# CARDXX, INC.

Nevada
3445 Lawrence Avenue
Oceanside, NY 11572

Telephone: (646) 768-8417

SIC Code: 2834

# Quarterly Report

**For the period ending** DECEMBER 31, 2018 (the "Reporting Period")

The number of shares outstanding of our Common Stock is 26,630,145 as of February 26, 2019

The number of shares outstanding of our Common Stock was 26,630,145 as of September 30, 2018 (end of previous reporting period)

Indicate by check mark whether the company is a shell company (as defined in Rule 405 of the Securities Act of 1933 and Rule 12b-2 of the Exchange Act of 1934):

☒ Yes ☐ No: (Double-click and select "Default Value" to check)

Indicate by check mark whether the company's shell status has changed since the previous reporting period:

☐ Yes: ☐ XNo:

Indicate by check mark whether a change in control of the company has occurred over this reporting period:

☐ Yes: ☒ No:

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**Item 1. The exact name of the issuer and its predecessors**

Present: CARDXX, Inc. herein referred to as "CXCQ" or the "Company"

**Item 2. The address of the Issuers principal executive offices**

3445 Lawrence Avenue,
Oceanside, NY, 11572
310-734-2626

**Item 3. Security Information**

Trading Symbol:
CXCQ
CUSIP:
141618108
Par value: $0.001

As of 12/31/2018 there are:

20,000,000,000 common shares authorized
26,630,145 common shares outstanding

Shares in the float

3,675,933

Corporate Stock Transfer, Inc.
3200 Cherry Creek Drive South, Suite 430
Denver, CO 8029

(i)) Transfer agent IS registered under the Exchange Act (YES)
(ii) There are no restrictions on the transfer of securities
(iii) There have been NO trading day suspensions ordered by the SEC in the past 12 months.

**Item 4. Issuance History**

**As of December 31, 2018 - Past two (2) Fiscal Years, the following issuances have taken place:**

**Item 5. Financial Statements – next page**

**CARDXX, INC.**

**BALANCE SHEETS**
**(Unaudited)**

| | December 31, 2018 | June 30, 2018 |
|---|---|---|
| **ASSETS** | | |
| **CURRENT ASSETS:** | | |
| Cash | $ - | $ - |
| Accounts receivables | - | - |
| Employee advances | - | - |
| **Total current assets** | - | - |
| Property and equipment | - | - |
| Product Development Costs | - | - |
| Patents | - | - |
| Deferred Consulting Costs | - | - |
| **TOTAL ASSETS** | $ - | $ - |
| **LIABILITIES AND STOCKHOLDERS' EQUITY** | | |
| **CURRENT LIABILITIES:** | | |
| Accounts payable and accrued liabilities | - | - |
| Related party notes payable | 4,827 | - |
| Bridge notes payable | - | - |
| **Total current liabilities** | 4,827 | - |
| **Commitments and Contingencies** | | |
| **STOCKHOLDERS' EQUITY** | | |
| Common stock, par value $0.001 per share; 20,000,000 shares authorized; 26,630,145 shares issued and outstanding as of December 31, 2018 and June 30, 2018, respectively | 26,630 | 26,630 |
| Additional paid in capital | 3,493,898 | 3,493,898 |
| Retained earnings | (3,525,355) | (3,520,528) |
| **Total stockholders' deficit** | (4,827) | - |
| **TOTAL LIABILITIES AND STOCKHOLDERS' DEFICIT** | $ - | $ - |

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

**CARDXX, INC.**
**STATEMENTS OF OPERATIONS**
**(Unaudited)**

| | For The Six Months Ended December 31, | |
|---|---|---|
| | $ 2018 | $ 2017 |
| **SALES** | - | - |
| **COST OF SALES** | | |
| **GROSS PROFIT** | | |
| | | |
| **OPERATING EXPENSES:** | | |
| Registration fees | 4,000 | - |
| Legal fees | 827 | |
| Total operating expenses | 4,827 | - |
| | | |
| LOSS BEFORE OTHER INCOME | (4,827) | - |
| | | |
| OTHER INCOME (EXPENSE) | | |
| Interest expense – related parties | - | - |
| Interest expense - Other | | |
| Loss on discontinued operations | - | - |
| Total other income (expense) | - | - |
| | | |
| NET LOSS BEFORE INCOME TAXES | (4,827) | - |
| | | |
| Provision for income taxes | - | - |
| | | |
| **NET LOSS** | (4,827) | - |

