

QUARTERLY REPORT

Pursuant to Rule 15c2-(ll)(a)(5) For

FERNHILL BEVERAGE, INC.

Trading Symbol (MFOV), Cigars MFOV, Inc.

For the Period Ending December 31, 2015

Dated: February 15, 2015

FERNHILL BEVERAGE, INC.

QUARTERLY REPORT

All information contained in this Initial Information and Disclosure Statement has been compiled to fulfill the disclosure requirements of Rule 15c2-11(a)(5) promulgated under the Securities and Exchange Act of 1934, as amended. The enumerated captions contained herein correspond to the sequential format as set forth in the rule.

No dealer, salesman or any other person has been authorized to give any information or to make any representations not contained herein in connection with the Issuer. Any representations not contained herein must not be relied upon as having been made or authorized by the Issuer.
Delivery of this information does not imply that the information contained herein is correct as of any time subsequent to the date of this Issuer Quarterly Report.

Part A. General Company Information

1) Name of the issuer

FERNHILL BEVERAGE, INC.

2) Address of the issuer's principal executive offices

Company Headquarters

Fernhill Beverage, Inc.
3425 Circulo Adorno
Carlsbad, CA 92009
Office: (760) 753-6444
Email: info@fernhillbev.com
Website: http://www.fernhillbev.com

3) Security Information

Security Symbol:	MFOV	
CUSIP Number:	17180X 103	
Par Value:	Common Stock	$0.0001 USD
Preferred Stock	$0.0001 USD	

Total Shares Outstanding.

The Company is authorized to issue: 580,000,000 shares

Common Stock

Common Stock Authorized 500,000,000

Common Stock issued and outstanding: 100,020,225

Preferred Stock

Preferred Stock Authorized: 80,000,000

Series A Preferred Stock Authorized: 20,000,000

Series A Preferred Stock issued and outstanding: 20,000,000

Series B Convertible Preferred Stock Authorized: 60,000,000

Series B Convertible Preferred Stock issued and outstanding: 18,008,889

Transfer Agent

Interwest Transfer Company, Inc.
1981 East Murray Holladay Road
Suite 100
P.O. Box 17136
Salt Lake City, UT 84117
Phone: (801)272-9294
Fax: (801)277-3147
Website: http://www.interwesttc.com/

Is the Transfer Agent registered under the Exchange Act? Yes

There are no restrictions on the transfer of security.

There has not been any trading suspension order issued by the SEC in the last 12 months.

List any restrictions on the transfer of security:

None

Describe any trading suspension orders issued by the SEC in the past 12 months.

None

List any stock split, stock dividend, recapitalization, merger, acquisition, spin-off, or reorganization currently anticipated or that occurred within the past 12 months:

4) Issuance History

List below any events, in chronological order, that resulted in changes in total shares outstanding by the issuer in the past two fiscal years and any interim period. The list shall include all offerings of equity securities, including debt convertible into equity securities, whether private or public, and all shares or any other securities or options to acquire such securities issued for services, describing (1) the securities, (2) the persons or entities to whom such securities were issued and (3) the services provided by such persons or entities. The list shall indicate:

Holding Company Reorganization: Fernhill Beverage, Inc. was incorporated on August 27, 2015 as an Oklahoma corporation under the Oklahoma General Corporation Laws ("Oklahoma Act"). On the day of Fernhill Beverage, Inc.'s incorporation it became a Holding Company pursuant to Section 1081(g) of the Oklahoma Act under an Agreement and Plan of Merger ("Reorganization") with Cigars MFOV, Inc. (MFOV) and Cigars MFOV MergerSub, Inc. ("Merger Corp.") dated the same date. Under the Agreement, MFOV merged into Merger Corp. and ceased to exist, wherein the Merger Corp. became and is the survivor and successor under Section 1088 of the Oklahoma Act, having acquired all of

MFOV's assets, rights and liabilities as the constituent or resulting corporation. Fernhill Beverage, Inc. became the parent and the Holding Company of Merger Corp. under the Reorganization which was in compliance with Section 1081(g) of the Oklahoma Act and Section 368(a)(l)(B) of the Internal Revenue Code of 1986, as amended.

