DISCLOSURE STATEMENT PURSUANT TO THE PINK BASIC DISCLOSURE GUIDELINES

CANNA CONSUMER GOODS, INC.

A Nevada Corporation

40 Easthampton B
West Palm Beach, FL 33417
(Company's Address)

(888) 310-7855
(Company's telephone number)
www.cannabroadcastmedia.com
(Company's Website)
mark@cannabroadcastmedia.com
(Company's email)
8900 – Miscellaneous Services
(Company's SIC Code)

ANNUAL REPORT

For the Period Ending December 31, 2018
(the "Reporting Period")

As of March 27, 2019, the number of shares outstanding of our Common Stock was:

190,137,660 shares

As of Date At End of Previous Reporting Period, the number of shares outstanding of our Common Stock was:

173,993,604 shares

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: ☒

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

Yes: ☐ No: ☒

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

Yes: ☐ No: ☒

PART A GENERAL COMPANY INFORMATION

Item 1. Name of the issuer and its predecessor (if any).

The Company is a Nevada corporation that was originally formed on March 9, 2004, under the name ProMana Solutions, Inc. On July 2, 2008, ProMana amended its Articles of Incorporation and our name was changed to Crownbutte Wind Power, Inc. Thereafter, effective September 22, 2014 Crownbutte Wind Power, Inc. amended its' Articles of Incorporation and our name was changed to Canna Brands Inc. Finally, effective June 10, 2015, Canna Brands Inc. amended its Articles of Incorporation and our name was changed to Canna Consumer Goods Inc.

The Company is currently in good standing in the State of Nevada.

Canna has not been, at any time, a "shell company" as that term is defined in Rule 12b-2 of the Exchange Act

Has the Company or any of its predecessors ever been in bankruptcy, receivership, or other similar proceeding in the past five years?

Yes: ☐ No: ☒

Item 2. Security Information.

Trading Symbol:	CBMJ
Exact title and class of securities outstanding:	Common Stock
CUSIP:	13765C 10 1
Par or Stated Value:	$0.001 par value
Total Shares Authorized:	500,000,000 as of March 27, 2019
Total Shares Outstanding:	190,137,660 as of March 27, 2019
Number of shares in Public Float:	74,747,530 as of Total number of shareholders of record: March 27, 2019.

Trading Symbol:	None
Exact title and class of securities outstanding:	Preferred Stock
CUSIP:	None
Par or Stated Value:	$0.001 par value
Total Shares Authorized:	25,000,000 as of March 27, 2019
Total Shares Outstanding:	1,000 shares of Series 2014A as of March 27, 2019

The name and address of Canna's transfer agent is:

Worldwide Stock Transfer, LLC
One University Plaza, Suite 505
Hackensack, NJ 07666
Telephone no.: (201) 820-2008
FAX no.: (201) 820-2010
Email: info@worldwidetransfer.com

Is the Transfer Agent registered under the Exchange Act? Yes: ☒ No: ☐

Describe any trading suspension order issued by the SEC concerning the issuer or its predecessors:

NONE

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

NONE

Item 3. Issuance History.

Disclosure under this Item 3 includes, in chronological order, all offerings and issuances of 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.

A. Changes in the Number of Outstanding Shares.

Check this box to indicate there were no changes to the number of outstanding shares within the past two completed fiscal years and any subsequent periods:

Number of Shares Outstanding as of January 1, 2017:	Opening Balance: Common: 146,787,615 Preferred: 1,000								
Date of Transaction	Transaction type (e.g. new issuance, cancellation, shares returned to treasury)	Number of Shares issued (or cancelled)	Class of Securities	Value of shares issued ($/per share) at issuance	Were the shares issued at a discount to market price at the time of issuance? Yes or No	Individual/Entity Shares were issued to (entities must have individual with voting/investment control disclosed).	Reason for share issuance (e.g. for cash or debit conversion) OR Nature of Services Provided (if applicable	Restricted or Unrestricted as of this filing?	Exemption or Registration Type?
4/19/2017	New Issuance	6,566,608	Common	16,417	Yes	Prime Victor Inc. (Barry Henthorn has voting and investment control)	Debt Conversion (1)	Unrestricted	Rule 506(b) exemption
6/22/2017	New Issuance	2,620,820	Common	6,552	Yes	Prime Victor Inc. (Barry Henthorn has voting and investment control)	Debt Conversion (2)	Unrestricted	Rule 506(b) exemption
6/22/2017	New Issuance	2,517,536	Common	6,294	Yes	Prime Victor Inc. (Barry Henthorn has voting and investment control)	Debt Conversion (3)	Unrestricted	Rule 506(b) exemption
10/24/2017	New Issuance	1,613,013	Common	6,452	Yes	Prime Victor Inc. (Barry Henthorn has voting and investment control)	Debt Conversion (4)	Unrestricted	Rule 506(b) exemption

10/24/2017	New Issuance	1,595,548	Common	6,382	Yes	Prime Victor Inc. (Barry Henthorn has voting and investment control)	Debt Conversion (5)	Unrestricted	Rule 506(b) exemption
1/5/2018	New Issuance	8,006,850	Common	32,027	Yes	John and Darlene Steciw	Debt Conversion (6)	Unrestricted	Rule 506(b) exemption
3/8/2018	New Issuance	4,285,614	Common	6,428	Yes	Scott Steciw	Debt Conversion (7)	Unrestricted	Rule 506(b) exemption
Shares Outstanding on December 31, 2018 (8)	Ending Balance: Common: 173,993,604 Preferred: 1,000								

Please note the following additional details, including footnotes to the table above:

(1) A total of $16,417 of principal and accrued interest due and owing under a $12,500 Convertible Note dated July 14, 2014 was converted at $.0025 per share.

(2) A total of $6,552 of principal and accrued interest due and owing under a $5,000 Convertible Note dated September 23, 2014 was converted at $.0025 per share.

(3) A total of $6,294 of principal and accrued interest due and owing under a $5,000 Convertible Note dated January 23, 2015 was converted at $.0025 per share.

(4) A total of $6,452 of principal and accrued interest due and owing under a $5,000 Convertible Note dated March 19, 2015 was converted at $.004 per share

(5) A total of $6,382 of principal and accrued interest due and owing under a $5,000 Convertible Note dated April 22, 2015 was converted at $.004 per share

(6) A total of $32,027 of principal and accrued interest due and owing under a $21,500 Convertible Note dated July 16, 2014 was converted at $.004 per share. A principal balance of $3,500 remained unpaid under the terms of the subject convertible note.

(7) A total of $6,428 of principal and accrued interest due and owing under a $5,000 Convertible Note dated August 10, 2015 was converted at $.0015 per share

(8) The following sharers were not issued as of December 31, 2018:

- On April 5, 2018, a total of $3,229 of principal and accrued interest due and owing under a $5,000 Convertible Note dated August 25, 2015 was converted, at $.0015 per share, into 2,152,667 restricted shares of the Company's common stock by NWBB, Inc. (Marc Hatch has voting and Investment control). A principal balance of $2,500 remained unpaid under the terms of the subject convertible note. The subject shares were not registered under the Securities Act in reliance upon an exemption from registration provided by Rule 506(b) promulgated under the Securities Act. The shares were not issued as of March 27, 2019.

- On December 3, 2018, the Company purchased the assets of Canna Broadcasting Network and Canna News Group for 16,144,005 restricted shares of the Company's common stock from NWBB, Inc. (Marc Hatch has voting and Investment control). The shares were valued at $80,720 or $.005 per share. The subject shares were not registered under the Securities Act in reliance upon an exemption from registration provided by Section 4(a) (2) of the Securities Act, which exempts transactions by an issuer not involving a public offering. The shares were issued to NWBB, Inc. on January 7, 2019.

B. Debt Securities, including Promissory and Convertible Notes.

The chart below lists and describes any issuance of promissory notes, convertible notes or convertible debentures in the past two completed fiscal years and any subsequent interim period.

Check this box if there are no outstanding promissory notes, convertible notes or debt arrangements: ☐

Date of Note Issuance	Outstanding Balance ($)	Principal Amount at Issuance ($)	Interest Accrued ($)	Maturity Date	Conversion Terms (e.g. pricing mechanism for determining conversion of instrument to shares)	Name of Noteholder	Reason for Issuance (e.g. Loan, Services, etc.)
May 2, 2017	58,331	50,000	8,331	May 2, 2018	Indebtedness convertible to common shares at $0.01 per Share	Barry Henthorn	Payment to acquire Loudmouth Media, Inc.
March 1, 2018	5,208	5,000	208	March 1, 2019	Indebtedness convertible to common shares at $0.004 per Share	John & Darlene Steciw	Loan
June 20, 2018	2,568	2,500	68	June 20, 2019	Indebtedness convertible to common shares at $0.0025 per Share	Scott Steciw	Loan

Please note the following additional details, including footnotes to the table above:

None

Nacel Energy Corporation and Financing Activities.

During an approximate one year period after becoming a shareholder in January 2011, Nacel Energy Corporation ("Nacel") advanced to the Company, from time to time, an aggregate amount of approximately $475,000 in general operating capital, with such advances being used for the development of the Company's then pipeline of wind power projects and to assist the Company in developing and obtaining financing for its 200 MW Gascoyne II wind power generation project located on 1733 acres between the towns of Bowman and Hettinger, North Dakota. However, since it was not able to finance the Gascoyne II project, the Company ceased and terminated any further efforts in January 2012 related to the development of the Gascoyne II wind project. Thereafter, the Company made various payments to Nacel to repay and reduce the aggregate advances which it had made. As of December 31, 2018, the Company owed Nacel approximately $364,000.

Item 4. Financial Statements.

A. The following financial statements were prepared in accordance with:

☒ U.S. GAAP
☐ IFRS

B. The financial statements for this reporting period were prepared by:

Name: Rick Basse, CPA
Title: Owner of Rick Basse Consulting, PLLC
Relationship to Issuer: Accountant engaged by Company

The following financial statements described below are provided and incorporated by this reference for the most recent fiscal year or quarter:

C. Consolidated Balance Sheets;
D. Consolidated Statements of Operations;
E. Statement of Cash Flows;
F. Financial Notes; and
G. Audit letter, if audited (the Company was not Audited)

Management's Discussion and Analysis or Plan of Operation.

A. Plan of Operation. We have had limited revenues since our inception, and, accordingly, have incurred losses from our operations. For the twelve months ended December 31, 2018, we generated no revenues and incurred net loss of $261,001. We have an accumulated deficit since inception of $8,321,938. Currently, we are focused on efforts to expand and promote our media endeavors in the marijuana business and consumer efforts through our web-based news portal (www.loudmounthnews.com) and related media endeavors providing news and advertising specific to the marijuana business. As of December 31, 2018, we discontinued our efforts, though a wholly owned subsidiary, to provide enhanced branding and marketing solutions for licensed cannabis operations in the states of Washington, Oregon and California where, for persons 21 years or over, the medical use and/or recreational use and consumption of marijuana is legal for state law purposes. However, these state laws have no effect on federal laws which classify marijuana as a "controlled substance" which therefore makes it illegal to produce, sell or possess marijuana under federal law. The discontinued business was determined not to be consistent with our current focus on media endeavors. There are no assurances that we will be able to realize our business plan or generate sufficient revenues from these endeavors to become profitable.

