OTC Pink Basic Disclosure Guidelines

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

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

KENERGY SCIENTIFIC INC.

2) Address of the issuer's principal executive offices

Company Headquarters

45 NE 3RD AVENUE
MIAMI, FLORIDA 33132
Phone:
800-277-0321
Email: infoknsc@otcpubco.com
Website(s): www.hibachigrillmiami.com

IR Contact N/A
Address 1: _____
Address 2: _____
Address 3: _____
Phone: _____
Email: _____
Website(s): _____

3) Security Information

Trading Symbol: KNSC
Exact title and class of securities outstanding: COMMON STOCK 6,684,465
CUSIP: C27539
Par or Stated Value: .0001
Total shares authorized: 10,000,000,000. as of: 4-28-2017
Total shares outstanding: 6,684,465 as of: 4-28-2017

Additional class of securities (if necessary):
Trading Symbol: KNSC
Exact title and class of securities outstanding: PREFERRED B
CUSIP: _____
Par or Stated Value: _____
Total shares authorized: 1,000,000 as of: 4-28-2017
Total shares outstanding: 10,000 as of: 4-28-2017

Transfer Agent
Name: FIDELITY TRANSFER
Address 1: 8915 S 700 E
Address 2: SUITE 102
Address 3: SANDY, UTAH 84070
Phone: 801-562-1300
Is the Transfer Agent registered under the Exchange Act?* Yes: YES No: ☐

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

List any restrictions on the transfer of security:

NONE

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

NONE

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

______

4) Issuance History

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

A. The nature of each offering (e.g., Securities Act Rule 504, intrastate, etc.);

______

B. Any jurisdictions where the offering was registered or qualified;

______

C. The number of shares offered;

______

D. The number of shares sold;

______

E. The price at which the shares were offered, and the amount actually paid to the issuer;

______

F. The trading status of the shares; and

______

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

THERE HAVE NOT BEEN ANY ISSUANCES IN THE LAST TWO YEARS.

5) Financial Statements

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

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

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

You may either (i) attach/append the financial statements to this disclosure statement or (ii) post such financial statements through the OTC Disclosure & News Service 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 reports separately as described in part (ii) 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.com in the field below.

Information contained in a Financial Report is considered current until the due date for the subsequent Financial Report. To remain in the OTC Pink Current Information tier, a company must post its Annual Report within 90 days from its fiscal year-end date and Quarterly Reports within 45 days of its fiscal quarter-end date.

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

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

A. a description of the issuer's business operations;

Kenergy Scientific owns Hibachi Noodle Bar. They have been in operation since 2012, with two operating facilities in the Miami area. The company has been in the food service industry for many years, and has a branding and style that they have created that separates them from other company's. The restaurants have become well know in the market and have signed on for a third location, which is under construction. The two operating facilities have been in operation for more than five years and own all the equipment and buildouts.

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

STATE OF NEW JERSEY 2004

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

5812

D. the issuer's fiscal year end date;

DECEMBER 31

E. principal products or services, and their markets;

FOOD AND RESTUARANT

7) Describe the Issuer's Facilities

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

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.

THE COMPANY leases restaurant facilities out of which it operates its food service businesses. The locations are fitted out with normal commercial kitchen equipment and customer eating area tables, chairs, and counters. The Company also has a small business office in its main location.

8) 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 shareholders.

A. Names of Officers, Directors, and Control Persons. In responding to this item, please provide the names of each of the issuer's executive officers, directors, general partners and control persons (control persons are beneficial owners of more than five percent (5%) of any class of the issuer's equity securities), as of the date of this information statement.

ADEL NASSAR PRESIDENT
ERWIN VAHLSING CFO

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

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

   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

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

ADEL NASSAR PRESIDENT 10,000 PRFERRED B SHARES
ADEL NASSAR PRESIDENT 3,200,000,000 COMMON SHARES

9) Third Party Providers

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

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

Accountant or Auditor
Name: _____
Firm: _____
Address 1: _____
Address 2: _____
Phone: _____
Email: _____

Investor Relations Consultant
Name: _____
Firm: _____
Address 1: _____
Address 2: _____
Phone: _____
Email: _____

Other Advisor: Any other advisor(s) that assisted, advised, prepared or provided information with respect to this disclosure statement.
Name: _____
Firm: _____
Address 1: _____
Address 2: _____
Phone: _____
Email: _____

Kenergy Scientific, Inc.

Annual Report

For the Year Ended

December 31, 2016

Kenergy Scientific, Inc.
Annual Report
For the Year Ended December 31, 2016

Item 2 Shares outstanding at December 31, 2016

- **Preferred Stock** Par value $1.00 per share

Authorized	1,000,000
Shares Issued and Outstanding:	62,270
Freely tradable shares:	0
Total number of beneficial shareholders:	0
Total number of shareholders of record:	0

- **Common Stock**
  - **Class A** No par value

Authorized	10,000,000,000
Shares Issued & Outstanding:	6,684,465,174
Freely tradable shares:	
Total number of beneficial shareholders:	
Total number of shareholders of record:	

  - **Class B** Par value $0.01 per share

Authorized	50,000,000
Shares Issued & Outstanding:	10,000
Freely tradable shares:	
Total number of beneficial shareholders:	
Total number of shareholders of record:	

  - **Class C** Par value $0.01 per share

Authorized	20,000,000
Shares Issued & Outstanding:	None
Freely tradable shares:	
Total number of beneficial shareholders:	
Total number of shareholders of record:	

Kenergy Scientific, Inc.
Consolidated Financial Statements
For the Years Ended December 31, 2016 and 2015