Upon consummation of the Reorganization, each issued and outstanding equity of the former Cigars MFOV, Inc. was transmuted into and exchanged for an identical equity structure from Fernhill Beverage, Inc. (on a share-for-share basis) having the same designations, rights, powers and preferences, and qualifications, limitations and restrictions. Upon consummation, Fernhill Beverage, Inc., is the issuer since the former MFOV equity structure was transmuted pursuant to Section 1081(g) into current issued and outstanding equities of Fernhill Beverage, Inc. The Reorganization was exempt from the registration requirements of the Securities Act of 1933 ("Act") as there was no "offer" or "sale" as defined in Section 2(3) of the Act so as to invoke the requirements of Rule 145 also under the Act. Under the terms of the Agreement the shareholders and equity holders of the former MFOV had no appraisal rights or rights to a shareholder vote and consequently no investment decision was made by the shareholders. Fernhill Beverage, Inc. as the issuer, was given a new CUSIP and tax identification number. Pursuant to Rule 144(d)(3)(ix) of the Act, the holding periods for the issued equities of Fernhill Beverage, Inc. are the same and "tack" to the original holding periods of the equities transmuted from the former MFOV.

Change of Control/ Share Exchange: On August 27, 2015, Fernhill Beverage, Inc. the "Holding Company" completed a Share Exchange Agreement with Fernhill Beverage, a Nevada corporation (Fernhill (NV)), a company with former and current operations. The Share Exchange was in compliance with Section 368(a)(l)(B) of the Internal Revenue Code of 1986, as amended and resulted in a change in control of Fernhill Beverage, Inc. Fernhill Beverage, Inc. is an operating business with ongoing operations since its date of incorporation on August 27, 2015. From the date of incorporation, Fernhill Beverage, Inc., has had ongoing operations and is therefore an "Issuer" that is not, and has never been a "Shell Company" or ever was a "Former Shell Company" as defined in Rule 144(i) of the Act.

Corporate Separation: On August 18, 2015, the Board of Directors determined in the best interest of MFOV to no longer own its subsidiary MFOV, Inc., and or "dba" Cigar Envi Cigar. The President executed a "Plan of Corporate Separation" between Cigars MFOV, Inc., an Oklahoma corporation, (hereinafter referred to as "MFOV") and MFOV, Inc. ("MFOV Texas"), "dba" Cigar Envi or Cigar Envi Wholesale formally WMDD, LLC, a Texas company, which returned and assigned all MFOV Shares back to the MFOV for cancelation. The former MFOV the MFOV Texas shares were returned to the former MFOV Texas Shareholders. As of August 27, 2015 MFOV Texas is no longer wholly owned subsidiary of Fernhill Beverage.

On January 14, 2015, The Board of Directors accepting resignations of James B. Frack as President, Chief Executive Officer, Chief Financial Officer Secretary and Sole Director appointing David J. Daniels as Chairman, President, COO, CFO, Treasurer and Director and Brian Skinner as CEO, Secretary and Director.

On August 17, 2015, The Board of Directors accepting resignations of David J. Daniels as Chairman and appointed Lawrence L. Twombly as Chairman.

On August 18, 2015, The Board of Directors accepting resignations of David J. Daniels as President, COO, CFO, Treasurer and Director and Brian Skinner as CEO, Secretary and Director

appointing Lawrence L. Twombly as Chairman, President, Chief Executive Officer, Chief Financial Officer, Chief Operating Officer, Treasurer, Secretary and Sole Director.

On August 27, 2015, The Board of Directors accepting resignations of Lawrence L. Twombly as President, Chief Executive Officer, Chief Financial Officer Secretary and Sole Director appointing Lawrence L. Twombly as Chairman, and Director, Robert Campbell as President, Chief Executive Officer and Chief Operating Officer and Douglas A. Homis as Chief Financial Officer, Treasurer Secretary and Director.

A. The nature of each offering (e.g., Securities Act Rule 504, intrastate, etc.); None

B. Any jurisdictions where the offering was registered or qualified; None

C. The number of shares offered; None

D. The number of shares sold; None

E. The price at which the shares were offered, and the amount actually paid to the issuer; None

F. The trading status of the shares; and

Restricted common shares

G. Whether the certificates or other documents that evidence the shares contain a legend (1) stating that the shares have not been registered under the Securities Act and (2) setting forth or referring to the restrictions on transferability and sale of the shares under the Securities Act.

