UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

FORM 10-Q

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

For the Quarterly Period ended September 30, 2018

Commission File No. **000-53425**

Singlepoint, Inc.

(Name of small business issuer in its charter)

Nevada	**26-1240905**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

2999 North 44th Street Suite 530
Phoenix, AZ 85018
(Address of principal executive offices)

(855) 711-2009
(Issuer's telephone number)

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, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer", "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☐	Accelerated filer	☐
Non-accelerated filer	☐	Smaller reporting company	☒
(Do not check if smaller reporting company)		Emerging growth company	☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

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

Indicate the number of shares outstanding of each of the issuer's classes of common equity, as of the latest practicable date: As of November 14, 2018, the Company had 1,177,630,300 outstanding shares of its common stock, par value $0.0001.

Special Note Regarding Forward-Looking Statements

This Quarterly Report on Form 10-Q, including "Management's Discussion and Analysis of Financial Condition and Results of Operations" in Item 2, of Part I of this report include forward-looking statements. These statements involve known and unknown risks, uncertainties and other factors that may cause our actual results, levels of activity, performance or achievements to be materially different from any future results, levels of activity, performance, or achievements expressed or implied by forward-looking statements.

In some cases, you can identify forward-looking statements by terminology such as "may," "should," "expects," "plans," "anticipates," "believes," "estimates," "predicts," "potential," "proposed," "intended," or "continue" or the negative of these terms or other comparable terminology. You should read statements that contain these words carefully, because they discuss our expectations about our future operating results or our future financial condition or state other "forward-looking" information. There may be events in the future that we are not able to accurately predict or control. Before you invest in our securities, you should be aware that the occurrence of any of the events described in this Quarterly Report could substantially harm our business, results of operations and financial condition, and that upon the occurrence of any of these events, the trading price of our securities could decline and you could lose all or part of your investment. Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee future results, growth rates, levels of activity, performance or achievements. We are under no duty to update any of the forward-looking statements after the date of this Quarterly Report to conform these statements to actual results.

TABLE OF CONTENTS

SINGLEPOINT, INC.

CONSOLIDATED FINANCIAL STATEMENTS

(Unaudited)

For the Three and Nine Months Ended September 30, 2018 and 2017

PART I – FINANCIAL INFORMATION

Item 1. Financial Statements

SINGLEPOINT, INC.
CONSOLIDATED BALANCE SHEETS
(Unaudited)

	September 30, 2018	December 31, 2017
ASSETS		
CURRENT ASSETS:		
Cash	$ 21,656	$ 915,078
Accounts receivable	7,273	-
Prepaid expenses	9,628	385
Inventory	15,318	15,355
Total Current Assets	53,875	930,818
NON-CURRENT ASSETS:		
Equipment, net	-	3,547
Investment	35,000	20,000
Intangible asset	346,000	346,000
Goodwill	762,985	362,261
Notes receivable - related parties	-	4,225
Other assets	-	123
Total Assets	$ 1,197,860	$ 1,666,974
LIABILITIES AND STOCKHOLDERS' DEFICIT		
LIABILITIES		
CURRENT LIABILITIES:		
Accounts payable	$ 138,835	$ 142,395
Accrued expenses, including accrued officer salaries	691,852	551,384
Current portion of convertible notes payable, net of debt discount (Note 4)	285,500	350,295
Advances from related party	578,886	70,832
Derivative liability	356,010	324,774
Total Current Liabilities	2,051,083	1,439,680
LONG-TERM LIABILITIES:		
Convertible notes payable, net of debt discount (Note 4)	1,149,272	1,007,271
Total Liabilities	3,200,355	2,446,951
Commitments and Contingencies (Note 9)		
STOCKHOLDERS' DEFICIT		
Class A convertible preferred stock, par value $0.0001; 60,000,000 shares authorized; 44,950,000 and 47,750,000 shares issued and outstanding	4,495	4,775
Common stock, par value $0.0001; 2,000,000,000 shares authorized; 1,167,965,663 and 935,585,925 shares issued and outstanding	116,797	93,559
Additional paid-in capital	61,150,041	59,951,381
Accumulated deficit	(63,233,858)	(60,797,888)
Total Singlepoint, Inc. stockholders' deficit	(1,962,525)	(748,173)
Non-controlling interest	(39,970)	(31,804)
Total Stockholders' Deficit	(2,002,495)	(779,977)
Total Liabilities and Stockholders' Deficit	$ 1,197,860	$ 1,666,974

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

SINGLEPOINT, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS
(Unaudited)

	For the Three Months Ended September 30, 2018	For the Three Months Ended September 30, 2017	For the Nine Months Ended September 30, 2018	For the Nine Months Ended September 30, 2017
REVENUE				
Revenue	$ 381,037	$ 30,690	$ 881,157	$ 186,726
Total Revenue	381,037	30,690	881,157	186,726
Cost of Revenue	305,684	15,754	652,140	136,779
Gross profit	75,353	14,936	229,017	49,947
OPERATING EXPENSES:				
Consulting fees	47,960	23,217	183,083	187,074
Compensation	818,730	38,675,515	988,669	38,737,388
Professional and legal fees	41,004	68,279	121,204	88,435
Investor Relations	29,674	78,701	269,138	359,337
General and administrative	284,999	66,259	680,625	109,929
Operating expenses	1,222,367	38,911,971	2,242,719	39,482,163
LOSS FROM OPERATIONS	(1,147,014)	(38,897,035)	(2,013,702)	(39,432,216)
OTHER INCOME (EXPENSE):				
Interest expense	(34,665)	(11,032)	(93,204)	(34,643)
Amortization of loan costs	(92,151)	(311,128)	(311,626)	(311,128)
Gain (loss) on settlement of debt	5,632	(6,686,824)	5,632	(9,686,695)
Loss on change in fair value of investments	20,000	(20,000)	-	(20,000)
Gain (loss) on change in fair value of derivative liability	(98,507)	-	(31,236)	(420,000)
Other income (expense), net	(199,691)	(7,028,984)	(430,434)	(10,472,466)
LOSS BEFORE INCOME TAXES	(1,346,705)	(45,926,019)	(2,444,136)	(49,904,682)
Income taxes	-	-	-	-
NET LOSS	(1,346,705)	(45,926,019)	(2,444,136)	(49,904,682)
Loss (income) attributable to non-controlling interests	9,122	381	8,166	(2,487)
NET LOSS ATTRIBUTABLE TO SINGLEPOINT, INC. STOCKHOLDERS	$ (1,337,583)	$ (45,925,638)	$ (2,435,970)	$ (49,907,169)
Net loss per share - basic	$ (0.00)	$ (0.06)	$ (0.00)	$ (0.07)
Weighted average number of common shares outstanding - basic	1,162,754,224	834,582,583	1,120,363,206	745,051,535

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

SINGLEPOINT, INC.
CONSOLIDATED STATEMENTS OF STOCKHOLDERS' DEFICIT
For the Nine Months Ended September 30, 2018
(Unaudited)

	Preferred Stock Par Value $0.0001		Common Stock Par Value $0.0001					
	Number of Shares	Amount	Number of Shares	Amount	Additional paid-in Capital	Accumulated Deficit	Non-controlling Interest	Total Stockholders' Deficit
Balance, December 31, 2017	47,750,000	$ 4,775	935,585,925	$ 93,559	$59,951,381	$ (60,797,888)	$ (31,804)	$ (779,977)
Issuance of common shares for services			600,000	60	38,460			38,520
Issuance of common shares for investments			6,979,167	698	215,656			216,354
Issuance of common shares for convertible note			106,428,571	10,643	199,357			210,000
Issuance of common shares for accrued interest			23,372,000	2,337	44,407			46,744
Issuance of preferred shares for services	1,000,000	100			709,900			710,000
Conversion of preferred shares	(3,800,000)	(380)	95,000,000	9,500	(9,120)			-
Net loss						(2,435,970)	(8,166)	(2,444,136)
Balance, September 30, 2018	44,950,000	$ 4,495	1,167,965,663	$116,797	$61,150,041	$ (63,233,858)	$ (39,970)	$ (2,002,495)

