

# LIG ASSETS, INC

## COMPANY INFORMATION AND DISCLOSURE STATEMENT

Annual Report December 31 2018

### Item I: 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.

LIG Assets, Inc. was incorporated in the State Nevada on October 14, 2008

### Item II: Address of the issuer's principal executive offices

#### Company Headquarters

Address: 110 Third Ave West Carthage, TN 37030

Phone: 615-394-0890

Email: contact@leaderingreenassets.com

Website(s): www.leaderingreenassets.com www.ligahomes.com

#### IR Contact

Address: 118 16<sup>th</sup> Ave South #4-164 Nashville, TN 37203

Phone: 615-394-0890

Email: contact@leaderingreenassets.com

Website(s): www.leaderingreenassets.com www.ligahomes.com

### Item III: Security Information

Trading Symbol: LIGA

Exact title and class of securities outstanding: COMMON STOCK

CUSIP: 50187X107

Par or Stated Value: .0001

Total shares authorized: 2,400,000,000 as of: Mar 28, 2019

Total shares outstanding: 2,325,220,850 as of: Mar 28, 2019

Preferred share information (if necessary):

Exact title and class of securities outstanding: Series A Convertible Preferred Stock

CUSIP: N/A

Par or Stated Value: .0001

Total shares authorized: 60,000,000 as of: Mar 28, 2019

Total shares outstanding: 50,000,000 as of: Mar 28, 2019

Convertible at 0.0001 share of common stock for one share of preferred stock

#### Transfer Agent

Name: Empire Stock Transfer

Address: 1859 Whitney Mesa Drive Henderson NV 89014

Phone: 702-818-5898

Is the Transfer Agent registered under the Exchange Act?\* 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, except as required by law

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

None

Within the past year please list any past, pending or anticipated stock split, stock dividend, recapitalization, merger, acquisition, spin-off, or reorganization:

In January of 2015 the Company increased the authorized of Common stock to current 2,400,000,000 level and increased the authorized of Preferred Series A stock to current 60,000,000 level.

On June 21, 2016, the Company issued 160,000,000 shares of restricted common stock to seven different individuals or entities pursuant to the Restructuring Agreement dated June 1, 2016. The shares were issued to these individual to entice them to come on board with the company in order help expand the real estate portion of the business and ensure financials and IRS filings are completed in a timely, accurate manner.

In January 2017 the Board of Directors voted to reduce the conversion rate of the preferred stock. The new conversion rate was reduced to 0.0001 share of Common Stock for each share of Preferred Stock, down from 40 shares of Common Stock for each share of Preferred Stock. This action eliminated the largest potential source of dilution to the common stockholders.

#### **Item IV: 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 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:

Between January 1, 2016 and December 31, 2016

Restricted Common shares issued for services 160,000,000

Legend Rule 144

Between January 1, 2017 and December 31, 2017

Restricted Common shares issued for services 0

Between January 1 2018 and Dec 31, 2018

Restricted Common shares issued for services 24,000,000

Douglas Vaughn, CFO 12/21/2018 12mm shares for 2017 and 2018 accounting.

Mitch Mammina 11/22/2018 6mm shares related to Panama City Beach project

Lisa Tarpoff 11/22/2018 6mm shares related to Panama City Beach project

Total outstanding shares as of Mar 28, 2019 2,325,220,850

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

N/A

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

N/A

C. The number of shares offered;

N/A

D. The number of shares sold;

N/A

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

N/A

F. The trading status of the shares; and

N/A

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.

All shares were issued under the 144 legend

With respect to private offerings of securities, the list shall also indicate the identity of the persons who purchased securities in such private offering; *provided, however*, that in the event that any such person is an entity, the list shall also indicate (a) the identity of each natural person beneficially owning, directly or indirectly, more than ten percent (10%) of any class of equity securities of such entity and (b) to the extent not otherwise disclosed, the identity of each natural person who controlled or directed, directly or indirectly, the purchase of such securities for such entity.

N/A

## Item V 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”).

See attached Balance Sheet, Statement of Operations, Statement of Cash Flow, Equity Statement, and Notes to the Financial Statements for the three months ending Sep 15, 2018, attached to the end of this Quarterly 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 otcq.com in the field below.

N/A

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.

