current liabilities:		
Accounts payable	\$ 1,725,961	\$ 1,094,029
Accrued expenses	282,335	167,528
Deferred revenue	1,037,111	835,694
Convertible notes payable, current portion (includes \$300,000 to related parties)	470,000	-
Notes payable, current portion	-	6,383
Loan payable to stockholder	491	-
Deferred rent, current portion	4,782	4,291
Total current liabilities	3,520,680	2,107,925
Line of credit	227,446	233,215
Loans payable (includes \$50,000 to related parties)	-	200,000
Convertible notes payable (includes \$50,000 to related parties)	200,000	-
Notes payable	-	8,768
Deferred rent	19,710	21,274
Total liabilities	3,967,836	2,571,182

Commitments and contingencies - See Note 7

Edgar Filing: ASPEN GROUP, INC. - Form 10-Q

Temporary equity:		
Series A preferred stock, \$0.001 par value; 850,500 shares designated, none and 850,395 shares issued and outstanding, respectively	-	809,900
Series D preferred stock, \$0.001 par value; 3,700,000 shares designated, none and 1,176,750 shares issued and outstanding, respectively (liquidation value of \$1,176,750)	-	1,109,268
Series E preferred stock, \$0.001 par value; 2,000,000 shares designated, none and 1,700,000 shares issued and outstanding, respectively (liquidation value of \$1,700,000)	-	1,550,817
Total temporary equity	-	3,469,985
Stockholders' equity:		
Preferred stock, \$0.001 par value; 10,000,000 shares authorized		