

Kenergy Scientific, Inc.

Quarterly Report

For the Three- and Nine-Months

ended

September 30, 2018

Disclosure Statement Pursuant to the Pink Basic Disclosure Guidelines

Kenergy Scientific, Inc.

A Wyoming Corporation

410 North Orange Blossom Trail
Orlando, FL 32805

(800) 277-0321

www.paliamentholdingsinc.com

1540 / 6519

Quarterly Report **For the Period Ending: September 30, 2018** (the "Reporting Period")

As of **09/30/2018**, the number of shares outstanding of our Common Stock was: 7,314,391,836

As of **06/30/2018**, the number of shares outstanding of our Common Stock was: 7,314,391,836

As of **12/31/2018**, the number of shares outstanding of our Common Stock was: 4,514,381,836

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

Yes: ☐

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

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

Yes: ☐

No: ☒

Indicate by check mark whether a Change in Control¹ of the company has occurred over this reporting period:

Yes: ☐

No: ☒

¹ "Change in Control" shall mean any events resulting in:

(i) Any "person" (as such term is used in Sections 13(d) and 14(d) of the Exchange Act) becoming the "beneficial owner" (as defined in Rule 13d-3 of the Exchange Act), directly or indirectly, of securities of the Company representing fifty percent (50%) or more of the total voting power represented by the Company's then outstanding voting securities;

(ii) The consummation of the sale or disposition by the Company of all or substantially all of the Company's assets;

(iii) A change in the composition of the Board occurring within a two (2)-year period, as a result of which fewer than a majority of the directors are directors immediately prior to such change; or

(iv) The consummation of a merger or consolidation of the Company with any other corporation, other than a merger or consolidation which would result in the voting securities of the Company outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity or its parent) at least fifty percent (50%) of the total voting power represented by the voting securities of the Company or such surviving entity or its parent outstanding immediately after such merger or consolidation.

1) Name of the issuer and its predecessors (if any)

In answering this item, please also provide any names used by predecessor entities and the dates of the name changes.

The Exact Name of The Issuer Is:

Incorporated November 10, 2004, as SpeechSwitch, Inc.

Name changed as of May 5, 2011, to Kenergy Scientific, Inc.

Date and state (or jurisdiction) of incorporation (also describe any changes to incorporation since inception, if applicable)

Please also include the issuer's current standing in its state of incorporation (e.g. active, default, inactive):

The Company was incorporated on November 10, 2004 under the laws of the state of New Jersey.

On September 28, 2017, the Company was redomiciled to the state of Wyoming.

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

Yes: ☐

No: ☒

2) Security Information

Trading symbol: KNSC
Exact title and class of securities outstanding: Common Stock A
CUSIP: C27539
Par or stated value: None

Total shares authorized: 10,000,000,000 as of date: 09/30/2018
Total shares outstanding: 7,314,381,836 as of date: 09/30/2018
Number of shares in the Public Float²: 4,565,375,586 as of date: 12/27/2019
Total number of shareholders of record: 813 as of date: 12/27/2019

Additional class of securities (if any):

Trading symbol: -----
Exact title and class of securities outstanding: Common Stock B
CUSIP: N/A
Par or stated value: \$0.01
Total shares authorized: 50,000,000 as of date: 09/30/2018
Total shares outstanding Common Stock "B": 10,000 as of date: 09/30/2018

Trading symbol: -----
Exact title and class of securities outstanding: Common Stock C
CUSIP: N/A
Par or stated value: \$0.01
Total shares authorized: 1,000,000 as of date: 09/30/2018
Total shares outstanding Common Stock "C": -0- as of date: 09/30/2018

Transfer Agent

Name: Pacific Stock Transfer
Phone: (800) 785-7782
Email: info@pacificstocktransfer.com

² "Public Float" shall mean the total number of unrestricted shares not held directly or indirectly by an officer, director, any person who is the beneficial owner of more than 10 percent of the total shares outstanding (a "control person"), or any affiliates thereof, or any immediate family members of officers, directors and control persons.

Is the Transfer Agent registered under the Exchange Act?³ Yes: ☒ No: ☐

Describe any trading suspension orders 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

3) Issuance History

The goal of this section is to provide disclosure with respect to each event that resulted in any direct changes to the total shares outstanding of any class of the issuer's securities **in the past two completed fiscal years and any subsequent interim period**.

Disclosure under this item shall include, 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. Using the tabular format below, please describe these events.

A. Changes to 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 12/31/2016		Opening Balance: Common: <u>6,579,475,174</u> Preferred: <u>-0-</u>		*Right-click the rows below and select "Insert" to add rows as needed.					
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/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 debt conversion) OR Nature of Services Provided (if applicable)	Restricted or Unrestricted as of this filing?	Exemption or Registration Type?
05/05/2017	<u>New Issuance</u>	325,000,000	Common A	<u>\$0.00062</u>	No	<u>Darling Capital / Yahuda Marrus</u>	Debt Conversion	Restricted	4(2)
07/26/2017	<u>New Issuance</u>	105,000,000	Common A	<u>\$ 0.0002</u>	No	<u>Riron / Rafael Pascual</u>	Debt Conversion	Restricted	4(2)
08/18/2017	<u>New Issuance</u>	126,338,983	Common A	<u>\$ 0.0002</u>	No	<u>Southridge Capital / Stephen Hicks</u>	Conversion of Preferred Shares	Restricted	4(2)
09/25/2017	<u>New Issuance</u>	178,571,429	Common A	<u>\$ 0.0002</u>	No	<u>Southridge Capital / Stephen Hicks</u>	Conversion of Preferred Shares	Restricted	4(2)
Shares Outstanding 12/31/2017		Ending Balance: Common A: <u>7,314,385,586</u> Common B: <u>10,000</u> Common C: <u>-0-</u>							
02/20/2018	<u>New Issuance</u>	6,250	Common A	<u>\$ 0.8000</u>	No	<u>Phyllis Tetzlaff</u>	Stock Purchase	Restricted	4(2)

³ To be included in the Pink Current Information tier, the transfer agent must be registered under the Exchange Act.