**Item VI: 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;

1. The Real Estate business had been the main focus of the Company in the past. It acquired, rehabilitated, and rented or resold homes for profit throughout Texas. All of these homes have been lost along with the contract for deed that it held on a large block of homes in Texas. On August 20, 2014, the Company entered into a Share Exchange Agreement (the “Agreement”) with Black Pearl Petroleum (BPP). After the exchange BPP owns 40,000,000 shares of Series A Preferred (80%) and Jeffrey B. Love owns 10,000,000 shares of Series A Preferred (20%).
2. The share exchange agreement brought LIG Assets, Inc. into the Oil and Gas business. But because of the falling oil prices and the lack of ability of the Company to raise any money the oil leases owned by West Coast Partners and CP Resources were lost.
3. On June 1, 2016, the Company signed a Restructuring Agreement that reorganized its management team and brought in a new President to concentrate on the real estate portion of the Company. The present CEO remained and along with the new President made up the new board of directors. An Advisory Board with three members was also formed. In 2017 a new Chairman of the Board, Chief Executive officer, and Chief Financial Officer were installed. The old advisory board was dissolved and the Board of Directors expanded. On May 4, 2018 Marvin Baker accepted the position of President of LIG Assets.

The Company now concentrates on building sustainable and survivable housing with partners that have land or land developments to contribute to the deal. The Company has also entered the steel framing business, and set up a wholly owned LLC for this purpose. The company has a 50% joint venture in the seafood storage business (see Management Discussion and Analysis)

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

LIG Assets, Inc. (the “Company”) was incorporated in the State of Nevada on October 14, 2008.

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

6411, 1381, 1382

D. the issuer’s fiscal year end date;

December 31

E. principal products or services, and their markets;

Building sustainable and survivable homes under the Robert Plarr brand, as well as light gauge steel framing of residential homes and commercial buildings.

**Item VII: 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.

The Company is being provided office space at

110 3<sup>rd</sup> Ave South Carthage TN 37030

The office space being provided is also the office for wholly owned subsidiaries BGTV Direct, LIG developments, and LIG Homes.

**Item VIII: 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.

<u>Chairman</u>	<u>Aric Simons</u>
<u>CEO &amp; Director</u>	<u>Allan Gillis</u>
<u>President &amp; Director</u>	<u>Marvin Baker</u>
<u>COO &amp; Director</u>	<u>Charles Gambino</u>
<u>CFO/Treasurer</u>	<u>Douglas Vaughn</u>
<u>Director</u>	<u>Paul J. Wright</u>

- 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);

N/A

- 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;

N/A

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

N/A

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.

N/A

- 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.

N/A

#### **Item IX: 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 (Securities Attorney)

Name:

Firm:

Address 1:

Address 2:

Phone:

Email:

##### Accountant or Auditor

Name: Auditor interviews begin 2nd qtr 2019

Firm:

Address 1:

Address 2:

Phone:

##### Tax Advisory Firm

Firm: Frasee Ivy Davis

Address 1: 5100 Poplar Ave, Suite 1400

Address 2: Memphis, TN 38137

Phone:

Other Advisor: Any other advisor(s) that assisted, advised, prepared or provided information with respect to this disclosure statement.

Name: N/A

## Item XX: Issuer Certification

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

The certifications shall follow the format below:

We, Aric Simons and Douglas B. Vaughn, certify that:

1. We are the Chairman and CFO respectively:
2. We have reviewed this Annual Information and Disclosure Statement of LIG Assets, Inc.
3. Based on our knowledge, this Information and Disclosure Statement does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this Information and Disclosure Statement; and
4. Based on our 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 Information and Disclosure Statement.

March 28, 2019

/s/ Aric Simons

Aric Simons, Chairman

/s/ Douglas B. Vaughn

Douglas B. Vaughn, CFO

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**LIG Assets, Inc**  
**Consolidated Balance Sheet**