On August 18, 2015, The Board of Directors, of the company Authorized, Accepted Irrevocable Stock Powers and directed the Cancellation of:

> David J. Daniels, 40,000,000, Restrictive Common Shares, and 40,000,000 "Series B Convertible Preferred Shares";
>
> Brian Skinner, 1,000,000, Restrictive Common Shares and 222,000 "Series B Convertible Preferred Shares";

Per the terms of Plan Of Corporate Separation between and among David J. Daniels and Brian Skinner, or their assignees, Cigars MFOV, Inc., an Oklahoma corporation and MFOV, Inc., "dba" Cigar Envi and or Cigar Envi Wholesale formally WMDD, LLC a Texas corporation.

On August 27, 2015, Fernhill Beverage, Inc. (OK) issued One Hundred Million (100,000,000) "restricted common" Shares of FERNHILL (OK) to Fernhill Beverage, Inc. (NV) Shareholders as identified.

On August 27, 2015, the company approved the cancelation of Cigars MFOV, Inc. Shares and Immediate Reissuance of Fernhill Beverage, Inc. Shares, to Lawrence L. Twombly, (18,008,889) "Fernhill Beverage, Inc., Series B Convertible Preferred Shares" and James B. Frack, (20,000,000) "Fernhill Beverage, Inc., Series A Preferred Shares".

5) Financial Statements

The Company's financial statements for the will be filed on the OTC Markets website and Quarterly Reports attached hereto.

There are Seven (7) issued and outstanding Convertible Note Totaling $101,500.00, accepted, confirmed, acknowledged as current debts and obligations of FERNHILL (OK), without reservations, including

1. Amended Note Dated July 23, 2013 issued to Greg Morris for Thousand US Dollars ($20,000.00), Consent of the Directors of the Company to amend the NOTE was granted to the holder on January 5, 2015, including the assignment thereof to La Jolla IPO, Inc. on January 5, 2015.
2. Note Dated January 15, 2015, issued to Liquid Management, Inc., for Fifty Thousand US Dollars ($50,000.00) (the "NOTE") which is a direct obligation of the Company. Consent of the Directors of the Company to amend the NOTE was granted to the holder on January 5, 2015.
3. Note Dated February 5, 2014 for $7,500.00 issued to La Jolla IPO, Inc.
4. Note dated February 20, 2015 for $7,500.00 issued to IBRE Incorporated
5. Note dated November 28, 2014 for $5,000.00 issued to Liquid Management, Inc.
6. Note dated December 31, 2014 for $5,500.00 issued to Liquid Management, Inc.
7. Note dated August 3, 2015 for $6,000.00 issued to Liquid Management, Inc.

6) Describe the Issuer's Business, Products and Services

Describe the issuer's business so a potential investor can clearly understand the company. In answering this item, please include the following:

A. Description of the issuer's business operations;

Fernhill Beverage, Inc. is a for-profit stock corporation registered in the State of Oklahoma with its headquarters located in Las Vegas Nevada. Fernhill Beverage, Inc. is created to develop an innovative and quality driven beverage company. Fernhill Beverage, Inc. is dedicated to providing the very best in fun, exiting and healthy beverage products aimed at a youthful consumer base. Fernhill Beverage, Inc. is committed to taking advantage of a unique and readily available distribution base. Fernhill Beverage, Inc. is poised to design the next evolution in the youth and young adult beverage market.

Fernhill Beverage's mission is:

• To develop, create and market the best beverage products available to the consumer;

• To assemble a team of professionals with a proven track record of success both in and out of the beverage industry;

• To maximize revenues and profitability for its investors, shareholders and partners;

Fernhill Beverage Inc., located in Las Vegas, NV is incorporated in Oklahoma for the purpose of developing, creating and marketing beverage products. Fernhill Beverage, Inc. will, upon commencement of operations, complete the manufacturing and marketing of its initial brand **Roadkill**.

Fernhill Beverage, Inc. is committed to developing the brand **Roadkill** nationally through its independent distribution relationships.