Shares Outstanding 12/31/2018	Ending Balance: Common A: <u>7,314,391,836</u> Common B: <u>10,000</u> Common C: <u>-0-</u>								
05/29/2019	Cancellation & Exchange	(3,200,000,000)	Common A	<u>None</u>	No	<u>MJ Holdings Corp. / Jessica Miller</u>	Compensation	Restricted	4(2)
8/21/19	<u>Exchange</u>	49,990,000	Common B	<u>None</u>	No	<u>Erwin Vahlsing</u>	Compensation	Restricted	4(2)
8/21/19	<u>Exchange</u>	1,000,000	Common C	<u>None</u>	No	<u>Erwin Vahlsing</u>	Compensation	Restricted	4(2)
10/14/2019	New Issuance	400,000,000	Common A	<u>\$ 0.001</u>	No	<u>MJ Holdings Corp. / Jessica Miller</u>	Compensation	Restricted	4(2)
Shares Outstanding on 12/27/2019	Ending Balance: Common A: <u>4,514,381,836</u> Common B: <u>50,000,000</u> Common C: <u>1,000,000</u>								

Example: A company with a fiscal year end of December 31st, in addressing this item for its quarter ended September 30, 2018, would include any events that resulted in changes to any class of its outstanding shares from the period beginning on January 1, 2016 through September 30, 2018 pursuant to the tabular format above.

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

B. Debt Securities, Including Promissory and Convertible Notes

Use the chart and additional space below to list and describe 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, 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 Issue (e.g. Loan, Services, etc.)
05/07/2013	<u>\$ 300,045</u>	<u>\$ 300,045</u>	<u>\$ 24,158</u>	<u>Demand</u>	<u>Conversion at 60% market price</u>	<u>Kenneth Glynn</u>	<u>Services</u>
05/07/2013	<u>\$ 66,316</u>	<u>\$ 66,316</u>	<u>\$ 32,681</u>	<u>Demand</u>	<u>Note and accrued interest due on demand</u>	<u>Kenneth Glynn</u>	<u>Loan</u>
05/07/2013	<u>\$ 6,396</u>	<u>\$ 6,396</u>	<u>\$ 1,631</u>	<u>Demand</u>	<u>Note and accrued interest due on demand</u>	<u>Kenneth Glynn</u>	<u>Loan</u>
05/07/2013	<u>\$ 20,147</u>	<u>\$ 20,147</u>	<u>\$ 5,137</u>	<u>Demand</u>	<u>Note and accrued interest due on demand</u>	<u>Kenneth Glynn</u>	<u>Loan</u>
05/07/2013	<u>\$ 75,000</u>	<u>\$ 75,000</u>	<u>\$ 60,652</u>	<u>Demand</u>	<u>Note and accrued interest due on demand</u>	<u>Kenneth Glynn</u>	<u>Loan</u>
05/07/2013	<u>\$ 59,159</u>	<u>\$ 59,159</u>	<u>\$ 15,086</u>	<u>Demand</u>	<u>Note and accrued interest due on demand</u>	<u>Kenneth Glynn</u>	<u>Services</u>

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

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 of individual)⁴:

Name: Erwin Vahlsing, Jr.
Title:
Relationship to Issuer: President, Accountant

Provide the financial statements described below for the most recent fiscal year or quarter. For the initial disclosure statement (qualifying for Pink Current Information for the first time) please provide reports for the two previous fiscal years and any subsequent interim periods.

- C. Balance sheet;
- D. Statement of income;
- E. Statement of cash flows;
- F. Financial notes; and
- G. Audit letter, if audited

You may either (i) attach/append the financial statements to this disclosure statement or (ii) file the financial statements through OTCIQ as a separate report using the appropriate report name for the applicable period end. ("Annual Report," "Quarterly Report" or "Interim Report").

If you choose to publish the financial statements in a separate report as described above, you must state in the accompanying disclosure statement that such financial statements are incorporated by reference. You may reference the document(s) containing the required financial statements by indicating the document name, period end date, and the date that it was posted to OTCIQ in the field below.

The Company's financial statements are incorporated herein.

Financial statement information is considered current until the due date for the subsequent report (as set forth in the qualifications section above). To remain qualified for Current Information, a company must post its Annual Report within 90 days from its fiscal year-end date and Quarterly Reports within 45 days of each fiscal quarter-end date.

5) Issuer's Business, Products and Services

The purpose of this section is to provide a clear description of the issuer's current operations. In answering this item, please include the following:

A. Summarize the issuer's business operations (If the issuer does not have current operations, state "no operations")

From early 2015 to May 2017 the Company operated a series of Hibachi Grill locations. Due to the complexity and interference caused by being a public company, these operations were spun back out to the original owner, who had remained the managing operator of these locations.

In June 2017, the Company entered into extensive negotiations with Parliament Partners, Inc. ("Parliament") which manages various hotel and resort properties to negotiate Parliament Partners in a properly structured transaction. In November 2017, the Company acquired Parliament Holdings, Inc. which has a management contract with Parliament Partners, Inc. as well as the right of first refusal to acquire all properties connected with Parliament House operations and future development.

B. Describe any subsidiaries, parents, or affiliated companies, if applicable, and a description of their business contact information for the business, officers, directors, managers or control persons. Subsidiary information may be included by reference

NONE

The Company is not currently subject to any legal action or in default of any debt covenants.

⁴ The financial statements requested pursuant to this item must be prepared in accordance with US GAAP or IFRS by persons with sufficient financial skills.

A. The form of organization of the Issuer:

Kenergy Scientific Inc. is a Wyoming corporation

B. The Year that the Issuer (or predecessor was organized):

The Company was incorporated on November 10, 2004 as SpeechSwitch, Inc. as a wholly owned subsidiary of iVoice, Inc. under the laws of the state of New Jersey.

On May 5, 2011, the Company changed its name to Kenergy Scientific, Inc.

On September 28, 2017, the Company redomiciled the corporation to Wyoming.

The Company's fiscal year end is 12/31

C. Describe the issuers' principal products or services, and their markets

The Company operates under SIC Code – 7011

6) Issuer's Facilities

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

In responding to this item, please clearly describe the assets, properties or facilities of the issuer, give the location of the principal plants and other property of the issuer and describe the condition of the properties. If the issuer does not have complete ownership or control of the property (for example, if others also own the property or if there is a mortgage on the property), describe the limitations on the ownership.

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

Corporate Office:
Kenergy Scientific, Inc.
410 North Orange Blossom Trail
Orlando, FL 32805

7) Officers, Directors, and Control Persons

The goal of this section is to provide an investor with a clear understanding of the identity of all the persons or entities that are involved in managing, controlling or advising the operations, business development and disclosure of the issuer, as well as the identity of any significant or beneficial shareholders.