For the foreseeable future, our operating plan is dependent upon our ability to generate revenues from our business operations, conserve existing cash resources and the ability to obtain additional capital through equity financing and/or debt financing in an effort to provide the necessary funds and cash flow to meet our obligations on a timely basis and to operate our current business in an efficient and economical manner. In the event that we are unable to generate revenues from our business operations, conserve existing cash resources and/or obtain the additional and necessary capital, we may have to cease or significantly curtail our operations. This could materially impact our ability to continue as a going concern for a reasonable period of time.

Liquidity and Capital Resources

The accompanying financial statements have been prepared on a going concern basis, which contemplates the realization of assets and satisfaction of liabilities in the normal course of business. Since our inception, we have had limited revenues, and, accordingly, have incurred losses from our operations. At December 31, 2018, we have an accumulated deficit since inception of $8,321,938. We did achieve revenues from a bartering transaction during July 2017 but no revenues were received in subsequent periods. These factors, among others, indicate that we might be unable to continue as a going concern for a reasonable period of time.

As of December 31, 2018, we had cash of $79 and working capital deficit of $1,419,776. This compares to cash of $45 and a working capital deficit of $1,370,368 at December 31, 2017.

Based on commitments arising from our other general and administrative expenses, we anticipate that operating expenses during each succeeding quarter through December 31, 2019 will be, at a minimum, approximately $10,000. Based on the foregoing, we will not have sufficient cash resources to finance our operations except for several months unless we are able to raise additional equity financing and/or debt financing in the immediate future. We have commenced, and will continue to pursue, efforts to raise additional equity financing and/or debt financing from a variety of sources and means. There are no assurances that we will be able to obtain any additional financing and/or equity and, even if obtained, that such financing will be in a sufficient amount to be able to continue operations for a sufficient period until our enhanced branding and marketing solutions for licensed cannabis operations in Oregon, Washington and California, and our media business endeavors can generate sufficient revenues to be profitable.

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

Results of Operations for the fiscal year ended December 31, 2018 compared to the fiscal year ended December 31, 2017:

Overview. We had $-0-of revenues in the year ended December 31, 2018, compared to $60,000 of revenues from bartering transaction for the year ended December 31, 2017. There were net losses of $261,001 and $121,388 for the years ended December 31, 2018 and 2017, respectively. The increase of $28,613 is attributable to the factors discussed below.

Revenues. We generated revenues of $-0- during the year ended December 31, 2018. We generated revenues of $60,000 during the year ended December 31, 2017 from a bartering transaction in July 2017 and no further revenue were generated in subsequent periods through December 31, 2018. Once $12,000 cost of revenues are considered, we generated a gross margin of $48,000 for the year ended December 31, 2017. As previously noted, the Company's current business plan is to focus on our subsidiary's efforts to develop, promote, market and sell our enhanced branding and marketing solutions for licensed cannabis operations in the states of Washington, Oregon and California and our subsidiary's efforts to generate marketing and media coverage, programming, advertisements and other news concerning the marijuana business and customers. The extent to which, and the amount of, revenues which may be generated from our subsidiaries' business activities is unknown.

Expenses. Our operating expenses were $206,978 and $115,361 for the years ended December 31, 2018 and 2017, respectively. The increase of $91,617 was primarily attributable to an approximate $31,000 decrease in amortization expense related to our impairment of Canna & Canna acquisition intangible assets in the fourth quarter of 2017, offset by an approximate $7,000 increase on other general and administrated expenses and an approximate $116,000 increase in impairment cost as we impaired approximately $24,000 for bartering assets and approximately $110,000 for Canna & Canna Inc. goodwill acquired in July 2018 during the year ended December 31, 2018 and Canna & Canna Inc. acquisition intangible assets of approximately $18,000 during the year ended December 31, 2017.

Other Income (Expense). Our total other expense was $54,023 and $54,027 for the years ended December 31, 2018 and 2017, respectively. The decrease of $4 was attributable to a $4 decrease in interest expense on promissory notes outstanding compared to the year ended December 31, 2017.

Capital Structure and Resources

We had total assets of $137,259 as of December 31, 2018, which consisted of $79 cash, $30,200 Prepaid expenses from unused media credits from our acquisition of Canna Broadcasting Network and Canna News Group in December 2018, barter exchange asset of $36,000, intangible assets of $70,980 (net of accumulated amortization of $21,820) from our Loudmouth Media, Inc., Canna Broadcasting Network and Canna News Group acquisitions.

We had total liabilities of $1,486,055 as of December 31, 2018 consisting of accounts payable of $327,676, accrued expenses of $438,839, shareholder loans payable of $129,967, advances due to shareholder of $364,052 and convertible notes payable for $225,521 (net of debt discounts of $1,979). For further information and details on convertible notes which have been issued, see Note 5 (Convertible Notes Payable) to the financial statements attached hereto as Exhibit A and information set forth in Item 3 B above.

At December 31, 2018, we had total stockholders' deficiency of $1,348,796. We have had net losses since inception and an accumulated deficit of $8,321,938 at December 31, 2018.

We used net cash of $20,099 for operating activities for the year ended December 31, 2018 and was provided cash of $20,133 from financing activities as our CEO's and a stockholder's advanced cash of $14,050 less repayments of $1,417. In addition, $7,500 was provided by convertible loans from individuals.

PART B BUSINESS INFORMATION

Item 5. Issuer's Business, Products and Services.

A. <u>Summary of the Issuer's Business Operations.</u>

Current Operations

Currently, we are now focused on a single business activity which pertains to providing marketing and media services through the use of media assets specific to marketing, advertising and mass messaging to the cannabis industry and its customers. As of December 31, 2018, we discontinued our efforts, through a wholly owned subsidiary, to provide enhanced branding and marketing solutions for licensed cannabis processors and producers, dispensaries and retail outlets in the states of Washington, Oregon and California. The discontinued business activity was determined not to be consistent with our current focus on media assets.

In May, 2017, the Company acquired Loudmouth Media, Inc., a wholly owned subsidiary, which is an interactive news portal dedicated to providing news specific to the marijuana industry. Loudmouth Media has acquired relationships and media specific to the Canna business and consumer markets and a database of fans and business contacts who are loyal to the brand. This includes television, magazines, billboards, web-based marketing and a web-based news portal (www.loudmouthnews.com) that aggregates news related to the marijuana industry. Loudmouth Media has developed a syndicated radio show and news blast called "Loudmouth News" that has been heard nationwide.

In December, 2018, in furtherance of our efforts to position our self as a marketing and media company focusing upon the cannabis industry and customers, the Company acquired the assets of the Canna Broadcasting Network and Canna News Group, which assets included its Television Properties, Digital delivery platform, agreements with Network partners, web based properties, sales channel, cash, pre-paid TV media, radio media, and projects in development. The Company intends to accelerate its ability to service the rapidly expanding need for Companies engaged in the Cannabis marketplace to obtain mainstream exposure and awareness for their products and companies.

Our recently discontinued business activity originally commenced in July, 2014, based on a reorganization transaction, when we acquired Canna & Canna, Inc., which became a wholly owned subsidiary, which focused on providing enhanced branding and marketing solutions for cannabis companies with primary focus on the west coast states of Washington, Oregon and California where the medical use and/or recreational use and consumption of marijuana is legal for state law purposes only. However, these state laws have no effect on federal laws which classify marijuana as a “controlled substance” which makes it illegal to produce, sell or possess marijuana under federal law. Federal law also makes it illegal to transport or ship marijuana across state lines

The products we sought to brand consisted primarily of edibles and drinks. We also sought to create recipes which could be marketed for herbal enhanced products. We did not sell marijuana infused products. We also sought to provide early stage consulting and advisory services related to designing and implementing a social media strategy helping a company position itself among competing cannabis brands.

B. ***Describe any subsidiaries, parents or affiliated companies, if applicable, and a description of their contact information for the business, officers, directors, managers or control persons.***

As disclosed in Item 5A above, the Company currently has a single subsidiary, Loudmouth Media, Inc., with its media concentrated business operations located at 19930 68th Ave. NE, Kenmore, WA 98028 and with its business operations principally conducted and handled by ReelTime Media. The business operations for Canna and Canna, Inc., a wholly owned subsidiary, were discontinued as of December 31, 2018.

C. ***Principal Products or Services, and Their Markets*.**

The Company, through Loudmouth News, Inc., its wholly owned subsidiary, has been positioning itself as a marketing and media company with a particular stronghold in advertising and mass messaging to the cannabis consumer and industry. Some of the Company’s marketing assets will consist of media portals, syndicated radio programming via terrestrial radio as well as digital distribution, TV, print and social media capabilities. The Company can also assist with marketing strategies, brand building and production.

Revenues will be generated from advertisers, personal appearances and event coordination. On July 31, 2017, the Company generated the first revenue from Loudmouth Media when it sold $60,000 in advertising as part of a bartering transaction. During 2018, management of the Company was not able to generate any operating revenue.

The Company intends to increase efforts to expand and promote our media endeavors in the cannabis industry and related consumer markets through our web-based news portal (www.loudmouthnews.com) and related media endeavors providing news specific to the marijuana business.

Item 6. Issuer's Facilities.

Description of Corporate Offices

Since approximately March 2011, the Company's corporate offices (approx. 300 square feet) have been located at 40 Easthampton B, West Palm Beach, FL 3341, which is property owned by our CEO. This office space is provided, on a month-to-month basis, by our CEO at no charge.

We believe that our current facilities are adequate for our operations as currently conducted and if additional facilities are required, that we could obtain them at commercially reasonable prices.

The Company does not lease any assets, properties or facilities.

PART C MANAGEMENT STRUCTURE AND FINANCIAL INFORMATION

Item 7. Officers, Directors and Control Persons.

The table below provides information regarding any person or entity owning 5% of more of any class of the Company's equity securities as of March 27, 2019, as well as any officer, and any director of the Company, regardless of the number of shares owned. Also, if any listed person are corporate shareholders or entities, information is provided as to the name and address of the person(s) beneficially owning or controlling such corporate shareholders, or the name and contact information of an individual representing the corporation of entity in the Note section.