	12/31/2018	12/31/2017
Cash	\$ 104,801.00	\$ 70,055.00
Marketable securities	\$ 22,821.00	\$ -
<u>Accounts receivable</u>	<u>\$ -</u>	<u>\$ 15,500.00</u>
Total Current Assets	\$ 127,622.00	\$ 85,555.00
Brentwood land	\$ 1,000,000.00	\$ -
Loans to Affiliate	\$ 56,000.00	\$ -
Investment - SAMP	\$ 30,000.00	\$ 30,000.00
LIG Entertainment	\$ 10,000.00	\$ 10,000.00
Other Long Term Inv	\$ 75,000.00	\$ -
Inv - Buck Lake ranch	\$ 124,235.00	\$ -
<u>Inv - SJM</u>	<u>\$ 15,500.00</u>	<u>\$ (74,980.00)</u>
Total Other Assets	\$ 1,310,735.00	\$ (34,980.00)
<b>Total assets</b>	<b>\$ 1,438,357.00</b>	<b>\$ 50,575.00</b>
Accounts payable	\$ 1,738.00	\$ 8,140.00
Current Liab - TCA	\$ -	\$ 15,000.00
<u>Other</u>	<u>\$ -</u>	<u>\$ -</u>
Current Liabilities	\$ 1,738.00	\$ 23,140.00
Kabbage LOC - BGTV	\$ 35,409.00	\$ 58,425.00
Convertible Notes LIGA	\$ 34,329.00	\$ 43,329.00
Other Notes Payable	\$ 774,520.00	\$ 100,117.00
Note To TCA Capital	\$ 125,000.00	\$ 180,000.00
Lawsuit Settlements	\$ 34,000.00	\$ 30,000.00
Real Estate Loans	\$ 700,000.00	\$ -
<u>Other Misc Liabilities</u>	<u>\$ 119,847.00</u>	<u>\$ 46,129.00</u>
Long term Liabilities	\$ 1,823,105.00	\$ 481,140.00
Total Liabilities	\$ 1,824,843.00	\$ 481,140.00
Common Stock	\$ 242,747.00	\$ 226,247.00
Preferred Stock	\$ 5,000.00	\$ 5,000.00
Paid In Capital	\$ 1,458,805.00	\$ 1,092,569.00
Retained Earnings	\$ (2,167,710.00)	\$ (1,823,244.00)
<u>Net Income YTD</u>	<u>\$ 74,672.00</u>	<u>\$ 68,863.00</u>
Equity	\$ (386,487.00)	\$ (430,564.00)
<b>Total Liab &amp; Equity</b>	<b>\$ 1,438,357.00</b>	<b>\$ 50,575.00</b>

**LIG Assets, Inc.**  
**Consolidated Income Statement**

	Year to Date 31-Dec-18	Qtr to Date 31-Dec-18
Revenues - BGTV	\$ 4,126,373.00	\$ 883,088.00
Revenues - LIGD	\$ 112,125.00	\$ -
<u>Misc Incom</u>	<u>\$ 1,250.00</u>	<u>\$ -</u>
Total revenues	\$ 4,239,748.00	\$ 883,088.00
Cost of Sales - BGTV	\$ 3,292,184.00	\$ 666,218.00
Cost of sales - LIGD	\$ 147,745.00	\$ -
<u>Trav &amp; Proj Labor</u>	<u>\$ -</u>	<u>\$ -</u>
Total Cost of Sales	\$ 3,439,929.00	\$ 666,218.00
Gross Profit	\$ 799,819.00	\$ 216,870.00
Salaries & wages	\$ -	\$ -
Other Administrative Exp	\$ 140,811.00	\$ -
Professional & Project	\$ 139,998.00	\$ 53,163.00
R&D Startup Expenses	\$ 279,890.00	\$ 98,750.00
Advertising	\$ 10,000.00	\$ -
Rent	\$ 22,300.00	\$ 3,457.00
Misc Overhead	\$ 49,935.00	\$ 39,294.00
Interest Expense	\$ 49,170.00	\$ 34,933.00
<u>IT Support</u>	<u>\$ 33,043.00</u>	<u>\$ 12,000.00</u>
Total Expense	\$ 723,334.00	\$ 241,547.00
<b>Net profit</b>	<b>\$ 74,672.00</b>	<b>\$ (24,727.00)</b>

**LIG Assets Inc.**  
**Consolidated Cash Flow Statement**

	Year to Date 31-Dec-18	Qtr to Date 31-Dec-18
Net Income	\$ 74,672.00	\$ (24,727.00)
Adjustments to reconcile		
Changes in Accounts Pay	\$ 2,373.00	\$ 192.00
<u>Other Liabilities</u>	<u>\$ (153,821.00)</u>	<u>\$ (153,821.00)</u>
Net Cash From Operations	\$ (76,776.00)	\$ (178,356.00)
Investing Activities		
Buck Lake Ranch	\$ (124,235.00)	\$ (1,500.00)
<u>Land Purchase</u>	<u>\$ (1,000,000.00)</u>	<u>\$ -</u>
Net Cash Used Investing	\$ (1,124,235.00)	\$ (1,500.00)
Financing Activities		
Note Payable TCA Capital	\$ (55,000.00)	\$ (10,000.00)
Real Estate Loans	\$ 700,000.00	\$ (100,000.00)
Kabbage LOC	\$ (82,956.00)	\$ (65,622.00)
Int on Notes Payable	\$ 3,026.00	\$ -
Other Misc Notes	\$ 672,429.00	\$ 466,442.00
<u>Other Financing BGTV</u>	<u>\$ 51,069.00</u>	<u>\$ (41,000.00)</u>
Net Cash From Financing	\$ 1,285,542.00	\$ 249,820.00
Net Cash Increase	\$ 84,531.00	\$ 69,964.00
<u>Cash At Beginning of Period</u>	<u>\$ 20,269.00</u>	<u>\$ 34,836.00</u>
Cash At End of Period	\$ 104,800.00	\$ 104,800.00

**LIG ASSETS, INC.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDING DEC 31, 2019.**

**NOTE—1 ORGANIZATION AND BUSINESS BACKGROUND**

LIG Assets, Inc. ("Company") was incorporated in the State of Nevada on October 14, 2008.