Using the tabular format below, please provide information regarding any person or entity owning 5% of more of the issuer, as well as any officer, and any director of the company, regardless of the number of shares they own. **If any listed are corporate shareholders or entities, provide 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 or 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	Note
<u>Erwin Vahlsing, Jr.</u>	<u>President / CFO / Director</u>	<u>Johnston, RI</u>	<u>49,990,000</u> <u>1,000,000</u>	<u>Common B</u> <u>Common C</u>	<u>99.8%</u> <u>100.0%</u>	<u>*See footnote below</u>

* In May of 2019, the Company cancelled 3,200,000,00 Common A shares held by Mr. Vahlsing in exchange for the August 2019 issuance of 50,000,000 Common B and 1,000,000 Common A shares.

8) Legal/Disciplinary History

A. Please identify whether any of the persons listed above have, in the past 10 years, been the subject of:

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

NONE

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;

NONE

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

NONE

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.

NONE

B. Describe briefly any material pending legal proceedings, other than ordinary routine litigation incidental 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 proceedings known to be contemplated by governmental authorities.

NONE

9) Third Party Providers

Please provide the name, address, telephone number and email address of each of the following outside providers:

Securities Counsel

Name:	<u>Andrew Coldicutt Esq.</u>
Firm:	<u>Law Offices of Andrew Coldicutt</u>
Address 1:	<u>1220 Rosencrans Street, PMB 258</u>
Address 2:	<u>San Diego, CA 92106</u>
Phone:	<u>(646) 838-1310</u>
Email:	<u>andrew@coldicuttlaw.com</u>

Accountant or Auditor

Name: _____
Firm: _____
Address 1: _____
Address 2: _____
Phone: _____
Email: _____

Investor Relations Consultant

Name: _____
Firm: _____
Address 1: _____
Address 2: _____
Phone: _____
Email: _____

Other Service Providers

Provide the name of any 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 issuer during the reporting period.

Name: _____
Firm: _____
Nature of Services: _____
Address 1: _____
Address 2: _____
Phone: _____
Email: _____

Name: _____
Firm: _____
Nature of Services: _____
Address 1: _____
Address 2: _____
Phone: _____
Email: _____

Item 3. Quarterly Financial Statements

Unaudited Balance Sheets at September 30, 2018 and December 31, 2017	F-1
Unaudited Statements of Operations for the three- and nine-month periods ending September 30, 2018 and 2017	F-2
Unaudited Statements of Stockholders Equity for the nine-month periods ending September 30, 2018 and the year ending December 31, 2017	F-3
Unaudited Consolidated Statements of Cash Flows for the nine-month periods ending September 30, 2018 and 2017	F-4
Notes to the Unaudited Consolidated Financial Statements	F-5 to F-12

KENERGY SCIENTIFIC, INC.
BALANCE SHEETS
(Unaudited)

	September 30, 2018	December 31, 2017
<u>ASSETS</u>		
Current assets:		
Cash	\$ 30,626	\$ 52,918
Inventory	7,520	8,500
Total current assets	38,146	61,418
Fixed and intangible assets, net	-	-
Other assets:		
Deposits	10,000	10,000
Total other assets	10,000	10,000
Total assets	\$ 48,146	\$ 71,418
<u>LIABILITIES AND STOCKHOLDERS DEFICIT</u>		
Current liabilities:		
Accounts payable and accrued expenses	\$ 199,554	\$ 239,770
Accrued interest	158,082	186,513
Notes payable	227,018	237,854
Convertible promissory notes (net of debt discount of \$0 and \$0, respectively)	300,045	300,045
Derivative instrument liability	376,082	736,280
Total current liabilities	1,260,781	1,700,462
Total long-term liabilities	-	-
Total liabilities	1,260,781	1,700,462
Commitments and contingencies	-	-
Stockholders' deficit		
Preferred stock - \$1.00 par value, authorized - 1,000,000 shares; -0- and -0- issued and outstanding, respectively	-	-
Class A Common Stock - no par value; 10,000,000,000 shares authorized; issued and outstanding 7,314,391,836 and 7,314,385,586 shares, respectively	13,225,419	13,220,419
Class B Common Stock - \$0.01par value; 50,000,000 shares authorized; issued and outstanding 10,000 and 10,000 shares, respectively	100	100
Class C Common Stock - \$0.01par value; 20,000,000 shares authorized; issued and outstanding -0- and -0- shares, respectively	-	-
Additional paid-in capital	1,912,144	1,912,144
Accumulated deficit	(16,350,298)	(16,761,706)
Total stockholders' deficit	(1,212,635)	(1,629,044)
Total liabilities and stockholders' deficit	\$ 48,146	\$ 71,418

See accompanying notes to the financial statements

KENERGY SCIENTIFIC, INC.
STATEMENTS OF OPERATIONS
(Unaudited)

	For the three months ended September 30, 2018	September 30, 2017	For the nine months ended September 30, 2018	September 30, 2017
Revenues	\$ 1,124,729	\$ -	\$ 3,992,799	\$ 1,177,204
Cost of Sales				
Cost of goods sold	778,604	-	2,803,623	440,550
Gross profit	346,125	-	1,189,176	736,654
Operating expenses:				
Restaurant operational expenses:	8,711	-	40,693	7,621
General and administrative	327,429	15,701	944,185	589,555
Depreciation and amortization	-	-	-	6,704
Total operating expenses	336,140	15,701	984,878	603,880
Profit from operations	9,985	(15,701)	204,298	132,774
Other Income / (Expense):				
Interest expense	-	(25,461)	(3,160)	(40,719)
Gain (Loss) on change in value of derivative liability	26,682	(490,715)	360,198	(92,539)
Gain (Loss) on debt write-off	(11,401)	268,424	(149,927)	268,424
Total other income / (expense)	15,281	(247,752)	207,111	135,166
Net profit applicable to common stockholders	<u>\$ 25,266</u>	<u>\$ (263,453)</u>	<u>\$ 411,409</u>	<u>\$ 267,940</u>
Per share data				
Net Profit per share - basic and diluted	<u>\$ 0.00</u>	<u>\$ (0.00)</u>	<u>\$ 0.00</u>	<u>\$ 0.00</u>
Weighted average number of shares outstanding- basic and diluted	<u>7,314,391,836</u>	<u>7,219,316,890</u>	<u>7,314,390,075</u>	<u>6,919,470,148</u>

