IDGLOBAL CORP.

UNAUDITED
CONSOLIDATED FINANCIAL STATEMENTS

AS OF AND FOR THE
SIX MONTHS ENDED JUNE 30, 2022 AND 2021

IDGLOBAL CORP.

AS OF AND FOR THE SIX AND THREE MONTHS ENDED JUNE 30, 2022 AND 2021

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IDGLOBAL CORP.

UNAUDITED CONSOLIDATED BALANCE SHEETS

Assets:	June 30, 2022	December 31, 2021
Cash and cash equivalents	$ 47,174	$ 98,014
Accounts receivable net	216,856	206,623
Total current assets	264,030	304,637
Related party loans receivable	29,091	26,591
Notes receivable	157,096	149,096
Purchased technology	4,224,462	4,224,462
Patents	256,911	267,765
Total assets	$ 4,931,590	$ 4,972,551
Liabilities and Stockholders' Equity		
Current liabilites:		
Accounts payable	$ 612,271	$ 612,193
Accrued expenses	817,544	830,882
Derivative liability	202,667	394,676
Deferred revenue	67,742	59,614
Interest payable	171,388	151,434
Related party debt	88,692	103,637
Notes payable	387,330	387,330
Convertible notes payable	644,501	841,079
Total current liabilities	2,992,135	3,380,845
Commitments and contingencies	-	-
Stockholders' equity		
Series A Preferred stock, $.00001 par value; 300,000,000 shares authorized, 190,000,000 issued and outstanding	1,900	1,900
Series B Preferred stock, $.00001 par value; 100,000,000 shares authorized, 3,850,000 and 7,700,000 issued and outstanding	38	38
Series C Preferred stock, $.00001 par value; 10,000,000 shares authorized, 2,801,600 issued and outstanding	28	29
Common stock, $.00001 par value; 25,000,000,000 shares authorized, 19,277,912,146 shares issued and outstanding	243,916	192,779
Capital in excess of par value	14,625,529	13,995,175
Accumulated deficit	(12,979,072)	(12,648,404)
Total IDGlobal Corp. stockholders' equity	1,892,339	1,541,517
Noncontrolling interest in subsidiary	47,116	50,189
Total stockholders' equity	1,939,455	1,591,706
Total liabilities and stockholders' equity	$ 4,931,590	$ 4,972,551

See accompanying notes to consolidated financial statements.

IDGLOBAL CORP.

UNAUDITED CONSOLIDATED STATEMENTS OF OPERATIONS

	Six Months Ended June 30, 2022	Six Months Ended June 30, 2021	Three Months Ended June 30, 2022	Three Months Ended June 30, 2021
Revenues	$ 123,336	$ 314,066	$ 66,922	$ 228,740
Costs of services	54,892	58,664	27,421	30,200
Gross profit	68,444	255,402	39,501	198,540
Costs and expenses:				
Consulting fees	70,001	600,000	51,346	600,000
General and administrative costs	127,327	89,393	78,674	50,743
Total costs and expenses	197,328	689,393	130,020	650,743
Operating income (loss)	(128,884)	(433,991)	(90,519)	(452,203)
Other income (expense):				
Interest expense	(29,910)	(27,932)	(15,881)	(13,511)
Interest income	8,000	8,005	4,000	4,000
Loss on debt conversions	(374,956)	-	(374,956)	-
Change in value of derivative liability	192,009	(163,075)	74,287	(59,499)
Total other income (expense)	(204,857)	(183,002)	(312,550)	(69,010)
Net income (loss) before taxes	(333,741)	(616,993)	(403,069)	(521,213)
Income taxes	-	-	-	-
Net income (loss)	(333,741)	(616,993)	(403,069)	(521,213)
Loss (income) from noncontrolling interest	3,073	(69,257)	3,363	(53,916)
Net income (loss) attributable to IDGlobal Corp.	$ (330,668)	$ (686,250)	$ (399,706)	$ (575,129)
Basic earnings (loss) per share	$ (0.00)	$ (0.00)	$ (0.00)	$ (0.00)
Diluted earnings (loss) per share	$ (0.00)	$ (0.00)	$ (0.00)	$ (0.00)
Weighted average number of common shares outstanding:				
Basic	20,027,952,724	23,042,527,373	20,777,993,302	23,639,914,430
Diluted	20,027,952,724	23,042,527,373	20,777,993,302	23,639,914,430

See accompanying notes to consolidated financial statements.

IDGLOBAL CORP.