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

Table of Contents

SINGLEPOINT, INC.
CONSOLIDATED STATEMENT OF CASH FLOWS
(Unaudited)

	For the Nine Months Ended September 30, 2018	For the Nine Months Ended September 30, 2017
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net loss	$(2,435,970)	$(49,907,169)
Adjustments to reconcile net loss to net cash used in operating activities		
Income attributable to non-controlling interests	(8,166)	2,487
Common stock issued for services	38,520	144,647
Changes in fair value of investments	-	20,000
Depreciation	3,547	-
Amortization of loan costs	311,626	311,128
(Gain) loss on change in fair value of derivatives	31,236	420,000
Excess of fair value of derivative over debt principal	-	-
(Gain) loss on debt settlement	(5,632)	9,686,695
Preferred stock issued for services	710,000	38,640,000
Changes in operating assets and liabilities:		
Accounts receivable	(7,273)	(80,680)
Prepaid expenses	(9,243)	-
Inventory	37	(8,953)
Other assets	123	-
Accounts payable	(3,560)	77,234
Accrued expenses	154,054	45,760
NET CASH USED IN OPERATING ACTIVITIES	(1,220,701)	(648,851)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Cash paid for investment	(15,000)	(260,000)
Cash paid for acquisition of subsidiaries	(170,000)	-
NET CASH USED IN INVESTING ACTIVITIES	(185,000)	(260,000)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Payments for notes receivable - related party	4,225	-
Proceeds from advances from related party	508,054	60,360
Proceeds from issuance of convertible notes, net	-	605,500
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	512,279	665,860
NET CHANGE IN CASH	(893,422)	(242,991)
Cash at beginning of period	915,078	380,059
Cash at end of period	$ 21,656	$ 137,068
SUPPLEMENTAL DISCLOSURE OF CASH FLOWS INFORMATION:		
Interest paid	$ -	$ -
Income tax paid	$ -	$ -
NON-CASH INVESTING AND FINANCING ACTIVITIES:		
Common stock issued for accrued interest	$ 46,744	$ -
Common stock issued to acquire investments	$ -	$ 343,902
Common stock issued to acquire subsidiaries	$ 216,354	$ 1,343,902
Common stock issued for conversion of debt	$ 210,000	$ 3,078,000
Conversion of preferred stock to common stock	$ 9,500	$ -

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

SINGLEPOINT, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED)

NOTE 1 - ORGANIZATION AND NATURE OF BUSINESS

History

Carbon Credits International Inc. ("CCII"), which was formed on October 15, 2007 as a Nevada corporation, was the result of a spin off from Carbon Credits Industries, Inc. ("CCI"), its former parent issuer, on October 17, 2007, in which 24,196,000 shares of common stock were issued to the shareholders of CCI on a share for share basis ownership. No assets or liabilities were included in the spin off and there was no previous history or operations of CCII.

On December 23, 2011, CCII entered into a merger agreement with Lifestyle Wireless, Inc. ("LWI"), A Washington Corporation, whereby 30,008,000 shares of CCI common stock were cancelled and 6,321,830 shares of CCII common stock were issued to LWI, with CCII remaining as the surviving company. The effective date of the merger was January 10, 2012 under the Articles of Merger.

On July 1, 2013, CCII changed its name to Singlepoint Inc. ("Singlepoint" or "the Company") and increased its authorized shares of common stock from 100,000,000 to 500,000,000 and authorized 30,000,000 preferred shares. On July 1, 2013, the ticker symbol changed from CARN to SING.

On July 20, 2016, the Company amended its Articles of Incorporation and increased its authorized common shares from 500,000,000 to 1,000,000,000.

On July 20, 2016, the Company increased the number of authorized Class A Convertible Preferred Stock from 30,000,000 to 60,000,000. The Class A Stock shall be entitled to vote 25 votes of common stock for each share of Class A Stock held with respect to all matters upon which common stockholders are entitled to vote or to which stockholders are entitled to give consent. Class A Stock shall convert into common stock of the Company at a ratio of 6 common shares for every 1 Class A Share.

On August 31, 2017, the Company amended its Articles of Incorporation and increased its authorized common shares from 1,000,000,000 to 2,000,000,000.

On August 31, 2017, the Company amended its Articles of Incorporation and increased the voting rights on its Class A Convertible Preferred Stock to 50 votes of common stock for each share of Class A Stock held with respect to all matters upon which common stockholders are entitled to vote, and increased the conversion ratio on its Class A Stock so that it converts into common stock of the Company at a ratio of 25 common shares for every 1 Class A share.

On May 17, 2017, the Company acquired a 90% interest in Discount Garden Supply, Inc. ("DIGS") for cash and common stock.

On October 11, 2017, the Company acquired a 51% interest in Jiffy Auto Glass ("JAG") for cash and common stock.

On August 31, 2018, the Company acquired a 51% interest in Shield Saver, LLC ("Shield Saver") for cash and common stock.

Going Concern

The financial statements have been prepared assuming that the Company will continue as a going concern. As of September 30, 2018, the Company has yet to achieve profitable operations and is dependent on its ability to raise capital from stockholders or other sources to sustain operations and to ultimately achieve viable operations. The financial statements do not include any adjustments that might result from the outcome of these uncertainties. These factors raise substantial doubt about the Company's ability to continue as a going concern.

The Company's ability to continue in existence is dependent on the Company's ability to develop the Company's business plan and to achieve profitable operations. Since the Company does not anticipate achieving profitable operations and/or adequate cash flows in the near term, management will continue to pursue additional equity financing through private placements of the Company's common stock.

NOTE 2 - BASIS OF PRESENTATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The accompanying unaudited consolidated financial statements of the Company have been prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP"). They should be read in conjunction with the audited consolidated financial statements, including the notes thereto, as of and for the year ended December 31, 2017. The information furnished in this report reflects all adjustments (consisting of normal recurring adjustments), which are, in the opinion of management, necessary for a fair presentation of our financial position, results of operations and cash flows for each period presented. The results of operations for the nine months ended September 30, 2018 are not necessarily indicative of the results for the year ending December 31, 2018 or for any future period.

Principles of Consolidation

The consolidated financial statements include the accounts of Singlepoint, DIGS, JAG, and Singleseed, Inc. as of and for the three and nine months ended September 30, 2018, and the one-month results of Shield Saver since its acquisition on August 31, 2018. All significant intercompany transactions have been eliminated in consolidation.

Revenues

The Company has generated little revenues to date. It is the Company's policy that revenue from product sales or services will be recognized in accordance with ASC 606 "Revenue from Contracts with Customers". The standard outlines a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers and supersedes most current revenue recognition guidance, including industry-specific guidance. In applying the new revenue recognition model to contracts with customers, an entity: (1) identifies the contract(s) with a customer; (2) identifies the performance obligations in the contract(s); (3) determines the transaction price; (4) allocates the transaction price to the performance obligations in the contract(s); and (5) recognizes revenue when (or as) the entity satisfies a performance obligation. The accounting standards update applies to all contracts with customers except those that are within the scope of other topics in the FASB Accounting Standards Codification.

The Company incurs costs associated with product distribution, such as freight and handling costs. The Company has elected to treat these costs as fulfillment activities and recognizes these costs at the same time that it recognizes the underlying product revenue. As this policy election is in line with the Company's previous accounting practices, the treatment of shipping and handling activities under Topic 606 did not have any impact on the Company's results of operations, financial condition and/or financial statement disclosures. In accordance with the new guidance, the Company recognizes revenue at an amount that reflects the consideration that the Company expects to be entitled to receive in exchange for transferring goods or services to its customers. The Company's policy is to record revenue when control of the goods transfers to the customer.