At inception the Real Estate business had been the main focus of the Company. It acquired rehabilitated and rented or resold homes for profit throughout Texas. All of these homes have been lost along with the contract for deed that it held on a large block of homes in Texas.

On August 20, 2014, the Company entered into a Share Exchange Agreement (the "Agreement") with Black Pearl Petroleum (BPP) (see page 5). The share exchange agreement brought LIG Assets, Inc. into the Oil and Gas business. However because of falling oil prices, the Company was unable to raise any money and the oil leases owned by West Coast Partners and CP Resources were lost.

On June 1, 2016, the Company signed a Restructuring Agreement that reorganized its management team and brought in a new President to concentrate on the real estate portion of the Company. The current CEO was retained and along with the new President made up the new board of directors. An Advisory Board with three members was also formed. On July 11, 2017 Alan Gillis was named new CEO and Douglas Vaughn was named new CFO. The advisory board was dissolved. Paul J Wright was added to the Board as of Nov 10, 2017. Marvin Baker accepted the position of President on May 4, 2018.

The Company presently concentrates on building Robert Plarr branded sustainable housing with partners that have land or land developments to contribute to the deal. The Brentwood Tennessee project will be the first such development in the world built on property acquired by LIG Assets. The project is transformative for LIG Assets. The Company also does steel framing for commercial and residential projects as well as media acquisition and distribution assets.

LIG Assets also has a 50% joint venture Live Stor America. CEO Alan Gillis and family own a revolutionary seafood shipping business Live Ship. Live Ship is able to transport live seafood survivable for 90 days with almost zero mortality. Originally developed for crustaceans, they have recently extended the technology to include Atlantic salmon. This allows bulk shipping at dramatically reduced costs, and necessitates storage facilities. Live Stor will build and operate the facilities. The first two located in Portland ME and Seattle WA are tentatively scheduled to begin construction 1st quarter of 2019. Live Stor America is working with various state and now federal officials on a potential solution to the Asian Carp problem in rivers and lakes in the United States. The company believes state and/or federal grants for this project are a very real possibility.

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Basis of presentation**

The Company's financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP"). The accompanying unaudited condensed financial statements have been prepared in accordance with accounting principles generally accepted in The United States of America and the rules and regulations of the Securities and Exchange Commission for financial information. Accordingly, they include all the information necessary for a comprehensive presentation of financial position and results of operations. It is management's opinion that all material adjustments (consisting of normal and recurring adjustments) have been made which are necessary for a fair financial statements presentation.

## **Use of estimates**

The preparation of financial statements in conformity with generally accepted accounting principles 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. Accordingly, actual results could differ from those estimates.

## **Cash equivalents**

The Company considers all highly liquid investments with an original maturity of three months or less when purchased to be cash equivalents. At Dec 31, 2018, the Company had \$127,622.

## **Fair value of financial instruments**

The Company adopted the provisions of FASB ASC 820 (the “Fair Value Topic”) which defines fair value, establishes a framework for measuring fair value under GAAP, and expands disclosures about fair value measurements.

The Fair Value Topic defines fair value as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. It requires that valuation techniques maximize the use of observable inputs and minimize the use of unobservable inputs. It also establishes a fair value hierarchy, which prioritizes the valuation inputs into three broad levels.

The following fair value hierarchy is used to classify assets and liabilities based on the observable inputs and unobservable inputs used in order to value the assets and liabilities:

- A) Market approach—Uses prices and other relevant information generated by market transactions involving identical or comparable assets or liabilities. Prices may be indicated by pricing guides, sale transactions, market trades, or other sources;
- B) Cost approach—Based on the amount that currently would be required to replace the service capacity of an asset (replacement cost); and
- C) Income approach—Uses valuation techniques to convert future amounts to a single present amount based on current market expectations about the future amounts (includes present value techniques, and option-pricing models). Net present value is an income approach where a stream of expected cash flows is discounted at an appropriate market interest rate.

Level 1: Quoted market prices available in active markets for identical assets or liabilities as of the reporting date. An active market for an asset or liability is a market in which transactions for the asset or liability occur with significant frequency and volume to provide pricing information on an ongoing basis.

Level 2: Observable inputs other than Level 1 inputs. Example of Level 2 inputs include quoted prices in active markets for similar assets or liabilities and quoted prices for identical assets or liabilities in markets that are not active.