Contents

KENERGY SCIENTIFIC, INC.
BALANCE SHEETS

	December 31, 2016	December 31, 2015
ASSETS		
Current assets:		
Cash	$ 84,785	$ 80,285
Inventory	5,452	5,452
Shareholder loan	44,286	44,286
Total current assets	134,523	130,023
Fixed and intangible assets:		
Furniture and fixtures	13,611	13,611
Leasehold improvements	117,220	117,220
Restaurant equipment	110,352	110,352
Total fixed and intangible assets	241,183	241,183
Accumulated amortization and depreciation	(174,396)	(134,255)
Fixed and intangible assets, net	66,787	106,928
Total other assets	-	-
Total assets	$ 201,310	$ 236,951
LIABILITIES AND STOCKHOLDERS DEFICIT		
Current liabilities:		
Accounts payable and accrued expenses	$ 328,757	$ 458,406
Accrued interest	189,397	143,882
Notes payable	421,180	421,180
Convertible promissory notes (net of debt discount of $35,083 and $0, respectively)	536,209	536,209
Total current liabilities	1,475,543	1,559,677
Commitments and contingencies	-	-
Stockholders' deficit:		
Preferred stock - $1.00 par value, authorized - 1,000,000 shares; 62,270 issued and outstanding, respectively	62,270	62,270
Class A Common Stock - no par value; 10,000,000,000 shares authorized; issued and outstanding 6,684,465,174 and 6,684,465,174 shares, respectively	13,148,300	13,148,300
Class B Common Stock - $0.01 par value; 50,000,000 shares authorized; issued and outstanding 10,000 and 10,000 shares, respectively	100	100
Class C Common Stock - $0.01 par 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	(16,397,047)	(16,445,539)
Total stockholders' deficit	(1,274,233)	(1,322,726)
Total liabilities and stockholders' deficit	$ 201,310	$ 236,951

See accompanying notes to the financial statements

KENERGY SCIENTIFIC, INC.
STATEMENTS OF OPERATIONS

	For the years ended			
	December 31, 2016		December 31, 2015	
Revenues	$	788,029	$	795,907
Cost of goods sold		363,615		376,135
Gross profit		424,415		419,772
Operating expenses:				
Restaurant operational expenses		22,402		26,960
General and administrative		299,597		301,977
Depreciation and amortization		13,409		13,409
Total operating expenses		335,407		342,345
Gain from operations		89,008		77,426
Other Income / (Expense):				
Interest expense		(40,515)		(19,688)
Total other income / (expense)		(40,515)		(19,688)
Net profit applicable to common stock holders	$	48,492	$	57,738
Per share data				
Net Profit per share - basic and diluted	$	0.00	$	0.00
Weighted average number of shares outstanding- basic and diluted		6,684,465,174		6,684,465,174

See accompanying notes to the financial statements

KENERGY SCIENTIFIC, INC.

STATEMENTS OF STOCKHOLDERS' DEFICIT

	Preferred Stock ($1.00 par value)		Common Stock A ($0 par value)		Common Stock B ($.01 par value)		Additional Paid-In Capital	Accumulated Deficit	Total Stockholders' Deficit
	Shares	Amount	Shares	Amount	Shares	Amount			
Balance, January 1, 2015	62,270	$ 62,270	3,033,322,160	$ 13,148,300	10,000	$ 100	$ 1,912,144	$ (16,503,277)	$ (1,380,464)
Net profit		-		-	-	-		57,738	57,738
Balance, December 31, 2015	62,270	62,270	3,033,322,160	13,148,300	10,000	100	1,912,144	(16,445,539)	(1,322,726)
Net profit		-		-	-	-		48,492	48,492
Balance, December 31, 2016	62,270	$ 62,270	3,033,322,160	$ 13,148,300	10,000	$ 100	$ 1,912,144	$ (16,397,047)	$ (1,274,233)

See accompanying notes to the financial statements

KENERGY SCIENTIFIC, INC.
STATEMENTS OF CASH FLOWS

	For the years ended	
	December 31, 2014	December 31, 2013
Cash flows from operating activities:		
Net profit	$ 48,492	$ 57,738
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation and amortization	13,409	13,409
Changes in operating asset and liability account balances:		
Accounts payable and accrued expenses	(57,401)	9,138
Total adjustments	(43,992)	22,547
Net cash used in operating activities	4,500	80,285
Net cash used in investing activities	-	-
Net cash provided by financing activities	-	-
Net increase (decrease) in cash	4,500	80,285
Cash at beginning of year	80,285	-
Cash at end of year	$ 84,785	$ 80,285
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	$ -	$ -
Debt discount	$ -	$ -

See accompanying notes to the financial statements

Kenergy Scientific, Inc.
Notes to Consolidated Financial Statements
For the Years Ended December 31, 2016 and 2015

1. Organization and Nature of Operations

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. It was engaged in the design, manufacture, and marketing of specialized telecommunication equipment until mid-2009. In June 2009, the Company entered into fields of development for various products relating to solar power generating systems; portable solar powered products, such as cell phone and PDA rechargers that are solar rechargeable; solar rechargeable lantern/flashlight devices; solar backpack rechargers; solar power audio devices, such as radios; wind power generating systems; and, creative products based on proprietary positions, especially in the area of healthcare.

In 2013, the Company exited the solar powered equipment market, and in September 2013 entered into a Letter of Intent with Mina Mar Group, Inc. to acquire control of KNSC for the purpose of operating two separate subsidiaries focused on the Internet and advertising media aggregation.

In late 2014, the transaction was cancelled, and the Company pursued other opportunities for business growth.

Beginning in 2015, the controlling interest of the company was acquired an accredited investor, the owner and operator of a growing chain of Hibachi Gills and Noodle Bars located in the Miami, Florida region. The Company currently has 2 locations with a third under development.