See accompanying notes to the financial statements

KENERGY SCIENTIFIC, INC.
STATEMENTS OF STOCKHOLDERS' DEFICIT

	Preferred Stock (\$1.00 par value)		Common Stock A (\$0 par value)		Common Stock B (\$0.01 par value)		Additional Paid-In Capital	Accumulated Deficit	Total Stockholders' Deficit
	Shares	Amount	Shares	Amount	Shares	Amount			
<u>Balance, December 31, 2016</u>	<u>62,270</u>	<u>\$ 62,270</u>	<u>6,684,465,174</u>	<u>\$ 13,148,300</u>	<u>10,000</u>	<u>\$ 100</u>	<u>\$ 1,912,144</u>	<u>\$ (17,085,681)</u>	<u>\$ (1,962,867)</u>
Issuance of stock for:									
Conversion of debentures			325,000,000	9,849					9,849
Conversion of Pfd to Common	(62,270)	(62,270)	304,910,412	62,270					-
Correction of retained earnings								(100,000)	(100,000)
Net Profit		-		-		-		423,975	423,975
<u>Balance, December 31, 2017</u>	<u>-</u>	<u>-</u>	<u>7,314,375,586</u>	<u>13,220,419</u>	<u>10,000</u>	<u>100</u>	<u>1,912,144</u>	<u>(16,761,706)</u>	<u>(1,629,044)</u>
									-
Issuance of stock for:									
Sale of Common A shares			6,250	5,000					5,000
Net Profit		-		-		-		411,409	411,409
<u>Balance, September 30, 2018</u>	<u>-</u>	<u>\$ -</u>	<u>7,314,381,836</u>	<u>\$ 13,225,419</u>	<u>10,000</u>	<u>\$ 100</u>	<u>\$ 1,912,144</u>	<u>\$ (16,350,298)</u>	<u>\$ (1,212,635)</u>

See accompanying notes to the financial statements

KENERGY SCIENTIFIC, INC.
STATEMENTS OF CASH FLOWS
(Unaudited)

	For the nine months ended	
	September 30, 2018	September 30, 2017
Cash flows from operating activities:		
Net profit	\$ 411,409	\$ 267,940
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation and amortization	-	6,704
Loss (gain) on settlement of debt	-	(268,424)
Change in fair value of derivative liability	(360,198)	92,539
Changes in operating asset and liability account balances:		
Inventory	980	5,452
Accrued interest	(28,431)	(75,149)
Accounts payable and accrued expenses	(40,216)	44,703
Total adjustments	(427,865)	(194,175)
Net cash used in operating activities	(16,456)	73,765
Cash flows from investing activities		
Net change from divesture of fixed assets	-	-
Net cash used in investing activities	-	-
Cash flows from financing activities:		
Proceeds from sale of stock	5,000	-
Payments of notes payable	(10,836)	(158,475)
Net cash provided by financing activities	(5,836)	(158,475)
Net increase (decrease) in cash	(22,292)	(84,710)
Cash at beginning of period	52,918	84,785
Cash at end of period	\$ 30,626	\$ 75
Supplemental Schedule of Cash Flow Information:		
Cash paid for interest	\$ -	\$ -
Cash paid for income taxes	\$ -	\$ -
Supplemental Schedules of Noncash Investing and Financing Activities:		
Conversion of notes payable and accrued interest into common stock	\$ -	\$ 9,849
Conversion of preferred stock to common stock	\$ -	\$ -

See accompanying notes to the financial statements

Kenergy Scientific, Inc.
Notes to the Consolidated Financial Statements
For the nine months ended September 30, 2018 and 2017

1. Organization and Nature of Operations

Organization

Kenergy Scientific, Inc. (f/k/a SpeechSwitch, Inc.) (“Kenergy Scientific” or the “Company”, “we”, “us” or “our”) was incorporated in New Jersey on November 10, 2004 as a wholly owned subsidiary of iVoice, Inc. On January 10, 2005, the Company filed a name change with the State of New Jersey, renaming the Company as Kenergy Scientific, Inc.

On September 22, 2017, the Company was redomiciled to the State of Wyoming.

Nature of Business

Beginning in 2015, the Company’s controlling interest was acquired by an accredited investor, the owner and operator of a growing chain of Hibachi Grills and Noodle Bars located in the Miami, Florida region. The Company had 2 locations.

In May 2017 the owner and operator of the Hibachi Grill operations, determined that operations were impaired by being public and in the best interest of the company to reverse out of the public entity. The decision was based on the fact that the owner and operator found the requirements of operating a public entity were too complex and diverting attention from the day to day operations of the business. By mutual agreement, he surrendered the shares he had acquired to an escrow account to be held for future acquisition possibilities. During May 2017, the Company began exploring the potential acquisition of Parliament Partners, Inc. (“Parliament”). Subsequently, both the Hibachi Grill and the Company agreed that in exchange for the surrender of all shares (both common and preferred), on June 30, 2017, the Company returned all assets and liabilities connected with the Hibachi Grill and Noodle Bar, thereby terminating their operations as part of the Company.

Beginning in June 2017, the Company entered into extensive negotiations with Parliament to assure that all companies managed by and related to Parliament Partners would be acquired in a properly structured transaction. With all entities connected to Parliament having net asset values of over \$13 million and annual revenue of over \$6.0 million, it has taken longer to complete the structuring of the transaction than originally indicated in our press release. Effective November 1, 2017, the Company acquired Parliament Holdings, Inc. which has a management contract with Parliament Partners, Inc. as well as the right of first refusal to acquire all properties connected with the Parliament House operations and future developments.

2. Going Concern

The unaudited consolidated financial statements have been prepared on a going concern basis, which implies that the Company will continue to realize its assets and discharge its liabilities in the normal course of business. As of September 30, 2018, the Company had an accumulated deficit of \$16,350,298 and negative working capital of \$1,222,635. The continuation of the Company as a going concern is dependent upon the continued financial support from its management, and its ability to identify future investment opportunities, obtain the necessary debt or equity financing, and generating profitable operations from the Company’s future operations. However, there can be no assurance that these arrangements will be sufficient to fund its ongoing capital expenditures, working capital, and other cash requirements. The outcome of these matters cannot be predicted at this time and there are no assurances that if achieved, the Company will have sufficient funds to execute its business plan or generate positive operating results.

These matters, among others raise substantial doubt about the of the Company to continue as a going concern. These consolidated financial statements do not include any adjustments to the amounts and classification of assets and liabilities that may be necessary should the Company be unable to continue as a going concern.