Fernhill Beverage, Inc. has identified a largely overlooked and underserved segment within the multi-billion dollar beverage industry. That market is the child and pre-teen market.

Most large beverage companies have largely ignored the youngest of the consumers. They feel there is more profit in getting the child market to purchase a more adult marketed product. For instance: Most convenience stores will stock juice box products for young kids and expect them to advance to a 20oz. soda or a 20oz. sports drink. Fernhill Beverage, Inc. is concentrating on capturing that transition market with fun products that appeal to youth and have ingredients that appeal to adults.

Fernhill's initial product offering (**Roadkill**), is packaged in a very attractive 12oz. slim bottle that fits smaller hands perfectly. The label is bright and colorful. The label depicts cartoon animals that have lost a battle with vehicles. Fernhill Beverage, Inc. has been very careful to make sure the characters on the labels are still alive. They are just vivid enough for children to say "Cool" and for moms and dads to say "Gross". The product inside is very colorful and is designed to catch the attention of consumers immediately. **Roadkill** is initially offered in 3 exciting and fun flavors with others being developed and released as the market demands. The initial flavors are Green Apple (Green Gopher Guts), Blue Raspberry (Blue Raccoon Bits) Grape (Purple Possum Parts) with other flavors such as Fruit Punch (Red Fox in a Box) ready for production.
Fernhill Beverage, Inc. is also in the process of developing other products aimed at the teen and pre-adult market to add to the product lines and to take advantage of new and existing distribution channels.

Our products are intended to have exceptional quality, fit, function and style for the discriminatory customer and the youth consumer and will be manufactured in the United States.

Fernhill Beverage, Inc. has developed its "flagship" brand **Roadkill** to take advantage of the gap left in the "youth and pre-teen" group of the consumer beverage market. **Roadkill** 's initial launch will be in 3 extremely refreshing flavors:

- **Green Gopher Guts** (Sour Green Apple) - a slightly sour mix of apple flavors and is a bright green color. The product is vitamin packed and is sugar free.

*__Blue Raccoon Bits__ (Blue Raspberry) – a smooth blend of raspberry flavors. The product is bright blue. The product is vitamin packed and is sugar free.

*__Purple Possum Parts__ (Grape) – a mix of grape and other berry flavors. The product is a brilliant purple. The product is vitamin packed and sugar free.



Distribution and Marketing Methods of Products

In the beverage industry a new brand must be marketed to three distinct groups, (1) the distributors and their sales force, (2) the store's manager or owner, (3) and last, but no less important, the consumers. Fernhill Beverage, Inc. has composed an approach that is specific to each group.

In the incubation period of a new brand the initial launch with a distribution base is crucial. Fernhill Beverage, Inc. realizes that to ensure the successful launch of a brand it must get the distributors and their sales force to push the desired product over another. This is best accomplished through incentives for the sales force. For example, a sales person might respond to a $10.00 bonus for every new retail account they open. They would also receive $1.00 per case for every case they sell in a 60-day launch period. Other sales people may respond to a contest where the sales representative that opens the most new accounts over a 60-day launch period would receive a vacation package for two. I t is important to work with the distributor's general manager and/or owner to design an incentive program that best fits their needs and the needs of the brand. Some distributors are comfortable with financial incentives while others are not. Fernhill Beverage, Inc. is poised and ready to support the distributors with various sales and promotional programs for the marketing of its "flagship" brand **Roadkill.** Fernhill Beverage, Inc. has created sales sheets to be used as tools for the distributors to educate and present vital information about the product to the retail store manager or owner. Universally, retail establishments try to maximize profit potential per cooler location. To help retailers in their endeavor, Fernhill Beverage, Inc. will introduce the brand **Roadkill** with a "buy 3 cases get 1 case free" program when they purchase all flavors. The free case would be offered on a co-op basis with Fernhill Beverage, Inc. and the distributor. This will improve the storeowner's profit margin by 25%. There is limited retail shelf space available.

To battle the dilemma of a lack of retail shelf space Fernhill Beverage, Inc. is prepared to offer proprietary suction cup racks where needed. Fernhill Beverage, Inc. intends to provide labels promoting the brand **Roadkill** on each of the suction cup racks.