2. Going Concern

The accompanying financial statements have been prepared assuming that the Company will continue as a going concern. For the years ended December 31, 2016, and 2015, the Company had a net profit of $48,492 and $57,738 respectively. As of December 31, 2016, the Company has a working capital deficit of $887,930. In view of these matters, the Company's ability to continue as a going concern is dependent upon the continued financial support from its management, its ability to identify future investment opportunities and to obtain the necessary debt or equity financing, coupled with its ability to grow operations and to continue a satisfactory level of profitability. The Company intends on financing its future development activities and its working capital needs largely from the sale of public equity securities with some additional funding from other traditional financing sources, including term notes and proceeds from sub-licensing agreements until such time that funds provided by operations are sufficient to fund working capital requirements. 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. The financial statements of the Company do not include any adjustments relating to the recoverability and classification of recorded assets, or the amounts and classifications of liabilities that might be necessary should the Company be unable to continue as a going concern.

3. Significant Accounting Policies

The significant accounting policies followed are:

Accounting Principles and Basis of Presentation

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

Principles of Consolidation

The consolidated financial statements include the accounts of Kenergy Scientific, Inc. (parent) and Hibatchi Grille, LLC, our wholly owned subsidiary which has common ownership and management. All intercompany balances and transactions have been eliminated.

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. Included in these estimates are assumptions about collection of accounts receivable, impairment of intangibles, useful life of property and equipment, stock based compensation, beneficial conversion of convertible notes payable, deferred income tax asset valuation allowances, and valuation of derivative liabilities.

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.

Cash is maintained at financial institutions and, at times, balances may exceed federally insured limits. We have never experienced any losses related to these balances. All our non-interest bearing cash balances were fully insured at December 31, 2016 and 2015. At December 31, 2016 and 2015, there were no amounts held in excess of federally insured limits.

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 common shares 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.

Common stock equivalents for the years ended December 31, 2016 and 2015 were dilutive due to the small net profit earned by the Company during these periods.

The following table summarizes the securities that were excluded from the diluted per share calculation because the effect of including these potential shares was antidilutive even though the exercise price could be less than the average market price of the common shares.

	As of December 31,	
	2016	**2015**
Shares issuable upon conversion of convertible notes payable at date	8,650,440,000	8,650,440,000

Accounts receivable and concentration of credit risk

The Company does not currently have an trade accounts receivable as all sales are either cash or credit card for services or products and collected contemporaneously with the sale. Therefore, the Company has not recorded an allowance for doubtful accounts.

The Company does not have any single customer that constitutes more than a fraction of a percent of total sales or accounts receivable. As such, the Company does not believe that it has any concentration of credit risk in its operations.

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.

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 years ended December 31, 2016 and 2015, the Company recorded any write off due to spoilage as part of the cost of sales, and does not maintain separate records for those amounts.

Furniture, equipment, and long-lived assets

Furniture and equipment are recorded at cost and depreciated on a straight-line basis over their estimated useful lives, principally three to five years. Accelerated methods are used for tax depreciation. Maintenance and repairs are charged to operations when incurred. Betterments and renewals are capitalized. When furniture and equipment are sold or otherwise disposed of, the asset account and related accumulated depreciation account are relieved, and any gain or loss is included in operations.

The Company evaluates the recoverability of its long-lived assets or asset groups whenever adverse events or changes in business climate indicate that the expected undiscounted future cash flows from the related assets may be less than previously anticipated. If the net book value of the related assets exceeds the undiscounted future cash flows of the assets, the carrying amount would be reduced to the present value of their expected future cash flows and an impairment loss would be recognized.

Revenue recognition

The Company records amounts billed to customers for delivery of products as costs as sales revenue. Costs incurred by the Company for shipping and handlings are included in cost of sales.

In accordance with ASC 605, *Revenue Recognition*, the Company recognizes revenue when persuasive evidence of an arrangement exists, product delivery has occurred or the services have been rendered, the price is fixed or determinable and collectability is reasonably assured. Revenue is generated when products or services, are delivered to the customer. Revenue is recognized net of sales returns and allowances. Provisions for discounts and rebates to customers, estimated returns, allowances, and other adjustments are provided for in the same period the related sales are recorded.

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 December 31, 2016 and 2015.

Income Taxes

Deferred income tax assets and liabilities arise from temporary differences associated with differences between the financial statements and tax basis of assets and liabilities, as measured by the enacted tax rates, which are expected to be in effect when these differences reverse. Deferred tax assets and liabilities are classified as current or non-current, depending on the classification of the assets or liabilities to which they relate. Deferred tax assets and liabilities not related to an asset or liability are classified as current or non-current depending on the periods in which the temporary differences are expected to reverse. The principal types of temporary differences between assets and liabilities for financial statements and tax return purposes are set forth in Note 7.

The Company follows the provisions of FASB ASC 740-10 "*Uncertainty in Income Taxes*" (ASC 740-10), January 1, 2007. The Company has not recognized a liability as a result of the implementation of ASC 740-10. A reconciliation of the beginning and ending amount of unrecognized tax benefits has not been provided since there are no unrecognized benefits at December 31, 2016 or 2015. The Company has not recognized interest expense or penalties as a result of the implementation of ASC 740-10. If there were an unrecognized tax benefit, the Company would recognize interest accrued related to unrecognized tax benefits in interest expense and penalties in operating expenses.

Share Based Compensation

The Company recognizes all share-based payments to employees, including grants of employee stock options, as compensation expense in the financial statements based on their fair value. That expense will be recognized over the period during which an employee is required to provide services in exchange for the award, known as the requisite service period (usually the vesting period). There were no grants awarded in 2016 and 2015.

The Company issues common stock and common stock options and warrants to consultants for various services. For these transactions, the Company follows the guidance in FASB ASC Topic 505. Costs for these transactions are measured at the fair value of the consideration received or the fair value of the equity instrument 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 instrument is reached or (ii) the date at which the counterparty's performance is complete.

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's financial instruments consist principally of cash, accounts receivable, inventory, accounts payable and accrued liabilities notes payable, convertible promissory notes, and amounts due to related parties. Pursuant to ASC 820, the fair value of our cash is determined based on "Level 1" inputs, which consist of quoted prices in active markets for identical assets. We believe that the recorded values of all of our other financial instruments approximate their current fair values because of their nature and respective maturity dates or durations.