Name of Officer/Director and Control Person	Affiliation with Company (e.g. Officer/Director/Owner of more than 5%)	Residential Address (City/State only)	Number of Shares owned	Share type/class	Ownership Percentage of Class Outstanding (1)	Note
Mark Schaftlein	Chief Executive Officer, Chief Financial Officer and Director	Delray Beach, FL	None	None	0.0%	
Pam Pennoyer	5%+ owner	Kent, WA	31,062,500 250	Common 2014A Preferred	17.9% 25%	
Ronald Henthorn	5%+ owner	Kirkland, WA	31,062,500 250	Common 2014A Preferred	17.9% 25%	
Capital Consulting, Inc.	5%+ owner	Delray Beach, FL	15,397,000(2) 500	Common 2014A Preferred	8.8% 50%	Mark Schaftlein (3)
Nacel Energy Corporation	5%+ owner		10,500,000	Common	5.9%	(4)

Use the space below to provide any additional details, including footnotes to the table above

(1) As of March 27, 2019, there were 173,993,204 shares of common stock and 1,000 shares of series 2014A preferred stock shares issued and outstanding.

(2) Includes 11,875,000 shares of Company common stock transferred to Capital Consulting, Inc. from a shareholder effective as of March 15, 2019.

(3) Mr. Schaftlein is the sole owner, officer and director of Capital Consulting, Inc. and resides in Delray Beach, Florida.

(4) Nacel Energy Corporation is an inactive Nevada corporation whose officers and directors consist of Mark Schaftlein (who resides in Delray Beach, Florida) and Murray Fleming (who resides in Vancouver, British Columbia, Canada.).

Item 8. Legal/Disciplinary History.

A. At no time have any of the persons listed above have, in the past 10 years, been subject to any of the following:

1. A conviction in a criminal proceeding or named as a defendant in a pending criminal proceeding (excluding traffic violations and other minor offenses);

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;

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

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.

B. Describe briefly any material pending legal proceedings, other than ordinary routine litigation incident to the business, to which the issuer or any of its subsidiaries is a party or of which any of their property is the subject. Include the name of the court or agency in which the proceedings are pending, the date instituted, the principal parties thereto, a description of the factual basis alleged to underlie the proceeding and the relief sought. Include similar information as to any such proceeding known to be contemplated by governmental authorities.

NONE

Item 9. Third Party Providers

1. Securities Counsel: Patrick J. Russell, Esq.
Allen Vellone Wolf Helfrich & Factor, P.C.
1600 Stout Street, Suite 1100
Denver, Colorado 80202
Phone no.: (303) 534-4499
Email: prussell@allen-vellone.com

2. Accountant: Rick Basse, CPA
Rick Basse Consulting, PLLC
244 Majestic Oak Drive
New Braunfels, Texas 78132
Phone no.: (210) 347-0374
Email: rick.basse@gmail.com

3. Investor Relations Consultant: None

4. Other Service Providers:

The name(s) of other service provider(s), including counsel, advisor(s) or consultant(s) that assisted, advised, prepared or provided information with respect to this disclosure statement, or provided assistance or services to the Company during the Reporting Period are as follows:

Name: Barry Henthorn
Firm: ReelTime Media, Inc.
Nature of Services: Consulting and Advisory Services for operation and conduct of media related services provided by Loudmouth News, Inc., a wholly owned subsidiary of the Company.
Address: 19930 68th Ave. NE, Kenmore, WA 98028
Phone: (206) 579-0222
Email: info@reeltime.com

Item 10. Issuer's Certifications.

I, Mark Schaftlein, certify that:

1. I have reviewed this Annual Report of Canna Consumer Goods 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 statement, 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.

Dated: March 27, 2019.

CANNA CONSUMER GOODS INC.

By______________________________
Mark Schaftlein, Chief Executive Officer and
Chief Financial Officer

Exhibit A

CANNA CONSUMER GOODS, INC.
40 Easthampton B
West Palm Beach, FL 33417

Financial Statements and Notes
For the Twelve Months Ended December 31, 2018 and 2017

CANNA CONSUMER GOODS, INC.

Consolidated Balance Sheets (Unaudited)

		December 31, 2018		December 31, 2017
Assets				
Current assets:				
Cash	$	79	$	45
Prepaid Expenses		30,200		-
Barter exchange		36,000		60,000
Total current assets		66,279		60,045
Other assets				
Intangible assets, net of accumulative amortization of $21,820 and $8,333 as of December 31, 2018 and 2017, respectively		70,980		41,667
Goodwill		-		110,257
Total other assets		70,980		151,924
Total Assets	$	137,259	$	211,969
Liabilities and Stockholders' Deficiency				
Current liabilities:				
Accounts payable	$	327,676	$	314,132
Accrued expenses		438,839		373,262
Stockholders loans payable		129,967		129,967
Due to stockholder		364,052		364,052
Convertible notes, net of discount of $1,979 and $-0- as of December 31, 2018 and 2017, respectively		225,521		249,000
Total current liabilities		1,486,055		1,430,413
Commitments and contingencies				
Stockholders' Deficiency:				
Preferred stock, $0.001 par value; 25,000,000 shares authorized, 1,000 Series 2014A Preferred stock shares issued and outstanding as of as of December 31, 2018 and 2017		1		1
Common stock, $0.001 par value, 500,000,000 shares authorized 173,993,604 and 161,701,140 issued and outstanding as of December 31, 2018 and 2017, respectively		173,996		161,703
Additional paid-in capital		6,715,196		6,681,532
Common stock to be issued		83,949		
Accumulated deficit		(8,321,938)		(8,061,680)
Total stockholders' deficiency		(1,348,796)		(1,218,444)
Total Liabilities and Stockholders' Deficiency	$	137,259	$	211,969

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

CANNA CONSUMER GOODS, INC.

Consolidated Statements of Operations (unaudited)

	For the Twelve Months Ended	
	December 31, 2018	December 31, 2017
Revenue	$ -	60,000
Cost of Revenue	-	12,000
Gross margin	-	48,000
Operating expenses:		
General and administrative expenses	$ 59,235	$ 52,128
Impairment Expense	134,257	18,300
Depreciation and amortization expense	13,486	44,933
Total operating expenses	206,978	115,361
Net operating income (loss)	(206,978)	(67,361)
Other income (expense):		
Interest expense	(54,023)	(54,027)
Total other income (expense)	(54,023)	(54,027)
Net Income (loss)	$ (261,001)	$ (121,388)
Basic & diluted income (loss) per share	$ (0.002)	$ (0.001)
Weighted average number of common shares outstanding - basic & diluted	172,968,091	154,676,330

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

CANNA CONSUMER GOODS, INC.

Statements of Cash Flows (Unaudited)

	For the Twelve Months Ended December 31, 2018	For the Twelve Months Ended December 31, 2017
Cash flows from operating activities:		
Net loss	$ (261,001)	$ (121,388)
Adjustments to reconcile net loss to net cash used in operating activities:		
Amortization of Intangibles	51,407	44,933
Impairment expense	134,257	18,300
Non-cash interest	53,782	43,734
Changes in operating assets and liabilities:		
Prepaid expenses	(30,200)	-
Barter exchange	-	(60,000)
Accounts payable	1,655	18,296
Accrued expenses and other current liabilities	30,001	39,596
Net cash used in operating activities	(20,099)	(16,529)
Cash flows from financing activities		
Proceeds from related party advances	14,050	16,574
Repayment on related party advances	(1,417)	-
Proceeds from convertible notes payable	7,500	-
Net cash provided by financing activities	20,133	16,574
Net increase (decrease) in cash	34	45
Cash - beginning of the year	45	-
Cash - end of the year	$ 79	$ 45
Supplemental disclosures:		
Interest paid	$ -	$ -
Taxes Paid	$ -	$ -
Supplemental disclosure for non-cash financing activities:		
Discounts on convertible notes payable	$ 7,500	$ -
Conversion of notes payable to common stock	$ 39,200	$ 42,096
Convertible note issued for acquisition of Loudmouth (See Note 2)	$ -	$ 50,000
Common stock to be issued for acquisition of businesses (See Note 2)	$ 80,720	$ -

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

NOTE 1 – ORGANIZATION AND BASIS OF PRESENTATION BASIS

Nature of organization & business

i) Organization

Crownbutte Wind Power LLC (“Crownbutte ND”) was founded on May 11, 1999 with the strategy of addressing the requirements of regional utility companies to satisfy increasing renewable energy demands. Crownbutte ND was formed as a limited liability company (LLC) in the State of North Dakota and elected to be taxed as an S corporation effective January 1, 2001. On March 11, 2008, Crownbutte ND no longer met the requirements to be treated as an S corporation. As a result, effective March 11, 2008, Crownbutte ND has been taxed like a C corporation. On May 19, 2008, Crownbutte ND filed with the Secretary of State of North Dakota to convert from an LLC to a C corporation becoming “Crownbutte Wind Power, Inc.” On July 2, 2008, Crownbutte ND became a wholly owned subsidiary of Crownbutte Wind Power, Inc.., a Nevada corporation, formerly ProMana Solutions, Inc. as described below. Thereafter, having obtained shareholder approval, Crownbutte Wind Power, Inc. filed a Certificate of Amendment, effective on September 22, 2014, which changed its name to “Canna Brands, Inc.” Thereafter, having obtained shareholder approval, Canna Brands, Inc. filed a Certificate of Amendment, effective on June 10, 2015, which changed its name to “Canna Consumer Goods, Inc.” (“Canna” or the “Company”).

In cooperation with a local utility, Crownbutte ND, developed and constructed the first utility-scale wind facility in either of the Dakotas in 2001, consisting of two turbines near Chamberlain, South Dakota.

ProMana Solutions, Inc. (or “ProMana”)

ProMana was incorporated in the State of Nevada on March 9, 2004, under the name ProMana Solutions, Inc. ProMana’s business was to provide web-based, fully integrated solutions for managing payroll, benefits, human resource management and business processing outsourcing to small and medium sized businesses. Following the merger described below, ProMana is no longer in that web services business. On July 2, 2008, ProMana amended its Articles of Incorporation to change its name to Crownbutte Wind Power, Inc.

Merger

On July 2, 2008, pursuant to a Merger Agreement entered into on the same date, Crownbutte Acquisition Sub Inc., a North Dakota corporation formed on June 6, 2008, and a wholly owned subsidiary (“Acquisition Sub”), merged with and into Crownbutte ND, with Crownbutte ND being the surviving corporation (the “Merger”). As a result of the Merger, Crownbutte ND became a wholly-owned subsidiary of Crownbutte Wind Power, Inc.

Pursuant to the Merger, ProMana ceased operating as a provider of web-based, fully integrated solutions for managing payroll, benefits, human resource management and business processing outsourcing, and acquired the business of Crownbutte ND to develop wind parks from green field to operation and has continued Crownbutte ND’s business operations as a publicly-traded company. See “Split-Off Agreement” below.

At the closing of the Merger, each share of Crownbutte ND’s common stock issued and outstanding immediately prior to the closing of the Merger was converted into one share of the Company’s common stock. As a result, an aggregate of 18,100,000 shares of common stock were issued to the holders of Crownbutte ND’s common stock, 17,000,000 of which were issued to the original members of Crownbutte Wind Power LLC and 1,100,000 to investors in Crownbutte ND who purchased shares in a private placement prior to the merger. In addition, warrants to purchase an aggregate of 10,600,000 shares of Crownbutte ND’s outstanding at the time of the Merger became warrants to purchase an equivalent number of shares of the Company’s common stock.