Level 3: Unobservable inputs based on the Company’s assessment of the assumptions that are market participants would use in pricing the asset or liability.

The carrying amount of the Company’s financial assets and liabilities, such as cash, prepaid expenses, accounts payable, accrued expenses, and deferred revenue approximate their fair value because of the short maturity of those instruments. The Company’s note payable approximates the fair value of such instruments based upon management’s best estimate of interest rates that would be available to the Company for similar financial arrangements at September 30, 2016 and December 31, 2015.

BGTV Direct has an investment in marketable securities measured at cost. Once an audit is underway this asset will be potentially ‘marked to market’.

## **Property and Equipment**

Property and equipment are recorded at cost. Expenditures for major additions and betterments are capitalized. Maintenance and repairs are charged to operations as incurred. Depreciation is computed by the straight-line method over the assets estimated useful life of three (3) years for equipment, (5) years for automobile, and (7) years for furniture and fixtures. Upon sale or retirement of property and equipment, the related cost and accumulated depreciation are removed from the accounts and any gain or loss is reflected in statements of operations.

## **Impairment of long-lived assets**

The Company follows paragraph 360-10-05-4 of the FASB Accounting Standards Codification for its long-lived assets. The Company's long-lived assets, such as intellectual property, are required to be reviewed for impairment annually, or whenever events or changes in circumstances indicate that the carrying amount of the asset may not be recoverable.

The Company assesses the recoverability of its long-lived assets by comparing the projected undiscounted net cash flows associated with the related long-lived asset or group of long-lived assets over their remaining estimated useful lives against their respective carrying amounts. Impairment, if any, is based on the excess of the carrying amount over the fair value of those assets. Fair value is generally determined using the asset's expected future discounted cash flows or market value, if readily determinable. If long-lived assets are determined to be recoverable, but the newly determined remaining estimated useful lives are shorter than originally estimated, the net book values of the long-lived assets are depreciated over the newly determined remaining estimated useful lives. The Company determined that there were no impairments of long-lived assets as of December 31, 2017.

## **Commitments and contingencies**

The Company follows subtopic 450-20 of the FASB Accounting Standards Codification 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.

## **Revenue recognition**

The Company follows paragraph 605-10-S99-1 of the FASB Accounting Standards Codification for revenue recognition. The Company will recognize revenue when it is realized or realizable and earned. The Company considers revenue realized or realizable and earned when all of the following criteria are met: (i) persuasive evidence of an arrangement exists, (ii) the product has been shipped or the services have been rendered to the customer, (iii) the sales price is fixed or determinable, and (iv) collectability is reasonably assured. In addition, the Company records allowances for accounts receivable that are estimated to not be collected.

## **Net income (loss) per share**

The Company computes basic and diluted earnings per share amounts pursuant to section 260-10-45 of the FASB Accounting Standards Codification. Basic earnings per share is computed by dividing net income (loss) available to common shareholders, by the weighted average number of shares of common stock outstanding during the period, excluding the effects of any potentially dilutive securities. Diluted earnings per share is computed by dividing net income (loss) available to common shareholders by the diluted weighted average number of shares of common stock during the period. The diluted weighted average number of common shares outstanding is the basic weighted number of shares adjusted as of the first day of the year for any potentially diluted debt or equity.

There were 2,313,220,850 basic/dilutive shares outstanding as of Dec 31, 2018.

## **Subsequent events**

The Company follows the guidance in Section 855-10-50 of the FASB Accounting Standards Codification for the disclosure of subsequent events. The Company will evaluate subsequent events through the date when the financial statements were issued.

## **Recently issued accounting pronouncements**

Company management does not believe that any other recently issued, but not yet effective accounting pronouncements, if adopted, would have a material effect on the accompanying financial statements.

## **NOTE –1 GOING CONCERN**

These financial statements have been prepared in accordance with generally accepted accounting principles applicable to a going concern, which contemplates the realization of assets and the satisfaction of liabilities and commitments in the normal course of business. The Company's ability to continue as a going concern is contingent upon its ability to achieve and maintain profitable operations, and the Company's ability to raise additional capital as required. These conditions raise substantial doubt about the Company's ability to continue as a going concern. The successful development and subsequent sale of lots at the Brentwood TN project will allow the removal of the previous sentence. The completion of the Panama City Beach model home with subsequent deposits on sales will also allow the removal of the 'substantial doubt' qualifier.