Revenue Sharing

In addition to selling the Company's products to customers, the Company recognizes revenues by sharing commissions with Independent Sales Organizations as an agent on a net basis.

These revenues do not comprise a material amount of the Company's net sales.

Cash and Cash Equivalents

The Company considers all highly liquid investments with the original maturities of ninety days or less at the time of purchase to be cash equivalents. The Company maintains deposits in financial institutions which are insured by the Federal Deposit Insurance Corporation ("FDIC"). The Company had deposits in excess of amounts insured by the FDIC of $0 as of September 30, 2018.

Convertible Instruments

The Company evaluates and accounts for conversion options embedded in its convertible instruments in accordance with the Accounting Standards Committee ("ASC") 815 "Derivatives and Hedging". It provides three criteria that, if met, require companies to bifurcate conversion options from their host instruments and account for them as free standing derivative financial instruments. These three criteria include circumstances in which (a) the economic characteristics and risks of the embedded derivative instrument are not clearly and closely related to the economic characteristics and risks of the host contract, (b) the hybrid instrument that embodies both the embedded derivative instrument and the host contract is not re-measured at fair value under otherwise applicable generally accepted accounting principles with changes in fair value reported in earnings as they occur and (c) a separate instrument with the same terms as the embedded derivative instrument would be considered a derivative instrument. The result of this accounting treatment could be that the fair value of a financial instrument is classified as a derivative financial instrument and is marked-to-market at each balance sheet date and recorded as a liability. In the event that the fair value is recorded as a liability, the change in fair value is recorded in the consolidated statement of operations as other income or other expense. Upon conversion or exercise of a derivative financial instrument, the instrument is marked to fair value at the conversion date and is reclassified to equity. The Company records, when necessary, discounts to convertible notes for the intrinsic value of conversion options embedded in debt instruments based upon the differences between the fair value of the underlying common stock at the commitment date of the note transaction and the effective conversion price embedded in the note. Debt discounts under these arrangements are amortized over the term of the related debt to their earliest date of notes redemption

Income Taxes

The Company accounts for its income taxes in accordance with Income Taxes ASC 740, which requires recognition of deferred tax assets and liabilities for future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases and tax credit carry forwards. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in operations in the period that includes the enactment date. The Company has a net operating loss carryforward, however, due to the uncertainty of realization, the Company has provided a full valuation allowance for deferred tax assets resulting from this net operating loss carry forward.

Earnings (loss) Per Common Share

Basic loss per common share has been calculated based upon the weighted average number of common shares outstanding during the period in accordance with the Statement of FASB ASC 260-10, "Earnings per Share". Common stock equivalents are not used in the computation of loss per share, as their effect would be antidilutive.

Use of Estimates in the Preparation of Financial Statements

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates and assumptions.

Fair Value Measurements

On January 1, 2011, the Company adopted guidance which defines fair value, establishes a framework for using fair value to measure financial assets and liabilities on a recurring basis, and expands disclosures about fair value measurements. Beginning on January 1, 2011, the Company also applied the guidance to non-financial assets and liabilities measured at fair value on a non-recurring basis, which includes goodwill and intangible assets. The guidance establishes a hierarchy for inputs used in measuring fair value that maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that the most observable inputs be used when available. Observable inputs are inputs that market participants would use in pricing the asset or liability developed based on market data obtained from sources independent sources. Unobservable inputs are inputs that reflect the Company's assumptions of what market participants would use in pricing the asset or liability developed based on the best information available in the circumstances. The hierarchy is broken down into three levels based on the reliability of the inputs as follows:

Level 1 - Valuation is based upon unadjusted quoted market prices for identical assets or liabilities in accessible active markets.

Level 2 - Valuation is based upon quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in inactive markets; or valuations based on models where the significant inputs are observable in the market.

Level 3 - Valuation is based on models where significant inputs are not observable. The unobservable inputs reflect a company's own assumptions about the inputs that market participants would use.

The Company's financial instruments consist of cash, prepaid expenses, investments, accounts payable, convertible notes payable, advances from related parties, and derivative liabilities. The estimated fair value of cash, prepaid expenses, investments, accounts payable, convertible notes payable and advances from related parties approximate their carrying amounts due to the short-term nature of these instruments.

Certain non-financial assets are measured at fair value on a nonrecurring basis. Accordingly, these assets are not measured and adjusted to fair value on an ongoing basis but are subject to periodic impairment tests. These items primarily include goodwill and other intangible assets which were measured at the acquisition date.

The Company's derivative liabilities have been valued as Level 3 instruments.

	Level 1	Level 2	Level 3	Total
Fair value of convertible notes derivative liability – December 31, 2017	$ –	$ –	$ 324,774	$ 324,774

	Level 1	Level 2	Level 3	Total
Fair value of convertible notes derivative liability – September 30, 2018	$ –	$ –	$ 356,010	$ 356,010

The following table provides a summary of changes in fair value of the Company's Level 3 financial liabilities as of September 30, 2018 and December 31, 2017:

	Derivative Liability
Balance, December 31, 2017	324,774
Mark-to-market at September 30, 2018	31,236
Balance, September 30, 2018	$ 356,010
Net (gain) for the nine months included in earnings relating to the liabilities held at September 30, 2018	$ 31,236

Goodwill

The Company periodically reviews the carrying value of intangible assets not subject to amortization, including goodwill, to determine whether impairment may exist. Goodwill and certain intangible assets are assessed annually, or when certain triggering events occur, for impairment using fair value measurement techniques. These events could include a significant change in the business climate, legal factors, a decline in operating performance, competition, sale or disposition of a significant portion of the business, or other factors. Specifically, goodwill impairment is determined using a two-step process. The first step of the goodwill impairment test is used to identify potential impairment by comparing the fair value of a reporting unit with its carrying amount, including goodwill. The Company uses level 3 inputs and a discounted cash flow methodology to estimate the fair value of a reporting unit. A discounted cash flow analysis requires one to make various judgmental assumptions including assumptions about future cash flows, growth rates, and discount rates. The assumptions about future cash flows and growth rates are based on the Company's budget and long-term plans. Discount rate assumptions are based on an assessment of the risk inherent in the respective reporting units. If the fair value of a reporting unit exceeds its carrying amount, goodwill of the reporting unit is considered not impaired and the second step of the impairment test is unnecessary. If the carrying amount of a reporting unit exceeds its fair value, the second step of the goodwill impairment test is performed to measure the amount of impairment loss, if any. The second step of the goodwill impairment test compares the implied fair value of the reporting unit's goodwill with the carrying amount of that goodwill. If the carrying amount of the reporting unit's goodwill exceeds the implied fair value of that goodwill, an impairment loss is recognized in an amount equal to that excess. The implied fair value of goodwill is determined in the same manner as the amount of goodwill recognized in a business combination. That is, the fair value of the reporting unit is allocated to all of the assets and liabilities of that unit (including any unrecognized intangible assets) as if the reporting unit had been acquired in a business combination and the fair value of the reporting unit was the purchase price paid to acquire the reporting unit.

Recently Issued Accounting Pronouncements

Revenue Recognition

In May 2014, the FASB issued ASU No. 2014-09, Revenue from Contracts with Customers (Topic 606). This standard provides a single set of guidelines for revenue recognition to be used across all industries and requires additional disclosures. It is effective for annual and interim reporting periods beginning after December 15, 2017. We adopted this standard on January 1, 2018 and it did not have a material impact on our financial position or results of operations.

Leases

In February 2016, the FASB issued ASU No. 2016-02, Leases (Topic 842). This standard requires all leases that have a term of over 12 months to be recognized on the balance sheet with the liability for lease payments and the corresponding right-of-use asset initially measured at the present value of amounts expected to be paid over the term. Recognition of the costs of these leases on the income statement will be dependent upon their classification as either an operating or a financing lease. Costs of an operating lease will continue to be recognized as a single operating expense on a straight-line basis over the lease term. Costs for a financing lease will be disaggregated and recognized as both an operating expense (for the amortization of the right-of-use asset) and interest expense (for interest on the lease liability). This standard will be effective for our interim and annual periods beginning January 1, 2019 and must be applied on a modified retrospective basis to leases existing at, or entered into after, the beginning of the earliest comparative period presented in the financial statements. Early adoption is permitted. We are currently evaluating the timing of adoption and the potential impact of this standard on our financial position, but we do not expect it to have a material impact on our results of operations.

