

# **ENDEXX CORPORATION**

## **QUARTERLY REPORT**

**For the three months ended December 31, 2013 and 2012**

5855 Surrey Drive  
P.O. Box 4317  
Cave Creek, AZ, 85331  
(Address of principal executive offices)

480-595-6900  
(Issuer's Telephone Number, Including Area Code)

**Cautionary Note Regarding Forward-Looking Information and Factors That May Affect Future Results:**

This unaudited report contains forward-looking statements. The Securities and Exchange Commission encourages companies to disclose forward-looking information so that investors can better understand a company's future prospects and make informed investment decisions. This report and other written and oral statements that we make from time to time contain such forward-looking statements that set out anticipated results based on management's plans and assumptions regarding future events or performance. We have tried, wherever possible, to identify such statements by using words such as "anticipate", "estimate", "expect", "project", "intend", "plan", "believe", "will" and similar expressions in connection with any discussion of future operating or financial performance. In particular, these include statements relating to future actions, future performance or results of current and anticipated sales efforts, expenses, the outcome of contingencies, such as legal proceedings and financial results.

We caution that the factors described herein and other factors could cause our actual results of operations and financial condition to differ materially from those expressed in any forward-looking statements we make and that investors should not place undue reliance on any such forward-looking statements. Further, any forward-looking statement speaks only as of the date on which such statement is made and we undertake no obligation to update any forward-looking statement to reflect events or circumstances after the date on which such statement is made or to reflect the occurrence of anticipated or unanticipated events or circumstances. New factors emerge from time to time and it is not possible for us to predict all of such factors. Further, we cannot assess the impact of each such factor on our results of operations or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements.

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

From 2005 to Present: Endexx Corporation  
From 2002-2005: Panamed Corporation  
From 1997-2002: Micron Solutions, Inc.

**Item 2. Address of the issuer's principal executive offices**

Company Headquarters  
5855 Surrey Drive  
Cave Creek, AZ. 85331

Mailing Address:

P.O. Box 4317  
Cave Creek, AZ, 85327

Phone: (480) 595-6900

Fax: (480)-626-1696

Email: endexx@endexx.com

Website: www.endexx.com

Public Relations Contact

Todd Davis  
480-595-6900  
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Cave Creek, AZ. 85331  
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**Item 3. Security Information**

- Trading Symbol: EDXC
- The exact title and class of securities outstanding: Common stock and preferred stock are authorized and outstanding
- CUSIP Number: 29259K 10 2
- Par or Stated Value: Common Stock: \$0.0001 par value per share.  
Preferred Stock: \$0.01 par value per share.
- Total Shares Authorized: Common Stock: 1,000,000,000 shares  
Preferred Stock: 10,000,000 shares
- Total Shares Outstanding:  
Common Stock: 195,043,729 shares as of December 31, 2013  
Preferred Stock: 7,296,000 shares as of December 31, 2013
- The name and address of the transfer agent:  
  
First American Stock Transfer  
4747N. 7th St., #170  
Phoenix, AZ 85104

First American Stock Transfer is registered under the Securities Exchange Act of 1934 and is regulated by the Securities and Exchange Commission.

There are no restrictions on the transfer of the Company's securities; and the Company has not been subject to any trading suspension orders issued by the SEC in the past 12 months.

**Item 4. Issuance History**

List of securities offerings and shares issued for services in the past two years:

The following events resulted in changes in total shares outstanding by the issuer in the past two year period ending on the last day of the issuer's most recent fiscal year :

Acquisitions:

1. Hayes Pharmacy technology acquisition February 2013	5 million
2. LED Exchange LLC. David Levine April 2013	250,000
3. Dispense Labs LLC. Joseph DeRobbio September 2013	10,000,000
4. Global Solaris Group LLC. Jones and Soutenet 2011	12,000,000
5. Daniel Lindegren technology investment February 2013	5,000,000
6. Hayes Pharmacy technology recession December 2013	(5 million)

Debt Reduction:

1. Rayne Forecast Inc. December 2012	11,500,000
2. Daniel Kiddy April 2012	25,000,000
3. Brent Walden June 2013	11,000,000
4. Sandra Davis January 2013	330,000
5. David Wolfswinkel July 2012	500,000
5. David Wolfswinkel December 2013	700,000

Services:

1. Ed Steinback February 2013	500,000
2. Cullen Whitmire 2011	1,000,000
3. Ryan Pergola 2011	500,000
4. Macrosolve Inc June 2013	125,000
5. Hayes Pharmacy Decmber 2013	300,000

Investors:

1. Michael Haugen Jr. Inc. February 2013	500,000
2. Anderson Family(Linda, Austin, Summer) July 2013	300,000
3. David Wolfswinkel July 2012	500,000
4. Gary Contreras July 2013	1,666,666

During the year ended December 31, 2012 the Company issued 26,000,000 shares of common stock.