Fernhill Beverage, Inc., will also have static cling labels available to advertise **Roadkill** on the cooler glass doors. As volume grows, Fernhill Beverage, Inc. is prepared to offer proprietary coolers to select retail locations. Fernhill Beverage, Inc. will again take advantage of its relationship with distributors to utilize shelf space in coolers that the distributors currently own and operate in various retail locations. Marketing within a major grocery chain is vastly different than marketing within a convenience store or "mom and pop" retail location. In many instances strategic plans such as end caps, positioning of the product at eye level on the shelf and displaying the product near checkout stands can be coordinated with the grocery general manager. This relatively simple strategy can be extremely effective and accomplished without the layout of massive capital.

Fernhill Beverage, Inc. believes that the most successful strategy to market to the consumer starts with a grass roots campaign. Much like the phrase "all politics are local"

Fernhill Beverage, Inc. feels "all marketing is local".

Fernhill Beverage is capable of producing the product for roughly $.32 per unit in the early stages of production. That price will decrease to roughly $.26 to $.28 per unit as production quantity grows. At this point, the full production cost of Roadkill is $.32 per unit or $7.68 per 24 pack case.

Currently, Roadkill is sold to the distributor for $.50 per unit or $12.00 per 24 pack case. This allows the Company to retain a $.18 per unit or $4.32 profit per case not including shipping.

The distributor then sells Roadkill to the retail location for $.75 per unit or $18.00 per case. This allows the distributor to retain $6.00 profit per case making it very attractive to them and allowing them it add it to their existing orders.

Roadkill is shipped to the distributor in a palletized format. Each pallet contains 72 cases with a revenue amount of $864.00. A full trailer contains 20 pallets with a revenue figure of $17,280.00.





Roadkill has a target retail price of $.99 to $1.19 depending on the market. Fernhill Beverage has found that the lower retail price will serve as an incentive to purchase the product.



Initial Forecast:

In the Company's first full year of operations, Fernhill expects to generate $250,000.00 to $400,000.00 in revenue primarily through the sale of **Roadkill** product.

The key to sustainable revenue and growth is directly tied to the number and quality of distributors offering the product to retail locations. Each distributor has a specific geographical area. Within that area they have a large amount of retail outlets they can potentially sell the product into.
Fernhill Beverage's goal to twofold:

1) Secure as many distributors as possible.
2) Have those distributors sell to their customers as many cases of **Roadkill** as possible.

After 12 months of operations, the Company has a goal of a minimum of 20 distributors located in specific geographical locations selling a minimum of 500 cases of **Roadkill** per month. The minimum goal is 10,000 cases of **Roadkill** per month generating $120,000.00 per month and be on a pace to generate revenue exceeding $1,400,000.00 in that year.

Once the Company surpasses the $1,000,000.00 in revenue goal, growth can be accomplished quickly. With a cash flow exceeding $100,000.00 per month, the Company will have the capability of placing sales persons in specific regions of the Country to bring on new distributors and to help grow distribution within existing distributors.

The initial distribution is located in Southern California. Distribution is growing quickly in the South West from there. The second area of distribution is the North East. Distribution has started in late summer 2015 in New England and will be growing throughout 2015 and 2016.

Fernhill Beverage has targeted growth from Southern California, Arizona and Nevada up the West Coast into Oregon, Washington, Colorado, etc. The Company has also targeted New England, New York, Mid Atlantic and down the East Coast. Once that distribution is saturated, Fernhill Beverage will concentrate on the gulf Coast and the Mid America states.

Fernhill Beverage, Inc. intends to initiate its grass roots campaign by promoting samples at youth sporting events, street fairs, and school events and utilizing sampling crews wherever possible. At the early stages of a product's introduction, it is imperative to get the product into the hand of as many potential consumers as possible.

Fernhill Beverage, Inc. believes once a kid has a **Roadkill** once, that young person will be a **Roadkill** customer for years to come. The unique stand-alone packaging was designed to draw the consumer's attention to the product enticing them to hold it, buy it, taste it and buy it again. Initially, Fernhill Beverage, Inc. intends to keep all advertising local to the markets it is currently distributed in to ensure the advertising message reaches a consumer that can readily purchase the product.

