

CYIOS CORP  
Form 10QSB  
May 14, 2008

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UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549  
FORM 10-QSB  
(Mark One)

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15 (d) OF THE SECURITIES  
EXCHANGE ACT OF 1934

For the quarterly period ended  
March 31, 2008

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 No. 000-27243

CYIOS CORPORATION  
(Exact name of Registrant as specified in its charter)

Nevada  
(State or other jurisdiction of incorporation or  
organization)

03-7392107  
(I.R.S. Employer Identification Number)

1300 PENNSYLVANIA AVE, SUITE 700  
WASHINGTON DC  
(Address of principal executive offices)

20004  
(Zip/Postal Code)

(703) 294-9933  
(Telephone Number)

Check whether the issuer (1) filed all reports required to be filed by Section 13 or 15(d) of the Exchange Act during the past 12 months (or for such 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 is a large accelerated filer, and accelerated filer, or a non-accelerated filer.

Non-accelerated filer

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

State the number of shares outstanding of each of the Issuer's classes of common equity, as of the latest practicable date. There were 25,557,210 common stock shares and 29,713 preferred shared convertible to common at a 1:1 ratio, par value \$0.001, as of March 31, 2008.[Missing Graphic Reference]

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Note Regarding FORWARD-LOOKING STATEMENTS

In addition to historical information, this Report contains forward-looking statements. Such forward-looking statements are generally accompanied by words such as "intends," "projects," "strategies," "believes," "anticipates," "plans," and similar terms that convey the uncertainty of future events or outcomes. The forward-looking statements contained herein are subject to certain risks and uncertainties that could cause actual results to differ materially from those reflected in the forward-looking statements. Factors that might cause such a difference include, but are not limited to, those discussed in Part Item 2 of this Report, the section entitled "MANAGEMENT'S DISCUSSION AND ANALYSIS OR PLAN OF OPERATION and Part II Item 1a Risk Factors." Readers are cautioned not to place undue reliance on these forward-looking statements, which reflect management's analysis only as of the date hereof and are in all cases subject to the Company's ability to cure its current liquidity problems. There is no assurance that the Company will be able to generate sufficient revenues from its current business activities to meet day-to-day operation liabilities or to pursue the business objectives discussed herein.

The forward-looking statements contained in this Report also may be impacted by future economic conditions. Any adverse effect on general economic conditions and consumer confidence may adversely affect the business of the Company. CYIOS Corporation undertakes no obligation to publicly revise these forward-looking statements to reflect events or circumstances that arise after the date hereof. In addition, readers should carefully review the factors described in other documents the Company files from time to time with the Securities and Exchange Commission.

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Table of Contents

<u>Part I - FINANCIAL INFORMATION</u>	1
<u>Item 1. Financial Statements and Supplementary Information</u>	1
<u>Item 2. Management's Discussion and Analysis</u>	14
<u>INTRODUCTION</u>	14
<u>CORPORATE OVERVIEW</u>	14
<u>RECENT DEVELOPMENTS</u>	15
<u>FINANCIAL CONDITION</u>	16
<u>RESULTS OF OPERATIONS</u>	16
<u>Item 3. Quantitative and Qualitative Disclosures about Market Risk</u>	18
<u>Item 4. Controls and Procedures</u>	18
<u>Part II – OTHER INFORMATION</u>	19
<u>Item 1. Legal Proceedings</u>	19
<u>Item 2. Unregistered Sales of Equity Securities and Use of Proceeds.</u>	27
<u>Item 3. Defaults Upon Senior Securities.</u>	27
<u>Item 4. Submission of Matters to a Vote of Security Holders.</u>	27
<u>Item 5. Other Information.</u>	27
<u>Item 6. Exhibits.</u>	27
<u>SIGNATURE</u>	28
<u>Exhibit 31.1 - Certifications</u>	29
<u>Exhibit 32.1- Certification Pursuant to 18 U.S.C. Section 1350</u>	30

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Table of Contents

## Part I - FINANCIAL INFORMATION

## Item 1. Financial Statements and Supplementary Information

In the opinion of management, the accompanying unaudited financial statements included in this Form 10-QSB reflect all adjustments necessary for a fair presentation of the results of operations for the periods presented. The results of operations for the periods presented are not necessarily indicative of the results to be expected for the full year.

## CYIOS Corporation and Subsidiaries

## Consolidated Balance Sheet (Unaudited)

	As of March 31, 2008	As of December 31, 2007
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash and Cash Equivalents	\$ 82,858	\$ 45,498
Accounts Receivable	10,800	46,398
Prepaid Consulting	31,916	-
Other Current Assets	9,800	4,900
<b>TOTAL CURRENT ASSETS</b>	<b>135,374</b>	<b>96,796</b>
<b>OTHER ASSETS</b>		
Loan to Shareholder	211,133	172,406
<b>TOTAL OTHER ASSETS</b>	<b>211,133</b>	<b>172,406</b>
<b>FIXED ASSETS</b>		
Computer Equipment	3,918	3,918
Accumulated Depreciation	(326)	(130)
<b>TOTAL FIXED ASSETS</b>	<b>3,592</b>	<b>3,788</b>
<b>TOTAL ASSETS</b>	<b>\$ 350,099</b>	<b>\$ 272,990</b>
<b>LIABILITIES AND STOCKHOLDERS' DEFICIT</b>		
<b>LIABILITIES</b>		
<b>Current Liabilities:</b>		
Line of Credit	\$ 99,906	\$ 98,817
Payroll Taxes Payable	12,674	9,703
Accrued Vacation Expense	27,817	27,817
Accounts Payable	17,068	24,622
Liabilities of Discontinued Operations	187,192	256,497
<b>TOTAL LIABILITIES</b>	<b>344,657</b>	<b>417,456</b>
<b>STOCKHOLDERS' DEFICIT</b>		
Convertible Preferred Stock (\$.001 par value, 5,000,000 authorized: 29,713 and 29,713 issued and outstanding)	30	30
Common Stock (\$.001 par value, 100,000,000 shares authorized: 25,557,210 and 25,354,210 shares issued and outstanding)	25,557	25,354
Additional Paid-in-Capital	23,859,633	23,886,536
Stock Subscription Receivable	(38,500)	(136,000)
Accumulated Deficit	(23,841,278)	(23,920,386)
<b>TOTAL STOCKHOLDERS' DEFICIT</b>	<b>5,442</b>	<b>(144,466)</b>
<b>TOTAL LIABILITIES AND STOCKHOLDERS' DEFICIT</b>	<b>\$ 350,099</b>	<b>\$ 272,990</b>

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

Table of Contents

## CYIOS Corporation and Subsidiaries

Consolidated Statement of Operations (Unaudited)  
For the 3 months ended March 31, 2008 and 2007

	2008	2007
<b>SALES AND COST OF SALES</b>		
Sales	\$ 428,508	\$ 551,565
Cost of Sales	187,961	276,173
Gross Profit	240,547	275,392
<b>EXPENSES</b>		
Selling, general and administrative	33,575	47,287
Payroll Expense--Indirect Labor	147,035	163,873
Consulting Expense	26,801	5,153
Professional Fees	18,112	22,574
Interest	5,024	2,100
Depreciation and amortization	196	-
<b>TOTAL EXPENSES</b>	<b>230,743</b>	<b>240,987</b>
Net Income/(Loss) from Operations	9,804	34,405
Net Income/(Loss) from Discontinued Operations	69,305	-
Net Income/(Loss)	\$ 79,109	\$ 34,405
Net income/(loss) per share--basic and fully diluted		