UNAUDITED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY

FOR THE SIX MONTHS ENDED JUNE 30, 2022 AND THE YEARS ENDED DECEMBER 31, 2021 AND 2020

	Common Stock		Preferred Stock		Capital in Excess of	Accumulated	Noncontrolling	Total
	Shares	Amount	Shares	Amount	Par Vlaue	Deficit	Interest	Equity
Balance, December 31, 2019	20,419,584,760	204,196	200,551,600	2,006	13,158,719	(11,396,895)	(2,736)	1,965,290
Common stock compensation	2,000,000,000	20,000	-	-	180,000	-	-	200,000
Net loss year ended December 31, 2020	-	-	-	-	-	(260,876)	(145)	(261,021)
Balance, December 31, 2020	22,419,584,760	224,196	200,551,600	2,006	13,338,719	(11,657,771)	(2,881)	1,904,269
Sale of shares of common stock	1,150,000,000	11,500	-	-	103,500	-	-	115,000
Net loss Q1 2021	-	-	-	-	-	(111,121)	15,341	(95,780)
Balance, March 31, 2021	23,569,584,760	235,696	200,551,600	2,006	13,442,219	(11,768,892)	12,460	1,923,489
Common stock compensation	600,000,000	6,000	-	-	594,000	-	-	600,000
Net loss Q2 2021	-	-	-	-	-	(575,129)	53,916	(521,213)
Balance, June 30, 2021	24,169,584,760	241,696	200,551,600	2,006	14,036,219	(12,344,021)	66,376	2,002,276
Net loss Q3 2021	-	-	-	-	-	(9,955)	7,077	(2,878)
Balance, September 30, 2021	24,169,584,760	241,696	200,551,600	2,006	14,036,219	(12,353,976)	73,453	1,999,398
Reversal of debt conversion	(1,200,000,000)	(12,000)	-	-	(78,000)	-	-	(90,000)
Cancelation of stock	(3,691,672,614)	(36,917)	(3,850,000)	(39)	36,956	-	-	-
Net loss Q4 2021	-	-	-	-	-	(294,428)	(23,264)	(317,692)
Balance, December 31, 2021	19,277,912,146	192,779	196,701,600	1,967	13,995,175	(12,648,404)	50,189	1,591,706
Net income, Q1 2022	-	-	-	-	-	69,038	290	69,328
Balance, March 31, 2021	19,277,912,146	192,779	196,701,600	1,967	13,995,175	(12,579,366)	50,479	1,661,034
Sale of common stock	1,500,000,000	15,000	-	-	85,000	-	-	100,000
Conversion of preferred stock	588,235,294	5,882	-	(1)	(5,881)	-	-	-
Common stock issued for debt conversions	3,025,433,600	30,255	-	-	551,235	-	-	581,490
Net loss Q2 2022	-	-	-	-	-	(399,706)	(3,363)	(403,069)
Balance, June 30, 2022	24,391,581,040	$ 243,916	196,701,600	$ 1,966	$ 14,625,529	$ (12,979,072)	$ 47,116	$ 1,939,455

See accompanying notes to consolidated financial statements.

IDGLOBAL CORP.

UNAUDITED CONSOLIDATED STATEMENTS OF CASH FLOWS

	Six Months Ended	
	June 30, 2022	June 30, 2021
OPERATING ACTIVITIES		
Net loss	$ (333,741)	$ (616,993)
Adjustment to reconcile net loss to net cash used in operating activities:		
Change in value of derivative liability	(192,009)	163,075
Loss on debt conversion	374,956	-
Allowance for credit losses	22,111	-
Stock-based compensation	-	600,000
Amortization of intangible asset	10,854	-
Changes in non-cash working capital balances:		
Accounts receivable	(32,344)	(176,736)
Note receivable	(8,000)	(8,000)
Related party receivable	(2,500)	(22,591)
Accounts payable	78	26,963
Accrued expenses	(13,338)	(83,161)
Deferred revenue	8,128	(3,317)
Accrued interest payable	29,910	24,766
Net cash used in operating activities	(135,895)	(95,994)
INVESTING ACTIVITIES		
Patent expenditures	-	(2,925)
Net cash used in investing activities	-	(2,925)
FINANCING ACTIVITIES		
Payment on convertible note	-	(5,000)
Proceeds (payments) from related party advances	(14,945)	54,106
Proceeds from sale of common stock	100,000	115,000
Cash flow provided by financing activities	85,055	164,106
Net increase in cash	(50,840)	65,187
Cash and cash equivalents, beginning of the period	98,014	1,380
Cash and cash equivalents, end of the period	$ 47,174	$ 66,567
Supplemental disclosure of cash flow information:		
Cash paid for taxes	$ -	$ -
Cash paid for interest	$ -	$ -

See accompanying notes to consolidated financial statements.

IDGLOBAL CORP.