Split-Off Agreement

Upon the closing of the Merger, under the terms of a Split-Off Agreement, ProMana transferred all of its pre-Merger operating assets and liabilities to its wholly-owned subsidiary, ProMana Technologies, Inc., a New Jersey corporation ("ProMana NJ"). Simultaneously, pursuant to the Split-Off Agreement, ProMana transferred all of the outstanding shares of capital stock of ProMana NJ to two stockholders prior to the Merger (the "Split-Off"), in consideration of and in exchange for (i) the surrender and cancellation of an aggregate of 144,702 shares of the common stock and warrants to purchase 19,062 shares of common stock held by those stockholders and (ii) certain representations, covenants and indemnities.

For accounting purposes, the Merger was treated as a recapitalization of the Company. Crownbutte ND formerly Crownbutte Wind Power LLC is considered the acquirer for accounting purposes, and the Company's historical financial statements before the Merger have been replaced with the historical financial statements of Crownbutte ND before the Merger in all subsequent filings with the Securities and Exchange Commission (the "SEC").

As used herein, unless the context otherwise requires, the "Company" and "Canna" refer to Crownbutte ND for periods prior to the merger and to Crownbutte Wind Power, Inc., a Nevada corporation, formerly ProMana Solutions, Inc., and its wholly-owned subsidiary, Crownbutte ND, for periods after the Merger and prior to July 2, 2014.

Shareholders Approve Name Change and Increase Authorized Shares of Common Stock

On September 19, 2014, the shareholders of Crownbutte approved of a name change and approved an increase in the number of authorized common stock from 200,000,000 shares to 500,000,000 shares. Thereafter, Crownbutte Wind Power, Inc. filed a Certificate of Amendment, effective on September 22, 2014, changing its name to "Canna Brands, Inc." and increasing its authorized common stock from 200,000,000 shares to 500,000,000 shares.

On June 3, 2015, the shareholders of the Company approved a name change. Thereafter, Canna Brands, Inc. filed a Certificate of Amendment, effective on June 10, 2015, changing its name to "Canna Consumer Goods, Inc." (the "Company" or "Canna").

ii) Business

In mid-2011, the Company concentrated its efforts on developing the Gascoyne I Wind Park located in North Dakota which required that it obtain necessary construction financing and negotiate and enter into a wind turbine supply agreement. After approximately 8 months in pursuing such efforts, the Company was not able to finance the project.

Based on the foregoing, as of January 31, 2012, the Company ceased and terminated any further efforts related to the development of the Gascoyne I Wind Park and thereafter proceeded to request the return of its deposits with MISO (Midwest Independent System Operator) totaling $213,000. These deposits were returned to the Company during the period from March, 2012 through June, 2012. These deposits were utilized by the Company to repay its outstanding indebtedness.

Due to unfavorable financing conditions, inability to finance, lack of success in connection with the Gascoyne I Wind Park and general uncertainty and lack of commercial progress throughout the wind energy industry, the Company has determined that it will cease further efforts to develop, by itself, its various wind projects. Thus, the Company has been pursuing an orderly transfer, termination and liquidation of its various wind project assets.

As of December 31, 2016, the Company has terminated its investment in various wind projects. The remaining assets were written-off the books during the fourth quarter of 2016.

On July 14, 2014, the Company entered into an Agreement and Plan of Reorganization (the "Agreement") with Canna & Canna Inc., a Washington corporation which was consummated on July 15, 2014. As a result, the Company acquired all of the 12,425,000 issued and outstanding shares of Canna & Canna, Inc. in exchange for issuing 62,125,000 restricted shares of the Company's common stock and 500 restricted shares of the Company's Series 2014A preferred stock. Canna & Canna Inc. became a wholly owned subsidiary of the Company. Additionally, on September 22, 2014, the Company changed its name to Canna Brands Inc. reflecting its new business plan and changed its CUSIP and ticker symbol. On June 10, 2015, the Company changed its name to Canna Consumer Goods, Inc. The Company plans to provide turnkey branded consumer goods for infusion and distribution by licensed cannabis processors and producers, dispensaries and retail outlets for medical and/or recreational use in the States of Washington, Oregon and California where the medical and/or recreational use and consumption of marijuana, by persons 21 years or older, is legal for state law purposes only. We sell branding and intellectual property solutions to licensed processors, producers, retail outlets and dispensary owners. We do not sell marijuana infused products.

Effective July 16, 2014, the Company filed a Certificate of Designation which established the rights, preferences and other provisions applicable to 1,000 shares of Series 2014A, $.001 par value, preferred stock.

During August 2014, the Company amended its Bylaws to increase the numbers Board of Directors from two to three members and appointed Alison Baird to the board of directors. Effective September 22, 2014, the Company filed a Certificate of Amendment to its Articles of Incorporation which increased the number of authorized shares of common stock from 200,000,000 shares to 500,000,000 shares.

On January 15, 2015, the Company amended its Bylaws to decrease the numbers Board of Directors from three to one member and accept the resignation of Alison Baird from the board of directors. Murray Fleming had previously resigned from the Board of Directors.

On June 8, 2015, the board appointed Giselle Serrano as the Company's Secretary. A position held by Murray Fleming who previously resigned.

On May 1, 2017, the Company entered into a Purchase and Sale Agreement (the "Agreement") with Loudmouth Media, Inc., a Washington corporation. As a result, the Company acquired all of the assets and 5,000,000 issued and outstanding shares of Loudmouth Media, Inc. in exchange for the issuance and delivery of a $50,000 Convertible note, with a 5% coupon for a term of one year and a conversion price of $.01 per share of the Company's common stock. Loudmouth Media will operate as a wholly owned subsidiary. Loudmouth Media is an interactive news portal dedicated to providing news specific to the marijuana industry. LoudMouth Media has acquired relationships and media specific to the Canna business and consumer markets. This includes television, magazines, billboards, web-based marketing, and other new media. Some such assets include a web-based news portal that aggregates news related to the marijuana industry www.loudmouthnews.com. Loudmouth Media also has developed a syndicated radio show and news blast called "LoudMouth News" that has been heard nationwide. Included in the sale is a database of fans and business contacts who are loyal to the brand. Loudmouth generates revenue from advertisers, personal appearances and event coordination.

On December 3, 2018, the Company entered into an Asset Purchase Agreement to acquire the assets of the Canna Broadcasting Network and Canna News Group, which assets included its Television Properties, Digital delivery platform, agreements with Network partners, web-based properties, sales channel, cash, pre-paid TV media, radio media, and projects in development. The Company issued 16,144,056 unregistered shares of the Company's common stock for the assets of Canna Broadcasting Network and Canna News Group. The shares were valued at $80,720 or $0.005 per share. The Company intends to accelerate its ability to service companies engaged in the Cannabis marketplace to obtain mainstream exposure and awareness for their products and companies.

On December 31, 2018, the Company exited the business of providing retail cannabis consumer goods. The Company wrote-off the remaining $110, 257 assets associated with the July 14, 2014 acquisition of Canna & Canna Inc.

Basis of Presentation

The financial statements of the Company have been prepared in accordance with generally accepted accounting principles in the United States of America.

Use of Estimates

In preparing financial statements, management makes estimates and assumptions that affect the reported amounts of assets and liabilities in the balance sheet and revenue and expenses in the statement of expenses. Actual results could differ from those estimates.

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Company considers all highly liquid investments purchased with an original maturity of three months or less to be cash equivalents.

Concentrations of Risk

Cash and cash equivalents deposited with financial institutions are insured by the Federal Deposit Insurance Corporation ("FDIC"). The Company did not hold cash in excess of FDIC insurance coverage at a financial institution as of December 31, 2018 and 2017.

Property and equipment

Property and equipment is recorded at cost and depreciated on the straight-line method over the estimated useful lives. Expenditures for normal repairs and maintenance are charged to expense as incurred. The cost and related accumulated depreciation of assets sold or otherwise disposed of are removed from the accounts, and any gain or loss is included in operations.

Valuation of Long-Lived and Intangible Assets

We assess the impairment of long-lived and intangible assets periodically, or at least annually, and whenever events or changes in circumstances indicate that the carrying value may not be recoverable. Factors considered important, which could trigger an impairment review, include the following: significant underperformance relative to historical or projected future cash flows; significant changes in the manner of use of the assets or the strategy of the overall business; and significant negative industry trends. When management determines that the carrying value of long-lived and intangible assets may not be recoverable, impairment is measured as the excess of the assets' carrying value over the estimated fair value. At December 31, 2017, the Company recorded an impairment charge of $18,300 in the accompanying consolidated statement of operations for the remaining intangible assets from the purchase of the assets of Canna and Canna Inc. on July 14, 2014. At December 31, 2018, the Company recorded an impairment charge of $24,000 to lower the value of the Bartering asset to fair value and an impairment charge of $110,257 for the goodwill associated with Canna & Canna Inc. acquisition in July 2014 in the accompanying consolidate statement of operations . Management is not aware of any other impairment changes that may currently be required; however, we cannot predict the occurrence of events that might adversely affect the reported values in the future.

Derivative Financial Instruments

The Company does not use derivative instruments to hedge exposures to cash flow, market, or foreign currency risks. The Company evaluates all of its financial instruments to determine if such instruments are derivatives or contain features that qualify as embedded derivatives. For derivative financial instruments that are accounted for as liabilities, the derivative instrument is initially recorded at its fair value and is then re-valued at each reporting date, with changes in the fair value reported as charges or credits to income. For option-based derivative financial instruments, The Company uses the Black-Scholes option-pricing model to value the derivative instruments at inception and subsequent valuation dates. The classification of derivative instruments, including whether such instruments should be recorded as liabilities or as equity, is re-assessed at the end of each reporting period. Derivative instrument liabilities are classified in the balance sheet as current or non-current based on whether or not net-cash settlement of the derivative instrument could be required within 12 months of the balance sheet date.

Fair Value Measurements

In September 2006, the FASB issued ASC 820 (previously SFAS 157) which defines fair value, establishes a framework for measuring fair value, and expands disclosures about fair value measurements. The provisions of ASC 820 were effective January 1, 2008.

As defined in ASC 820, fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (exit price). The Company utilizes market data or assumptions that market participants would use in pricing the asset or liability, including assumptions about risk and the risks inherent in the inputs to the valuation technique. These inputs can be readily observable, market corroborated, or generally unobservable. The Company classifies fair value balances based on the observations of those inputs. ASC 820 establishes a fair value hierarchy that prioritizes the inputs used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurement) and the lowest priority to unobservable inputs (level 3 measurement).