3. Summary of Significant Accounting Policies

a. Basis of Presentation

The financial statements of the Company have been prepared in accordance with US GAAP and are expressed in U.S. dollars. All inter-company accounts and transactions have been eliminated.

The Company's fiscal year end is December 31.

b. Reclassification

Certain reclassifications have been made to conform the prior period data to the current presentation. These reclassifications had no effect on reported net loss.

c. Use of Estimates

The preparation of financial statements in conformity with US GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. The Company regularly evaluates estimates and assumptions related to the deferred income tax asset valuation allowances. The Company bases its estimates and assumptions on current facts, historical experience and various other factors that it believes to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities and the accrual of costs and expenses that are not readily apparent from other sources. The actual results experienced by the Company may differ materially and adversely from the Company's estimates. To the extent there are material differences between the estimates and the actual results, future results of operations will be affected.

d. Cash and Cash Equivalents

For purposes of the statement of cash flows, cash includes demand deposits, saving accounts and money market accounts. The Company considers all highly liquid instruments with maturities of three months or less when purchased to be cash equivalents.

e. Accounts receivable and concentration of credit risk

The Company carries no accounts receivable for the periods reported herein. This has currently eliminated the risk of default in the collection of accounts receivable. In addition, our concentration risk, which is evaluated on a quarterly basis is currently nil.

f. Allowance for doubtful accounts

The allowance for doubtful accounts is based on the Company's assessment of the collectability of customer accounts and the aging of the accounts receivable. The Company regularly reviews the adequacy of the Company's allowance for doubtful accounts through identification of specific receivables where it is expected that payments will not be received. The Company also establishes an unallocated reserve that is applied to all amounts that are not specifically identified. In determining specific receivables where collections may not have been received, the Company reviews past due receivables and gives consideration to prior collection history and changes in the customer's overall business condition. The allowance for doubtful accounts reflects the Company's best estimate as of the reporting dates.

At September 30, 2018 and 2017, the Company had an allowance for bad debts in the amount of \$0 and \$0, respectively.

g. Basic and Diluted Net Loss per Share

The Company computes net loss per share in accordance with ASC 260, Earnings per Share. ASC 260 requires presentation of both basic and diluted earnings per share (“EPS”) on the face of the income statement. Basic EPS is computed by dividing net loss available to common shareholders (numerator) by the weighted average number of shares outstanding (denominator) during the period. Diluted EPS gives effect to all dilutive potential shares of common stock outstanding during the period using the treasury stock method and convertible preferred stock using the if-converted method. In computing diluted EPS, the average stock price for the period is used in determining the number of shares assumed to be purchased from the exercise of stock options or warrants. Diluted EPS excludes all dilutive potential shares if their effect is anti-dilutive.

h. Financial Instruments

Pursuant to ASC 820, Fair Value Measurements and Disclosures, an entity is required to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. ASC 820 establishes a fair value hierarchy based on the level of independent, objective evidence surrounding the inputs used to measure fair value. A financial instrument’s categorization within the fair value hierarchy is based upon the lowest level of input that is significant to the fair value measurement. ASC 820 prioritizes the inputs into three levels that may be used to measure fair value:

Level 1 applies to assets or liabilities for which there are quoted prices in active markets for identical assets or liabilities.

Level 2 applies to assets or liabilities for which there are inputs other than quoted prices that are observable for the asset or liability such as quoted prices for similar assets or liabilities in active markets; quoted prices for identical assets or liabilities in markets with insufficient volume or infrequent transactions (less active markets); or model-derived valuations in which significant inputs are observable or can be derived principally from, or corroborated by, observable market data.

Level 3 applies to assets or liabilities for which there are unobservable inputs to the valuation methodology that are significant to the measurement of the fair value of the assets or liabilities.

The Company did not have any Level 2 or Level 3 assets or liabilities as of December 31, 2018, with the exception of its notes payable. The carrying amounts of these liabilities at December 31, 2018 approximate their respective fair value based on the Company’s incremental borrowing rate.

Cash is considered to be highly liquid and easily tradable as of December 31, 2018 and therefore classified as Level 1 within our fair value hierarchy.

In addition, FASB ASC 825-10-25 Fair Value Option, or ASC 825-10-25, was effective for January 1, 2008. ASC 825-10-25 expands opportunities to use fair value measurements in financial reporting and permits entities to choose to measure many financial instruments and certain other items at fair value. The Company did not elect the fair value options for any of its qualifying financial instruments.

i. Convertible Instruments

The Company evaluates and accounts for conversion options embedded in its convertible instruments in accordance with professional standards for “Accounting for Derivative Instruments and Hedging Activities”.

Professional standards generally provide three criteria that, if met, require companies to bifurcate conversion options from their host instruments and account for them as free standing derivative financial instruments.

These three criteria include circumstances in which (a) the economic characteristics and risks of the embedded derivative instrument are not clearly and closely related to the economic characteristics and risks of the host contract, (b) the hybrid instrument that embodies both the embedded derivative instrument and the host contract is not re-measured at fair value under otherwise applicable generally accepted accounting principles with changes in fair value reported in earnings as they occur and (c) a separate instrument with the same terms as the embedded derivative instrument would be considered a derivative instrument. Professional standards also provide an exception to this rule when the host instrument is deemed to be conventional as defined under professional standards as “The Meaning of “Conventional Convertible Debt Instrument”.

The Company accounts for convertible instruments (when it has determined that the embedded conversion options should not be bifurcated from their host instruments) in accordance with professional standards when “Accounting for Convertible Securities with Beneficial Conversion Features,” as those professional standards pertain to “Certain Convertible Instruments.” Accordingly, the Company records, when necessary, discounts to Convertible Debentures for the intrinsic value of conversion options embedded in debt instruments based upon the differences between the fair value of the underlying common stock at the commitment date of the note transaction and the effective conversion price embedded in the note. Debt discounts under these arrangements are amortized over the term of the related debt to their earliest date of redemption. The Company also records when necessary deemed dividends for the intrinsic value of conversion options embedded in preferred shares based upon the differences between the fair value of the underlying common stock at the commitment date of the note transaction and the effective conversion price embedded in the note.

ASC 815-40 provides that, among other things, generally, if an event is not within the entity’s control could or require net cash settlement, then the contract shall be classified as an asset or a liability.

j. Derivative Liabilities

The Company assessed the classification of its derivative financial instruments as of September 30, 2018, which consist of convertible instruments and rights to shares of the Company’s common stock and determined that such derivatives meet the criteria for liability classification under ASC 815.