There were various other accounting standards and interpretations issued recently, none of which are expected to have a material impact on the Company's financial position, operations or cash flows. Management has evaluated these new pronouncements through September 30, 2018.

Subsequent Events

Other than the events described in Note 11, there were no subsequent events that required recognition or disclosure. The Company evaluated subsequent events through the date the financial statements were issued and filed with the Securities and Exchange Commission.

NOTE 3 - INVESTMENTS, ACQUISITIONS AND GOODWILL

On January 16, 2018, the Company entered into an equity purchase agreement to purchase a 51% ownership in Shield Saver, LLC, a Colorado limited liability company, for shares of the Company's common stock with a fair value of $670,000, cash payments of $200,000 based on performance milestones, and payment of $150,000 towards software development after 30 days of closing.

The Company made total payments to Shield Saver, LLC of $170,000 , and issued 6,979,167 shares of the Company's common stock with a value of $216,354 under this agreement as of September 30, 2018, for total consideration of $386,354, of which $383,454 is reflected as goodwill on the accompanying balance sheet as of September 30, 2018.

For investments acquired with common stock, the Company records its investments at the fair value of the common stock issued for the ownership interests acquired.

Table of Contents

Intangible Asset

On August 31, 2017, the Company issued 5,000,000 shares of the Company's common stock with a fair value of approximately $346,000 in exchange for 1,000,000 WEED tokens, a digital crypto currency, which is reflected as an intangible asset on the accompanying balance sheet as of September 30, 2018 and December 31, 2017.

The Company periodically reviews the carrying value of intangible assets not subject to amortization to determine whether impairment may exist. Intangible assets are assessed annually, or when certain triggering events occur, for impairment using fair value measurement techniques. These events could include a significant change in the market for digital crypto currency, or other factors. Specifically, a comparison of our crypto currency to published market rates is used to identify potential impairment. The Company performed this evaluation of our intangible asset as of September 30, 2018 and determined no impairment was necessary.

Goodwill

The following table presents details of the Company's goodwill as of September 30, 2018 and December 31, 2017:

	Shield Saver	**JAG**	**Total**
Balances at December 31, 2017:	-	362,261	362,261
Aggregate goodwill acquired	400,724	-	400,724
Impairment losses	-	-	-
Balances at September 30, 2018:	$ 400,724	$ 362,261	$ 762,985

Shield Saver, LLC

On August 31, 2018, the Company acquired a 51% equity stake in Shield Saver, LLC for $170,000 cash and 6,979,167 shares of the Company's common stock valued at $216,354. As of September 30, 2018, the total purchase price for Shield Saver, LLC was allocated as follows:

Goodwill	$ 400,724
Current assets	19,934
Current liabilities	(34,304)
Total net assets acquired	$ 386,354
The purchase price consists of the following:	
Cash	170,000
Common Stock	216,354
Total purchase price	$ 386,354

The Company periodically reviews the carrying value of intangible assets not subject to amortization, including goodwill, to determine whether impairment may exist. Goodwill and certain intangible assets are assessed annually, or when certain triggering events occur, for impairment using fair value measurement techniques. These events could include a significant change in the business climate, legal factors, a decline in operating performance, competition, sale or disposition of a significant portion of the business, or other factors. Specifically, a goodwill impairment test is used to identify potential impairment by comparing the fair value of a reporting unit with its carrying amount, including goodwill. The Company uses level 3 inputs and a discounted cash flow methodology. A discounted cash flow analysis requires one to make various judgmental assumptions including assumptions about future cash flows, growth rates, and discount rates. The assumptions about future cash flows and growth rates are based on the Company's budget and long-term plans. Discount rate assumptions are based on an assessment of the risk inherent in the respective reporting units.

Proforma Information

The accompanying unaudited consolidated financial statements include the results of operations of the acquisitions for the nine months ended September 30, 2018. The 2017 acquisitions contributed approximately $877,000 of revenue and approximately $18,000 of net income for the nine months ended September 30, 2018.

The 2018 acquisition of Shield Saver contributed approximately $2,000 of revenue and $2,000 of net loss for the nine months ended September 30, 2018 .

The following unaudited pro forma information presents the consolidated results of the Company's operations and the results of the 2018 acquisition as if the 2018 acquisition of Shield Saver had been consummated on January 1, 2018. Such unaudited pro forma information is based on historical unaudited financial information with respect to the 2018 acquisition and does not include operational or other charges which might have been affected by the Company. The unaudited pro forma information for the nine months ended September 30, 2018 presented below is for illustrative purposes only and is not necessarily indicative of the results which would have been achieved or results which may be achieved in the future:

	Nine Months Ended

	September 30, 2018
Net revenue	$ 882,557
Net loss	$(2,403,800)

The following unaudited pro forma information presents the consolidated results of the Company's operations and the results of the 2017 acquisitions of DIGS and JAG as if the 2017 acquisitions had been consummated on January 1, 2017. Such unaudited pro forma information is based on historical unaudited financial information with respect to the 2017 acquisitions and does not include operational or other charges which might have been affected by the Company. The unaudited pro forma information for the nine months ended September 30, 2017 presented below is for illustrative purposes only and is not necessarily indicative of the results which would have been achieved or results which may be achieved in the future:

	Nine Months Ended September 30, 2017
Net revenue	$ 969,641
Net loss	$(49,866,307)

NOTE 4 - CONVERTIBLE NOTES PAYABLE

Convertible notes payable consisted of the following:

	September 30, 2018	December 31, 2017
Convertible notes payable to institutional investor, Stockbridge Enterprises, L.P. (the "SB Notes"), with interest at 12%, dated November 1, 2010, due November 1, 2011, convertible at the option of the holder into shares of the Company's common stock at $0.75 per share (amended to $0.002 per share per Addendum dated October 27, 2016). On December 18, 2017, the noteholder sold a total of $100,000 of this note to two investors. The balance of the note was in default until it was converted in to shares of the Company's common stock during the nine months ended September 30, 2018 (see Note 7 Stockholders' Deficit).	$ -	$ 110,000
Convertible note payable to two investors who purchased $50,000 each of the SB Notes above on December 18, 2017, convertible into shares of the Company's common stock at $0.002 per share. The notes were in default until being converted in to shares of the Company's common stock during the nine months ended September 30, 2018 (see Note 7 Stockholders' Deficit).	-	100,000
Convertible note payable with an accredited investor dated October 31, 2017, with interest at 0%, due October 31, 2017, convertible at $0.007 per share. This note is currently in default.	10,500	10,500
Convertible note payable to investor dated July 31, 2017, with interest at 0%, due July 31, 2018, convertible at any time into shares of the Company's common stock at the average 20-day trading price prior to the noteholder' conversion. This variable conversion feature resulted in derivative liability of $721,880, a charge to interest expense of $471,880, and a debt discount of $250,000 during the year ended December 31, 2017. The Company recorded amortization expense on the debt discount of $145,205 and a loss on the change in fair value of the derivative liability of $31,236 related to this note for the nine months ended September 30, 2018. This note is currently in default.	250,000	250,000
Convertible note payable to investor (the "CVP Note") dated October 10, 2017, with interest at 10%, an OID of $70,000, due October 6, 2019, convertible in 6 months into shares of the Company's common stock at $0.075 per share. The note provides for additional tranches of a maximum of $3,970,000, which includes OID of 10%. The note includes a warrant to purchase 5,000,000 shares of the Company's common stock at a price of $0.10 per share, resulting in a debt discount of $118,581. The Company recorded amortization expense of $44,823 related to this debt discount and $26,178 related to the OID for the nine months ended September 30, 2018. The note is secured by substantially all assets of the Company.	670,000	670,000
Convertible note payable to investor (the "UAHC Note") dated October 10, 2017, with interest at 10%, an OID of $70,000, due October 6, 2019, convertible in 6 months into shares of the Company's common stock at $0.075 per share. The note includes a warrant to purchase 5,000,000 shares of the Company's common stock at a price of $0.10 per share, resulting in a debt discount of $118,581. The Company recorded amortization expense of $44, 823 related to this debt discount and $26,178 related to the OID for the nine months ended September 30, 2018. The note is secured by substantially all assets of the Company.	670,000	670,000