Investor:

1. David Wolfswinkel	500,000 shares restricted, loan incentive at Par Value \$\$.0001
2. Daniel Kiddy	12,500,000 debt conversion to restricted stock at \$.002
3. Dr. Daniel Kiddy LLC.	12,500,000 debt conversion to restricted stock at \$.002
4. Michael Haugen Jr. Inc.	500,000 private purchase at \$.005

During fiscal 2011, we issued 14,500,000 shares of common stock.

Acquisition of Global Solaris Group LLC.

1. Douglas Jones 6 million shares restricted
2. Alain Soutenet 6,000,000 shares restricted.

Services:

1. Cullen Whitmire 1,000,000 shares restricted at Par Value \$.0001
2. Ryan Pergola 500,000 shares restricted at Par Value \$.0001

Investors:

1. Daniel Kiddy 1 million shares restricted expense debt reimbursement at \$.005

During three quarterly periods ended September 30, 2013 the Company issued 36,171,666 shares of common stock.

Investors:

1. Linda Anderson 100,000 restricted shares purchased at \$.07
2. Austin Anderson 100,000 restricted shares purchased at \$.07
3. Summer Anderson 100,000 restricted shares purchased at \$.07
4. Sandra Davis converted \$3,300.00 to equity at \$.01 or 330,000 restricted shares
5. Brent Walden converted \$77,000.00 to equity at \$.007 or 11,000,000 restricted shares
6. Gary Contreras 1,666,666 restricted shares purchased at \$.006
7. Rayne Forecast Inc. converted debt long term expense debt to 11,500,000 restricted shares at \$.0006 or \$6,900.00 based on closing price December 31, 2012

Services:

1. Daniel Lindegren 5,000,000 shares issued at Par Value \$0.0001 for technology development.
2. Ed Steinback 500,000 restricted for accounting services at Par Value \$0.0001
3. Macrosolve Inc. 125,000 restricted shares for consulting and licensing services, 6 month contract issued at \$15,000.00 value or \$0.12 per share.

Acquisitions:

1. Hayes Pharmacy Inc. 5,000,000 restricted shares at Par Value \$.0001
2. LEDXchange LLC. 250,000 restricted shares at Par Value \$.0001

Each of the above securities offerings or transactions was made by officers and directors of the issuer and was not a registered offering. The offerings relied upon an exemption under Regulation S or Rule 4(2) of the Securities Act of 1933, as amended. The shares in these offerings or transactions were restricted (i.e., not freely tradable); and the certificates evidencing such shares contained a legend (1) stating that the shares have not been registered under the Securities Act of 1933, as amended, and (2) setting forth or referring to the restrictions on transferability and sale of the shares under the Securities Act of 1933, as amended.

**Item 5. Financial information for the issuer's most recent fiscal period.**

The Company's unaudited financial statements for its fiscal years ended September 30, 2013 and 2012 are attached hereto as part of the Company's Quarterly Report and filed herewith.

**Endexx Corporation**  
**Unaudited**  
**Consolidated Balance Sheets**

	For the period ended December 31, 2013	For the year ended September 30, 2013
<b>ASSETS</b>		
<b>Current Assets</b>		
Inventory - dispense equipment	\$ 135,000	135,000
Prepaid Expenses	<u>30,500</u>	<u>33,000</u>
<b>Total Current Assets</b>	165,500	168,000
<b>Fixed Assets</b>		
Computer/Office Equipment	<u>6,948</u>	<u>6,948</u>
<b>Total Fixed Assets</b>	6,948	6,948
<b>Accum Depreciation/Amortization</b>		
Accum Depr-Computer/Office Eq	<u>(703)</u>	<u>(433)</u>
<b>Total Accum Depreciation/Amortization</b>	<u>(703)</u>	<u>(433)</u>
<b>Total Fixed Assets</b>	6,245	6,515
<b>Other Assets</b>		
Investment - Dudad Application	49,000	49,000
Investment - Global Solaris	133,298	133,298
Investment - Dispense Labs LLC	<u>1,100,000</u>	<u>1,100,000</u>
<b>Total Other Assets</b>	<u>1,282,298</u>	<u>1,282,298</u>
<b>TOTAL ASSETS</b>	<u><u>\$ 1,454,043</u></u>	<u><u>1,456,813</u></u>
<b>LIABILITIES &amp; EQUITY</b>		
<b>Liabilities</b>		
<b>Current Liabilities</b>		
Accounts Payable		
Accounts Payable	\$ 385,107	367,288
<b>Total Accounts Payable</b>	<u>385,107</u>	<u>367,288</u>
<b>Other Current Liabilities</b>		
License Fee Payable	54,600	54,600
Accrued Expenses	56,205	66,205
<b>Payroll Liabilities</b>		
Payroll Payable		
Wages Payable	1,045,000	1,007,500
Payroll Taxes Payable	<u>86,131</u>	<u>76,756</u>
<b>Total Payroll Payable</b>	1,131,131	1,084,256
<b>Payroll Liabilities - Other</b>	<u>3,778</u>	<u>3,778</u>
<b>Total Payroll Liabilities</b>	1,134,909	1,088,034
<b>Sales &amp; Use Tax Payable</b>		
VA Use Tax Payable	<u>338</u>	<u>338</u>
<b>Total Sales &amp; Use Tax Payable</b>	338	338