The three levels of the fair value hierarchy defined by ASC 820 are as follows:

Level 1 – Quoted prices are available in active markets for identical assets or liabilities as of the reporting date. Active markets are those in which transactions for the asset or liability occur in sufficient frequency and volume to provide pricing information on an ongoing basis. Level 1 primarily consists of financial instruments such as exchange-traded derivatives, marketable securities and listed equities.

Level 2 – Pricing inputs are other than quoted prices in active markets included in level 1, which are either directly or indirectly observable as of the reported date. Level 2 includes those financial instruments that are valued using models or other valuation methodologies. These models are primarily industry-standard models that consider various assumptions, including quoted forward prices for commodities, time value, volatility factors, and current market and contractual prices for the underlying instruments, as well as other relevant economic measures. Substantially all of these assumptions are observable in the marketplace throughout the full term of the instrument, can be derived from observable data or are supported by observable levels at which transactions are executed in the marketplace. Instruments in this category generally include non-exchange-traded derivatives such as commodity swaps, interest rate swaps, options and collars.

Level 3 – Pricing inputs include significant inputs that are generally less observable from objective sources. These inputs may be used with internally developed methodologies that result in management's best estimate of fair value.

Revenue Recognition

The Company recognizes revenues from the sales of our products or services using the following criteria for recognition:

1) Persuasive evidence of an arrangement exists;
2) delivery has occurred or services have been rendered;
3) the seller's price to the buyer is fixed or determinable, and
4) collectable is reasonably assured.

Bartering transactions represent the exchange of Company services for other services. These transactions are recorded at the estimated fair market value of the services provided or the fair value of the services received, whichever is most readily determinable. Revenue is recognized on bartering transactions and trade transactions when the services are provided. Expenses are recorded ratably over a period that estimates when the service received is utilized, or when the event occurs. Bartering transactions and trade revenues and expenses from continuing operations are included in revenue and cost of revenues, respectively.

Income taxes

The Company was organized as a limited liability company for the year ended December 31, 2007 and the Company's members elected to be taxed as an S corporation. An S corporation is not a taxpaying entity for federal and state income tax purposes; thus, no income tax expenses have been recorded in the financial statements. It is the responsibility of the members to report their proportionate share of the Company's income or loss on the members' individual income tax returns.

Since March 11, 2008, the Company is being taxed as a C corporation. A short year S corporation tax return and a short year C corporation tax return were filed. Income tax liability is $0 at December 31, 2018 and 2017. At December 31, 2018, the Company is not current in the federal tax filings.

The Company has adopted the provisions of FASB ASC Topic 740, "Income Taxes" ("ASC 740"). As required under ASC 740, the Company accounts for income taxes using an asset and liability approach, which requires the recognition of deferred tax assets and liabilities for the expected future tax consequences of temporary differences between the financial statements and tax bases of assets and liabilities at the applicable tax rates. A valuation allowance is utilized when it is more likely than not, that some portion of, or all of the deferred tax assets will not be realized. Deferred tax assets and liabilities are adjusted for the effects of changes in tax laws and rates on the date of enactment.

ASC 740 prescribes a recognition threshold and measurement attribute for the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. Under ASC 740, the Company recognizes tax benefits only for tax positions that are more likely than not to be sustained upon examination by tax authorities. The amount recognized is measured as the largest amount of benefit that is greater than 50 percent likely to be realized upon settlement. A liability for "unrecognized tax benefits" is recorded for any tax benefits claimed in our tax returns that do not meet these recognition and measurement standards.

Basic and diluted net income per share

Basic net loss per common share is computed using the weighted average number of common shares outstanding. Diluted earnings per share (EPS) include additional dilution from common stock equivalents, such as stock issuable pursuant to convertible notes. Common stock equivalents are not included in the computation of diluted earnings per share when the Company reports a loss because to do so would be anti-dilutive for periods presented. The Company has not issued any options to date and no stock option warrants outstanding. At December 31, 2018, the total shares issuable upon conversion of convertible notes payable would be approximately 75,815,000 shares of the Company's common stock.

Stock Compensation

The Company follows Financial Accounting Standard No. 123R (ASC 718), "Share-Based Payment" as interpreted by SEC Staff Accounting Bulletin No. 107 for financial accounting and reporting standards for stock-based employee compensation plans. It defines a fair value-based method of accounting for an employee stock option or similar equity instrument.

The Company uses the Black-Scholes option valuation model for estimating the fair value of traded options. This option valuation model requires the input of highly subjective assumptions including the expected stock price volatility. There were no options outstanding for the three and Twelve Months Ended December 31, 2018 and 2017.

The Company recorded stock-based compensation was $-0- for the twelve months ended December 31, 2018 and 2017.

Recently Issued Accounting Standards Not Yet Adopted

None

NOTE 2 - ACQUISTIONS/INTANGIBLES

Intangibles consist of domain names and other items of $152,500 and goodwill of $110,257 acquired in the purchase of the assets of Canna and Canna Inc. on July 14, 2014. The fair value of the domain names and other items was calculated using the net present value of the projected gross profit to be generated by the customer list over the next 48 months beginning in January 2015 with annual amortization of $38,125. The Company reduced the value of intangible assets by $5,401 on December 31, 2015 based on the fair market value of the assets. At December 31, 2017, the Company determined the fair value of intangible assets at -0- from the Canna and Canna Inc. acquisition and recorded an impairment charge of $18,300. At December 31, the Company exist the cannabis consumer goods business and recoded an impairment charge of $110,257 for the goodwill.

On May 1, 2017, the Company entered into a Purchase and Sale Agreement with Loudmouth Media, Inc. As a result, the Company acquired all of the assets and 5,000,000 issued and outstanding shares of Loudmouth Media, Inc. in exchange for the issuance and delivery of a $50,000 Convertible Note. Loudmouth Media, Inc.'s assets comprised solely of intangible assets for a web-based news portal and a database of fan and business contracts. The fair value of the portal and contact database was calculated using the net present value of the projected gross profit to be generated over the next 48 months beginning in May 2017 with annual amortization of $12,500.

On December 3, 2018, the Company entered into an Asset Purchase Agreement to acquire the assets of the Canna Broadcasting Network and Canna News Group for 16,144,056 unregistered shares of the Company's common stock. The shares were valued at $80,720 or $0.005 per share. The Company intends to accelerate its ability to service companies engaged in the Cannabis marketplace to obtain mainstream exposure and awareness for their products and companies.
The purchase price has been allocated to the net assets acquired based upon their estimated fair values as follows:

Cash	$ 1,120
Prepaid media credits	
Prepaid media credits	36,800
Intangible asset – intellectual property, websites and URLs	42,800
Total	$80,720

The fair value of the Intangible asset – intellectual property, websites and URLs was calculated using the net present value of the projected gross profit to be generated over the next 48 months beginning in December 3, 2018 with annual amortization of $10,700.

The Company recorded amortization of intangible assets of $13,486 and $44,933 for the twelve months ended December 31, 2018 and 2017, respectively.

The Company tests its intangible asset for impairment on an annual basis and more often if an event occurs or circumstances change that would more likely than not reduce the fair value of a reporting unit or the intangible asset, as applicable, below its carrying value. At December 31, 2018, no adjustment was deemed necessary.

NOTE 3 - GOING CONCERN

The accompanying consolidated financial statements have been prepared on a going concern basis, which contemplates the realization of assets and satisfaction of liabilities in the normal course of business. The Company has incurred material recurring losses from operations. The Company has not generated material revenues since inception and has generated losses totaling $8,321,938 since inception. In addition, the Company is experiencing a continuing operating cash flow deficiency. These factors, among others, raise substantial doubt about the Company's ability to continue as a going concern.

The Company is relying on investor funding to maintain operations. The Company will continue to pursue additional equity financing and/or debt financing while managing cash flow in an effort to provide funds and cash flow to meet its obligations on a timely basis and to develop the Cannabis business and related media business which uniquely positions the Company in the emerging and fast-growing marijuana consumer goods industry.

The consolidated financial statements do not contain any adjustments to reflect the possible future effects on the classification of assets or the amounts and classification of liability that may result should the Company be unable to continue as a going concern.

NOTE 4 – ACCRUED EXPENSES

Accrued expenses consist of the following:

		December 31, 2018		December 31, 2017
Accrued Compensation	$	142,500	$	112,500
Credit Cards Payable		30,071		30,071
Accrued Interest		266,268		230,691
	$	438,839	$	373,262

NOTE 5 – CONVERTIBLE NOTES PAYABLE

On November 20, 2013, the Company issued a $5,000 convertible promissory note to a former director. The loan bears interest at 3% and has a maturity date of November 20, 2014. In addition, at any time, the Company's director may convert the note into shares of the Company's common stock at an exercise price of $.0025 per share. After the due date, the interest rate on the convertible note increases to 15%. The note funded on February 3, 2014. The Company calculated the fair value of the beneficial conversion feature as the difference between the conversion price and the fair market value of the Company's common stock on the date of issuance. The fair value of the conversion option in connection with the note on the date of issuance aggregated $1,200, and was recorded as debt discount. The debt discount is amortized through the term of the note. The unpaid balance including accrued interest was $8,088 and $7,338 at December 31, 2018 and 2017, respectively. The Company is not compliant with the repayment terms of the note.

On March 26, 2014, the Company issued a $2,500 convertible promissory note to our CEO and director. The loan bears interest at 5% and has a maturity date of March 26, 2015. In addition, at any time, the Company's CEO may convert the note into shares of the Company's common stock at an exercise price of $.0025 per share. After the due date, the interest rate on the convertible note increases to 15%. The Company calculated the fair value of the beneficial conversion feature as the difference between the conversion price and the fair market value of the Company's common stock on the date of issuance. The fair value of the conversion option in connection with the note on the date of issuance aggregated $2,500, and was recorded as debt discount. The debt discount is amortized through the term of the note. The unpaid balance including accrued interest was $4,032 and $3,657 at December 31, 2018 and 2017, respectively. The Company is not compliant with the repayment terms of the note.

On April 14, 2014, the Company issued a $2,500 convertible promissory note to a former director. The loan bears interest at 5% and has a maturity date of April 14, 2015. In addition, at any time, the Company's director may convert the note into shares of the Company's common stock at an exercise price of $.0025 per share. After the due date, the interest rate on the convertible note increases to 15%. The Company calculated the fair value of the beneficial conversion feature as the difference between the conversion price and the fair market value of the Company's common stock on the date of issuance. The fair value of the conversion option in connection with the note on the date of issuance aggregated $2,500, and was recorded as debt discount. The debt discount is amortized through the term of the note. The unpaid balance including accrued interest was $4,016 and $3,641 at December 31, 2018 and 2017, respectively. The Company is not compliant with the repayment terms of the note.