Convertible note payable, Jiffy Auto Glass, dated October 18, 2017, with interest at 0%, due October 11, 2018, convertible at any time into shares of the Company's common stock at $0.10 per share.	25,000	25,000
Total convertible notes payable	1,625,500	1,835,500
Less debt discounts	(190,728)	(477,934)
Convertible notes payable, net	1,434,772	1,357,566
Less current portion of convertible notes	(285,500)	(350,295)
Long-term convertible notes payable	$ 1,149,272	$ 1,007,271

JAG, the Company's subsidiary, entered into a Funding Purchase Agreement on August 25, 2017, whereby JAG received proceeds of $100,000 with loan costs of $37,000, for a total loan of $137,000. Total amortization of loan costs under this agreement was $24,420 for the nine months ended September 30, 2018. This debt was refinanced in April 2018 for $65,000 under a credit agreement with another third-party, payable in weekly payments of approximately $800 through July 2019. The balance under this credit agreement was $46,940 as of September 30, 2018 and is included in accrued expenses on the accompanying balance sheet.

Total amortization of debt discounts was $311,626 and $311,128 for the nine months ended September 30, 2018 and 2017, respectively. Accrued interest on the above notes payable totaled $178,541 and $133,730 as of September 30, 2018 and December 31, 2017, respectively. Interest expense for the notes payable for the nine months ended September 30, 2018 and 2017 was $93,204 and $34,643, respectively.

NOTE 5 - DERIVATIVE LIABILITY

Derivative Liability- Debt

The fair value of the described embedded derivative on all convertible debt was valued at $356,010 and $324,774 at September 30, 2018 and December 31, 2017, respectively, which was determined using the Black Scholes Pricing Model with the following assumptions:

	September 30, 2018	December 31, 2017
Dividend yield:	0%	0%
Term	1.0 year	0.1 – 1.0 year
Volatility	114.08%	151.2 - 181.9%
Risk free rate:	2.59%	0.59 – 1.76%

For the nine months ended September 30, 2018, the Company adjusted the recorded fair value of the derivative liability on debt to market resulting in non-cash, non-operating loss of $31,236.

The Note 2 contains a summary of changes in fair value of the Company's Level 3 financial liabilities as of September 30, 2018.

NOTE 6 - EARNINGS PER SHARE

The Company computes net loss per share in accordance with FASB ASC 260-10 "Earnings per Share". Under the provisions of FASB ASC 260-10, basic net loss per share is computed by dividing the net loss available to common stockholders for the period by the weighted average number of shares of common stock outstanding during the period.

Diluted loss per share is computed using the weighted average number of shares and dilutive potential common shares arising from the conversion of preferred shares into common shares at the election of the holders thereof. Potentially dilutive common shares consist of employee stock options, warrants, and unissued restricted common stock, and are excluded from the diluted earnings per share computation in periods where the Company has incurred net losses.

For the nine months ended September 30, 2018 and 2017, the Company's net loss per share was $0.00 and $0.07, based on the weighted average number of shares outstanding of 1,120,363,206 and 745,051,535, respectively. Total dilutive securities related to convertible notes payable, warrants and Series A Convertible Preferred Stock was 1,151,853,022 as of September 30, 2018.

NOTE 7 - STOCKHOLDERS' DEFICIT

Articles of Incorporation

On July 20, 2016, the Company amended its Articles of Incorporation and increased its authorized common shares from 500,000,000 to 1,000,000,000.

On July 20, 2016, the Company increased the number of authorized Class A Convertible Preferred Stock from 30,000,000 to 60,000,000. The Class A Stock is entitled to vote 25 votes of common stock for each share of Class A Stock held with respect to all matters upon which common stockholders are entitled to vote or to which stockholders are entitled to give consent. Class A Stock shall convert into common stock of the Company at a ratio of 6 common shares for every 1 Class A Share.

On August 31, 2017, the Company amended its Articles of Incorporation and increased its authorized common shares from 1,000,000,000 to 2,000,000,000.

On August 31, 2017, the Company amended its Articles of Incorporation and increased the voting rights on its Class A Convertible Preferred Stock to 50 votes of common stock for each share of Class A Stock held with respect to all matters upon which common stockholders are entitled to vote, and increased the conversion ratio on its Class A Stock so that it converts into common stock of the Company at a ratio of 25 common shares for every 1 Class A share.

Class A Convertible Preferred Shares

As of September 30, 2018 and December 31, 2017, the Company had authorized 60,000,000 shares of Series A Convertible Preferred Stock ("Class A Stock") with $0.0001 par value per share, of which 44,950,000 and 47,750,000 shares were issued and outstanding as of September 30, 2018 and December 31, 2017, respectively.

Each share of Class A Stock is convertible at any time into 25 shares of common stock, totaling 1,098,750,000 shares of common stock assuming full conversion of all outstanding shares. No dividends are payable unless declared by the Board of Directors. Each share of Class A Stock votes with the shares of Common Stock and is entitled to 25 votes per share and ranks senior to all other classes of stock in liquidation in the amount of $1 per share.

On January 8, 2018, the Company's CEO converted 3,000,000 shares of the Company's Class A Stock into 75,000,000 shares of the Company's common stock.

On January 31, 2018, the Company's president converted 800,000 shares of the Company's Class A Stock into 20,000,000 shares of the Company's common stock.

On September 12, 2018, the Company issued 1,000,000 shares of the Company's Class A Stock with a value of $710,000 to a director for services.

Common Shares

As of September 30, 2018, the Company's authorized common stock is 2,000,000,000 shares at $0.0001 par value per share. 1,167,965,663 and 935,585,925 shares were issued and outstanding as of September 30, 2018 and December 31, 2017, respectively.

Shares issued during the Nine Months ended September 30, 2018

On February 15, 2018, a convertible note holder converted $110,000 of convertible debt (the "SB Notes") into 55,000,000 shares of the Company's common stock at a price of $0.002 per share.

On February 22, 2018, the Company issued 25,000,000 shares of the Company's common stock to Corey Lambrecht, a related party, noteholder for conversion of $50,000 of notes purchased from Stockbridge Enterprises, L.P. (the "SB Notes"), at a price of $0.002 per share.

On March 7, 2018, the Company issued 600,000 shares of the Company's common stock to a consultant for services.

On March 12, 2018, the Company issued 25,000,000 shares of the Company's common stock to a noteholder for conversion of $50,000 of notes purchased from Stockbridge Enterprises, L.P. (the "SB Notes"), at a price of $0.002 per share.

On April 3, 2018, the Company issued 1,428,571 shares of the Company's common stock to a noteholder for conversion of a convertible note payable at a price of $0.007 per share.

On July 2, 2018, the Company issued 23,372,000 shares of the Company's common stock to a noteholder to for $46,744 of accrued interest.

On August 31, 2018, the Company issued 6,979,167 shares of the Company's common stock with a value of $216,354 for an equity interest in Shield Saver (see Note 3).

NOTE 8 - RELATED PARTY TRANSACTIONS

Accrued Officer Compensation

As of September 30, 2018 and December 31, 2017, a total of $385,667 and $358,167, respectively, was accrued for unpaid officer wages due the Company's CEO under the CEO's employment agreement.