Not until the product has a strong national distribution base will Fernhill Beverage, Inc. allocate funds to a national promotion program.

B. Date and State (or Jurisdiction) of Incorporation:

Fernhill Beverage, Inc. was incorporated on August 27, 2015 as an Oklahoma corporation under the Oklahoma General Corporation Laws ("Oklahoma Act").

C. The issuer's primary and secondary SIC Codes;

5960- Beverage Products

D. the issuer's fiscal year end date;

31ST DAY OF DECEMBER

E. principal products or services, and their markets;

<u>Beverage Products</u>

7) Describe the Issuer's Facilities

The goal of this section is to provide a potential investor with a clear understanding of all assets, properties or facilities owned, used or leased by the issuer.

The Issuer's primary address is 723 South Casino Center Blvd, #2 Las Vegas, NV 89101. The Issuer rents this facility for the purpose of coordinating the day-to-day operations.

Production of products is conducted on a contract packing basis. Primary co-packing is currently conducted in Ramona California with plans to contract with facilities on the East Coast.

If the issuer leases any assets, properties or facilities, clearly describe them as above and the terms of their leases.

A) **Officers, Directors, and Control Persons**
Officers and Directors

Lawrence L. Twombly, Chairman, and Director

Robert Campbell, President, Chief Executive Officer and Chief Operating Officer

Mr. Campbell is a career Entrepreneur. He has been a successful sales advocate for over a decade. Mr. Campbell is very active in many communities including helping the disabled and wounded worriers through a national sled hockey program.

Douglas A. Homis, Chief Financial Officer, Treasurer Secretary and Director

Mr. Homis is a retired Naval combat veteran. Mr. Homis proudly served in the Middle East and was deployed with special forces units globally

B. Legal/Disciplinary History. Please identify whether any of the foregoing persons have, in the last five years, been the subject of:

1. A conviction in a criminal proceeding or named as a defendant in a pending criminal proceeding (excluding traffic violations and other minor offenses); No

2. The entry of an order, judgment, or decree, not subsequently reversed, suspended or vacated, by a court of competent jurisdiction that permanently or temporarily enjoined, barred, suspended or otherwise limited such person's involvement in any type of business, securities, commodities, or banking activities; No

3. A finding or judgment by a court of competent jurisdiction (in a civil action), the Securities and Exchange Commission, the Commodity Futures Trading Commission, or a state securities regulator of a violation of federal or state securities or commodities law, which finding or judgment has not been reversed, suspended, or vacated; or No

4. The entry of an order by a self-regulatory organization that permanently or temporarily barred suspended or otherwise limited such person's involvement in any type of business or securities activities. No

C. Beneficial Shareholders. Provide a list of the name, address and shareholdings or the percentage of shares owned by all persons beneficially owning more than ten percent (10%) of any class of the issuer's equity securities. If any of the beneficial shareholders are corporate shareholders, provide the name and address of the person(s) owning or controlling such corporate shareholders and the resident agents of the corporate shareholders.

	Common Shares Directly Owned	***% of Ownership***
V Group, Inc. 3425 Circilo Adorno Carlsbad, CA 92009	30,000,000	*29.99%*
Robert Campbell 4478 Utah St, #7 San Diego, CA 92116	25,000,000	*24.99%*
Douglas Homis 4530 Robbins St San Diego, CA 92122	20,000,000	*20.00%*
	Series A Preferred Shares Owned	***% of Ownership***
James B. Frack 2625 Butterfield Road Suite 228-S, Oak Brook, IL 60523	20,000,000	*100.00%*
	Series B Preferred Shares Owned	***% of Ownership***
Lawrence L. Twombly 3425 Circilo Adorno Carlsbad, CA 92009	18,008,889	*30.01%*

9) Third Party Providers

Please provide the name, address, telephone number, and email address of each of the following outside providers that advise your company on matters relating to operations, business development and disclosure:

Legal Counsel
Randall J. Lanham
LANHAM & LANHAM, LLC
28562 Oso Parkway, Unit D
Rancho Santa Margarita CA 92688

Other Advisor: Any other advisor(s) that assisted, advised, prepared or provided information with respect to this disclosure statement.