UNAUDITED NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

AS OF AND FOR THE SIX MONTHS ENDED JUNE 30, 2022 AND 2021

1. Description of Business and Summary of Accounting Policies

Description of Business

IDGlobal Corp. (the "Company," "we" or "our") is a diversified holdings company, which seeks to acquire and consolidate within the Smart City (IoT) 4.0 industry. The Company looks to consolidate and roll up the highly fragmented new Internet of Things (IoT) applications and 4.0 industries which enable Smart City Development. Our products and services provide the ability to remotely monitor, manage and control devices, and to create new insights and actionable information from real-time data. With the use of sensors and data analysis we look to connect intelligence, efficiency, and a better way of life.

Principles of Consolidation

The consolidated financial statements include the accounts of the Company and its majority owned subsidiary after elimination of significant intercompany balances and transactions. The Company uses the accrual basis of accounting and accounting principles generally accepted in the United States of America. The Company has a December 31 fiscal year end.

Use of Estimates

In preparing financial statements in conformity with generally accepted accounting principles, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. The most significant estimates relate to the derivative liabilities, the income tax valuation allowance, and the allowance for doubtful notes and accounts receivable. On a continual basis, management reviews its estimates, utilizing currently available information, changes in facts and circumstances, historical experience and reasonable assumptions. After such reviews, and if deemed appropriate, those estimates are adjusted accordingly. Actual results could differ from those estimates.

Cash and Cash Equivalents

The Company considers all highly liquid investments with maturities of three months or less to be cash equivalents. As of June 30, 2022 and December 31, 2021, the Company has cash equivalents of $35,000 and $62,500, respectively. The Company uses two financial institutions for its cash balances and has not maintained cash balances that exceed federally insured limits.

Revenue Recognition

In May 2014, the FASB issued ASU 2014-09, "Revenue from Contracts with Customers (Topic 606)." Topic 606 established that the Company recognize revenue using the following five-step model:
• Identification of the contract, or contracts, with a customer;
• Identification of the performance obligations in the contract;
• Determination of the transaction price;
• Allocation of the transaction price to the performance obligations in the contract; and
• Recognition of revenue when or as, the Company satisfies a performance obligation.

The Company identifies performance obligations in contracts with customers, which primarily are web-based monitoring services. The transaction price is determined based on the amount the Company expects to be entitled to receive in exchange for transferring the promised services to the customer. The transaction price in the contract is allocated to each distinct performance obligation in an amount that represents the relative amount of consideration expected to be received in exchange for satisfying each performance obligation. Revenue is recognized when performance obligations are satisfied. The Company usually bills its customers before it provides its monitoring services and bills in advance for a one-year period.

Judgments and Estimates

The estimation of variable consideration for each performance obligation requires the Company to make subjective judgments. The Company occasionally enters contracts with customers that regularly include promises to transfer multiple services, such as equipment installation, repair work and monitoring services. For arrangements with multiple services, the Company evaluates whether the individual services qualify as distinct performance obligations. In its assessment of whether a service is a distinct performance obligation, the Company determines whether the customer can benefit from the service on its own or with other readily available resources, and whether the service is separately identifiable from other services in the contract. This evaluation requires the Company to assess the nature of each individual service offering and how the services are provided in the context of the contract, including whether the services are significantly integrated, highly interrelated, or significantly modify each other, which may require judgment based on the facts and circumstances of the contract.

If an agreement involves multiple distinct performance obligations, the Company allocates arrangement consideration to all performance obligations at the inception of an arrangement based on the relative standalone selling prices (“SSP”) of each performance obligation. Where the Company has standalone sales data for its performance obligations which are indicative of the price at which the Company sells a promised service separately to a customer, such data is used to establish SSP. In instances where standalone sales data is not available for a particular performance obligation, the Company estimates SSP by the use of observable market and cost-based inputs. The Company continues to review the factors used to establish list price and will adjust standalone selling price methodologies as necessary on a prospective basis.

Service Revenue

Service revenue from the Company's monitoring service is recognized when the service has been provided. Payments received in advance of subscription services being rendered are recorded as a deferred revenue. When a contract with a customer is entered, the Company assesses whether collection of the fees under the arrangement is probable. The Company estimates the amount to reserve for uncollectible amounts based on the aging of the contract balance, current and historical customer trends, and communications with its customers. These reserves are recorded as operating expenses against the contract asset.

Contract Assets

Contract assets are recorded for those parts of the contract consideration not yet invoiced but for which the performance obligations are completed. The revenue is recognized when the customer receives services. Contract assets are included in other current or non-current assets in the consolidated balance sheets, depending on if their reduction will be recognized during the succeeding twelve-month period or beyond.

Deferred Revenue

Deferred revenues represent billings or payments received in advance of revenue recognition and are recognized upon transfer of control. Balances consist primarily of prepaid services not yet provided as of the balance sheet date. Deferred revenues that will be recognized during the succeeding twelve-month period are recorded as current deferred revenues in the consolidated balance sheets, with the remainder recorded as other non-current liabilities in the consolidated balance sheets. As of June 30, 2022 and December 31, 2021 there is deferred revenue of $67,742 and $59,614, respectively.