The Company's CEO advanced the Company funds during 2018 and 2017, with a balance of $535,000 and $25,000 as of September 30, 2018 and December 31, 2017. The advances are unsecured, bear no interest and have no specified due date.

See Note 7 for related party share issuances to the Company's CEO, president and another related party.

NOTE 9 – COMMITMENTS AND CONTINGENCIES

On April 1, 2013, the Company entered into a three-year employment agreement with the Company's CEO. The agreement calls for compensation of $10,000 per month and allows for incentive bonuses as determined by the Company's board of directors. This agreement was extended for an additional three-year term on April 1, 2016. The CEO's employment agreement was amended to increase the compensation to $18,333 per month effective November 1, 2017.

Currently the Company leases approximately 1,400 square feet of office space at 2999 North 44th St Phoenix AZ 85018 at a monthly rent of $3,375.97. The lease term expires September 2019.

In May 2018 the Company entered into an Employment Agreement with Mr. Lambrecht. The Agreement provided that Mr. Lambrecht would serve as CEO and CFO of the Company for a term of three years at an annual salary of Two Hundred Twenty Thousand Dollars ($220,000), and an incentive bonus as determined by the board of directors. In addition, during the term the Company shall provide: an automobile allowance of Five Hundred Dollars ($500) Dollars per month, and health care reimbursement of One Thousand Dollars ($1,000) per month. The agreement shall automatically be renewed for additional three-year periods unless either party has provided written termination of this Agreement at least 90 days prior to the expiration of such Term (as defined in the agreement. If employment is terminated as a result of his death or Disability (as defined in the agreement), the Company shall pay, his Base Salary (as defined in the agreement) and any accrued but unpaid Bonus (as defined in the agreement) and expense reimbursement amounts through the date of his Death or Disability and a lump sum payment equal to two years of Base Salary (at the time his Death or Disability occurs) within 30 days of his Death or Disability. In the event the Company does not have the cash flow to pay such amount within 30 days as set forth above, the Company may make such payments over 12 equal monthly installments. If employment is terminated by the Board of Directors of the Company for Cause (as defined in the agreement), then the Company shall pay his Base Salary through the date of his termination and there shall be no further entitlement to any other compensation or benefits from the Company. If employment is terminated by the Company (or its successor) upon the occurrence of a Change of Control (as defined in the agreement) or within six (6) months thereafter, the Company (or its successor, as applicable) shall (i) continue to pay to his Base Salary for a period of thirty six (36) months following such termination, (ii) pay any accrued and any earned but unpaid Bonus, (iv) pay the Executive the Bonus he would have earned had he remained with the Company for six (6) months from the date which such termination occurs, (iv) pay expense reimbursement amounts through the date of termination. While the Company does not currently have a stock option plan, if one is created in the future and options are granted to Mr. Lambrecht, all such Stock Options that have not vested as of the date of such termination shall be accelerated and deemed to have vested as of such termination date and shall remain exercisable for a period as outlined in the Company's Stock Option program, and (v) Mr. Lambrecht shall be entitled to receive equivalent share issuances as any executive officer, management or director of the Company receives for a period of 36 months thereafter. If employment is terminated by Mr. Lambrecht for Good Reason (as defined in the agreement), or if this Agreement is not renewed, then the Company shall (i) pay a single lump sum cash payment within five business days of such termination equal to 18 times the then monthly Base Salary in effect regardless of when such termination occurs (provided, that in the event the Company does not have the cash flow to pay such amount within five business days as set forth above, the Company may make such payments over 12 equal monthly installments), and (ii) pay Executive the Bonus he would have earned had he remained with the Company for six (6) months from the date which such termination occurs, and (iii) pay Executive any expense reimbursement amounts owed, and payment for any unused vacation days, through the date of termination. All Stock Options that are scheduled to vest in the contract year of the date of such termination shall be accelerated and deemed to have vested as of the termination date. All Stock Options that have not vested (or deemed to have vested pursuant to the preceding sentence) shall be deemed expired, null and void. Any Stock Options that have vested as of the date of termination shall remain exercisable for a period as outlined in the Company's Stock Option program.

In May 2018 the Company entered into an Employment Agreement with Mr. Ralston. The Agreement provided that Mr. Ralston would serve as President of the Company for a term of three years at an annual salary of One Hundred Thousand Dollars ($100,000), and an incentive bonus as determined by the board of directors. In addition, during the term the Company shall provide: an automobile allowance of Five Hundred Dollars ($500) Dollars per month, and health care reimbursement of One Thousand Dollars ($1,000) per month. The agreement shall automatically be renewed for additional three-year periods unless either party has provided written termination of this Agreement at least 90 days prior to the expiration of such Term (as defined in the agreement. If employment is terminated as a result of his death or Disability (as defined in the agreement), the Company shall pay, his Base Salary (as defined in the agreement) and any accrued but unpaid Bonus (as defined in the agreement) and expense reimbursement amounts through the date of his Death or Disability and a lump sum payment equal to two years of Base Salary (at the time his Death or Disability occurs) within 30 days of his Death or Disability. In the event the Company does not have the cash flow to pay such amount within 30 days as set forth above, the Company may make such payments over 12 equal monthly installments. If employment is terminated by the Board of Directors of the Company for Cause (as defined in the agreement), then the Company shall pay his Base Salary through the date of his termination and there shall be no further entitlement to any other compensation or benefits from the Company. If employment is terminated by the Company (or its successor) upon the occurrence of a Change of Control (as defined in the agreement) or within six (6) months thereafter, the Company (or its successor, as applicable) shall (i) continue to pay to his Base Salary for a period of thirty six (36) months following such termination, (ii) pay any accrued and any earned but unpaid Bonus, (iv) pay the Executive the Bonus he would have earned had he remained with the Company for six (6) months from the date which such termination occurs, (iv) pay expense reimbursement amounts through the date of termination. While the Company does not currently have a stock option plan, if one is created in the future and granted to Mr. Ralston, all such Stock Options that have not vested as of the date of such termination shall be accelerated and deemed to have vested as of such termination date and shall remain exercisable for a period as outlined in the Company's Stock Option program, and (v) Mr. Ralston shall be entitled to receive equivalent share issuances as any executive officer, management or director of the Company receives for a period of 36 months thereafter. If employment is terminated by Mr. Ralston for Good Reason (as defined in the agreement), or if this Agreement is not renewed, then the Company shall (i) pay a single lump sum cash payment within five business days of such termination equal to 18 times the then monthly Base Salary in effect regardless of when such termination occurs (provided, that in the event the Company does not have the cash flow to pay such amount within five business days as set forth above, the Company may make such payments over 12 equal monthly installments), and (ii) pay Executive the Bonus he would have earned had he remained with the Company for six (6) months from the date which such termination occurs, and (iii) pay Executive any expense reimbursement amounts owed, and payment for any unused vacation days, through the date of termination. All Stock Options that are scheduled to vest in the contract year of the date of such termination shall be accelerated and deemed to have vested as of the termination date. All Stock Options that have not vested (or deemed to have vested pursuant to the preceding sentence) shall be deemed expired, null and void. Any Stock Options that have vested as of the date of termination shall remain exercisable for a period as outlined in the Company's Stock Option program.

NOTE 10 - REVENUE CLASSES

Selected financial information for the Company's operating revenue for disaggregated revenue purposes are as follows:

	Nine Months Ended September 30, 2018	Nine Months Ended September 30, 2017
Retail	$ 136,317	$ 182,331
Services	744,840	4,395
Total	$ 881,157	$ 186,726

NOTE 11 - SUBSEQUENT EVENTS

In October 2018, the Company issued 9,664,637 shares of common stock to a noteholder for the conversion of $100,000 of debt.

On November 5, 2018, the Company entered into Secured Convertible Promissory Note with an investor for $5,520,000 with interest at 10%, an OID of $500,000, loan costs of $20,000, due November 5, 2020, convertible in 6 months into shares of the Company's common stock at a price equal to the average of the three lowest closing bid prices during the twenty days prior to conversion. The noteholder may, in its sole discretion, designate collateral as security for the obligation as it deems fit. The Company received initial proceeds under the note of $500,000 on November 8, 2018.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.