**Endexx Corporation**  
**Unaudited**  
**Consolidated Balance Sheets**

S/T Notes Payable	26,211	26,211
Total Other Current Liabilities	1,272,262	1,235,387
Total Current Liabilities	1,657,370	1,602,675
Long Term Liabilities		
Lease Payable - SP	14,000	14,000
L/T Notes Payable		
L/T Note - Information Imaging	13,000	13,000
L/T Note - J. Badger	-	-
L/T Note - K. Freeman	-	-
L/T Note - Child Life Found	52,500	14,500
L/T Note - United Penecostal Assembly of Bellflower	-	-
L/T Notes Payable - Brent Walden	-	-
L/T Notes Payable - Other	-	-
L/T Notes Payable	65,500	322,372
Total Long Term Liabilities	79,500	336,372
Total Liabilities	1,736,870	1,939,047
Stockholders' Equity		
Preferred Stock Par Value \$0.0001		
7,296,000 shares outstanding, December 31, 2013		
and September 30, 2013, respectively	730	730
Capital Stock, Par Value \$0.0001		
195,043,729 and 199,043,729 shares outstanding,		
December 31, 2013 and September 30, 2013, respectively	19,507	19,907
Paid in Excess of Par	6,692,027	6,659,447
Total Shareholder's Equity	6,712,264	6,680,084
Retained Earnings	(7,162,317)	(6,924,648)
Net Income	167,227	(237,669)
Total Equity	(282,827)	(482,234)
TOTAL LIABILITIES & EQUITY	\$ 1,454,043	1,456,813



**Endexx Corporation**  
**Unaudited**  
**Consolidated Statements of Operations**

	For the three months ended December 31,	
	2013	2012
Ordinary Income/Expense		
Income		
Revenues		
Subscriptions	\$ -	\$ -
Total Revenues	<u>-</u>	<u>-</u>
Total Income	-	-
Cost of Goods Sold		
Total Cost of Sales	<u>-</u>	<u>-</u>
Gross Profit	-	-
Expense		
Telephone Expense	189	163
Office Supplies Expense	1,121	151
Contract Labor		
Consulting fees	(2,820)	5,000
Management fees - Related Party	-	-
Total Contract Labor	(2,820)	5,000
General & Administrative		
Depreciation	270	-
Postage and Delivery	58	-
Licenses and Permits	-	-
Professional Fees		
Stock Agency/Transfer Fees	1,750	338
Legal Fees	2,500	-
Accounting	5,000	700
Total Legal-Prof Fees	<u>9,250</u>	<u>1,038</u>
Travel & Entertainment		
G&A - Airfare/Lodging	1,617	68
G&A - Meals & Entertainment	2,139	-
Total Travel & Entertainment	<u>3,757</u>	<u>68</u>
Total General & Administrative	13,334	1,106
Payroll Expenses		
Total Salaries & Wages	37,500	37,500
Total Payroll Taxes & Benefits	9,375	2,831
Total Payroll Expenses	<u>46,875</u>	<u>40,331</u>
Office Rent	4,535	405
Research and Development	440	-
Utilities		
Utilities - other	701	728
Internet	270	180
Total Utilities	<u>971</u>	<u>908</u>
Total Expense	<u>64,644</u>	<u>48,064</u>
Net Ordinary Income	(64,644)	(48,064)
Other Income/Expense		
Gain on Debt Settlement	(231,872)	
Finance Charge	-	200
Total Other Income/ Expenses	<u>(231,872)</u>	<u>200</u>
Net Income	<u>\$ 167,227</u>	<u>\$ (48,264)</u>
NET (LOSS) PER SHARE - BASIC AND DILUTED	<u>\$ 0.00</u>	<u>\$ (0.00)</u>
WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING	<u>195,043,729</u>	<u>172,038,729</u>