Costs to Obtain a Customer Contract

Sales commissions and related expenses are considered incremental and recoverable costs of acquiring customer contracts. These costs are capitalized as other current or non-current assets and amortized on a straight-line basis over the life of the contract, which approximates the benefit period. The benefit period was estimated by taking into consideration the length of customer contracts, technology lifecycle, and other factors. All sales commissions are recorded as consulting fees within the Company's consolidated statement of operations.

Cost of Services

Cost of services consist of direct costs that we pay to third parties in order to provide the services that generate revenue.

Fair Value of Financial Instruments

Under the Fair Value Measurements Topic of the FASB Accounting Standards Codification, the Company bases its fair value on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. It is the Company's policy to maximize the use of observable inputs and minimize the use of unobservable inputs when developing fair value measurements, in accordance with the fair value hierarchy. Fair value measurements for assets and liabilities where there exists limited or no observable market data and, therefore, are based primarily upon management's own estimates, are often calculated based on current pricing policy, the economic and competitive environment, the characteristics of the asset or liability and other such factors. Therefore, the results cannot be determined with precision and may not be realized in an actual sale or immediate settlement of the asset or liability. Additionally, there may be inherent weaknesses in any calculation technique, and changes in the underlying assumptions used, including discount rates and estimates of future cash flows, that could significantly affect the results of current or future value.

Impairment of long-lived assets

The Company periodically reviews its long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying amount of the assets may not be fully recoverable. The Company recognizes an impairment loss when the sum of expected undiscounted future cash flows is less than the carrying amount of the asset. The amount of impairment is measured as the difference between the asset's estimated fair value and its book value. During the six- and three-month periods ended June 30, 2022 and 2021, the Company did not record any impairment expense.

Income Taxes

The Company accounts for income taxes under the asset and liability method. Deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases and operating loss and tax credit carryforwards. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income and the reversal of deferred tax liabilities during the period in which related temporary differences become deductible. A valuation allowance has been established to eliminate the Company's deferred tax assets as it is more likely than not that any of the deferred tax assets will be realized.

The Company records uncertain tax positions in accordance with ASC 740 on the basis of a two-step process whereby (1) we determine whether it is more likely than not that the tax positions will be sustained on the basis of the technical merits of the position and (2) for those tax positions that meet the more-likely-than-not recognition threshold, we recognize the largest amount of tax benefit that is more than 50 percent likely to be realized upon ultimate settlement with the related tax authority.

Based on the Company's history of losses, it has been concluded that there are no significant uncertain tax positions requiring recognition in the Company's financial statements. The Company believes that its income tax positions would be sustained on audit and does not anticipate any adjustments that would result in a material change to its financial position.

The Company may in the future become subject to foreign, federal, state and local income taxation though it has not been since inception. The Company is not presently subject to any income tax audit in any taxing jurisdiction.

Basic Income (Loss) Per Share

Basic income (loss) per share is calculated by dividing the Company's net income or loss applicable to common shareholders by the weighted average number of common shares during the period. A diluted earnings per share is calculated by dividing the Company's net income available to common shareholders by the diluted weighted average number of shares outstanding during the year. The diluted weighted average number of shares outstanding is the basic weighted number of shares adjusted for any potentially dilutive debt or equity.

Stock-Based Compensation

The Company utilizes the Black-Scholes option pricing model to estimate the fair value of warrant issuances or stock option awards at the date of grant, which requires the input of highly subjective assumptions, including expected volatility and expected life. Changes in these inputs and assumptions can materially affect the measure of estimated fair value of share-based compensation. These assumptions are subjective and generally require significant analysis and judgment to develop. The Company estimates volatility by considering the historical stock volatility. The Company has opted to use the simplified method for estimating expected term.

Convertible Instruments

The Company evaluates and accounts for conversion options embedded in convertible instruments in accordance with ASC 815 "Derivatives and Hedging Activities".

Accounting standards require companies to bifurcate conversion options from their host instruments and account for them as free-standing derivative financial instruments according to certain criteria. The Company accounts for convertible instruments (when we have determined that the embedded conversion options should not be bifurcated from their host instruments) as follows: We record when necessary, discounts to convertible notes 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 stated date of redemption.

The Company accounts for the conversion of the underlying derivative of a convertible debt instrument as a gain or loss. The decrease in debt that results from a debt conversion is calculated and compared to the then-current fair value of shares issued with any difference recorded as a gain or loss.