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.

Derivative Liabilities

The Company assessed the classification of its derivative financial instruments as of December 31, 2016, 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.

Derivative Liabilities ***(Continued)***

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.

Long Lived Assets

The Company follows Accounting Standards Codification subtopic 360-10, Property, Plant and Equipment ("ASC 360-10"). ASC 360-10 requires those long-lived assets and certain identifiable intangibles held and used by the Company be reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Events relating to recoverability may include significant unfavorable changes in business conditions, recurring losses, or a forecasted inability to achieve break-even operating results over an extended period. The Company evaluates the recoverability of long-lived assets based upon forecasted undiscounted cash flows. Should impairment in value be indicated, the carrying value of intangible assets will be adjusted, based on estimates of future discounted cash flows resulting from the use and ultimate disposition of the asset. ASC 360-10 also requires assets to be disposed of be reported at the lower of the carrying amount or the fair value less costs to sell.

Advertising

Advertising is expensed as incurred and is included in selling costs on the accompanying consolidated statements of operations. Advertising and marketing expense for the years ended December 31, 2016 and 2015 was approximately $12,968 and $17,526, respectively.

Shipping costs

Shipping costs are included in cost of goods sold and totaled.

Intangible Assets

The Company accounts for business combinations in accordance with Accounting Standards Codification ("ASC") 805, Business Combinations, which requires that the purchase method of accounting be used for all business combinations. ASC 805 requires intangible assets acquired in a business combination to be recognized and reported separately from goodwill.

Goodwill represents the cost of the acquired businesses in excess of the fair value of identifiable tangible and intangible net assets purchased. The Company assigns all the assets and liabilities of the acquired business, including goodwill, to reporting units in accordance with ASC 350, Intangible – Goodwill and Other. Our business combinations did not result in any goodwill as of December 31, 2016, and 2015.

The Company evaluates intangible assets for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to the future undiscounted net cash flows expected to be generated by the asset. If these assets are considered to be impaired, the impairment to be recognized is measured by the amount by which the carrying value of the assets exceeds the fair value of the assets.

Recent Accounting Pronouncements

The FASB has issued ASU No. 2014-12, Compensation – Stock Compensation (Topic 718): Accounting for Share-Based Payments When the Terms of an Award Provide That a Performance Target Could Be Achieved after the Requisite Service Period. This ASU requires that a performance target that affects vesting, and that could be achieved after the requisite service period, be treated as a performance condition. As such, the performance target should not be reflected in estimating the grant date fair value of the award. This update further clarifies that compensation cost should be recognized in the period in which it becomes probable that the performance target will be achieved and should represent the compensation cost attributable to the period(s) for which the requisite service has already been rendered. The amendments in this ASU are effective for annual periods and interim periods within those annual periods beginning after December 15, 2015. Earlier adoption is permitted. The Company has not yet determined the effect of the adoption of this standard.

The FASB has issued ASU No. 2014-09, Revenue from Contracts with Customers. This ASU supersedes the revenue recognition requirements in Accounting Standards Codification 605 - Revenue Recognition and most industry-specific guidance throughout the Codification. The standard requires that an entity recognizes revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the company expects to be entitled in exchange for those goods or services. This ASU is effective on January 1, 2017 and should be applied retrospectively to each prior reporting period presented or retrospectively with the cumulative effect of initially applying the ASU recognized at the date of initial application. The Company has not yet determined the effect of the adoption of this standard and it is not expected to have a material impact on the Company's consolidated financial position and results of operations.

In August 2014, the FASB issued a new accounting standard which requires management to evaluate whether there is substantial doubt about an entity's ability to continue as a going concern for each annual and interim reporting period. If substantial doubt exists, additional disclosure is required. This new standard will be effective for the Company for annual and interim periods beginning after December 15, 2016. Early adoption is permitted. The Company expects to adopt this new standard for the fiscal year ending December 31, 2014 and the Company will continue to assess the impact on its consolidated financial statements.

On June 10, 2014, the Financial Accounting Standards Board ("FASB") issued update ASU 2014-10, Development Stage Entities (Topic 915). Amongst other things, the amendments in this update removed the definition of development stage entity from Topic 915, thereby removing the distinction between development stage entities and other reporting entities from US GAAP. In addition, the amendments eliminate the requirements for development stage entities to (1) present inception-to-date information on the statements of income, cash flows and shareholder's equity, (2) label the financial statements as those of a development stage entity; (3) disclose a description of the development stage activities in which the entity is engaged and (4) disclose in the first year in which the entity is no longer a development stage entity that in prior years it had been in the development stage. The amendments are effective for annual reporting periods beginning after December 31, 2014 and interim reporting periods beginning after December 15, 2015, however entities are permitted to early adopt for any annual or interim reporting period for which the financial statements have yet to be issued. The Company has elected to early adopt these amendments and accordingly have not labeled the financial statements as those of a development stage entity and have not presented inception-to-date information on the respective financial statements.

In January 2015, the FASB issued ASU No. 2015-01, "Income Statement - Extraordinary and Unusual Items (Subtopic 225-20): Simplifying Income Statement Presentation by Eliminating the Concept of Extraordinary Items." This ASU eliminates from U.S. GAAP the concept of extraordinary items. ASU 2015-01 is effective for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2015. A reporting entity may apply the amendments prospectively. We do not expect the adoption of ASU 2015-01 to have a material effect on our financial position, results of operations or cash flows.

In April 2015, FASB issued Accounting Standards Update ("ASU") No. 2015-03, Interest – Imputation of Interest (Subtopic 835-30): Simplifying the Presentation of Debt Issuance Costs, is to simplify presentation of debt issuance costs by requiring that debt issuance costs related to a recognized debt liability be presented in the balance sheet as a direct deduction from the carrying amount of that debt liability, consistent with debt discounts. The ASU does not affect the recognition and measurement guidance for debt issuance costs. For public companies, the ASU is effective for financial statements issued for fiscal years beginning after December 15, 2015, and interim periods within those fiscal years. Early application is permitted. This updated guidance is not expected to have a material impact on our results of operations, cash flows or financial condition.