**ENDEXX CORPORATION**  
**UNAUDITED CONSOLIDATED STATEMENTS OF CASH FLOWS**

	For the three months ended December 31,	
	2013	2012
<b>OPERATING ACTIVITIES</b>		
Net (loss)	\$ 167,227	\$ (48,264)
Adjustments to reconcile net income (loss) to net cash used by operating activities:		
Stock issued for services	(2,820)	-
Stock compensation - officers	-	-
Depreciation and amortization	270	-
Changes in operating assets and liabilities:		
Prepaid expenses	2,500	-
Inventory	-	-
Accounts payable	17,819	48,264
Accounts payable - related party	-	-
Accrued liabilities	46,875	-
<b>NET CASH (USED BY) OPERATING ACTIVITIES</b>	<b>231,871</b>	<b>-</b>
<b>INVESTING ACTIVITIES</b>		
Cash invested in Dudad application	-	-
Purchase of property and equipment	-	-
<b>NET CASH (USED BY) INVESTING ACTIVITIES</b>	<b>-</b>	<b>-</b>
<b>FINANCING ACTIVITIES</b>		
Proceeds from sale of common stock	-	-
Proceeds from shareholder advances/ notes	-	-
Repayment of notes payable	-	-
Proceeds from capital contributed	(231,872)	-
<b>NET CASH PROVIDED BY FINANCING ACTIVITIES</b>	<b>(231,872)</b>	<b>-</b>
<b>NET (DECREASE) IN CASH</b>	<b>(0)</b>	<b>-</b>
<b>CASH, BEGINNING OF PERIOD</b>	<b>-</b>	<b>-</b>
<b>CASH, END OF PERIOD</b>	<b>\$ (0)</b>	<b>\$ -</b>
<b>CASH PAID FOR INTEREST</b>	<b>\$ -</b>	<b>\$ -</b>
<b>SUPPLEMENTAL SCHEDULE OF NON-CASH INVESTING AND FINANCING ACTIVITIES</b>		
Debt Converted to Common Stock		
Notes payable, including accrued interest of \$10,000	\$ 35,000	\$ -
Common stock	(35,000)	-
	<b>\$ -</b>	<b>\$ -</b>

SEE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS

**ENDEXX, INC.**  
**Notes to Consolidated Financial Statements**  
**For the Periods Ended December 31, 2013 and 2012**

*As used in this quarterly report, the terms the “Company,” “we,” “our” and “us” refer to EDXC. This report should be read in conjunction with our annual report for the year ended September 30, 2013, including the unaudited consolidated financial statements and related notes included therein.*

**1. History of the Company and Summary of Significant Accounting Policies**

***History of the Company***

In 2002, Panamed Corporation merged with the predecessor known as Micron Solutions, a lost stock services company. The company changed its name from Micron Solutions to Panamed in 2002, due to the merger.

From 2002-2005, the company operated as Panamed Corporation, a biotech service and licensing company. Panamed invested 1.2 million dollars into a biotech technology and conducted a therapeutic treatment program in Ivory Coast Africa. In October 2004, Panamed Corporation filed a Form 15-12g to be a non-reporting company at the demand of the SEC. This demand was followed by a request for an expedited trial in Los Angeles Federal Court. The contingency was that the SEC could not recommend to the Judge/Court a fine or punishment. Panamed was fined \$5,000.00 USD and the case was settled in court by the Judge in December of 2012.

Panamed Corporation merged with Visual Board Books Inc. (VBB) in February 2005 through an all stock transaction and changed the consolidated company name to Endexx Corporation.

Currently, Endexx Corporation is a Nevada Corporation, with two wholly owned subsidiaries: Global Solaris Group LLC. and Cann Can LLC., both Arizona LLCs. Endexx also has three separate divisions (M3Hub Technology, Project Canopy and an App Development Program). In June 2011, Endexx Corporation acquired Global Solaris Group LLC., an Arizona LLC that develops Solar and Renewable energy projects both in the United States and in the International markets. Endexx has invested \$60,000 into Global Solaris Group in 2011-2012 and issued 12 million shares for that division valued at \$1.2 million, and it has recently completed its first solar project.

During 2010 – 2013, Endexx has also invested in and is pursuing several different projects including:

Endexx invested \$30,000 into Project Canopy in 2010.

Endexx issued 5 million shares of stock to buy and develop the APP known as DUDAD in December 2012, and has invested \$9,000 in its development.

Endexx has invested \$80,000 cash in M3Hub, and has issued \$1.0 million dollars in stock to purchase Dispense Labs LLC.

In February 2013, Endexx acquired Cann Can LLC., a vending solutions company, and invested \$6,000 into Cann Can Labs in 2013.

Endexx issued 5 million shares to purchase Hayes Pharmacy compliance platform in February 2013. In December 2013, we rescinded this purchase and cancelled the 5 million shares originally issued, and we issued 300,000 shares for consulting services that were rendered by Hayes Pharmacy in conjunction with our business plan.

### ***Nature of Business***

The company has never been a shell corporation. The company operates presently as a Medical Marijuana Management and technology solutions provider, as a solar and renewable energy developer, and has a development stage company currently retooling its software as a service platform and developing Mobile Solution Apps. Endexx Corporation is the parent corporation. Through project Canopy and Visual Board Books, it can provide three Web enabled services that assist organizations with the complexities of document management and storage. The company's product primarily include Visual Board Books that provides an environment to create, deliver, edit, view, and review corporate data, as well as offers an interface to communicate and confer with approved parties; Endexx Document Management Suite, a suite of Document /data management tools, which are designed to enhance the handling, storage, and control of document; and Endexx Storage Application, which is a base module for offsite storage of files and photos that require backup in an offsite location. It's wholly owned subsidiary, Global Solaris Group LLC., is an integrator of Renewable Energy Services. Based in Sedona, Arizona, GLOBAL SOLARIS GROUP LLC is a full service Renewable Energy power provider and producer for public institutions, corporate clients and electric utilities.