ASC 815 generally provides three criteria that, if met, require companies to bifurcate conversion options from their host instruments and account for them as free standing derivative financial instruments. These three criteria include circumstances in which (a) the economic characteristics and risks of the embedded derivative instrument are not clearly and closely related to the economic characteristics and risks of the host contract, (b) the hybrid instrument that embodies both the embedded derivative instrument and the host contract is not re-measured at fair value under otherwise applicable generally accepted accounting principles with changes in fair value reported in earnings as they occur and (c) a separate instrument with the same terms as the embedded derivative instrument would be considered a derivative instrument subject to the requirements of ASC 815. ASC 815 also provides an exception to this rule when the host instrument is deemed to be conventional, as described.

k. Revenue Recognition

The Company recognizes revenue in accordance with ASC-605, “Revenue Recognition,” which requires that four basic criteria must be met before revenue can be recognized: (1) persuasive evidence of an arrangement exists; (2) delivery has occurred or title has passed; (3) the selling price is fixed and determinable; and (4) collectability is reasonably assured. Determination of criteria (3) and (4) are based on management's judgments regarding the fixed nature of the selling prices of the products delivered and the collectability of those amounts.

Revenues are recognized (a) for larger construction type projects based on the percentage of completion method; or (b) for direct sales of products, upon shipment, provided that a signed purchase order has been received, the price is fixed, title has transferred, collection of resulting receivables is reasonably assured, and there are no remaining significant obligations. Reserves for sales returns and allowances, based on historical levels of returns and discounts, current economic trends and changes in customer demand.

Provisions for discounts and rebates to customers, estimated returns and allowances, and other adjustments are provided for in the same period the related sales are recorded. The Company will defer any revenue for which the product has not been delivered or is subject to refund until such time that the Company and the customer jointly determine that the product has been delivered or no refund will be required.

l. Contingencies

The Company follows ASC 450-20, Loss Contingencies, to report accounting for contingencies. Liabilities for loss contingencies arising from claims, assessments, litigation, fines and penalties and other sources are recorded when it is probable that a liability has been incurred and the amount of the assessment can be reasonably estimated. There were no commitments or contingencies as of September 30, 2018 and 2017.

m. Income Taxes

Income taxes are accounted for under the asset and liability method. Deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases and operating loss and tax credit carry forwards. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date. A valuation allowance is provided for deferred tax assets if it is more likely than not these items will either expire before the Company is able to realize their benefits, or that future deductibility is uncertain.

The Company also follows the guidance related to accounting for income tax uncertainties. In accounting for uncertainty in income taxes, the Company recognizes the financial statement benefit of a tax position only after determining that the relevant tax authority would more likely than not sustain the position following an audit. For tax positions meeting the more likely than not threshold, the amount recognized in the financial statements is the largest benefit that has a greater than 50% likelihood of being realized upon ultimate settlement with the relevant tax authority. No liability for unrecognized tax benefits was recorded as of September 30, 2018 and December 31, 2017.

n. Stock-Based Compensation

The Company records stock-based compensation at fair value as of the date of grant and recognizes the corresponding expense over the requisite service period (usually the vesting period), utilizing the Black-Scholes option-pricing model. The volatility component of the calculation is based on the historic volatility of the Company's stock or the expected future volatility. The expected life assumption is primarily based on historical exercise patterns and employee post-vesting termination behavior. The risk-free interest rate for the expected term of the option is based on the U.S. Treasury yield curve in effect at the time of grant.

o. Inventory

The Company follows FASB ASC 330, "Inventory". Inventories are stated at the lower of cost or market. The cost of inventories comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. The costs of conversion of inventories include raw materials and direct labor and fixed and variable production overheads, taking into account the stage of completion and the normal capacity of production facilities. The cost of inventories is determined using the first-in, first-out (FIFO) method. Inventory is kept to a minimum due to the potential for spoilage. For the nine months ended September 30, 2018 and December 31, 2017, the Company did not record any write off due to spoilage as part of the cost of sales and does not maintain separate records for those amounts.

p. Recently Adopted Accounting Pronouncements

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

q. Related Party Transactions

Parties are considered to be related to the Company if the parties that, directly or indirectly, through one or more intermediaries, control, are controlled by, or are under common control with the Company. Related parties also include principal owners of the Company, its management, members of the immediate families of principal owners of the Company and its management and other parties with which the Company may deal if one party controls or can significantly influence the management or operating policies of the other to an extent that one of the transacting parties might be prevented from fully pursuing its own separate interests. The Company discloses all related party transactions. All transactions shall be recorded at fair value of the goods or services exchanged. Property purchased from a related party is recorded at the cost to the related party and any payment to or on behalf of the related party in excess of the cost is reflected as a distribution to the related party.

The Company considers all officers, directors, senior management personnel, and senior level consultants to be related parties to the Company.

4. Notes Payable and Convertible Debentures

Notes Payable

The Company has notes payable due to various parties totaling \$227,018 and \$237,854 at September 30, 2018 and December 31, 2017, respectively.

Convertible Debt

The Company has convertible debentures due to various parties totaling \$300,045 and \$300,045 at September 30, 2018 and December 31, 2017, respectively.

At September 30, 2018 and December 31, 2017, the Company has accrued interest of \$158,082 and \$186,513, respectively.

5. Convertible Debt and Derivative Liabilities

On June 15, 2011, the Company entered into a convertible debenture in the amount of \$20,000 with an accredited institutional investor. The debenture carries interest at a rate of 5% per annum. The debenture is convertible at 50% of the market price at time of conversion.

On March 2, 2012, the Company entered into a convertible debenture in the amount of \$70,450 with an accredited institutional investor. The debenture carries interest at a rate of 5% per annum. The debenture is convertible at 70% of the lowest trading price in the 20 trading days prior to conversion.

On June 26, 2013, the Company entered into a convertible debenture in the amount of \$219,677 on conversion deferred compensation. The debenture carries interest at a rate of 5% per annum. The debenture is convertible at 50% of the market price at time of conversion.

At September 30, 2018 and December 31, 2017 convertible notes and debentures consisted of the following:

	September 30, 2018	December 31, 2017
Convertible notes payable	\$ 300,045	\$ 300,045
Unamortized debt discount	-	-
Carrying amount	\$ 300,045	\$ 300,045
Less: current portion	(300,045)	(300,045)
Long-term convertible notes, net	\$ -	\$ -

At various times, the Company entered into Convertible Promissory Notes on various terms with accredited institutional investors. The debentures are convertible at the discounts of between fifty percent (50%) and seventy percent (70%) of the market price of the Company's Common Stock on the date of conversion.