On May 27, 2014, the Company issued a $2,500 convertible promissory note to our CEO and director. The loan bears interest at 5% and has a maturity date of May 27, 2015. In addition, at any time, the Company's CEO may convert the note into shares of the Company's common stock at an exercise price of $.0025 per share. After the due date, the interest rate on the convertible note increases to 15%. The note funded on April 14, 2014. The Company calculated the fair value of the beneficial conversion feature as the difference between the conversion price and the fair market value of the Company's common stock on the date of issuance. The fair value of the conversion option in connection with the note on the date of issuance aggregated $2,500, and was recorded as debt discount. The debt discount is amortized through the term of the note. The unpaid balance including accrued interest was $3,969 and $3,594 December 31, 2018 and 2017, respectively. The Company is not compliant with the repayment terms of the note.

On May 27, 2014, the Company issued a $2,500 convertible promissory note to a former director. The loan bears interest at 5% and has a maturity date of May 27, 2015. In addition, at any time, the Company's director may convert the note into shares of the Company's common stock at an exercise price of $.0025 per share. After the due date, the interest rate on the convertible note increases to 15%. The Company calculated the fair value of the beneficial conversion feature as the difference between the conversion price and the fair market value of the Company's common stock on the date of issuance. The fair value of the conversion option in connection with the note on the date of issuance aggregated $2,500, and was recorded as debt discount. The debt discount is amortized through the term of the note. The unpaid balance including accrued interest was $3,969 and $3,594 at December 31, 2018 and 2017, respectively. The Company is not compliant with the repayment terms of the note.

On June 19, 2014, the Company issued a $2,000 convertible promissory note to a former director. The loan bears interest at 5% and has a maturity date of June 19, 2015. In addition, at any time, the Company's director may convert the note into shares of the Company's common stock at an exercise price of $.0025 per share. After the due date, the interest rate on the convertible note increases to 15%. The Company calculated the fair value of the beneficial conversion feature as the difference between the conversion price and the fair market value of the Company's common stock on the date of issuance. The fair value of the conversion option in connection with the note on the date of issuance aggregated $2,000, and was recorded as debt discount. The debt discount is amortized through the term of the note. The unpaid balance including accrued interest was $3,162 and $2,862 at December 31, 2018 and 2017, respectively. The Company is not compliant with the repayment terms of the note.

On June 25, 2014, the Company issued a $2,000 convertible promissory note to our CEO and director. The loan bears interest at 5% and has a maturity date of June 25, 2015. In addition, at any time, the Company's CEO may convert the note into shares of the Company's common stock at an exercise price of $.0025 per share. After the due date, the interest rate on the convertible note increases to 15%. The Company calculated the fair value of the beneficial conversion feature as the difference between the conversion price and the fair market value of the Company's common stock on the date of issuance. The fair value of the conversion option in connection with the note on the date of issuance aggregated $2,000, and was recorded as debt discount. The debt discount is amortized through the term of the note. The unpaid balance including accrued interest was $3,150 and $2,850 at December 31, 2018 and 2017, respectively. The Company is not compliant with the repayment terms of the note.

On July 16, 2014, the Company issued a $12,500 convertible promissory note to our CEO and director. The loan bears interest at 5% and has a maturity date of July 16, 2015. In addition, at any time, the Company's CEO may convert the note into shares of the Company's common stock at an exercise price of $.004 per share. After the due date, the interest rate on the convertible note increases to 15%. The Company calculated the fair value of the beneficial conversion feature as the difference between the conversion price and the fair market value of the Company's common stock on the date of issuance. The fair value of the conversion option in connection with the note on the date of issuance aggregated $12,500, and was recorded as debt discount. The debt discount is amortized through the term of the note. The unpaid balance including accrued interest was $19,609 and $17,734 at December 31, 2018 and 2017, respectively. The Company is not compliant with the repayment terms of the note.

On July 18, 2014, the Company issued a $12,500 convertible promissory note to a former director. The loan bears interest at 5% and has a maturity date of July 16, 2015. In addition, at any time, the Company's director may convert the note into shares of the Company's common stock at an exercise price of $.004 per share. After the due date, the interest rate on the convertible note increases to 15%. The Company calculated the fair value of the beneficial conversion feature as the difference between the conversion price and the fair market value of the Company's common stock on the date of issuance. The fair value of the conversion option in connection with the note on the date of issuance aggregated $12,500, and was recorded as debt discount. The debt discount is amortized through the term of the note. The unpaid balance including accrued interest was $19,609 and $17,734 at December 31, 2018 and 2017, respectively. The Company is not compliant with the repayment terms of the note.

On July 16, 2014, the Company issued a $25,000 convertible promissory note to an individual. The loan bears interest at 5% and has a maturity date of July 16, 2015. In addition, at any time, the individual may convert the note into shares of the Company's common stock at an exercise price of $.004 per share. After the due date, the interest rate on the convertible note increases to 15%. The Company calculated the fair value of the beneficial conversion feature as the difference between the conversion price and the fair market value of the Company's common stock on the date of issuance. The fair value of the conversion option in connection with the note on the date of issuance aggregated $25,000, and was recorded as debt discount. The debt discount is amortized through the term of the note. On January 5, 2018, the individual converted $32,027 including accrued interest due under the convertible promissory note into 8,006,850 unregistered shares of the Company's common stock at $.004 per share to partially satisfy the obligation. The principle balance of $3,500 remains unpaid under the terms of the convertible promissory note. The unpaid balance including accrued interest was $4,073 and $35,575 at December 31, 2018 and 2017, respectively. The Company is not compliant with the repayment terms of the note.

On July 21, 2014, the Company issued a $12,500 convertible promissory note to an individual. The loan bears interest at 5% and has a maturity date of July 21, 2015. In addition, at any time, the individual may convert the note into shares of the Company's common stock at an exercise price of $.004 per share. After the due date, the interest rate on the convertible note increases to 15%. The Company calculated the fair value of the beneficial conversion feature as the difference between the conversion price and the fair market value of the Company's common stock on the date of issuance. The fair value of the conversion option in connection with the note on the date of issuance aggregated $12,500, and was recorded as debt discount. The debt discount is amortized through the term of the note. The unpaid balance including accrued interest was $19,609 and $17,739 at December 31, 2018 and 2017, respectively. The Company is not compliant with the repayment terms of the note.

On July 22, 2014, the Company issued a $12,500 convertible promissory note to an individual. The loan bears interest at 5% and has a maturity date of July 21, 2015. In addition, at any time, the individual may convert the note into shares of the Company's common stock at an exercise price of $.004 per share. After the due date, the interest rate on the convertible note increases to 15%. The Company calculated the fair value of the beneficial conversion feature as the difference between the conversion price and the fair market value of the Company's common stock on the date of issuance. The fair value of the conversion option in connection with the note on the date of issuance aggregated $12,500, and was recorded as debt discount. The debt discount is amortized through the term of the note. During April 2017, the individual converted $16,417 including accrued interest due under the convertible promissory note into 6,566,608 unregistered shares of the Company's common stock at $.0025 per share to fully satisfy the obligation.

On September 10, 2014, the Company issued a $5,000 convertible promissory note to our CEO and director. The loan bears interest at 5% and has a maturity date of September 10, 2015. In addition, at any time, the Company's CEO may convert the note into shares of the Company's common stock at an exercise price of $.0125 per share. After the due date, the interest rate on the convertible note increases to 15%. The Company calculated the fair value of the beneficial conversion feature as the difference between the conversion price and the fair market value of the Company's common stock on the date of issuance. The fair value of the conversion option in connection with the note on the date of issuance aggregated $5,000, and was recorded as debt discount. The debt discount is amortized through the term of the note. The unpaid balance including accrued interest was $7,719 and $6,969 at December 31, 2018 and 2017, respectively. The Company is not compliant with the repayment terms of the note.

On September 10, 2014, the Company issued a $5,000 convertible promissory note to a former director. The loan bears interest at 5% and has a maturity date of September 10, 2015. In addition, at any time, the Company's director may convert the note into shares of the Company's common stock at an exercise price of $.0125 per share. After the due date, the interest rate on the convertible note increases to 15%. The Company calculated the fair value of the beneficial conversion feature as the difference between the conversion price and the fair market value of the Company's common stock on the date of issuance. The fair value of the conversion option in connection with the note on the date of issuance aggregated $5,000, and was recorded as debt discount. The debt discount is amortized through the term of the note. The unpaid balance including accrued interest was $7,719 and $6,969 at December 31, 2018 and 2017, respectively. The Company is not compliant with the repayment terms of the note.

On September 10, 2014, the Company issued a $5,000 convertible promissory note to an individual. The loan bears interest at 5% and has a maturity date of September 10, 2015. In addition, at any time, the individual may convert the note into shares of the Company's common stock at an exercise price of $.0125 per share. After the due date, the interest rate on the convertible note increases to 15%. The Company calculated the fair value of the beneficial conversion feature as the difference between the conversion price and the fair market value of the Company's common stock on the date of issuance. The fair value of the conversion option in connection with the note on the date of issuance aggregated $5,000, and was recorded as debt discount. The debt discount is amortized through the term of the note. The unpaid balance including accrued interest was $7,719 and $6,969 at December 31, 2018 and 2017, respectively. The Company is not compliant with the repayment terms of the note.

On September 12, 2014, the Company issued a $5,000 convertible promissory note to an individual. The loan bears interest at 5% and has a maturity date of September 12, 2015. In addition, at any time, the individual may convert the note into shares of the Company's common stock at an exercise price of $.0125 per share. After the due date, the interest rate on the convertible note increases to 15%. The Company calculated the fair value of the beneficial conversion feature as the difference between the conversion price and the fair market value of the Company's common stock on the date of issuance. The fair value of the conversion option in connection with the note on the date of issuance aggregated $5,000, and was recorded as debt discount. The debt discount is amortized through the term of the note. The unpaid balance including accrued interest was $7,719 and $6,969 at December 31, 2018 and 2017, respectively. The Company is not compliant with the repayment terms of the note.

On September 29, 2014, the Company issued a $10,000 convertible promissory note to our CEO and director. The loan bears interest at 5% and has a maturity date of September 29, 2015. In addition, at any time, the Company's CEO may convert the note into shares of the Company's common stock at an exercise price of $.0125 per share. After the due date, the interest rate on the convertible note increases to 15%. The Company calculated the fair value of the beneficial conversion feature as the difference between the conversion price and the fair market value of the Company's common stock on the date of issuance. The fair value of the conversion option in connection with the note on the date of issuance aggregated $10,000, and was recorded as debt discount. The debt discount is amortized through the term of the note. The unpaid balance including accrued interest was $15,375 and $13,875 at December 31, 2018 and 2017, respectively. The Company is not compliant with the repayment terms of the note.