## **NOTE 2 - PROPERTY AND EQUIPMENT**

LIG Assets purchased 30 acres of undeveloped land in Brentwood TN for \$1,000,000, consisting of \$150,000 down payment and owner financing of \$850,000. Projected development costs are expected to be approximately \$1,750,000. Development costs will be capitalized into the value of the land and expensed when lots are sold. LIG Assets has the option to purchase the adjacent 30 acres for \$1,000,000. Comparable undeveloped land nearby is already selling for over twice our purchase price.

## **NOTE 3 – NOTES RECEIVABLE SAMP**

As of December 31, 2018, \$30,000 remained to be collected on the SAMP note. Payments on this note were scheduled to be completed in 2015 and are now past due. This legacy asset will undergo increased due diligence in 2019.

## **NOTE 4 - LIG ENTERTAINMENT**

The Company originally advanced a filming company \$135,000 for half ownership in a movie produced in the Austin, Texas area. The movie is complete and final editing has been completed as well. The release date for the movie is not known at this time but the value of the movie appears to be minimal. As of Dec 31, 2018, the Company has determined to value the investment at the amount that it has been offered which is \$10,000. The Company is exploring other avenues to market the movie so it has not taken the offer but has determined to use that amount as the current value. The Company valued this asset at \$10,000 on Dec 31, 2018, as well.

## **NOTE 5 - ACCOUNTS PAYABLE**

As of Dec 31, 2018, the Company has \$1,738 of Accounts payable. BGTV's payables are usually satisfied within a few days of a corresponding receivable.

#### **NOTE 6 - ACCRUED INTEREST EXPENSE**

As of Dec 31, 2018 the company had \$28,176 of accrued interest payable. As of December 31, 2017, the Company had \$25,130 of accrued interest payable. As of the year ended December 31, 2016, the Company had \$214,063 in accrued interest expense. This is a contingent liability which has been estimated based upon the reduced remaining debt balanced. This expense will be aggressively negotiated upon payoff. Due to the expected payoff negotiations the company is not accruing interest expense on old notes. Auditors will have to make the determination if GAAP rules would accrue the interest expense only to reverse the charges upon final debt negotiations. This particular issue is probably the largest difference between the current financial statements and the audited statements expected in 2019.

#### **NOTE 7 - NOTES PAYABLE- SETTLEMENTS**

As of Dec 31, 2018 the company has \$34,000 of notes payable from settlements. As of December 31, 2017, the Company had notes payable of \$34,000. The company is not accruing interest expense as this value is also expected to be negotiated lower.

#### **NOTE 8 - NOTES PAYABLE**

As of Dec 31 2018, the Company had notes payable in the amount of \$774,520. These notes are all based on monies being loaned to the Company by other companies or by individuals. As of the year ended December 31, 2017, the Company had \$100,117 in notes payable. The opportunity remains to negotiate the older notes lower. The company entered several transactions for expansion of Buck Lake Ranch as well as the new Las Vegas division of BGTV Direct.

#### **NOTE 9 – TAXES PAYABLE**

During 2018 we retained Frasee Ivy Davis, a PCAOB certified tax and auditing firm to review and file where necessary any delinquent forms and 2017 returns. This was necessary to determine the tax loss carry forward to shield projected profits from the Brentwood Tennessee project. We were informed of interest and penalties for both delinquent as well as inaccurate filings. The company is pleased to report that all delinquent filings have been completed and filed with the IRS and is now in full compliance. The company is currently in negotiations with the IRS to eliminate the interest and penalties via Offer in Compromise process. This could result in a \$1.9mm tax loss carry forward shielding our initial profits from taxation.

#### **NOTE 10 - NOTES PAYABLE – TCA**

During the fiscal year ended December 31, 2016, the Company entered into a settlement agreement with TCA Global for \$240,000 to be paid off over a two-year period. The Company paid \$20,000 upon signing the settlement agreement and agreed to pay \$5,000 a month for 18 months starting on May 17, 2017, with the final payment of \$130,000 due on November 17, 2018. The original note was for \$500,000 and after being reduced by some payments and increased by interest and penalty accumulated to a principal amount due of \$686,129, with accrued interest and penalty in the amount of \$123,503 for a total amount due TCA of \$809,632, as of the year ended December 31, 2015. As of the year ended December 31, 2016, the Company took a gain on extinguishment of debt of \$569,632, consisting of a gain on principal of \$446,129 and a gain on accrued interest of \$123,503. This settlement was made possible in part due to Jeff Love also agreeing to personally settle for \$250,000 to be paid over an 18-month period. The current balance as of Dec 31, 2018, due TCA is \$125,000. As of December 31, 2016, the Company owed to TCA 220,000. The initiation of lot sales should lead to this item being paid off in its entirety.