### **Summary of Significant Accounting Policies**

#### ***Basis of Accounting***

The Company prepares its consolidated financial statements in conformity with generally accepted accounting principles in the United States of America. These principles require 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. Management believes that these estimates are reasonable and have been discussed with the Board of Directors; however, actual results could differ from those estimates.

#### ***Use of Estimates***

The Company prepares its consolidated financial statements in conformity with generally accepted accounting principles in the United States of America. These principals require 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. Management believes that these estimates are reasonable and have been discussed with the Board of Directors; however, actual results could differ from those estimates.

## *Principles of Consolidation*

The consolidated financial statements include the accounts and operations of Endexx Corporation and its wholly owned subsidiaries, Global Solaris Group LLC and Cann Can LLC., both Arizona LLCs (collectively referred to as the “Company”). Accordingly, the assets and liabilities, and expenses of this company have been included in the accompanying consolidated financial statements, and intercompany transactions have been eliminated.

## *Financial Instruments*

The Company’s balance sheets include the following financial instruments: cash, accounts receivable, accounts payable and note payable and notes payable to stockholder. The carrying amounts of current assets and current liabilities approximate their fair value because of the relatively short period of time between the origination of these instruments and their expected realization. The carrying values of the note payable to stockholder approximates fair value based on borrowing rates currently available to the Company for instruments with similar terms and remaining maturities.

In September 2006, the Financial Accounting Standards Board (FASB) introduced a framework for measuring fair value and expanded required disclosure about fair value measurements of assets and liabilities. The Company adopted the standard for those financial assets and liabilities as of the beginning of the 2008 fiscal year and the impact of adoption was not significant. FASB Accounting Standards Codification (ASC) 820 “*Fair Value Measurements and Disclosures*” (ASC 820) defines fair value as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. ASC 820 also establishes a fair value hierarchy that distinguishes between (1) market participant assumptions developed based on market data obtained from independent sources (observable inputs) and (2) an entity’s own assumptions about market participant assumptions developed based on the best information available in the circumstances (unobservable inputs). The fair value hierarchy consists of three broad levels, which gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). The three levels of the fair value hierarchy are described below:

- Level 1 - Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities
- Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly, including quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in markets that are not active; inputs other than quoted prices that are observable for the asset or liability (e.g., interest rates); and inputs that are derived principally from or corroborated by observable market data by correlation or other means.
- Level 3 - Inputs that are both significant to the fair value measurement and unobservable.

Fair value estimates discussed herein are based upon certain market assumptions and pertinent information available to management as of December 31, 2013. The respective carrying

value of certain on-balance-sheet financial instruments approximated their fair values due to the short-term nature of these instruments. These financial instruments include accounts receivable, other current assets, accounts payable, accrued compensation and accrued expenses. The fair value of the Company's notes payable is estimated based on current rates that would be available for debt of similar terms which is not significantly different from its stated value.

The Company applied ASC 820 for all non-financial assets and liabilities measured at fair value on a non-recurring basis. The adoption of ASC 820 for non-financial assets and liabilities did not have a significant impact on the Company's financial statements.

As of December 31, 2013 and 2012, the fair values of the Company's financial instruments approximate their historical carrying amount.

#### *Cash and Cash Equivalents*

The majority of cash is maintained with a major financial institution in the United States. Generally, deposits may be redeemed on demand and, therefore, bear minimal risk. The Company considers all highly liquid investments purchased with an original maturity of three months or less to be cash equivalents.

#### *Liquidity*

The Company anticipates that revenue or income for fiscal year 2014 may be limited, but based upon our historical data we expect to continue to show growth. The Company also expects to continue to incur substantial expenses relating to its marketing and sales efforts. As a result, the Company expects to incur losses over the next year unless it is able to realize additional revenues under any current or future agreements. The timing and amounts of such revenues, if any, cannot be predicted with certainty. Accordingly, results of operations for any period may be unrelated to the results of operations for any other period.

The Company will likely need to raise and is pursuing additional funds through strategic collaborations, public or private equity or debt financing, or other funding sources. This funding may not be available on acceptable terms, or at all, and may be dilutive to shareholder interests. If sufficient capital is not available, the Company may be required to delay, reduce the scope of or eliminate one or more of its product offerings, any of which could have a material adverse effect on its business. If the Company is not able to secure additional capital by the end of its fiscal year, it may be forced to terminate operations altogether in 2014.

#### *Stock Based Compensation*

The Company may issue restricted stock to consultants for various services. Cost for these transactions are measured at the fair value of the consideration received or at the fair value of the equity instruments issued, whichever is more reliably measurable. The value of the common stock is measured at the earlier of (i) the date at which a firm commitment for performance by the counterparty to earn the equity instruments is reached or (ii) the date at which the counterparty's performance is complete. The Company will recognize consulting expenses and a corresponding increase to additional paid-in-capital related to stock issued for services.