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

**CARDXX, INC.**
**STATEMENTS OF CASH FLOWS**
**FOR THE PERIOD**
**(Unaudited)**

| | For the six months ended December 31, 2018 | 2017 |
|---|---|---|
| OPERATING ACTIVITIES: | | |
| Net loss | $ (4,827) | $ - |
| Adjustments to reconcile net loss to net cash (used in) operating activities: | | |
| Loss from discontinued operations | - | - |
| Shares issued for services | - | - |
| Write down of Equipment | - | - |
| **Changes in assets and liabilities** | | |
| Accounts receivable | - | - |
| Prepaid expense and other current assets | - | - |
| Accounts payable and accrued expenses | - | - |
| Other payable | - | - |
| NET CASH USED IN OPERATING ACTIVITIES | (4,827) | - |
| INVESTING ACTIVITIES: | | |
| Product development costs – related party | - | - |
| Due to Related party | - | - |
| Intangible assets | - | - |
| NET CASH USED IN INVESTING ACTIVITIES | - | - |
| FINANCING ACTIVITIES: | | |
| Proceeds from related party notes payable | 4,827 | - |
| Payments on related party debt | - | - |
| Payments Bridge note | - | - |
| NET CASH PROVIDED BY FINANCING ACTIVITIES | 4,827 | - |
| EFFECT OF EXCHANGE RATE CHANGES | - | - |
| NET INCREASE IN CASH | - | - |
| CASH – BEGINNING OF PERIOD | - | - |
| CASH – END OF PERIOD | $ - | $ - |

**SUPPLEMENTAL DISCLOSURE OF CASH FLOWS INFORMATION**:

| | | |
|---|---|---|
| Cash paid during the periods for: | | |
| Interest | - | - |

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

**CARDXX, INC.**
**NOTES TO FINANCIAL STATEMENTS**
**FOR THE PERIOD DECEMBER 31, 2018 and JUNE 30, 2018**
**Unaudited**

## Note 1 – Organization and basis of accounting

*Basis of Presentation and Organization*

CARDXX, LLC was formed on August 12, 1996, under the laws of the State of Colorado, however operations commenced in April 1997. On September 11, 1998, an agreement and plan of reorganization was made between CARDXX, LLC and International Interchange Corporation, ["IIC"] a Nevada corporation whereby IIC acquired all the assets and assumed all the liabilities of CARDXX, LLC in exchange for a total of 4,715,234 shares of common stock of IIC, including 2,076,630 shares issued on stockholders' debt conversion [See Note 4C]. For accounting purposes, this was treated as a reverse acquisition with CARDXX, LLC as the acquiror. The financial statements of the Company reflect the operations of CARDXX, LLC and IIC from September 11, 1998 onward. The financial statements prior to September 11, 1998 reflect the operations and financial position of CARDXX, LLC only. Pursuant to the reorganization, CARDXX, LLC changed its name to CARDXX, Inc. [the "Company"] on September 14, 1998. The Company's principal business activity has been the designing, manufacturing and distributing of smart cards using a state-of-the art proprietary production process known as the Reaction Assisted Molded Process ["RAMP"]. The use of smart cards in the United States has only recently begun. The Company anticipates international sales will account for a significant portion of revenues in the future.

The Company is located in Windsor, Colorado. The Company is in the development stage, as defined in Financial Accounting Standards Board Statement No. 7, "Accounting and Reporting for Development Stage Companies."