Overview

SinglePoint, Inc. (hereinafter the "Company", "Our", "We" or "Us") is a technology and acquisition company with a focus on acquiring companies that will benefit from the injection of growth capital and technology integration. Our portfolio companies include mobile payments, ancillary cannabis services and blockchain solutions. We built our portfolio by acquiring an interest in undervalued companies, thereby providing a rich, diversified holding base. We acquire and work with key company management to grow successful candidate companies.

Plan of Operation

We are a technology and acquisition company with a focus on acquiring companies that will benefit from the injection of growth capital and technology integration. Our portfolio companies include mobile payments, ancillary cannabis services and blockchain solutions. We have developed and released applications mainly in the mobile payments market. The Company has been able to place and develop programs directed towards providing business efficiencies to underserved markets such as the cannabis businesses. The Company has acquired a majority interest in companies as well as invested in others for equity.

Critical Accounting Policies

Our significant accounting policies are more fully described in the notes to our financial statements included herein for the period ended September 30, 2018.

New and Recently Adopted Accounting Pronouncements

Any new and recently adopted accounting pronouncements are more fully described in Note 2 to our financial statements included herein for the period ended September 30, 2018.

Results of Operations

Financial Condition and Changes in Financial Condition

Overall Operating Results:

Comparison of the Three Months Ended September 30, 2018 with the Three Months Ended September 30, 2017

Revenue. For the three months ended September 30, 2018, we generated revenues of $381,037 as compared to $30,690 for the three months ended September 30, 2017. The increase of revenue was due to the integration of subsidiaries acquired in May and October of 2017, and in August of 2018.

Cost of Revenues. For the three months ended September 30, 2018 cost of revenue increased to $305,684 from $15,754 for the three months ended September 30, 2017. The increase was mainly due to the increase in revenue from subsidiaries acquired in May and October of 2017, and in August of 2018.

Compensation. For the three months ended September 30, 2018, compensation decreased to $818,730 from $38,675,515 for the three months ended September 30, 2017, primarily due to compensation expense of $38,640,000 related the issuance of shares of Series A Preferred Stock (“Series A Stock”) to our officers and directors for services during the three months ended September 30, 2017.

Investor Relations. For the three months ended September 30, 2018, investor relations expense decreased to $29,674 from $78,701 for the three months ended September 30, 2017, primarily as a result of decreased use of investor relations consultants.

General and Administrative Expenses. Our general and administrative expenses increased to $284,999 for the three months ended September 30, 2018 from $66,259 for the three months ended September 30, 2017, representing a $218,739 increase. The increase was primarily a result of additional costs related to our subsidiaries acquired in May and October of 2017 and well as expenses related to our new office, marketing, insurance and travel.

Other Income (Expense). For the three months ended September 30, 2018, other expense, net was $199,691, compared to $7,028,984 for the three months ended September 30, 2017, a decrease of $6,829,293. The decrease in other expense was primarily due to the $6,686,824 loss on settlement of debt during the three months ended September 30, 2017.

Net Loss. The Company’s net loss was $1,346,705 and $45,926,019 for the three months ended September 30, 2018 and 2017, respectively. The decrease in net loss was mainly due to the $6,686,824 loss on settlement of debt and the $38,640,000 in compensation expense incurred for the issuance of shares of Series A Stock to officers and directors during the three months ended September 30, 2017.

Comparison of the Nine Months Ended September 30, 2018 with the Nine Months Ended September 30, 2017

Revenue. For the nine months ended September 30, 2018, revenues of $881,157 were generated as compared to $186,726 for the nine months ended September 30, 2017. The increase was mainly due to the increase in revenue from subsidiaries acquired in May and October of 2017.

Cost of Revenue. For the nine months ended September 30, 2018 cost of revenue increased to $652,140 from $136,779 for the nine months ended September 30, 2017. The increase was mainly due to the increase in revenue from subsidiaries acquired in May and October of 2017.

Compensation. For the nine months ended September 30, 2018, compensation decreased to $988,669 from $38,737,388 for the three months ended September 30, 2017, primarily due to compensation expense of $38,640,000 related to the issuance of shares of Series A Stock to our officers and directors for services during the nine months ended September 30, 2017.

Professional fees. For the nine months ended September 30, 2018, professional fees increased to $121,204 from $88,435 for the nine months ended September 30, 2017, primarily as a result of legal and audit costs related to new reporting requirements and registering to become a fully reporting company with the SEC.

General and Administrative Expenses. Our general and administrative expenses increased to $680,625 for the nine months ended September 30, 2018 from $109,929 for the nine months ended September 30, 2017, representing a $570,695 increase. The increase was primarily a result of additional costs related to our subsidiaries acquired in May and October of 2017 and well as expenses related to our new office, marketing, insurance, advertising and travel.

Other Income (Expense). For the nine months ended September 30, 2018, other expense, net was $430,434, compared to $10,472,466 for the nine months ended September 30, 2017, a decrease of $10,042,032. The decrease in other expense was primarily due to the $9,686,695 loss on settlement of debt incurred during the nine months ended September 30, 2017.

Net Loss. The Company's net loss was $2,444,136 and $49,904,682 for the nine months ended September 30, 2018 and 2017, respectively. The decrease in net loss was mainly due to the $9,686,695 loss on settlement of debt and the compensation expense of $38,640,000 related the issuance of shares of Series A Stock to our officers and directors for services incurred during the nine months ended September 30, 2017, as well as an increase in revenues of $694,431.

Liquidity and Capital Resources

We are an early stage company and have generated minimal revenue to date. We have incurred recurring losses to date. Our financial statements have been prepared assuming that we will continue as a going concern and, accordingly, do not include adjustments relating to the recoverability and realization of assets and classification of liabilities that might be necessary should we be unable to continue in operation.

The Company had $21,656 in cash as of September 30, 2018. The Company has negative working capital of approximately $2.0 million, and total stockholders' deficit of approximately $2.0 million as of September 30, 2018. As of September 30, 2018, the Company has yet to achieve profitable operations, and while the Company hopes to achieve profitable operations in the future, if not it may need to raise capital from stockholders or other sources to sustain operations and to ultimately achieve viable operations. These factors raise substantial doubt about the Company's ability to continue as a going concern. The Company's principal sources of liquidity have been cash provided by operating activities, as well as its ability to raise capital. The Company's operating results for future periods are subject to numerous uncertainties and it is uncertain if the Company will be able to become profitable and continue growth for the foreseeable future. If management is not able to increase revenue and/or manage operating expenses, the Company may not be able to maintain profitability. The Company's ability to continue in existence is dependent on the Company's ability to achieve profitable operations.

To continue operations for the next 12 months we will have a cash need of approximately $500,000. Should we not be able to fulfill our cash needs through the increase of revenue we will need to raise money through outside investors through convertible notes, debt or similar instrument(s), including but not limited to the current outstanding convertible notes by Chicago Venture Partners and UAHC. Except as mentioned above, the Company has no committed external source of funds, and there is no guarantee we would be able to raise such funds. The Company plans to pay off current liabilities through sales and increasing revenue through sales of Company services and or products, or through financing activities as mentioned above.

Operating Activities

Cash flow used in operating activities – Net cash used in operating activities was $1,223,601 for the nine months ended September 30, 2018 primarily as a result of our net loss of $2,435,970, partially offset by non-cash loan amortization expense of $311,626, non-cash expense of $38,520 related to common stock issued for services, and non-cash expense of $710,000 related to Series A Stock issued for services. Net cash used in operating activities for the nine months ended September 30, 2017 was $648,851, primarily as a result of our net loss of $49,907,169, partially offset by non-cash expense related to loss on settlement of debt of $9,686,695 and non-cash expense of $38,640,00 related to Series A Stock issued for services.