We have determined that common stock equivalents in excess of available authorized common shares are not derivative instruments due to the fact that an increase in authorized shares is within our control because our Chief Executive Officer controls over 50% of our voting power through his ownership of preferred stock. As the controlling shareholder and the sole board member he can act unilaterally to increase the authorized shares of common stock.

Concentrations

No customer concentrations existed on June 30, 2022 and December 31, 2021, and no customer concentrations existed during the six- and three-month periods ended June 30, 2022 and 2021.

Recent Accounting Pronouncements

In June 2016, the FASB issued ASU No. 2016-13, "Financial Instruments — Credit Losses (Topic 326)," changing the impairment model for most financial instruments by requiring companies to recognize an allowance for expected losses, rather than incurred losses as required currently by the other-than-temporary impairment model. The ASU will apply to most financial assets measured at amortized cost and certain other instruments, including trade and other receivables, loans, available-for-sale and held-to-maturity debt securities, net investments in leases, and off-balance-sheet credit exposures. In November 2019, the FASB issued ASU No. 2019-10, changing effective dates for the new standards to give implementation relief to certain types of entities. The Company is required to adopt the new standards no later than January 1, 2023 according to ASU 2019-10, with early adoption allowed. We are currently evaluating the impact of adopting this new accounting guidance on our consolidated financial statements.

Management does not believe that any other recently issued, but not yet effective, accounting standards could have a material effect on the accompanying financial statements. As new accounting pronouncements are issued, we will adopt those that are applicable under the circumstances.

2. Going Concern Matters and Realization of Assets

The accompanying financial statements have been prepared on a going concern basis, which contemplates the realization of assets and the satisfaction of liabilities in the ordinary course of business. However, the Company has had negative working capital and an accumulated deficit. In addition, the Company is unable to meet its obligations as they become due and sustain its operations. The Company believes that its existing cash resources are not sufficient to fund its debt payments and working capital requirements.

The Company may not be able to raise sufficient additional debt, equity or other cash on acceptable terms, if at all. Failure to generate sufficient revenues, achieve certain other business plan objectives or raise additional funds could have a material adverse effect on the Company's results of operations, cash flows and financial position, including its ability to continue as a going concern, and may require it to significantly reduce, reorganize, discontinue or shut down its operations.

In view of the matters described above, recoverability of a major portion of the recorded asset amounts shown in the accompanying balance sheet is dependent upon continued operations of the Company which, in turn, is dependent upon the Company's ability to meet its financing requirements on a continuing basis, and to succeed in its future operations. The financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts or amounts and classification of liabilities that might be necessary should the Company be unable to continue in its existence. Management's plans include efforts to develop new revenue sources and negotiate further debt reductions with creditors.

There can be no assurance that the Company will be able to achieve its business plan objectives or be able to achieve or maintain cash-flow-positive operating results. If the Company is unable to generate adequate funds from operations or raise sufficient additional funds, the Company may not be able to repay its existing debt, continue to operate its network, respond to competitive pressures or fund its operations. As a result, the Company may be required to significantly reduce, reorganize, discontinue or shut down its operations. Accordingly, the management of the Company has concluded that there is substantial doubt about the Company's ability to continue as a going concern within one year after the issuance date of these financial statements.

3. Debt

The following table summarizes components of convertible debt as of June 30, 2022 and December 31, 2021:

		June 30, 2022		December 31, 2021
Convertible notes, variable conversion rate, 10% annual interest	$	284,263	$	284,263
Convertible notes, fixed conversion rate, 5% annual interest		360,238		520,239
Convertible note, fixed conversion rate, 5% annual interest		-		20,000
Convertible note, fixed conversion rate, 8% annual interest		-		16,577
Total convertible debt	$	644,501	$	841,079

Convertible debt with a variable conversion rate

On October 29, 2019, the Company issued three convertible debentures totaling $284,263 is exchange for services rendered, including cash expenditures, by an entity that planned to operate its Noveda Technologies Inc. subsidiary. The maturity date of the debentures is April 29, 2020; the debentures are past due. The terms of the debentures require the Company to pay the debenture investor an aggregate principal sum of $284,263 with 10% annual interest upon maturity. The principal amount of the debentures together with interest may be converted into shares of common stock of the Company at a price equal to seventy-five percent of the average trading price for the 10 days prior to the conversion. The balance payable as of June 30, 2022 and December 31, 2021 is $284,263. Accrued interest payable as of June 30, 2022 and December 31, 2021 is $76,321 and $62,147, respectively.

The conversion price of the debentures issued is based on a variable that is not an input to the fair value of a “fixed-for-fixed” option as defined under FASB ASC Topic No. 815 - 40. The fair value of the notes was recognized as a derivative instrument at the issuance date and is measured at fair value at each reporting period. For the three convertible debentures issued in fiscal 2019, the Company determined that the aggregate fair value of the conversion features was $204,337 at the issuance date. The derivative liability is marked to market at the end of each quarter, and amounted to $202,667 and $394,676 as of June 30, 2022 and December 31, 2021.