In July 2015, FASB issued Accounting Standards Update ("ASU") No. 2015-11, "Inventory (Topic 330): Simplifying the Measurement of Inventory" more closely align the measurement of inventory in GAAP with the measurement of inventory in International Financial Reporting Standards (IFRS). The amendments in this ASU do not apply to inventory that is measured using last-in, first-out (LIFO) or the retail inventory method. The amendments apply to all other inventory, which includes inventory that is measured using first-in, first-out (FIFO) or average cost. An entity should measure inventory within the scope of this Update at the lower of cost and net realizable value. Net realizable value is the estimated selling prices in the ordinary course of business, less reasonably predictable costs of completion, disposal, and transportation. Subsequent measurement is unchanged for inventory measured using LIFO or the retail inventory method. For public business entities, this ASU is effective for fiscal years beginning after December 15, 2016, including interim periods within those fiscal years. For all other entities, this ASU is effective for fiscal years beginning after December 15, 2016, and interim periods within fiscal years beginning after December 15, 2017. The amendments in this ASU should be applied prospectively with earlier application permitted as of the beginning of an interim or annual reporting period. We are currently reviewing the provisions of this ASU to determine if there will be any impact on our results of operations, cash flows or financial condition.

In August 2015, FASB issued Accounting Standards Update ("ASU") No.2015-14, "Revenue from Contracts with Customers (Topic 606): Deferral of the Effective Date" defers the effective date ASU No. 2014-09 for all entities by one year. Public business entities, certain not-for-profit entities, and certain employee benefit plans should apply the guidance in Update 2014-09 to annual reporting periods beginning after December 15, 2017, including interim reporting periods within that reporting period. Earlier application is permitted only as of annual reporting periods beginning after December 15, 2016, including interim reporting periods within that reporting period. All other entities should apply the guidance in Update 2014-09 to annual reporting periods beginning after December 15, 2018, and interim reporting periods within annual reporting periods beginning after December 15, 2019. All other entities may apply the guidance in ASU No. 2014-09 earlier as of an annual reporting period beginning after December 15, 2016, including interim reporting periods within that reporting period. All other entities also may apply the guidance in Update 2014-09 earlier as of an annual reporting period beginning after December 15, 2016, and interim reporting periods within annual reporting periods beginning one year after the annual reporting period in which the entity first applies the guidance in ASU No. 2014-09. We are currently reviewing the provisions of this ASU to determine if there will be any impact on our results of operations, cash flows or financial condition.

In August 2015, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2015-15, "Interest - Imputation of Interest (Subtopic 835-30)." ASU 2015-15 provides guidance as to the presentation and subsequent measurement of debt issuance costs associated with line of credit arrangements. We do not expect the adoption of ASU 2015-15 to have a material effect on our financial position, results of operations or cash flows.

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 the Company does not believe that there are any other new accounting pronouncements that have been issued that might have a material impact on its financial position or results of operations.

4. Inventory

Inventory is stated at the lower of cost or market, with cost being determined on the FIFO method. Inventory costs include material, import control costs, unpacking at the warehouse facility, and freight charges. The Company provides inventory allowances based on excess and obsolete inventories determined primarily by future demand forecasts.

Cost of Sales

At the time of sale, the Cost of Sales is computed at actual cost.

Inventory at December 31, consist of the following:

	2016	2015
Finished goods	$ 18,171	$ 22,469
Total inventories	$ 18,171	$ 22,469

5. Fixed and Intangible Assets

Furniture and equipment at December 31 consist of the following:

	2016	2015
Property, Plant & Equipment		
Website	$ 181,042	$ 178,842
Furniture and Equipment	32,331	33,331
Total fixed assets	213,373	212,173
Less: accumulated depreciation	(210,860)	(209,923)
Net fixed assets	$ 2,513	$ 2,250
Intangibles Assets		
Internet domains	$ 31,000	$ 31,000
Content licenses	52,500	177,963
Sony – royalty & license	6,521	6,521
Total intangible assets	90,021	215,484
Less: accumulated amortization	(90,021)	(200,539)
Net intangible assets	$ 0	$ 14,945

During the years ended December 31, 2016 and 2015, the Company recorded depreciation and amortization expense of $937 and $30,617, respectively.

In the year ended December 31, 2016, the Company recorded an impairment of intangibles in the amount of $99,699.

In the year ended December 31, 2016, the Company recorded a gain on sale of assets of $12,000.

6. Commitments and Contingencies

Leases

The Company leased a 2,400-square foot building for its corporate headquarters. The lease runs through March 2017 and monthly rent expense is $2,950. Annual rent expense for the years ended December 2016 and 2015 are $35,400 and $36,108, respectively.

Minimum Future Lease Payments

2015	2016	2017	2018	2019
$ 35,400	$ 35,400	$8,850	$ 0	$ 0

Litigation

From time to time we may be a defendant and/or plaintiff in various other legal proceedings arising in the normal course of our business. We are currently not a party to any material legal proceedings or government actions, including any bankruptcy, receivership, or similar proceedings. In addition, we are not aware of any known litigation or liabilities involving the operators of our properties that could affect our operations. Furthermore, as of the date of this Annual Report, our management is not aware of any proceedings to which any of our directors, officers, or affiliates, or any associate of any such director, officer, affiliate, or security holder is a party adverse to our company or has a material interest adverse to us.

7. Income Taxes

Deferred taxes are recorded for all existing temporary differences in the Company's assets and liabilities for income tax and financial reporting purposes. Due to the valuation allowance for deferred tax assets, as noted below, there was no net deferred tax benefit or expense for the years ended December 31, 2016 and 2015.

There is no current or deferred income tax expense or benefit allocated to continuing operations for the years ended December 31, 2016 and 2015.