Investing Activities

Cash flow used in investing activities – Our investing activities used cash of $185,000 during the nine months ended September 30, 2018 due primarily to our investment in Shield Saver. For the nine months ended September 30, 2017, our investing activities used cash of $260,000 due to our investment in a DIGS.

Financing Activities

Cash flow from financing activities – During the nine months ended September 30, 2018, our financing activities provided cash of $512,279, primarily from advances received from our Chief Executive Officer during the period. During the nine months ended September 30, 2017, our financing activities provided cash of $665,860, primarily from the proceeds of convertible notes of $605,500.

Off Balance Sheet Arrangements

We do not have any significant off-balance sheet arrangements that have or are reasonably likely to have a current or future effect on our financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources that is material to investors.

Recent Accounting Pronouncements

During the nine months ended September 30, 2018, there were no accounting standards and interpretations issued which are expected to have a material impact on the Company’s financial position, operations or cash flows.

Item 3. Quantitative and Qualitative Disclosures about Market Risk

Pursuant to Item 305(e) of Regulation S-K (§ 229.305(e)), the Company is not required to provide the information required by this Item as it is a "smaller reporting company," as defined by Rule 229.10(f)(1).

Item 4. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

We have performed an evaluation under the supervision and with the participation of our management, including our President Chief Executive Officer (CEO) and Chief Financial Officer (CFO), of the effectiveness of our disclosure controls and procedures, (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act) as of September 30, 2018. Based on that evaluation, our management, including our President and COO, CEO and CFO, concluded that our disclosure controls and procedures were not effective as of September 30, 2018 to provide reasonable assurance that information required to be disclosed by us in the reports filed or submitted by us under the Exchange Act is (i) recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms and (ii) accumulated and communicated to our management, including our principal executive officer, as appropriate to allow timely decisions regarding required disclosure due to the material weaknesses described below.

Based on our evaluation under the framework described above, our management concluded that we had "material weaknesses" (as such term is defined below) in our control environment and financial reporting process consisting of the following as of the Evaluation Date:

1) lack of a functioning audit committee due to a lack of a majority of independent members and a lack of a majority of outside directors on our Board of Directors, resulting in ineffective oversight in the establishment and monitoring of required internal control and procedures; and

2) inadequate segregation of duties consistent with control objectives

A "material weakness" is defined under SEC rules as a deficiency, or a combination of deficiencies, in internal control over financial reporting such that there is a reasonable possibility that a material misstatement of a company's annual or interim financial statements will not be prevented or detected on a timely basis by the company's internal controls.

A system of controls, no matter how well designed and operated, cannot provide absolute assurance that the objectives of the system of controls are met, and no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, within a company have been detected.

Changes in Internal Control over Financial Reporting

During the quarter ended September 30, 2018, there were no changes in our internal control over financial reporting identified in connection with management's evaluation of the effectiveness of our internal control over the financial reporting that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act.

PART II – OTHER INFORMATION

Item 1. Legal Proceedings

Neither the Company nor its property is a party to any pending legal proceeding.

Item 1A. Risk Factors

The Company is not required to provide the information required by this Item as it is a “smaller reporting company,” as defined by Rule 229.10(f)(1).

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

On July 2, 2018, the Company issued 23,372,000 shares of the Company’s common stock to a noteholder for $46,744 of accrued interest.

On August 31, 2018, the Company issued 6,979,167 shares of the Company’s common stock with a value of $216,354 for an equity interest in Shield Saver, LLC.

Item 3. Defaults Upon Senior Securities

None.

Item 4. Mine Safety Disclosures

None.

Item 5. Other Information

None.

[Table of Contents](#)

Item 6. Exhibits

Exhibit Number	Name of Exhibit
31.1	Certification of Chief Executive Officer, pursuant to Rule 13a-14(a) of the Exchange Act, as enacted by Section 302 of the Sarbanes-Oxley Act of 2002. (1)
31.2	Certification of Chief Financial Officer, pursuant to Rule 13a-14(a) of the Exchange Act, as enacted by Section 302 of the Sarbanes-Oxley Act of 2002. (1)
32.1	Certification of Chief Executive Officer and Chief Financial Officer, pursuant to 18 United States Code Section 1350, as enacted by Section 906 of the Sarbanes-Oxley Act of 2002. (1)
101**	The following materials from the Company's Quarterly Report on Form 10-Q for the quarter ended September 30, 2018 are formatted in XBRL (Extensible Business Reporting Language): (i) the Consolidated Balance Sheets, (ii) the Consolidated Statements of Income, (iii) the Consolidated Statements of Stockholders' Equity, (iv) the Consolidated Statements of Cash Flows and (v) the Notes to Consolidated Financial Statements, tagged as blocks of text. (2)

(1) Filed herewith.

(2) Users of this data are advised that pursuant to Rule 406T of Regulation S-T, this XBRL information is being furnished and not filed herewith for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, and Sections 11 or 12 of the Securities Act of 1933, as amended, and is not to be incorporated by reference into any filing, or part of any registration statement or prospectus, of Singlepoint, Inc., whether made before or after the date hereof, regardless of any general incorporation language in such filing.

[Table of Contents](#)

SIGNATURES

In accordance with Section 13 or 15(d) of the Exchange Act, the registrant caused this report on Form 10-Q to be signed on its behalf by the undersigned, thereunto duly authorized.

	SINGLEPOINT, INC.
Dated: November 14, 2018	By: */s/ Gregory P. Lambrecht*
	Gregory P. Lambrecht
	Chief Executive Officer, Chief Financial Officer, Director

EXHIBIT 31.1

CERTIFICATION OF CHIEF EXECUTIVE OFFICER
PURSUANT TO SECURITIES EXCHANGE ACT OF 1934
RULE 13a-14(a) OR 15d-14(a)

I, Gregory Lambrecht, certify that:

1. I have reviewed this Form 10-Q for Singlepoint, Inc. for the quarter ended September 30, 2018;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

    a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

    c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on the most recent evaluation of internal control over financial reporting, to the registrant's other certifying officer and registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

    a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

    b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Singlepoint, Inc.

Date: November 14, 2018

By: */s/ Gregory Lambrecht*
Name: Gregory Lambrecht
Title: Chief Executive Officer
(Principal Executive Officer)

EXHIBIT 31.2

CERTIFICATION OF CHIEF FINANCIAL OFFICER
PURSUANT TO SECURITIES EXCHANGE ACT OF 1934
RULE 13a-14(a) OR 15d-14(a)

I, Gregory P. Lambrecht, certify that:

1. I have reviewed this Form 10-Q for Singlepoint, Inc. for the quarter ended September 30, 2018;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on my most recent evaluation of internal control over financial reporting, to the registrant's other certifying officer and registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Singlepoint, Inc.

Date: November 14, 2018

By: */s/ Gregory P. Lambrecht*
Name: Gregory P. Lambrecht
Title: Chief Executive Officer, Chief Financial Officer
(Principal Financial Officer)

EXHIBIT 32.1

CERTIFICATION OF CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER PURSUANT TO 18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

The undersigned, Chief Executive Officer and Chief Financial Officer of Singlepoint, Inc., hereby certify pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to their knowledge, the Quarterly Report on Form 10-Q of Singlepoint, Inc. for quarter ended September 30, 2018, fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended, and that the information contained in the Quarterly Report on Form 10-Q fairly presents in all material respects the financial condition and results of operations of Singlepoint, Inc.

Date: November 14, 2018

By: */s/ Gregory P. Lambrecht*
Gregory P. Lambrecht
Chief Executive Officer, Chief Financial Officer
(Principal Executive Officer and
Principal Financial Officer)

A signed original of this written statement required by Section 906, or other document authenticating, acknowledging, or otherwise adopting the signatures that appear in typed form within the electronic version of this written statement required by Section 906, has been provided to Singlepoint, Inc. and will be retained by Singlepoint, Inc. and furnished to the Securities and Exchange Commission or its staff upon request.