On September 29, 2014, the Company issued a $10,000 convertible promissory note to an individual. The loan bears interest at 5% and has a maturity date of September 29, 2015. In addition, at any time, the individual may convert the note into shares of the Company's common stock at an exercise price of $.0175 per share. After the due date, the interest rate on the convertible note increases to 15%. The Company calculated the fair value of the beneficial conversion feature as the difference between the conversion price and the fair market value of the Company's common stock on the date of issuance. The fair value of the conversion option in connection with the note on the date of issuance aggregated $10,000, and was recorded as debt discount. The debt discount is amortized through the term of the note. The unpaid balance including accrued interest was $15,375 and $13,875 at December 31, 2018 and 2017, respectively. The Company is not compliant with the repayment terms of the note.

On December 31, 2014, the Company issued a $10,000 convertible promissory note to an individual. The loan bears interest at 5% and has a maturity date of December 31, 2015. In addition, at any time, the individual may convert the note into shares of the Company's common stock at an exercise price of $.0175 per share. After the due date, the interest rate on the convertible note increases to 15%. The Company calculated the fair value of the beneficial conversion feature as the difference between the conversion price and the fair market value of the Company's common stock on the date of issuance. The fair value of the conversion option in connection with the note on the date of issuance aggregated $10,000, and was recorded as debt discount. The debt discount is amortized through the term of the note. The unpaid balance including accrued interest was $15,375 and $13,875 at December 31, 2018 and 2017, respectively. The Company is not compliant with the repayment terms of the note.

On October 2, 2014, the Company issued a $15,000 convertible promissory note to an individual. The loan bears interest at 5% and has a maturity date of October 2, 2015. In addition, at any time, the individual may convert the note into shares of the Company's common stock at an exercise price of $.0175 per share. After the due date, the interest rate on the convertible note increases to 15%. The Company calculated the fair value of the beneficial conversion feature as the difference between the conversion price and the fair market value of the Company's common stock on the date of issuance. The fair value of the conversion option in connection with the note on the date of issuance aggregated $15,000, and was recorded as debt discount. The debt discount is amortized through the term of the note. The unpaid balance including accrued interest was $23,063 and $20,813 at December 31, 2018 and 2017, respectively. The Company is not compliant with the repayment terms of the note.

On October 3, 2014, the Company issued a $2,500 convertible promissory note to a former director. The loan bears interest at 5% and has a maturity date of October 3, 2015. In addition, at any time, the individual may convert the note into shares of the Company's common stock at an exercise price of $.0175 per share. After the due date, the interest rate on the convertible note increases to 15%. The Company calculated the fair value of the beneficial conversion feature as the difference between the conversion price and the fair market value of the Company's common stock on the date of issuance. The fair value of the conversion option in connection with the note on the date of issuance aggregated $2,500, and was recorded as debt discount. The debt discount is amortized through the term of the note. The unpaid balance including accrued interest was $3,844 and $3,469 at December 31, 2018 and 2017, respectively. The Company is not compliant with the repayment terms of the note.

On October 9, 2014, the Company issued a $5,000 convertible promissory note to an individual. The loan bears interest at 5% and has a maturity date of October 9, 2015. In addition, at any time, the individual may convert the note into shares of the Company's common stock at an exercise price of $.0175 per share. After the due date, the interest rate on the convertible note increases to 15%. The Company calculated the fair value of the beneficial conversion feature as the difference between the conversion price and the fair market value of the Company's common stock on the date of issuance. The fair value of the conversion option in connection with the note on the date of issuance aggregated $5,000, and was recorded as debt discount. The debt discount is amortized through the term of the note. The unpaid balance including accrued interest was $7,677 and $6,927 at December 31, 2018 and 2017, respectively. The Company is not compliant with the repayment terms of the note.

On October 14, 2014, the Company issued a $5,000 convertible promissory note to an individual. The loan bears interest at 5% and has a maturity date of October 14, 2015. In addition, at any time, the individual may convert the note into shares of the Company's common stock at an exercise price of $.0175 per share. After the due date, the interest rate on the convertible note increases to 15%. The Company calculated the fair value of the beneficial conversion feature as the difference between the conversion price and the fair market value of the Company's common stock on the date of issuance. The fair value of the conversion option in connection with the note on the date of issuance aggregated $5,000, and was recorded as debt discount. The debt discount is amortized through the term of the note. The unpaid balance including accrued interest was $7,677 and $6,927 at December 31, 2018 and 2017, respectively. The Company is not compliant with the repayment terms of the note.

On October 14, 2014, the Company issued a $10,000 convertible promissory note to an individual. The loan bears interest at 5% and has a maturity date of October 14, 2015. In addition, at any time, the individual may convert the note into shares of the Company's common stock at an exercise price of $.0175 per share. After the due date, the interest rate on the convertible note increases to 15%. The Company calculated the fair value of the beneficial conversion feature as the difference between the conversion price and the fair market value of the Company's common stock on the date of issuance. The fair value of the conversion option in connection with the note on the date of issuance aggregated $10,000, and was recorded as debt discount. The debt discount is amortized through the term of the note. The unpaid balance including accrued interest was $15,354 and $13,854 at December 31, 2018 and 2017, respectively. The Company is not compliant with the repayment terms of the note.

On October 22, 2014, the Company issued a $5,000 convertible promissory note to an individual. The loan bears interest at 5% and has a maturity date of October 22, 2015. In addition, at any time, the individual may convert the note into shares of the Company's common stock at an exercise price of $.0175 per share. After the due date, the interest rate on the convertible note increases to 15%. The Company calculated the fair value of the beneficial conversion feature as the difference between the conversion price and the fair market value of the Company's common stock on the date of issuance. The fair value of the conversion option in connection with the note on the date of issuance aggregated $5,000, and was recorded as debt discount. The debt discount is amortized through the term of the note. During June 2017, the individual converted $6,552 including accrued interest due under the convertible promissory note into 2,620,820 unregistered shares of the Company's common stock at $.0025 per share to fully satisfy the obligation.

On January 23, 2015, the Company issued a $5,000 convertible promissory note to an individual. The loan bears interest at 5% and has a maturity date of January 23, 2016. In addition, at any time, the individual may convert the note into shares of the Company's common stock at an exercise price of $.0125 per share. After the due date, the interest rate on the convertible note increases to 15%. The Company calculated the fair value of the beneficial conversion feature as the difference between the conversion price and the fair market value of the Company's common stock on the date of issuance. The fair value of the conversion option in connection with the note on the date of issuance aggregated $5,000, and was recorded as debt discount. The debt discount is amortized through the term of the note. During June 2017, the individual converted $6,294 including accrued interest due under the convertible promissory note into 2,517,536 unregistered shares of the Company's common stock at $.0025 per share to fully satisfy the obligation.

On January 26, 2015, the Company issued a $5,000 convertible promissory note to an individual. The loan bears interest at 5% and has a maturity date of January 26, 2016. In addition, at any time, the individual may convert the note into shares of the Company's common stock at an exercise price of $.0125 per share. After the due date, the interest rate on the convertible note increases to 15%. The Company calculated the fair value of the beneficial conversion feature as the difference between the conversion price and the fair market value of the Company's common stock on the date of issuance. The fair value of the conversion option in connection with the note on the date of issuance aggregated $5,000, and was recorded as debt discount. The debt discount is amortized through the term of the note. The unpaid balance including accrued interest was $7,437 and $6,687 at March 31, 2017 and 2017, respectively. The Company is not compliant with the repayment terms of the note.

January 28, 2015, the Company issued a $5,000 convertible promissory note to an individual. The loan bears interest at 5% and has a maturity date of January 28, 2016. In addition, at any time, the individual may convert the note into shares of the Company's common stock at an exercise price of $.0125 per share. After the due date, the interest rate on the convertible note increases to 15%. The Company calculated the fair value of the beneficial conversion feature as the difference between the conversion price and the fair market value of the Company's common stock on the date of issuance. The fair value of the conversion option in connection with the note on the date of issuance aggregated $5,000, and was recorded as debt discount. The debt discount is amortized through the term of the note. The unpaid balance including accrued interest was $7,437 and $6,687 at December 31, 2018 and 2017, respectively. The Company is not compliant with the repayment terms of the note.

On March 19, 2015, the Company issued a $5,000 convertible promissory note to an individual. The loan bears interest at 5% and has a maturity date of March 19, 2016. In addition, at any time, the individual may convert the note into shares of the Company's common stock at an exercise price of $.0125 per share. After the due date, the interest rate on the convertible note increases to 15%. The Company calculated the fair value of the beneficial conversion feature as the difference between the conversion price and the fair market value of the Company's common stock on the date of issuance. The fair value of the conversion option in connection with the note on the date of issuance aggregated $0. During October 2017, the individual converted $6,452 including accrued interest due under the convertible promissory note into 1,613,013 unregistered shares of the Company's common stock at $.004 per share to full satisfy the obligation.

On March 19, 2015, the Company issued a $5,000 convertible promissory note to an individual. The loan bears interest at 5% and has a maturity date of March 19, 2016. In addition, at any time, the individual may convert the note into shares of the Company's common stock at an exercise price of $.0125 per share. After the due date, the interest rate on the convertible note increases to 15%. The Company calculated the fair value of the beneficial conversion feature as the difference between the conversion price and the fair market value of the Company's common stock on the date of issuance. The fair value of the conversion option in connection with the note on the date of issuance aggregated $0. The unpaid balance including accrued interest was $7,344 and $6,594 at December 31, 2018 and 2017, respectively. The Company is not compliant with the repayment terms of the note.

On April 22, 2015, the Company issued a $5,000 convertible promissory note to an individual. The loan bears interest at 5% and has a maturity date of April 22, 2016. In addition, at any time, the individual may convert the note into shares of the Company's common stock at an exercise price of $.005 per share. After the due date, the interest rate on the convertible note increases to 15%. The Company calculated the fair value of the beneficial conversion feature as the difference between the conversion price and the fair market value of the Company's common stock on the date of issuance. The fair value of the conversion option in connection with the note on the date of issuance aggregated $2,000, and was recorded as debt discount. The debt discount is amortized through the term of the note. During October 2017, the individual converted $6,382 including accrued interest due under the convertible promissory note into 1,595,548 unregistered shares of the Company's common stock at $.004 per share to fully satisfy the obligation.

On April 29, 2015, the Company issued a $5,000 convertible promissory note to an individual. The loan bears interest at 5% and has a maturity date of April 29, 2016. In addition, at any time, the individual may convert the note into shares of the Company's common stock at an exercise price of $.005 per share. After the due date, the interest rate on the convertible note increases to 15%. The Company calculated the fair value of the beneficial conversion feature as the difference between the conversion price and the fair market value of the Company's common stock on the date of issuance. The fair value of the conversion option in connection with the note on the date of issuance aggregated $2,000, and was recorded as debt discount. The debt discount is amortized through the term of the note. The unpaid balance including accrued interest was $7,250 and $6,500 at December 31, 2018 and 2017, respectively. The Company is not compliant with the repayment terms of the note.