## **NOTE 11 - CURRENT CONVERTIBLE NOTES PAYABLE**

As of the year ended December 31, 2016, the Company owed \$189,895. This balance was reduced dramatically due to our financial review and aggressive negotiations By Chairman Simons. During 2017 the Company issued no new convertible notes payable and it did not issue any common stock in payment of convertible notes. The balance of the convertible notes payable as of Dec 31, 2018, is \$34,329. This figure was reduced by \$9,000 from Dec 31 2017 as part of the SEC case against Ibrahim Almagarby. Upon conclusion of the SEC Investigation the company expects to receive cash, shares, or a combination of both to compensate for Mr. Almagarby's ill-gotten gains. We do not expect the remaining balances to convert to common shares.

## **NOTE 12 - STOCKHOLDERS' EQUITY**

During the year ended December 31, 2015, the Company increased its authorized number of common shares as well as its authorized shares of preferred shares. It also changed its designation for conversion rights and voting rights of its preferred shares. The Company is now authorized to issue 2,400,000,000 shares of common stock, and 60,000,000 shares of Series A Preferred Stock all with a par value of \$.0001. The holders of Series A Preferred Stock have the right to convert 1 share of Series A Preferred into 0.0001 share of the Company's common Stock. The holders of Series A Preferred are now entitled to 1 vote per 0.0001 vote of common stock voting together with holders of common stock.

From January 1, 2015 to December 31, 2015 the Company issued 1,512,666,667 Shares of restricted common stock in settlement of \$112,350 of convertible notes and interest payable. As of December 31, 2015, there were 2,102,470,850 shares of common stock outstanding.

During the year ended December 31, 2016, the Company issued 160,000,000 shares of restricted common stock for services bringing the total issued and outstanding to 2,262,470,850 shares of common stock as of December 31, 2016.

No shares were issued during 2017, and the shares issued and outstanding as of December 31, 2017, are 2,301,220,850. The new figure was obtained by an audit by the new Transfer Agent.

24,000,000 shares were issued from Jan 1, 2018 through Dec 31, 2018. The recipients and amounts were:

Douglas Vaughn, CFO	12/21/2018	12mm shares as compensation for 2017 and 2018 services.
Mitch Mamma Investor	11/22/2018	6mm shares for services on Panama City Beach project
Lisa Tarpoff, Investor	11/22/2018	6mm shares for services on Panama City Beach project

## **NOTE 13- UNREALIZED GAINS**

The company currently has material unrealized gains on certain assets on the balance sheet, specifically as follows:

The full 60 acres of land in Brentwood TN was appraised prior to rezoning at \$5.2mm. The purchase price once the additional 30 acres is secured will be \$2mm, for an unrealized gain of \$3.2mm. This value will increase as the land is developed – easily exceeding cost plus development costs.

The land obtained in the Buck Lake Ranch transaction was appraised at \$319k, a 241% increase over the purchase price. This is only the land value, and does not factor in successful operation of the venue.

Combined these assets have an appraised and/or market value of approximately \$3.6mm in excess of the value carried on the balance sheet.

## NOTE 14- SUBSEQUENT EVENTS

Management has evaluated subsequent events pursuant to the requirements of ASC Topic 855 and has determined the following qualify for inclusion as a material 'subsequent event.

1. Successfully worked with Nashville Metro council to receive proper zoning for the 'Bella Serra' development. This was the first critical achievement necessary to begin construction.
2. Pre-closing activities are underway for Brentwood land infrastructure development funding the 'Bella Serra' development. The initial funds disbursement will be applied to securing the additional 30 acres and complete remaining detailed site plan, geological report, and surveys. The next tranche will be used for development of the land including roads, sewers, and electrical lines. If successful this transaction finally assures that 'Bella Serra' will come to fruition.
3. Live Stor America management is currently working with various State agencies to implement a coordinated plan to solve the Asian Carp problem in the United States. Successful implementation will have *major* positive implications for Live Stor America and the value of LIG Assets Inc.
4. As the land developments in Tennessee and Florida become revenue generating for LIG Assets, there is a plan to spin off non-core assets that will greatly benefit LIG Assets financially and provide extra liquidity to build out the developments without borrowing extra monies.
5. A highly qualified builder has been contracted to build the Panama City Beach hurricane resistant model home. Construction is expected to begin as soon as the region recovers more fully from Hurricane Michael. Management's focus over the last 60 days was upon the Brentwood project. Focus will return to Panama City in April 2019.

## **Management Discussion and Analysis**

As of December 31, 2018 LIG Assets has a net profit of \$74,672. BGT Direct has earned considerably more but has subsidized the Parent company for standard compliance and filing costs as well as expenses related to the Brentwood TN 'Bella Serra' subdivision. BGT Direct has also expensed over \$279,000 on new business ventures which management believes will begin generating revenue in April of 2019. The investment in Buck Lake ranch of \$124,235 was capitalized on the balance sheet. The beginning of lot sales in Brentwood TN will allow BGT Direct to expand much faster and significantly increase profits. Once the real estate ventures begin generating revenues the company will add a 'segment report' to the published financials.