The accompanying financial statements are prepared on the basis of accounting principles generally accepted in the United States of America ("GAAP"). The Company is a development stage enterprise devoting substantial efforts to establishing a new business, financial planning, raising capital, and research into products which may become part of the Company's product portfolio. The Company has not realized significant sales through since inception. A development stage company is defined as one in which all efforts are devoted substantially to establishing a new business and, even if planned principal operations have commenced, revenues are insignificant.

The accompanying financial statements have been prepared assuming the continuation of the Company as a going concern. The Company has not yet established an ongoing source of revenues sufficient to cover its operating costs and is dependent on debt and equity financing to fund its operations. Management of the Company is making efforts to raise additional funding until a registration statement relating to an equity funding facility is in effect. While management of the Company believes that it will be successful in its capital formation and planned operating activities, there can be no assurance that the Company will be able to raise additional equity capital, or be successful in the development and commercialization of the products it develops or initiates collaboration agreements thereon. The accompanying financial statements do not include any adjustments to reflect the possible future effects on the recoverability and classification of assets or the amounts and classification of liabilities that may result from the possible inability of the Company to continue as a going concern.

## Note 2 – Summary of significant accounting policies

*Cash and Cash Equivalents*

For purposes of reporting within the statements of cash flows, the Company considers all cash on hand, cash accounts not subject to withdrawal restrictions or penalties, and all highly liquid debt instruments purchased with a maturity of three months or less to be cash and cash equivalents.

*Income Taxes*

The Company accounts for income taxes pursuant to FASB ASC Topic 740, *Income Taxes*. Under FASB ASC Topic 740, deferred tax assets and liabilities are determined based on temporary differences between the bases of certain assets and liabilities for income tax and financial reporting purposes. The deferred tax assets and liabilities are classified according to the financial statement classification of the assets and liabilities generating the differences.

The Company maintains a valuation allowance with respect to deferred tax assets. The Company establishes a valuation allowance based upon the potential likelihood of realizing the deferred tax asset and taking into consideration the Company's financial position and results of operations for the current period. Future realization of the deferred tax benefit depends on the existence of sufficient taxable income within the carry-forward period under the Federal tax laws.

Changes in circumstances, such as the Company generating taxable income, could cause a change in judgment about the reliability of the related deferred tax asset. Any change in the valuation allowance will be included in income in the year of the change in estimate.

*Employee Stock-Based Compensation*

The Company accounts for stock-based compensation in accordance with ASC 718 Compensation - Stock Compensation (“ASC 718”). ASC 718 addresses all forms of share-based payment (“SBP”) awards including shares issued under employee stock purchase plans and stock incentive shares. Under ASC 718 awards result in a cost that is measured at fair value on the awards’ grant date, based on the estimated number of awards that are expected to vest and will result in a charge to operations.

*Estimates*

The financial statements are prepared on the basis of accounting principles generally accepted in the United States of America. The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities as of December 31, 2010 and 2009, and expenses for the years ended December 31, 2010 and 2009, and cumulative from inception. Actual results could differ from those estimates made by management.

*Subsequent Event*

The Company evaluated subsequent events through the date when financial statements are issued for disclosure consideration.

*Adoption of Recent Accounting Pronouncements*

As of December 31, 2015, the Company adopted guidance codified in ASU 2015-03, *Interest - Imputation of Interest (Subtopic 835-30), Simplifying the Presentation of Debt Issuance Costs.* The guidance simplifies the presentation of debt issuance costs by requiring debt issuance costs to be presented as a deduction from the corresponding liability, consistent with debt discounts. The recognition and measurement guidance for debt issuance costs is not affected. Therefore, these costs will continue to be amortized as interest expense using the effective interest method pursuant to ASC 835-30-35-2 through 35-3. The Company has applied this guidance retrospectively to all prior periods presented in the Company's financial statements.

The Company has implemented all new accounting pronouncements that are in effect and that may impact its financial statements and does not believe that there are any other new accounting pronouncements that have been issued that might have a material impact on its financial position or results of operations.