In September 2018, the Company issued two convertible debentures for an aggregate amount of $435,239. The debentures are passed the maturity date. The terms of the debentures require the Company to pay the debenture investor the principal sum plus 5% annual interest upon maturity. The principal amount of the debentures together with interest may be converted into shares of common stock equal to $0.000075 per share upon conversion. The note balance as of December 31, 2021 was $520,239. The note holder converted $160,000 of debt into 2,157,516,000 shares of common stock in May of 2022 to reduce the balance payable as of June 30, 2022 to $360,238. Acccrued interest payable as of June 30, 2022 and December 31, 2021 was $95,067 and $83,210, respectively. The Company recognized a loss on the debt conversion of $268,365 during the six- and three-month periods ended June 30, 2022.

In October 2018, the Company issued a convertible debenture for $20,000. The terms of the debenture required the Company to pay the debenture investor the principal sum plus 5% annual interest upon maturity. The principal amount of the debenture together with interest may be converted into shares of common stock equal to $0.00005 per share upon conversion. The entire note plus accrued interest was converted into 471,940,000 shares of common stock in June 2022. As a result of the conversion, the Company recorded a loss of $47,194. The note balance as of June 30, 2022 and December 31, 2021 was $0 and $20,000, respectively. Acccrued interest payable as of June 30, 2022 and December 31, 2021 was $0 and $3,192, respectively.

In June 2014, the Company issued a convertible debenture for $50,000. The terms of the debenture required the Company to pay the debenture investor the principal sum plus 8% annual interest upon maturity. The principal amount of the debenture together with interest may be converted into shares of common stock equal to $0.00005 per share upon conversion. The note balance as of December 31, 2021 was $16,577 and accrued interest payable was $2,885. The note and accrued interest was paid in full in June 2022 by the issuance of 395,977,600 shares of common stock, resulting in a loss from the debt conversion of $59,397

Notes payable amount to $387,330 as of June 30, 2022 and December 31, 2021. All notes are past due, except for a $25,000 note issued in 2021 which matures on November 9, 2022. The notes payable do not bear interest.

4. Derivative Liabilities

The Company evaluated their convertible note agreements pursuant to ASC 815 and due to there being no minimum or fixed conversion price resulting in an indeterminate number of shares to be issued in the future, the Company determined an embedded derivative existed and ASC 815 applied for their convertible notes. The Company valued the embedded derivatives using the Black-Scholes valuation model.

Convertible debt with a variable conversion feature

As of June 30, 2022, we estimated the fair value of the derivatives using the Black-Scholes valuation method with assumptions including: (1) term of 0.25 years; (2) a computed volatility rate of 376% (3) a discount rate of 1.72% and (4) zero dividends.

As of December 31, 2021, we estimated the fair value of the derivatives using the Black-Scholes valuation method with assumptions including: (1) term of 0.25 years; (2) a computed volatility rate of 267% (3) a discount rate of 0.6% and (4) zero dividends.

Any changes in the value of the derivative liabilities were recorded as a gain or loss in the income statement. The change in the value of derivates was recorded as other income of $192,009 and $74,287 for the six- and three-month periods ended June 30, 2022 and as other expense of $163,075 and $59,499 for the six- and three-month periods ended June 30, 2021.

5. Stockholders' Equity

The Company has authorized 35,000,000,000 shares of common stock, $0.00001 par value, and had 24,391,581,040 and 19,277,912,146 shares issued and outstanding as of June 30, 2022 and December 31, 2021. The Company has an aggregate of 410,000,000 shares authorized of preferred stock. There are 190,000,000, 3,850,000 and 2,801,600 shares outstanding of Series A, B and C preferred stock, respectively, as of June 30, 2022. There are 190,000,000, 3,850,000 and 2,851,600 shares outstanding of Series A, B and C preferred stock, respectively, as of December 31, 2021.

During the quarter ended June 30, 2022, the company issued 1,500,000,000 shares of common stock for gross proceeds of $100,000; 3,025,433,600 shares of common stock for debt conversions and 588,235,294 shares of common stock for a conversion of 50,000 shares of Series C Preferred Stock.

Warrants

The Company has one warrant outstanding to purchase up to 200,000,000 shares of common stock at a price of $0.0003 per share, which expires on December 31, 2025, and a second warrant to purchase up to 500,000,000 shares of common stock at a price of $0.0002 per share, which expires on March 11, 2025.

Outstanding Series of Preferred Stock

Series A, B and C Preferred Stock

Each share of Series A Preferred Stock is entitled to one hundred (100) votes in each matter submitted to vote of the Company's shareholders. The holders of Series A Convertible Preferred Stock shall be entitled to vote with the holders of common stock and holders of the Series A Convertible Preferred Stock. The holders of the Series A Preferred Stock shall be entitled to vote separately as a class.