### *Advertising Costs*

The costs of advertising are expensed as incurred. Advertising expenses are included in the Company's operating expenses. Advertising expense was \$0 for the years ended December 31, 2013 and 2012, respectively.

### *Income Taxes*

The Company accounts for income taxes under the liability method. Deferred tax assets and liabilities are recorded based on the differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purpose, referred to as temporary differences. Deferred tax assets and liabilities at the end of each period are determined using the currently enacted tax rates applied to taxable income in the periods in which the deferred tax assets and liabilities are expected to be settled or realized.

### *Earnings (Loss) Per Share*

Basic EPS is calculated by dividing the loss available to common shareholders by the weighted average number of common shares outstanding during each period. Diluted EPS is similarly calculated, except that the denominator includes common shares that may be issued subject to existing rights with dilutive potential, except when their inclusion would be anti-dilutive.

### *Impact of Recently Issued Accounting Pronouncements*

Recent accounting standards that have been issued or proposed by the FASB or other standards-setting bodies are not expected to have a material impact on our financial position, results of operations and cash flows.

## **2. Going concern**

Our financial statements have been presented on the basis that we are a going concern, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business. We have sustained operating losses since inception, which raises substantial doubt about the Company's ability to continue as a going concern.

As of December 31, 2013 we have a working capital deficit of \$1,491,870, and accumulated deficit of \$6,995,090. During the period ended December 31, 2013 we had a net income of \$167,227 and cash used in operating activities of \$231,871. The Company's ability to continue in existence is dependent on its ability to develop additional sources of capital, and/or achieve profitable operations and positive cash flows. Management's plan is to aggressively pursue its present business plan. Since inception we have funded our operations through the issuance of common stock and related party loans and advances, and will seek additional debt or equity financing as required. The accompanying financial statements do not include any adjustments that might result from the outcome of this uncertainty.

### **3. Notes Payable**

During the period ended December 31, 2013, the Company settled an aggregate amount of \$231,872 of their notes payable which was contributed to capital. In December 2013, we converted \$35,000, composed of \$25,000 of notes payable and \$10,000 of accrued interest, for 700,000 shares of our restricted common stock, with no offering costs.

### **4. Stock Based Compensation**

In December 2013, the Company issued 300,000 shares of our common stock as payment to an unrelated individual for payment of consulting on our technology development, valued at \$180, and is reflected in the accompanying statement of operations in “*Consulting fees.*”

In December 2013, the Company cancelled 5,000,000 shares of our common stock issued previously as consulting fees for a technology purchased as payment to an unrelated individual, valued at \$(3,000), and is reflected in the accompanying statement of operations in “*Consulting fees.*”

### **5. Stockholder's Equity**

#### *Stock Shares – Authorized*

The Company has 1,000,000,000 common shares authorized at a par value of \$0.0001 per share and 10,000,000 shares of preferred stock, par value \$0.01 per share. All common stock shares have equal voting rights, are non-assessable and have one vote per share. Voting rights are not cumulative and, therefore, the holders of more than 50% of the common stock could, if they choose to do so, elect all the directors of the Company. There is currently only one designated class of preferred shares, “A.” The holders of the preferred stock shall have such rights, preferences and privileges as may be determined by the Board of Director's prior to the issuance of such shares. The preferred stock may be issued in such series as are designated by the Board of Director's and the Board of Director's may fix the number of authorized shares of preferred stock for each series and the rights, preferences, and privileges of each series of preferred stock. As of the periods ended December 31, 2013 and 2012 there were 195,043,729 and 172,038,729 shares of our common stock issued and outstanding, respectively. As of the periods ended December 31, 2013 and 2012 there were 7,296,000 shares of our preferred stock issued and outstanding, respectively.

#### *Common Shares – Issued and Outstanding*

In the period ended December 31, 2013, the Company had the previously discussed shares transactions in Notes 3 and 4.



## **Item 6. Describe the Issuer's Business, Products and Services**

### **EXECUTIVE SUMMARY**

#### **1- COMPANY PROFILE**

Endexx Corporation is a micro-cap, publicly traded company, representing the interest of its shareholders and collaborating with independent software developers, scientists, engineers, and other companies to build businesses that can thrive collectively in the equity markets. Endexx's team recognizes that individually small companies with new technologies have an extremely difficult time sustaining themselves as stand-alone companies. Through our collaborative practices, individual and group skill sets are better utilized to develop technology and grow the business, while centralizing costs and eliminating redundancies.

The Endexx Management Team and its advisory group each have a wide range of experience, from 10 years in cloud/app development world to decades of experience in the pharmacy industry. The business professionals associated with the direction of the company all have experience growing businesses, developing and implementing new technologies and running publicly traded corporations.