*Recent Accounting Pronouncements*

In February 2016, the FASB issued an accounting standards update for leases. The ASU introduces a lessee model that brings most leases on the balance sheet. The new standard also aligns many of the underlying principles of the new lessor model with those in the current accounting guidance as well as the FASB's new revenue recognition standard. However, the ASU eliminates the use of bright-line tests in determining lease classification as required in the current guidance. The ASU also requires additional qualitative disclosures along with specific quantitative disclosures to better enable users of financial statements to assess the amount, timing, and uncertainty of cash flows arising from leases. The pronouncement is effective for annual reporting periods beginning after December 15, 2019, and interim periods within fiscal years beginning after December 15, 2020, for nonpublic entities using a modified retrospective approach. Early adoption is permitted. The Company is still evaluating the impact that the new accounting guidance will have on its consolidated financial statements and related disclosures and has not yet determined the method by which it will adopt the standard.

**Note 3- Going Concern**

The accompanying financial statements have been prepared assuming the continuation of the Company as a going concern. The Company has not yet established an ongoing source of revenues sufficient to cover its operating costs and is dependent on debt and equity financing to fund its operations. Management of the Company is making efforts to raise additional funding until a registration statement relating to an equity funding facility is in effect. While management of the Company believes that it will be successful in its capital formation and planned operating activities, there can be no assurance that the Company will be able to raise additional equity capital or be successful in the development and commercialization of the products it develops or initiates collaboration agreements thereon. The accompanying financial statements do not include any adjustments to reflect the possible future effects on the recoverability and classification of assets or the amounts and classification of liabilities that may result from the possible inability of the Company to continue as a going concern.

**Note 4 – Discontinued Operations**

The Company has fully impaired all assets since the shutdown of its operations in 2000 and has recorded the effects of this impairment as part of its discontinued operations. With the absence of a substantial amount of the old records and the passage of the statute of limitations the company has recorded a discontinued operations expense in 2000 the most current year since operations shutdown based on the accumulated records obtained to date through the first quarter 2019.

**Note 5 – Common stock**

As of December 31, 2018, a total of 26,630,145 shares of common stock with par value $0.001 remain outstanding.

**Note 3 – Subsequent Event**

On February 12, 2019, the eight judicial District Court of Nevada appointed Custodian Ventures, LLC as custodian for CARDXX, Inc., proper notice having been given to the officers and directors of CARDXX, Inc. There was no opposition.

On February 13, 2019, the Company filed a certificate of revival with the state of Nevada, appointing David Lazar as, President, Secretary, Treasurer and Director.

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**Item 6. Description of the Issuer's Business, Products, and Services**

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A. CARDXX, Inc., currently provides consulting services and is in the process of reorganizing its potential services and or products.

B. The Issuer's current primary SIC code is 2834.

C. The Issuer's Fiscal year end is June 30

D. The issuers principal service is:

   a. Consulting Services

**Item 7. Description of the Issuers facilities**

CARDXX, Inc.'s currently has no operating facility.

**Item 8. Officers Directors and Control Persons**

A. As of the date of this information statement, David Lazar is the only person in an officer, director, or control position.

B. David Lazar has NO disciplinary history whatsoever, and has never had a criminal conviction, entry of a judgment or decree by a court of any jurisdiction that limited his involvement with any type of business, securities, commodities, or banking activities. Furthermore, he has never had a finding or judgment against him nor any order by self-regulatory organizations of any kind.

C. As of the date of this information statement the only individual or entity owning more than 10% of the company's common or preferred securities is as follows:

| Name and Address of Beneficial Owner | Shares Beneficially Owned (1) | % Owned |
|---|---|---|

**Item 9. Third Party Providers**

The following provide services to the Issuer:

Matthew McMurdo, Esq.
McMurdo law group, LLC
28 West 44th Street, 16th Floor
New York, NY 10036
917 318 286

Mario A. Beckles, CPA
Beckles & Co.
2001 Hollywood Blvd. Suite 208
Hollywood, FL 33020
954 251 2005

**Item 10. Issuer Certification**

I, David Lazar, certify that:
I have reviewed this quarterly statement of CARDXX, Inc.; and

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

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.

Date : February 28, 2019

/s/ David Lazar
Chief Executive Officer