The provision for income taxes is different from that which would be obtained by applying the statutory federal income tax rate to income before income taxes. The items causing this difference are as follows:

Year ended December 31,		**2016**		**2015**
Income tax benefit at Federal statutory rate of 35%	$	(350,800)	$	(191,300)
State Income tax benefit, net of Federal effect		(50,000)		(27,300)
Permanent and other differences		233,800		69,600
Change in valuation allowance		167,000		149,000
Total	$	-	$	-

The tax effects of temporary differences that give rise to significant portions of the deferred tax assets and deferred tax liabilities at December 31, 2016 and 2015 are as follows:

As at December 31,	**2016**	**2015**
Net operating loss	$ 1,410,000	$ 1,243,000
Asset impairment	-	-
Valuation allowance	$ (1,410,000)	$ (1,243,000)
Total	**-**	**-**

Change in valuation allowance:

Balance, December 31, 2015	$ 1,243,000
Increase in valuation allowance	167,000
Balance, December 31, 2016	$ 1,410,000

Since management of the Company believes that it is more likely than not that the net deferred tax assets will not provide future benefit, the Company has established a 100 percent valuation allowance on the net deferred tax assets as of December 31, 2016 and 2015.

As of December 31, 2016, management estimates that the Company has federal and state net operating loss carry-forwards totaling approximately $3,524,000 which expire at various times through 2034.

The Company has filed all returns for the years 2012, 2015, and 2016 on January 19, 2015. The returns for the year 2015 will be filed in the near future upon completion of the audited financial statements. All tax years from 2012 to current are open to potential examination by the IRS.

8. Notes payable

At December 31, 2016 and 2015 notes payable and officer loans consist of the following:

	Notes Payable Balance at December 31,				
		2016		2015	Type
a.	$	70,450	$	70,450	Convertible
b.		10,000		10,000	Convertible
c.		4,200		4,200	Convertible
d.		5,000		5,000	Convertible
e		141,600		141,600	Convertible
f.		20,000		20,000	Convertible
g.		25,000		25,000	Convertible
h.		66,316		66,316	Related party note
i.		219,677		219,677	Convertible
j.		5,560		5,560	Officer loan
k.		20,147		20,147	Related party loan
l.		75,000		75,000	Related party note
	$	**662,950**	**$**	**662,950**	

a. On March 6, 2012, the Company consented to the cancelation of the wrap around agreement with EPIC worldwide and the reassignment of a new wrap around agreement with ATG, Inc. for $50,000 plus accrued interest of $26,050. Concurrent with the cancelation of the wrap around agreement, the Company also recorded a Gain on Valuation of Derivative in the amount of $154,201 on the retirement of the derivative liability.

   On March 6, 2012, the Company consented to the reassignment of the outstanding balance of the EPIC Worldwide wrap around agreements to ATG, Inc. ("ATG"). The outstanding balance of principal and accrued interest was $76,050. ATG subsequently entered into an Assignment and Assumption Agreement with UAIM Corporation ("UAIM") to assign $10,000 of these funds from ATG to UAIM. Amounts due under these agreements are due on or before March 6, 2013 and pays interest at the rate of 15% per annum. ATG and UAIM have the right to convert a portion or the entire outstanding principal into the Company's Class A Common Stock at a Conversion Price equal to $0.0005 per share. ATG and UAIM may not convert these agreements into shares of Class A Common Stock if such conversion would result in ATG or UAIM beneficially owning in excess of 4.99% of the then issued and outstanding shares of Class A Common Stock.

   During the year ended December 31, 2012, the Company issued an aggregate of 11,200,000 shares of Class A common stock for repayment of $5,600 of convertible debenture in lieu of cash pursuant to the terms of the wrap around agreement.

   At December 31, 2016 and 2015, the outstanding balance on these agreements was $70,450 respectively.

b. On March 11, 2013, the Company issued a convertible promissory note, in an aggregate of $10,000, to Southridge Partners II LP ("Southridge"). Amounts due under this note are due on or before March 31, 2014. Southridge has the right to convert a portion or the entire outstanding principal into the Company's Class A Common Stock at a Conversion Price equal to the lesser of (a) $0.01 or (b) fifty percent (50%) of the lowest closing bid price during the twenty (20) trading days immediately preceding the Conversion Date.

   At December 31, 2016 and 2015, the outstanding balance on the Southridge note was $10,000 respectively.

c. In 2011, the Company consented to the assignment of $93,700 of the notes held by three note holders (Basner, DeJonge, and Opal) to Star City Capital, LLC ("Star City"), the Company consented to provide Star City with the right to convert a portion or the entire outstanding principal into the Company's Class A Common Stock at a Conversion Price equal to fifty percent (50%) of the lowest closing bid price of the Common Stock during the five (5) trading days immediately preceding the Conversion Date. Star City may not convert the note into shares of Class A Common Stock if such conversion would result in Star City beneficially owning in excess of 9.99% of the then issued and outstanding shares of Class A Common Stock.

   During the years ended December 31, 2012, 2013, and 2014, Star City converted $24,969, $48,553, and $15,978 of convertible debt and accrued but unpaid interest into shares of the Company's Class A common stock in lieu of cash pursuant to the terms of the various Securities Transfer Agreements.

   At December 31, 2016 and 2015, the outstanding balance on the Star City note was $4,200, respectively.

d. In conjunction with the consent and assignment of $8,400 of the DeJonge notes to Vera Group, LLC ("Vera Group"), the Company consented to provide Vera Group with the right to convert a portion or the entire outstanding principal into the Company's Class A Common Stock at a Conversion Price equal to fifty percent (50%) of the lowest closing bid price of the Common Stock during the twenty (20) trading days immediately preceding the Conversion Date.