The holders of the Series A Preferred Stock shall have conversion rights. Each share of Preferred Stock shall be convertible without the payment of any additional consideration by the holder thereof and, at the option of the holder thereof, at any time after the date of issuance of such shares of Series A Convertible Preferred Stock, at the office of the Corporation or any transfer agent for the Preferred Stock. Each share of Preferred Stock shall be convertible into one (1) fully paid and non-assessable shares of Common Stock

Each share of Series B Preferred is entitled to ten thousand (10,000) votes in each matter submitted to vote of the Company's shareholders.

Each share of Series B Preferred Stock shall be convertible without the payment of any additional consideration by the holder thereof and, at the option of the holder thereof, at any time after the date of issuance of such shares of Series B Convertible Preferred Stock, at the office of the Corporation or any transfer agent for the Preferred Stock. Each share of Preferred Stock shall be convertible into a number of fully paid and nonassessable shares of common stock equal to dividing the stated value by the current market price of the Company's common stock immediately preceding the date of conversion.

Each share of Series C Preferred Stock is non-voting.

Each share of Series C Preferred Stock shall be convertible without the payment of any additional consideration by the holder thereof and, at the option of the holder thereof, at any time after the date of issuance of such shares of Series C Convertible Preferred Stock, at the office of the Corporation or any transfer agent for the Preferred Stock. Each share of Preferred Stock shall be convertible into a number of fully paid and nonassessable shares of common stock equal to dividing the stated value by the current market price of the Company's common stock immediately preceding the date of conversion.

6. Income Taxes

The Company did not have any material unrecognized tax benefits as of June 30, 2022 and December 31, 2021. The Company does not expect the unrecognized tax benefits to significantly increase or decrease within the next twelve months. The Company recorded no interest and penalties relating to unrecognized tax benefits as of and during the six- and three month periods ended June 30, 2022 and 2021. The Company is subject to United States federal income tax, as well as taxes by various state and foreign jurisdictions.

At the end of each interim reporting period, the Company estimates its effective income tax rate expected to be applicable for the full year. This estimate is used in providing for income taxes on a year-to-date basis and may change in subsequent interim periods. The Company's effective tax rate from operations for the six- and three-month periods ended June 30, 2022 and 2021 was 0%. The effective rates for fiscal 2022 and fiscal 2021 differed from the U.S. federal statutory rate of 21% due to current year tax losses and tax loss carryforwards.

Deferred income taxes reflect the net tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes. The Company has established a full valuation allowance for any deferred taxes.

The Company recorded no income tax expense for the six- and three month periods ended June 30, 2022 and 2021 due to the net loss in each period.

7. Fair Value Measurements

The Company uses fair value measurements to record fair value adjustments to certain assets and liabilities and to determine fair value disclosures of financial instruments on a recurring basis.

Fair Value Hierarchy

The Fair Value Measurements Topic of the FASB Accounting Standards Codification establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to measurements involving significant unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are as follows:

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company has the ability to access at the measurement date.

Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3 inputs are unobservable inputs for the asset or liability.

Determination of Fair Value

Under the Fair Value Measurements Topic of the FASB Accounting Standards Codification, the Company bases its fair value on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. It is the Company's policy to maximize the use of observable inputs and minimize the use of unobservable inputs when developing fair value measurements, in accordance with the fair value hierarchy. Fair value measurements for assets and liabilities where there exists limited or no observable market data and, therefore, are based primarily upon management's own estimates, are often calculated based on current pricing policy, the economic and competitive environment, the characteristics of the asset or liability and other such factors. Therefore, the results cannot be determined with precision and may not be realized in an actual sale or immediate settlement of the asset or liability. Additionally, there may be inherent weaknesses in any calculation technique, and changes in the underlying assumptions used, including discount rates and estimates of future cash flows, that could significantly affect the results of current or future value.

Following is a description of valuation methodologies used for assets and liabilities recorded at fair value and for estimating fair value where it is practicable to do so for financial instruments not recorded at fair value (disclosures required by the Fair Value Measurements Topic of the FASB Accounting Standards Codification).

Cash and cash equivalents, accounts receivable, and accounts payable

In general, carrying amounts approximate fair value because of the short maturity of these instruments.

Debt

As of June 30, 2022 and December 31, 2021, debt was carried at its face value plus accrued interest. Based on the financial condition of the Company, it is impracticable for the Company to estimate the fair value of the debt.

Liabilities Measured and Recognized at Fair Value on a Recurring Basis

The following table presents the amounts of liabilities measured at fair value on a recurring basis as of June 30, 2022 and December 31, 2021.