On August 10, 2015, the Company issued a $5,000 convertible promissory note to an individual. The loan bears interest at 5% and has a maturity date of August 10, 2016. In addition, at any time, the individual may convert the note into shares of the Company's common stock at an exercise price of $.0015 per share. After the due date, the interest rate on the convertible note increases to 15%. The Company calculated the fair value of the beneficial conversion feature as the difference between the conversion price and the fair market value of the Company's common stock on the date of issuance. The fair value of the conversion option in connection with the note on the date of issuance aggregated $5,000, and was recorded as debt discount. The debt discount is amortized through the term of the note. On March 8, 2018, the individual converted $6,428 including accrued interest due under a convertible promissory note dated July 16, 2014 into 4,285,614 unregistered shares of the Company's common stock at $.0015 per share to fully satisfy the obligation. The unpaid balance including accrued interest was $6,282 at December 31, 2017.

On August 25, 2015, the Company issued a $5,000 convertible promissory note to an individual. On March 26, 2018, the individual assigned 50% of the principle and interest due on the convertible promissory note to a corporation. The loan bears interest at 5% and has a maturity date of August 25, 2016. In addition, at any time, the individual may convert the note into shares of the Company's common stock at an exercise price of $.0015 per share. After the due date, the interest rate on the convertible note increases to 15%. The Company calculated the fair value of the beneficial conversion feature as the difference between the conversion price and the fair market value of the Company's common stock on the date of issuance. The fair value of the conversion option in connection with the note on the date of issuance aggregated $5,000, and was recorded as debt discount. The debt discount is amortized through the term of the note. On April 5, 2018, the Corporation converted $3,229 including accrued interest due under the convertible promissory note into 2,152,740 unregistered shares of the Company's common stock at $.0015 per share to partially satisfy the obligation. As of March 22, 2019, the shares have not been issued to the corporation. The unpaid balance including accrued interest was $3,490 and $6,250 at December 31, 2018 and 2017, respectively. The Company is not compliant with the repayment terms of the note.

On May 2, 2017, the Company issued a $50,000 convertible promissory note to an individual for the purchase of Loudmouth Media, Inc. The loan bears interest at 5% and has a maturity date of May 2, 2018. In addition, at any time, the individual may convert the note into shares of the Company's common stock at an exercise price of $.01 per share. After the due date, the interest rate on the convertible note increases to 15%. The Company calculated the fair value of the beneficial conversion feature as the difference between the conversion price and the fair market value of the Company's common stock on the date of issuance. The fair value of the conversion option in connection with the note on the date of issuance aggregated $-0-. The unpaid balance including accrued interest was $58,331 and $51,667 and at December 31, 2018 and 2017, respectively. The Company is not compliant with the repayment terms of the note.

On March 1, 2018, the Company executed and delivered a $5,000 convertible promissory note to an individual, The Convertible Note bears interest at 5% and has a maturity date of March 1, 2019. In addition, at any time, the individual may convert the note into shares of the Company's common stock at an exercise price of $.004 per share. After the due date, the interest rate on the convertible note increases to 15% at which time all principal and accrued interest shall be due and payable. The Company calculated the fair value of the beneficial conversion feature as the difference between the conversion price and the fair market value of the Company's common stock on the date of issuance. The fair value of the conversion option in connection with the note on the date of issuance aggregated $5,000, and was recorded as debt discount. The debt discount is amortized through the term of the note. The unpaid balance including accrued interest was $5,208 at December 31, 2018.

On June 20, 2018, the Company executed and delivered a $2,500 convertible promissory note to an individual, The Convertible Note bears interest at 5% and has a maturity date of June 20, 2019. In addition, at any time, the individual may convert the note into shares of the Company's common stock at an exercise price of $.0025 per share. After the due date, the interest rate on the convertible note increases to 15% at which time all principal and accrued interest shall be due and payable. The Company calculated the fair value of the beneficial conversion feature as the difference between the conversion price and the fair market value of the Company's common stock on the date of issuance. The fair value of the conversion option in connection with the note on the date of issuance aggregated $2,500, and was recorded as debt discount. The debt discount is amortized through the term of the note. The unpaid balance including accrued interest was $2,568 at December 31, 2018.

As of December 31, 2018, the total short-term loans - convertible amounted to $326,966 which includes $99,466 of accrued interest. The conversion price of the notes were fixed and determinable on the date of issuance and as such in accordance with ASC Topic 815 "*Derivatives and Hedging*" ("ASC 815"), the embedded conversion options of the note were not considered derivative liabilities. The beneficial conversion features of certain convertible notes are at a price below fair market value. The Company recorded interest expense on the debt discount $5,521 and $-0- for the twelve months ended December 31, 2018 and 2017, respectively, in the accompanying consolidated statement of operations.

NOTE 6 – EQUITY TRANSACTIONS

The Company was established with two classes of stock, common stock – 500,000,000 shares authorized at a par value of $0.001 and preferred stock 25,000,000 shares authorized at a par value of $0.001.

On April 14, 2017, an individual converted $16,417 including accrued interest due under the convertible promissory note dated July 14, 2017, into 6,566,608 unregistered shares of the Company's common stock at $.0025 per share to fully satisfy the obligation.

On June 16, 2017, an individual converted $12,846 including accrued interest due under two convertible promissory note dated September 12, 2014 and January 23, 2015, into 5,138,356 unregistered shares of the Company's common stock at $.0025 per share to fully satisfy the obligation.

On October 25, 2017, an individual converted $12,834 including accrued interest due under two convertible promissory note dated March 19, 2015 and April 22, 2015, into 3,208,561 unregistered shares of the Company's common stock at $.004 per share to fully satisfy the obligation.

On January 5, 2018, an individual converted $32,027 including accrued interest due under a convertible promissory note dated July 16, 2014 into 8,006,850 unregistered shares of the Company's common stock at $.004 per share to partially satisfy the obligation. The principle balance of $3,500 remains unpaid under the terms of the convertible promissory note.

On March 8, 2018, an individual converted $6,428 including accrued interest due under a convertible promissory note dated July 16, 2014 into 4,285,614 unregistered shares of the Company's common stock at $.0015 per share to fully satisfy the obligation.

On April 5, 2018, a corporation converted $3,229 including accrued interest due under a convertible promissory note dated August 25, 2015 into 2,152,740 unregistered shares of the Company's common stock at $.0015 per share to partially satisfy the obligation. The principle balance of $2,500 remains unpaid under the terms of the convertible promissory note. As of March 22, 2019, the shares have not been issued to the corporation. The shares are recorded as common stock to be issued in the accompanying balance sheet.

NOTE 7 – RELATED PARTY TRANSACTIONS

During the year ended December 31, 2011, the Company borrowed funds from a stockholder totaling $475,959 to assist with daily operations. On May 31, 2011, the Company agreed to allow $111,687 of these advances to be convertible into shares of the Company stock at $0.0225 per share. As a result of the addition of a conversion option, the modification qualifies for debt extinguishment accounting under ASC 470-50 "Debtor's Accounting for a Modification or Exchange of Debt Instruments". The fair value of the conversion option exceeded the carrying value of the convertible advances resulting in a full discount to the note. As the advances are due on demand, the entire discount of $111,687 was amortized to interest expense during year ended December 31, 2011. The unpaid balance was $364,052 at December 31, 2018 and 2017.

On March 29, 2010 the Company borrowed $100,000 from a stockholder. Terms of the loan is $100,000 payable on June 7, 2010. The Company issued 200,000 shares of common stock in lieu of interest. The loan was not repaid upon maturity, therefore are in default. The note now bears interest rate at 12%. The unpaid balance including accrued interest was $198,499 and $186,663 at December 31, 2018 and 2017, respectively.

On March 29, 2010 the Company borrowed $100,000 from a stockholder. Terms of the loan is $100,000 payable on June 7, 2010. The Company issued 200,000 shares of common stock in lieu of interest. The note bear interest rate at 12%. On July 14, 2014, the Company issued an amended and restated $100,000 promissory note payable to one its stockholders which consolidated, amended and restated the terms of the original $100,000 promissory note dated March 29, 2010 payable to the stockholder. The amended and restated note bears interest at 12% and has a new maturity date of December 31, 2015. In addition, at any time, the holder of the subject note may convert the note into shares of the Company's common stock at an exercise price of $.004 per share. After the due date, the interest rate on the amended note increases to 15%. During October 2014, $25,000 principle was converted into 6,250,000 unregistered shares of the Company's company stock at $.004 per share. The fair market value of the stock was $375,000 or $.06 per share on the date of conversion which resulted in the Company recording a loss on conversion of debt of $350,000 which is included in the accompanying statements of operations. During January and February 2015, $43,333 principle was converted into 10,833,250 unregistered shares of the Company's company stock at $.004 per share. The fair market value of the stock was $378,080 or $.035 per share on the dates of conversion which resulted in the Company recording a loss on conversion of debt of $334,747 which is included in the accompanying statements of operations. On October 15, 2015, an entity converted $6,700 into 1,675,000 shares of Canna's common stock at $.004 per share. The fair market value of the stock was $8,375 or $.005 per share on the date of conversion which resulted in the Company recording a loss on conversion of debt of $1,675. The unpaid balance including accrued interest was $93,269 and $89,524 at December 31, 2018 and 2017, respectively. The Company is not compliant with the repayment terms of the note.

On May 21, 2010 the Company borrowed $5,000 from StarInvest Group, Inc., one of the Company's stockholders. Terms of the loan are non-interest bearing and payable upon demand. The principal balance as of December 31, 2018 and 2017 was $5,000.

The Company's CEO has directly paid to vendors certain expenditures of the Company. The balance due the Company's CEO is $41,197 and recorded as account payable in the accompanying consolidated balance sheet and charged to operating expense in the accompanying consolidated statement of operations.

One of the Company's stockholders has directly paid to vendors certain expenditures of the Company. The balance due the stockholder is $3,568 and recorded as account payable in the accompanying consolidated balance sheet and charged to operating expense in the accompanying consolidated statement of operations.

NOTE 8 – BARTERING CONTRACTS

On July 31, 2017, the Company generated the first revenue from its Loudmouth Media acquisition discussed in Note 2 above. The Company sold $60,000 in advertising as part of a bartering transaction. The bartering contract consists of cash equivalents in the form of travel, accommodations, physical products, services, other advertising etc. towards services performed by the Company.

During the twelve months ended December 31, 2018 and 2017, the Company recognized $-0- and $60,000 revenues for work performed on the bartering transaction. At December 31, 2018, the Company recorded and impairment charge of $24,000 in the accompanying consolidate statement of operations to lower the value of the Bartering asset to fair value. The unused service received of $36,000 was recorded as Barter exchange on the accompanying consolidated balance sheet.

NOTE 9 – SUBSEQUENT EVENT

On December 3, 2018, the Company purchased the assets of Canna Broadcasting Network and Canna News Group for 16,144,056 unregistered shares of the Company's common stock. The shares were valued at $80,720 or $0.005 per share (See Note 2). The subject shares were issued in January 2019.