   Vera Group may not convert the note into shares of Class A Common Stock if such conversion would result in Vera Group beneficially owning in excess of 9.99% of the then issued and outstanding shares of Class A Common Stock. On March 31, 2013, the Company issued a 10% Convertible Promissory Note to Vera Group. Amounts due under this note are due on or before March 31, 2014. Vera Group with the right to convert a portion or the entire outstanding principal into the Company's Class A Common Stock at a Conversion Price equal to fifty percent (50%) of the lowest closing bid price of the Common Stock during the twenty (20) trading days immediately preceding the Conversion Date. Vera Group may not convert the note into shares of Class A Common Stock if such conversion would result in Vera Group beneficially owning in excess of 9.99% of the then issued and outstanding shares of Class A Common Stock.

   During the year ended December 31, 2013, the Company issued an aggregate of 169,190,000 shares of Class A common stock for repayment of $8,460 of convertible debt and interest to Vera Group in lieu of cash pursuant to the terms of the various Securities Transfer Agreements.

   At December 31, 2016 and 2015, the outstanding balance on the Vera Group note was $5,000, respectively.

e. On July 22, 2011, the Company issued a promissory note, in an aggregate of $100,000, to Charles M. Basner ("Basner"). Amounts due under this note are due on or before March 22, 2012 and pays interest at the rate of 7% per annum. On March 22, 2012, the Company defaulted on this note and as such, the lender may take whatever action he may elect to recover his loss while continuing to accrue 7% interest. During the year ended December 31, 2012 and the year ended December 31, 2013, the Company consented to the assignment an aggregate of $100,000 of the Basner note to Southridge Partners II LP and to Star City Capital, LLC. During the year ended December 31, 2012 and the year ended December 31, 2013, the Company issued replacement promissory notes, in the aggregate of $91,600. On May 7, 2013, the Company issued a replacement promissory note that provides conversion rights in the event of default after February 4, 2014. On July 1, 2012, the Company consented to the assignment of one of the GlynnTech, Inc promissory notes from GlynnTech to Charles Basner in the amount of $50,000. All terms of the original note are unchanged. On May 7, 2013, the Company issued a replacement promissory note that provides conversion rights in the event of default after July 1, 2013.

   At December 31, 2016 and 2015, the aggregate balance on the Basner notes was $141,600 respectively.

f. On June 15, 2011, the Company issued a promissory note, in an aggregate of $25,000, to Stuart W. DeJonge ("DeJonge"). Amounts due under this note are due on or before January 15, 2012 and pays interest at the rate of 9% per annum. On January 15, 2012, the Company defaulted on this note and as such, the lender may take whatever action he may elect to recover his loss while continuing to accrue 9% interest. In February 2013, the Company consented to the assignment an aggregate of $28,770 of the DeJonge note and accrued interest to affiliates of Star City Capital, LLC and Vera Group, LLC. On February 27, 2013, the Company issued replacement promissory notes, in the aggregate of $20,000. On May 7, 2013, the Company issued a replacement promissory note that provides conversion rights in the event of default after February 28, 2014.

   At December 31, 2016 and 2015, the outstanding balance on the DeJonge notes was $20,000 respectively.

g. On July 22, 2012, the Company issued a promissory note, in an aggregate of $25,000, to Fred Erxleben. Amounts due under this note are due on or before January 25, 2013 and pays interest at the rate of 10% per annum. On January 25, 2013, the Company defaulted on this note and as such, the lender may take whatever action he may elect to recover his loss while continuing to accrue 10% interest.

   At of December 31, 2016 and 2015, the outstanding balance on the Erxleben note was $25,000 respectively.

h. On June 30, 2013, Mr. Glynn assigned the remaining $79,936 balance of his notes to Mina Mar Group pursuant to the terms of the LOI between himself and Mina Mar Group executed on May 31, 2013.

   In the third quarter of 2015, Mr. Glynn revoked the agreement with Mina Mar Group after their failure to complete all contractual requirements related to the assumption. Mr. Glynn assumed possession of all notes previously assigned.

   At December 31, 2016 and 2015, the outstanding balance was $66,316 respectively.

i. On June 26, 2013, the Company issued a Promissory Note to Mr. Glynn for $180,000 representing earned and unpaid deferred compensation, plus accrued but unpaid interest of $39,677 as of December 31, 2014. This note matures on July 1, 2013 and upon default becomes convertible into Class A common stock at a conversion price of 50% of the lowest closing price of the last ten trading days prior to notice of conversion.

   At December 31, 2016 and 2015, the outstanding balance on the Promissory Note was $219,677 respectively.

j. In June 2013, the Company Mr. K. Glynn loaned the Company $5,560. The loan is unsecured, and carries interest at a rate of 8% per annum.

   At December 31, 2016 and 2015, the outstanding balance on the loan was $5,560 respectively

k. On July 1, 2012, the Company extended the Administrative Services Agreement with GlynnTech, Inc to provide back office administrative support to the Company. The administrative services agreement was for an initial term of one year and was extended for an additional one-year periods at the Company's request. The amended fees are $7,500 per month but may be reduced in scope or eliminated at any time upon 90 days' prior written notice by the Company to GlynnTech.

   In 2013, the Company converted the open balance under the Agreement to a note with an aggregate face value of $20,147.

   At December 31, 2016 and 2015, the outstanding balance on the note was $20,147, respectively.

l. On July 1, 2012, the Company consented to the assignment of one of the GlynnTech, Inc. promissory notes from GlynnTech to Charles Basner in the amount of $50,000. All terms of the original note are unchanged.

   At December 31, 2016 and 2015, the remaining GlynnTech promissory notes are $75,000 respectively.

9. Convertible Debt and Derivative Liability

At December 31, 2016 and 2015 convertible notes and debentures consisted of the following:

	December 31, 2016	December 31, 2015
Convertible notes payable	$ 536,209	$ 536,09
Unamortized debt discount	-	-
Carrying amount	$ 536,209	$ 536,209

Dividend yield:	0%
Volatility	0%
Risk free rate:	0.51%

At December 31, 2016 and 2015, the Company was unable to adjust the recorded fair value of the derivative liability to market. There was virtually no trading of the Company's shares during both calendar years. This resulted in insufficient data points to perform the necessary computations of the derivative liability adjustment.