Endexx Corporation is structured to provide a platform for entrepreneurs to thrive, offering maximum return on investment through equity ownership in the parent corporation. Each individual is a shareholder and is encouraged and self-driven to be successful and contribute to the overall objective of increasing shareholder value.

Endexx Corporation is comprised of three divisions:

- M3Hub-medical marijuana management platform, M3 Seed to Sale, Dispense Labs, CannCan™
- Project Canopy-Software/App-, cloud based systems and consumer mobility intelligence network
- Renewable Energy-Global Solaris Group-a renewable energy focused on project finance/consulting

#### **M3 TEAM**

The M3 team is comprised of professionals who have been involved in developing compliance and safety pharmacy systems, proprietary inventory software, Cloud based operations, client server systems and mechanical, inventory control systems for over 20 years. In addition we have the experience and extensive knowledge of the marijuana industry with actual hands in the field managing and consulting to growers and dispensaries, assisting them with the management of a nascent industry. As early entrants in the MMJ space, we are setting the standard by which the industry operates. We pride ourselves in providing the tools and support to our clients to overcome the steep learning curve and we go the extra mile to understand and meet their needs.

#### **THE DISPENSARY GROUP**

Committed to raising the level of legitimacy and accountability in the medical marijuana industry, The Dispensary Group is the parent company to Dispense Labs LLC. Comprised of forward-thinking business leaders, healthcare advocates and technical experts, Dispense Labs LLC is the innovator of Autosense™, a fully automated dispensing system that mitigates problems and concerns associated with medical marijuana.

#### **2- MISSION STATEMENT**

Endexx is the "Collaboration Corporation". Our mission is to harness the power of talented people through technology, the science of management and the spirit of capitalism to create new businesses and foster the growth of the entrepreneurial spirit. Building businesses with recurring revenue streams and high potential for growth in key sectors is our primary objective. Through the collaboration of highly skilled professionals and its subsidiaries, we will build our shareholders significant value.

M3Hub's mission is to bring compliance and standardized technology solutions to the Medical and Recreational Marijuana Industry. The M3Hub platform is designed to facilitate all processes and transactions using highly adaptive modular cloud based technologies. M3Hub aims to promote alliances with companies proven to have the best scientific processes.

#### **3- PRODUCTS AND SERVICES**

M3 and Autosense™ dispensing technologies provide the necessary solutions and structures to promote compliance with regulation initiatives and full accountability through "Seed to Sale" inventory management and tracking.

## **A- M3**

Legitimizing the entire chain of custody and transaction channel, from seed to sale, grower to client, through the science of management and technology is the basis of the M3Hub Technology solution. The technology solution is based on sound principals derived from the Pharmacy Industry preparing the Medical Marijuana Industry for real world compliance and laws put in place by the Federal, State and Local Governments.

M3Hub looks to incorporate into the M3Hub multiple service channels including: Financial Solutions, Insurance, Security Monitoring, Vending, Distribution controls, RFID tracking, Taxation Collection Service, POS management, Biometric Protocols, Applications, Doctor Referral and Verification, Centralized Lab Testing, Quality control management and Vending services. The M3Hub will also foster an outer layer service providing: Referral Networks, Policy and Legal association, Social Media, News and Scientific literature distribution and collective industry affiliation partners.

The M3 platform provides solutions for all necessary aspects and infrastructure for active, reliable, safe, secure, compliance monitoring with access to support a Centralized Medical Marijuana Industry Repository. It segregates privacy and patient protection from product tracking and legal compliance and the handling of Medical and Recreational Marijuana.

Key Functionality Features:

- Inventory Tracking Data Points
- Unique Producer Inventory Tracking Data Requirements
- Unique Processor Inventory Tracking Data Requirements
- Unique Retailer Inventory Tracking Data Requirements
- Audit/Investigation Reporting
- System User Access
- Audit Tracking
- Data Upload Requirements
- 

## **B- AUTOSPENSE**

Autospense™ is a uniquely designed, high-tech automated dispensing system that exceeds industry standards. The software used is specifically designed to properly control transactions and manage inventory. This will significantly improve profitability, accountability, security and customer satisfaction. Autospense™ is specifically designed and manufactured to dispense medical marijuana while also managing the supply chain, providing up to the minute accounting details and protecting the security of the product as well as the patient accessing the system.

Key Benefits:

- Enables patients to obtain medical marijuana in an orderly, business-like fashion.
- Provides a safe, legally compliant and professional access to medical marijuana.
- Allows store owners and staff to properly manage inventory and distribution.
- Mitigates concerns and problems that have risen from community groups, political figures and law enforcement agencies.
- Legitimizes and introduces a higher standard of business efficiency to a market that is commonly known for being chaotic, poorly managed and counter culture.
- Enhances security, accountability, supply chain management and profitability for store owners.