The following table summarizes the debt discounts recorded on convertible debt.

	September 30, 2018	December 31, 2017
Debt Discount beginning balance	\$ -	\$ -
Additions	-	-
Amortization	-	-
Ending Balance	\$ -	\$ -

During the nine months ended September 30, 2018 and the year ended December 31, 2017, there were no conversions.

The Company identified embedded derivatives related to the Convertible Promissory Notes entered into in the years ended December 31, 2011, 2012, and 2013. These embedded derivatives included certain conversion features as described in the preceding paragraph. The accounting treatment of derivative financial instruments requires that the Company record the fair value of the derivatives as of the inception date of the Convertible Promissory Note and to adjust the fair value as of each subsequent balance sheet date. At the inception of the Convertible Promissory Notes, the Company determined a fair value of the embedded derivative. The fair value of the embedded derivative was determined using the Black-Scholes Model.

6. Stockholders' Equity

a) Authorized

Authorized capital stock consists of:

Stock Type	Par Value	Authorized Shares
Common Stock A	No par value	10,000,000,000
Common Stock B	\$ 0.01	50,000,000
Common Stock C	\$ 0.01	20,000,000
Preferred	\$ 1.00	1,000,000

b) Share Issuances

During the period ended September 30, 2018, the Company recorded the following issuances of common shares as issued to the Transfer Agent. The dates refer to the period the issuances tack back to rather than the date the shares were finally issue:

None

7. Commitments and Contingencies

Litigation

The Company may, from time to time, become involved in various lawsuits and legal proceedings, which arise in the ordinary course of business. However, litigation is subject to inherent uncertainties, and an adverse result in these or other matters may arise from time to time that may harm our business. The Company is currently not aware of any such legal proceedings that it believes will have, individually or in the aggregate, a material adverse effect on its earnings.

8. Subsequent Events

We have evaluated subsequent events through the date of issuance of the unaudited consolidated financial statements, and below are the material recognizable subsequent events.

- In May 2019, the Company cancelled 3,200,000 shares of Common A shares that had been transferred to our President from the previous President. The shares were cancelled in exchange for allotments of Common B and Common C shares.
- In August 2019, the Company issued the exchange shares referenced above as follows:
 - Common B shares 49,990,000
 - Common B shares 1,000,000

Overview & General History

Organization

Kenergy Scientific, Inc. (f/k/a SpeechSwitch, Inc.) (“Kenergy Scientific” or the “Company”, “we”, “us” or “our”) was incorporated in New Jersey on November 10, 2004 as a wholly owned subsidiary of iVoice, Inc. On January 10, 2005, the Company filed a name change with the State of New Jersey, renaming the Company as Kenergy Scientific, Inc.

On September 22, 2017, the Company was redomiciled to the State of Wyoming.

Nature of Business

Beginning in 2015, the Company’s controlling interest was acquired by an accredited investor, the owner and operator of a growing chain of Hibachi Grills and Noodle Bars located in the Miami, Florida region. The Company had 2 locations.

In May 2017 the owner and operator of the Hibachi Grill operations, determined that operations were impaired by being public and in the best interest of the company to reverse out of the public entity. The decision was based on the fact that the owner and operator found the requirements of operating a public entity were too complex and diverting attention from the day to day operations of the business. By mutual agreement, he surrendered the shares he had acquired to an escrow account to be held for future acquisition possibilities. During May 2017, the Company began exploring the potential acquisition of Parliament Partners, Inc. (“Parliament”). Subsequently, both the Hibachi Grill and the Company agreed that in exchange for the surrender of all shares (both common and preferred), on June 30, 2017, the Company returned all assets and liabilities connected with the Hibachi Grill and Noodle Bar, thereby terminating their operations as part of the Company.

Beginning in June 2017, the Company entered into extensive negotiations with Parliament to assure that all companies managed by and related to Parliament Partners would be acquired in a properly structured transaction. With all entities connected to Parliament having net asset values of over \$13 million and annual revenue of over \$6.0 million, it has taken longer to complete the structuring of the transaction than originally indicated in our press release. Effective November 1, 2017, the Company acquired Parliament Holdings, Inc. which has a management contract with Parliament Partners, Inc. as well as the right of first refusal to acquire all properties connected with the Parliament House operations and future developments.

Results of Operations for the three- and nine-months ended September 30, 2018 and 2017.

Operating Revenues

In the nine months ended September 30, 2018 and 2017, we generated \$3,992,799 and \$1,177,204, respectively
In the three months ended September 30, 2018 and 2017, we generated \$1,124,729 and \$-0- respectively.

Cost of Goods Sold

In the nine months ended September 30, 2018 and 2017, we incurred \$2,803,623 and \$440,550, respectively, as cost of services sold.

In the three months ended September 30, 2018 and 2017, we incurred \$778,604 and \$-0-, respectively, as cost of services sold.

Gross profit (loss)

In the nine months ended September 30, 2018 and 2017, the Company had a gross profit of \$1,189,176 and \$736,654 respectively.

In the three months ended September 30, 2018 and 2017, the Company had a gross profit of \$346,125 and \$-0- respectively.

Operating Expenses

Our operating expenses for the three and nine months ended September 30, 2018 and 2017 are outlined in the table below:

	Three months Ended September 30,		Nine months Ended September 30,	
	2018	2017	2018	2017
Restaurant Operations	\$ 8,711	\$ -	\$ 40,693	\$ 7,621
General & administrative	327,429	15,701	944,185	589,555
Depreciation & amortization	-	-	-	6,704
Total	<u>\$ 336,140</u>	<u>\$ 15,701</u>	<u>\$ 984,878</u>	<u>\$ 603,880</u>

The increase year over year and quarter over quarter were due to costs in the first half of 2018 versus 2017 being higher due to two fewer months in the first quarter of 2017.

Other Expenses

In addition to operating expenses, we incurred interest expenses of \$3,160 and \$40,719 during the nine months ended September 30, 2018 and 2017, respectively. We incurred interest expenses of \$-0- and \$25,461 during the three months ended September 30, 2018 and 2017, respectively. The decrease in interest expense during the period ended September 30, 2018 is primarily attributable to the decrease in debt that was either settled or converted, coupled with reversal of some accruals during the second quarter.