10. Fair Value

ASC 825-10 defines fair value as the price that would be received from selling an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. When determining the fair value measurements for assets and liabilities required or permitted to be recorded at fair value, the Company considers the principal or most advantageous market in which it would transact and considers assumptions that market participants would use when pricing the asset or liability, such as inherent risk, transfer restrictions, and risk of nonperformance. ASC 825-10 establishes a fair value hierarchy that requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. ASC 825-10 establishes three levels of inputs that may be used to measure fair value:

- 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.
- Unobservable inputs to the valuation methodology that are significant to the measurement of fair value of assets or liabilities.

To the extent that valuation is based on models or inputs that are less observable or unobservable in the market, the determination of fair value requires more judgment. In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, for disclosure purposes, the level in the fair value hierarchy within which the fair value measurement is disclosed is determined based on the lowest level input that is significant to the fair value measurement.

Items recorded or measured at fair value on a recurring basis in the accompanying consolidated financial statements consisted of the following as of December 31, 2016:

		Fair Value Measurements at December 31, 2016 using:		
	December 31, 2016	**Quoted Prices in Active Markets for Identical Assets (Level 1)**	**Significant Other Observable Inputs (Level 2)**	**Significant Unobservable Inputs (Level 3)**
Liabilities:				
Derivative Liabilities	$ -	$ -	$ -	$ -

The debt derivative liabilities is measured at fair value using quoted market prices and estimated volatility factors based on historical prices for the Company's common stock and are classified within Level 3 of the valuation hierarchy.

The following table provides a summary of changes in fair value of the Company's Level 3 derivative liabilities as of December 31, 2016:

	2016
Balance, January 1	$ -
Initial valuation at issuance date	-
Change in fair value of derivative liabilities	-
Balance, December 31	$ -

11. Equity

Equity consists of the following:

- **Common Stock**
  - **Class A** — No par value; 10,000,000,000 Authorized
  - **Class B** — Par value $0.01 per share; 50,000,000 Authorized
  - **Class C** — Par value $0.01 per share; 20,000,000 Authorized
- **Preferred Stock** — Par value $1.00 per share; 1,000,000 Authorized; Convertible to Common Class A shares at seventy percent 70% of the average of the two (2) lowest Closing Prices in the five (5) trading days preceding conversion.

For the years ended December 31, 2016 and 2015, there were no issuances of any class of stock.

Class A Common Stock

At December 31, 2016 and 2015, there are 6,684,465,174 and 6,684,465,174 shares of Class A Common Stock issued and outstanding respectively.

Class A Common Stock *(continued)*

Each holder of Class A Common Stock is entitled to receive ratably dividends, if any, as may be declared by the Board of Directors out of funds legally available for payment of dividends. The Company has never paid any dividends on its common stock and does not contemplate doing so in the foreseeable future. The Company anticipates that any earnings generated from operations will be used to finance its growth objectives.

Class B Common Stock

At December 31, 2016 and 2015, there are 10,000 and 10,000 shares of Class B Common Stock issued and outstanding respectively.

Each holder of Class B Common Stock has voting rights equal to 100 shares of Class A Common Stock. A holder of Class B Common Stock has the right to convert each share of Class B Common Stock into the number of shares of Class A Common Stock determined by dividing the number of Class B Common Stock being converted by a 20% discount of the lowest price that Kenergy Scientific, Inc. had ever issued its Class A Common Stock. Upon liquidation, dissolution, or winding-up, holders of Class B Common Stock will be entitled to receive distributions.

Class C Common Stock

At December 31, 2016 and 2015, there are -0- and -0- shares of Class B Common Stock issued and outstanding respectively.

Each holder of Class C Common Stock is entitled to 1,000 votes for each share held of record. Shares of Class C Common Stock are not convertible into Class A Common Stock. Upon liquidation, dissolution or wind-up, the holders of Class C Common Stock are not entitled to receive the Company's net assets pro rata.

Preferred Stock

At December 31, 2016 and 2015, there are 62,270 and 62,270 shares of Preferred Stock issued and outstanding respectively.

The shares are convertible at the option of the investor into shares of the Company's common stock at a conversion price equal to seventy percent (70%) of the average of the two (2) lowest Closing Prices for the five (5) trading days immediately preceding a conversion notice. The Preferred Stock shall have no registration rights.

12. Related Party Transactions

During the years ended December 31, 2016 and 2015, there are no loans or transactions except in the normal course of business with related parties.

Transactions with prior officers and directors such as loans and short term advances have been reclassified to the Notes Payable for reporting purposes.

13. Subsequent Events

Debt transactions:

From January 1, 2017 to the date of this report the only significant events are:

- The Company filed Form 15g with the SEC withdrawing from the obligation to file reports going forward;
- The Company filed for reporting on the OTC Markets Alternative News and Reporting Service.

Item 5. Legal proceedings

None

Item 6. Defaults upon senior securities

None

Item 7. Other information

None

Item 8. Exhibits

None

Certification of Chief Executive Officer
Item 9.1

I, Adel Nassar, certify that:

1. I have reviewed this Annual Disclosure Statement of Kenergy Scientific, Inc.;

2. Based on my knowledge, this disclosure statement does not contain any untrue statement of material fact or omit to sate 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.

May 2, 2017

/s/ Adel Nassar
President

Certification of Chief Financial Officer
Item 9.2

I, Erwin Vahlsing, Jr., certify that:

1. I have reviewed this Annual Disclosure Statement of Kenergy Scientific, Inc.;

2. Based on my knowledge, this disclosure statement does not contain any untrue statement of material fact or omit to sate 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.

May 2, 2017

/s/ Erwin Vahlsing, Jr.
Chief Financial Officer