## **4. OBJECTIVES**

- Identify multibillion dollars markets and establish a dominant position
- Concentrate on recurring revenue stream business model
- Assemble high quality personnel that excel in a collaborative environment.
- Create sustainable systems and long term infrastructure support

## **5. KEYS TO SUCCESS**

- Client adoption of sustainable and superb technology platform
- Establish a unified Hub for the legalized Marijuana Industry
- Solidifying key corporate alliances

Integrating key acquisitions and technology assets

Harnessing the power of Human Resources

## **6. CONCLUSION**

The Medical Marijuana and Recreational Marijuana industry growth rate is on a dramatic upside curve. Sustainability for the Industry requires standardization and reliable compliance methodology. No one company can do everything, rather, an alliance network within the industry collaborating together will assure the longevity and success of this industry in its infancy. M3Hub is positioned to become a leader in services and technology solutions for the marijuana industry.

Endexx Corporation (the “Company”) was incorporated under the laws of the state of Nevada in September 1997 as Micron Solutions, Inc. In March 2002 the Company changed its name to Panamed Corporation. In 2005 the Company changed its name to Endexx Corporation. The Company’s fiscal year ends on September 30th. The Company’s primary and secondary SIC codes are: 7380, Miscellaneous Business Services.

**Item 7. Describe the issuer’s facilities**

In June 2013, Endexx Corporation entered into an annual rental/lease agreement for approximately one thousand square feet at 5855 E. Surrey Dr., Cave Creek, AZ. 85331, Suite F.

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

**A. Names of Officers, Directors. And Control Persons**

**Todd Davis** – President, Chief Executive Officer, Chief Financial Officer and Sole Director

Todd Davis has served as our Chief Executive Officer, Chief Financial Officer and Director since 2003.

TODD A. DAVIS CV  
Current Address:  
37043 North Kohuana Place  
Cave Creek, AZ. 85331

Curriculum Vitae

Date of Birth:	August 15, 1966
Birth Place:	Phoenix, Arizona
Education:	Bachelor of Science: Administrative Communications (Business/Communications) Northern Arizona University: Graduated May 1989 Master’s Studies: Arizona State University (International Finance/Management)
Executive:	Chief Executive Officer and COB Endexx Corporation 2003-Present: A diversified small cap growth company, incubating and fostering growth through Collaboration. (EDXC)
Professional:	Series 7/63 licenses 1990-2001: Investment Banker/Stockbroker 1990-1995: Small and Microcap Specialist: Participated in over 100 IPOs, Secondary Offerings, and Private Placements Stockbroker/Trading Analyst 1995-2000: Developed Proprietary trading system and analysis for high performance ROI. I employed the system with retail investors and institutional traders over multiple platforms. Independence (2000-Present): Consultant for CEOs of public corporations. I provide a proprietary system to enhance CEO performance in market cap valuations and metrics. Owner of rock quarry, 2005-present. I have served as Founder, Director, Investor and operator of more than ten publicly traded Corporations 2000-Present. Founder, Designer, and Proprietor of <a href="http://Pro17.com">Pro17.com</a> 2008-present. A high Alpha, trading and decision making platform designed to forecast any stock, ETF, Index or commodity in increments of 17 day trading cycles without bias. It has achieved 87-91% accuracy over 5 years and 1000 plus equities averaging over 10% profit per trade.
Family:	Married 5 years. Five kids ranging in age from 3-20, pre-school to college. Two dogs: a white Lab and a chubby Pug.

**B. Legal/Disciplinary History.**

None of the issuer's officers, directors or control persons has, within the last five years, been subject to any conviction, order, judgment, decree, or finding required to be disclosed by the OTC Markets Guidelines for Providing Adequate Current Information.

**C. Beneficial Shareholders.**

**Rayne Forecast Inc.; Todd Davis**

Rayne Forecast Inc. ("Rayne") owns 51,850,000 shares of the Company, and Rayne is wholly owned by the Company's CEO and sole director, Todd Davis. Rayne is located at 37043 N. Kohuana Pl., Cave Creek, AZ 85331, and its resident agent is Thomas A. Dwyer & Associates, Inc. located at 401 S. La Salle St., Chicago, Illinois 60605. Todd Davis beneficially owns an additional 1,635,000 shares of the Company.

**Item 9. Third Party Providers**

**1. Legal Counsel:**

Law Offices of Gary L. Blum  
3278 Wilshire Blvd., Suite 603  
Los Angeles, CA 90010  
Phone: 213.381.7450  
Email: gblum@gblumlaw.com

**2. Accountant or Auditor:**

Steinback & Associates  
7760 E State Route 69  
Prescott Valley, AZ 86314  
Phone: 928.772.7082  
Email: steinbacke@yahoo.com

**3. Investor Relations Consultant:**  
**none**

**4. Other Advisor:**

### **Item 10. Issuer Certification**

I, Todd Davis, President, Chief Executive Officer, and Chief Financial Officer, certify that:

1. I have reviewed this Annual Disclosure Statement of Endexx Corporation and its subsidiaries;
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.

Dated: February 20, 2014

By: /s/ Todd Davis  
Todd Davis,  
President, Chief Executive Officer, Chief Financial Officer