Net Profit

We earned a net profit during the nine months ended September 30, 2018 and 2017, of \$411,409 and \$267,940, respectively.

We earned a net profit during the three months ended September 30, 2018 and 2017, of \$25,266 and a net loss of \$263,453, respectively.

Liquidity and Capital Resources

Liquidity is the ability of a company to generate funds to support its current and future operations, satisfy its obligations, and otherwise operate on an ongoing basis. Significant factors in the management of liquidity are funds generated by operations, levels of accounts receivable and accounts payable and capital expenditures.

To date we have financed our operations through sales, sales of common stock and the issuance of debt.

The continuation of the Company as a going concern is dependent upon the continued financial support from its management, and its ability to identify future investment opportunities and obtain the necessary debt or equity financing and generating profitable operations from the Company's future operations. However, there can be no assurance that these arrangements will be sufficient to fund its ongoing capital expenditures, working capital, and other cash requirements. The outcome of these matters cannot be predicted at this time. These factors raise substantial doubt regarding the Company's ability to continue as a going concern.

Working Capital

	September 30, 2018	December 31, 2017	% Increase (Decrease)
Current Assets	\$ 38,146	\$ 61,418	(37.9) %
Current Liabilities	\$ 1,260,781	\$ 1,700,462	(25.9) %
Working Capital Deficit	<u>\$ (1,222,635)</u>	<u>\$ (1,639,044)</u>	<u>(25.4) %</u>

At September 30, 2018, we had cash of \$30,626. The decrease in cash is primary attributed to proceeds of \$5,000 from the sale of common stock, offset by repayment of \$10,836 of notes payable, and net cash used in operating actives of \$16,456 for various operational expenses.

The decrease in total liabilities is attributed to decreases in notes payable of \$10,836, accounts payable of \$40,216 and accrued interest of \$28,431 coupled with the decrease in the derivative liability of \$360,198.

At September 30, 2018, we had a working capital deficit of \$1,222,635 compared with a working capital deficit of \$1,639,044 at December 31, 2017. The decrease in working capital deficit is primarily due to a decrease in derivative instrument liability coupled with reductions in notes, accounts payable and accrued expenses.

Cash Flows

	For the Nine Months Ended		Percentage Increase
	September 30, 2018	September 30, 2017	(Decrease)
Cash Provided (Used) in Operating Activities	\$ (16,456)	\$ 73,7865	(122.3) %
Cash Provided (Used) in Investing Activities	-	-	0.0 %
Cash Provided by (Used in) Financing Activities	(5,836)	(158,475)	(96.3) %
Net Increase (Decrease) in Cash	\$ (22,292)	\$ (84,710)	(73.7) %

Cash flow from Operating Activities

The decrease in cash from operating activities was mainly attributed to a reduction in net profit offset by non-cash gain on changes in the derivative liabilities, and in accounts payable and accrued liabilities.

Cash flow from Investing Activities

During the nine months ended September 30, 2018 and 2017, we used \$-0- and \$-0- in investing activities, respectively.

Cash flow from Financing Activities

At September 30, 2018, proceeds from financing activities is mainly attributed to proceeds from sale of common shares of \$5,000 offset by payments of notes of \$10,836.

Going Concern

These accompanying unaudited condensed consolidated financial statements have been prepared on a going concern basis, which implies that the Company will continue to realize its assets and discharge its liabilities in the normal course of business. As of September 30, 2018, the Company had an accumulated deficit of \$16,350,298 and negative working capital of \$1,222,635. The continuation of the Company as a going concern is dependent upon the continued financial support from its management, and its ability to identify future investment opportunities and obtain the necessary debt or equity financing and generating profitable operations from the Company's future operations. However, there can be no assurance that these arrangements will be sufficient to fund its ongoing capital expenditures, working capital, and other cash requirements. The outcome of these matters cannot be predicted at this time. These factors raise substantial doubt regarding the Company's ability to continue as a going concern. These accompanying unaudited consolidated financial statements do not include any adjustments to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary should the Company be unable to continue as a going concern.

Off-Balance Sheet Arrangements

We have no significant off-balance sheet arrangements that have or are reasonably likely to have a current or future effect on our financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources that are material to stockholders.

Future Financings

We intend to continue to rely on loans from related parties and the private sales of our shares of common stock in order to continue to fund our business operations. Issuances of additional shares will result in dilution to existing stockholders. There is no assurance that we will achieve any additional sales of the equity securities or arrange for debt or other financing to fund our operations and other activities.

Critical Accounting Policies

Our financial statements and accompanying notes have been prepared in accordance with United States generally accepted accounting principles applied on a consistent basis. The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting periods.

We regularly evaluate the accounting policies and estimates that we use to prepare our financial statements. A complete summary of these policies is included in the notes to our financial statements. In general, management's estimates are based on historical experience, on information from third party professionals, and on various other assumptions that are believed to be reasonable under the facts and circumstances. Actual results could differ from those estimates made by management.

Our significant accounting policies are more fully described in Note 3 to our unaudited consolidated financial statements included in this Annual Report.

Recently Issued Accounting Pronouncements

The Company has implemented all new accounting pronouncements that are in effect. These pronouncements did not have any material impact on the financial statements unless otherwise disclosed, and we do not believe that there are any other new accounting pronouncements that have been issued that might have a material impact on our financial position or results of operations.

10) Issuer Certification

Principal Executive Officer:

The issuer shall include certifications by the chief executive officer and chief financial officer of the issuer (or any other persons with different titles but having the same responsibilities).

The certifications shall follow the format below:

I, Erwin Vahlsing, Jr. certify that:

1. I have reviewed this Quarterly Report for the nine months ended September 30, 2018 of Kenergy Scientific, Inc.
2. Based on my knowledge, this disclosure statement does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this disclosure statement; and
3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this disclosure statement.

12/27/2019

Date

/s/ Erwin Vahlsing, Jr.

CEO's Signature

(Digital Signatures should appear as "/s/ [OFFICER NAME]")

Principal Financial Officer:

I, Erwin Vahlsing, Jr. certify that:

1. I have reviewed this Quarterly Report for the nine months ended September 30, 2018 of Kenergy Scientific, Inc.;
2. Based on my knowledge, this disclosure statement does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this disclosure statement; and
3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this disclosure statement.

12/27/2019

Date

/s/ Erwin Vahlsing, Jr.

CFO's Signature

(Digital Signatures should appear as "/s/ [OFFICER NAME]")