NONE

10) Issuer Certification

The issuer shall include certifications by the President, Chief Executive Officer and Chief Operating Officer of the issuer (or any other persons with different titles, but having the same responsibilities).

The certifications shall follow the format below:

I, Robert Campbell certify that:

1. I have reviewed this 3RD Quarter Information and Disclosure Statement of Fernhill Beverage, Inc.;

2. Based on my knowledge, this disclosure statement 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 disclosure statement; and

3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this disclosure statement.

Robert Campbell, President, Chief Executive Officer and Chief Operating Officer
(Digital Signatures should appear as "/s/ [OFFICER NAME]")

Fernhill Beverage, Inc.
Balance Sheet Unaudited
As of December 31, 2015

	Dec 31, 14	Dec 31, 15
ASSETS		
Current Assets		
Checking/Savings		
Chase Bank Cash	2,926.58	1,895.76
Total Checking/Savings	2,926.58	1,895.76
Accounts Receivable		
Accounts Receivable	0.00	18,450.00
Total Accounts Receivable	0.00	18,450.00
Total Current Assets	2,926.58	20,345.76
Other Assets		
Prepaid CoPack	2,869.95	3,775.00
Road Kill Bottles	1,223.90	5,465.50
Road Kill Ingredients	415.65	4,782.50
Road Kill Inventory	282.00	67,046.00
Road Kill Labels	733.50	2,616.50
Total Other Assets	5,525.00	83,685.50
TOTAL ASSETS	**8,451.58**	**104,031.26**
LIABILITIES & EQUITY		
Equity		
Paid In Capital Liquid	5,000.00	5,000.00
Paid in Capital V Group	12,500.00	12,500.00
Retained Earnings	0.00	-9,048.42
Net Income	-9,048.42	95,579.68
Total Equity	8,451.58	104,031.26
TOTAL LIABILITIES & EQUITY	**8,451.58**	**104,031.26**

Fernhill Beverage, Inc.
Statement of Operations Unaudited
January through December 2015

	Jan - Dec 15
Ordinary Income/Expense	
Income	
Sales Income Road Kill	225,367.00
Total Income	225,367.00
Cost of Goods Sold	
COS Road Kill	88,980.95
Freight	4,330.00
Sales Promotion	3,806.25
Total COGS	97,117.20
Gross Profit	128,249.80
Expense	
Art Work Design	708.00
Corporation Fee	1,760.00
Entertainment/Meals	716.00
Legal Fees	17,800.00
Liability Insurance	1,600.00
Meals and Entertainment	1,270.00
Promotional Product Giveaway	1,850.00
Travel	6,966.12
Total Expense	32,670.12
Net Ordinary Income	95,579.68
Net Income	**95,579.68**

Fernhill Beverage, Inc.
Statement of Cash Flows Unaudited
January through December 2015

	Jan - Dec 15
OPERATING ACTIVITIES	
Net Income	95,579.68
Adjustments to reconcile Net Income to net cash provided by operations:	
Accounts Receivable	-18,450.00
Net cash provided by Operating Activities	77,129.68
INVESTING ACTIVITIES	
Prepaid CoPack	-905.05
Road Kill Bottles	-4,241.60
Road Kill Ingredients	-4,366.85
Road Kill Inventory	-66,764.00
Road Kill Labels	-1,883.00
Net cash provided by Investing Activities	-78,160.50
Net cash increase for period	-1,030.82
Cash at beginning of period	2,926.58
Cash at end of period	**1,895.76**

Financial Statements

FERNHILL BEVERAGE, INC.

NOTES TO FINANCIAL STATEMENTS

For the Nine Months ended September 30, 2015 and Twelve Months ended December 31, 2015

There are Seven (7) issued and outstanding Convertible Note Totaling $101,500.00, accepted, confirmed, acknowledged as current debts and obligations of FERNHILL (OK), without reservations, including

1. Amended Note Dated July 23, 2013 issued to Greg Morris for Thousand US Dollars ($20,000.00), Consent of the Directors of the Company to amend the NOTE was granted to the holder on January 5, 2015, including the assignment thereof to La Jolla IPO, Inc. on January 5, 2015.
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