The fair value of the derivatives that are traded in less active over-the-counter markets are generally measured using pricing models with no observable inputs. These measurements are classified as Level 3 within the fair value of hierarchy.

	Total	(Level 1)	(Level 2)	(Level 3)
December 30, 2021				
Derivative liabilities	$ 396,676	-	-	$ 396,676
June 30, 2022				
Derivative liabilities	$ 202,667	-	-	$ 202,667

The Company has no instruments with significant off balance sheet risk.

8. Commitments and Contingencies

A novel strain of coronavirus, or COVID-19, has spread throughout the world and has been declared to be a pandemic by the World Health Organization. As of the date this report was issued, our operations have not been significantly impacted by the COVID-19 outbreak. However, we cannot at this time predict the specific extent, duration, or full impact that the COVID-19 outbreak will have on our financial condition, operations, and business plans for 2022. Our operations have adapted social distancing practices, and the next expected milestones of our product may be impacted, and we may experience delays in anticipated timelines and milestones.

Operating Leases

For its office space, the Company and no lease commitments and shares its office with an affiliate. For the six- and three-month periods ended June 30, 2022 and 2021, the Company paid rent of \$7,974 and \$2,000 and \$0 and \$0, respectively.

Litigation

The Company is subject to legal proceedings and claims that arise in the ordinary course of its business. In the opinion of management, the amount of ultimate liability, if any, is not likely to have a material effect on the financial condition, results of operations or liquidity of the Company. The Company is involved in settlement discussions with former executives and believes any accrued payables are adequate to cover disputes. However, as the outcome of litigation or legal claims is difficult to predict, significant changes in the estimated exposures could occur.

Settlement with Prior Officer

In September 2021, the company entered into a settlement agreement with Liberty Capital Group. In conjunction with the agreement, the Company's former Chief Executive Officer ("CEO") resigned effective September 13, 2021 from all officer and director positions that he held in the Company and any subsidiaries. The agreement calls for the former CEO to return 3,491,672,614 shares of the Company's common stock and 3,850,000 shares of the Company's Series B preferred stock; to work together with the Company in settling a claim with the New Jersey Department of Labor; and to pursue the cancellation of an additional 1,454,863,589 shares of the Company's common stock and 150,000,000 shares of the Company's Series A preferred stock. As part of the settlement agreement, Liberty Capital Group will receive \$40,000 in cash and the former CEO will receive 300,000,000 shares of the Company's common stock.

In conjunction with this settlment, a total of 3,491,672,614 shares of common stock and 3,850,000 shares of Series B Preferred Stock were returned to the Company and canceled during the fouth quarter of 2021.

9. Net Earnings (Loss) Per Common Share

Basic net income (loss) per share is computed by dividing net income available to common stockholders (numerator) by the weighted average number of vested, unrestricted common shares outstanding during the period (denominator). Diluted net income per share is computed on the basis of the weighted average number of shares of common stock outstanding plus the effect of dilutive potential common shares outstanding during the period using the if-converted method. Dilutive potential common shares include shares issuable upon exercise of outstanding convertible debt and convertible preferred stock agreements.

	Six Months Ended June 30, 2022	Six Months Ended June 30, 2021	Three Months Ended June 30, 2022	Three Months Ended June 30, 2021
Net loss attributable to common stockholders - numerator basic	$ (330,668)	$ (686,250)	$ (399,706)	$ (575,129)
Interest expense attributable to convertible notes, net	-	-	-	-
Net income plus adjustments, net numerated diluted	(330,668)	(686,250)	(399,706)	(575,129)
Denominator:				
Weighted average common shares outstanding - basic	20,027,952,724	23,042,527,373	20,777,993,302	23,639,914,430
Effect of dilutive securities	-	-	-	-
Weighted average dilutive common shares outstanding	20,027,952,724	23,042,527,373	20,777,993,302	23,639,914,430
Net loss per common share basic	$ (0.00)	$ (0.00)	$ (0.00)	$ (0.00)
Net loss per common share diluted	$ (0.00)	$ (0.00)	$ (0.00)	$ (0.00)

Conversions of preferred stock and convertible debt into approximately 7,507,266,000 shares of common stock, for the six- and three-month periods ended June 30, 2022, were not taken into consideration in calculating the net loss per common share because any conversions are anti-dilutive.

10. Related Party Transactions

As of June 30, 2022 and December 31, 2021, the Company owed $88,692 and $103,637, respectively, to a related party. As of June 30, 2022 and December 31, 2021, the Company also had two loans receivable from related parties that total $29,091 and $26,591, respectively.

11. Subsequent Events

The Company evaluated subsequent events through the date these financial statements were available to be issued. There were no material subsequent events that required recognition or additional disclosure in these financial statements.