Management retains the right to repurchase stock at any time.

### **Brentwood TN Development**

On January 28, 2018 LIG Assets entered into an agreement to purchase 30 acres of land in Brentwood TN for \$1,000,000 with the option to purchase another 30 acres for \$1,000,000. The property is located on Bluff Road in southeast Brentwood. Surveys were completed on Feb 23, 2018 and deed was transferred to LIG Assets on Feb 28, 2018. The land will be used for the first Robert Plarr TM development in the world. The greater Nashville real estate market is one of the strongest in the United States and both lots and finished homes are expected to sell very quickly.

On Feb 28, 2018 Nashville Metro council approved the rezoning of the land from agricultural to residential allowing both single family as well as four unit condominiums – a critical first step. The rezoning alone creates an appraised value of approximately \$5.2 mm, \$3.2mm in excess of the \$2 mm purchase price once the second 30 acres close. The company is progressing through the closing process for a funding package which is more than needed to develop the land to the point of building homes. The funding package is the next critical step necessary to bring 'Bella Serra' to fruition. This land was acquired at an extremely favorable price as nearby developed lots are selling for \$350,000 - \$400,000 per acre. Therefore projected profits on lots sales alone should be in excess of \$6,000,000. Gross profits are expected to be approximately \$21,000,000 (lots plus LIG Homes developments and sales). At the conclusion of the permitting stage LIG Assets will be able to pre-sell lots.

This project is transformational for LIGA. Once it is proven that Robert Plarr homes can be built at the projected cost per square foot and the homes deliver on their claimed sustainability and survivability, we expect multiple offers for new Robert Plarr developments. In order to accelerate the number of homes being built we will consider licensing opportunities with larger home builders. A new operating affiliate 'Bella Serra LLC' is being created and though the first 30 acres will be on LIGA's balance sheet, future Brentwood land and home sales will be in the Bella Serra affiliate.

The completion of the first model home in Brentwood will also mark another milestone for LIGA. These homes will appear conventional, but will still incorporate technologies yielding exceptional savings on electricity and water. The homes will incorporate light gauge steel frames and use magnesium oxide walls which are mold, rot, and fire resistant while providing a superior insulation rating up to R60 depending upon the area of the house. The combination of magnesium oxide walls and light gauge steel framing will survive an F2 tornado – perhaps

higher. While we expect a very strong market for our more advanced homes on or near coastlines, our more basic homes should appeal to an exceptionally wide market regardless of geography and price point.

### **Panama City Beach Home**

The Robert Plarr Home to be built in Panama City Beach will be optimized for waterfront locations. The structure can withstand 175 MPH winds allowing it to survive most hurricanes. All living quarters are on the second and third floors allowing storm surge to pass underneath. This will be a ‘Star 7’ home incorporating the most critical components of the technology at our disposal. Hurricane Michael has provided a ‘perfect storm’ from a marketing perspective. Our Hurricane survivable homes are the right product, in the right place, at the right price. Childers Construction based in Tallahassee FL is contracted and should begin construction in the April – May 2019 time frame. The current focus of management is the expeditious development of ‘Bella Serra’ due to the exceptional expected profits. Nevertheless we expect this project to get started very soon.

Robert Plarr has an exceptionally long waiting list of individuals and families wanting to buy or build a Robert Plarr TM home. The Panama City Model home will be a ‘proving ground’ confirming that the technologies work and the cost per sq ft is competitive with conventional homes. Once these points are proven and prospective buyers tour the property LIGA will begin taking non-refundable deposits. Although deposits are not counted as revenue until the corresponding houses are completed, the non-refundable status means the funds are unrestricted and would be a significant source of additional liquidity

### **BGTV Direct**

BGTV Direct is a media purchasing and content firm based in Carthage TN. It provided critical liquidity as LIGA transitioned its business from a non revenue entity to a revenue generating entity. Critical debt payments to TCA Capital were made by BGTV Direct as well as other miscellaneous corporate expenses. It is instrumental in covering the start up costs of the Brentwood project. BGTV Direct has spent heavily on a new digital signage venture for convention centers. We expect further significant contract announcements regarding BGTV Direct in the very near future. If realized, these contracts will *exponentially increase* BGTV’s revenues and profits.

Buck Lake Ranch is an opportunistic acquisition of a legendary music stage and campgrounds. Local real estate agents have already appraised the land a roughly triple the purchase price. 2018 operations were basically break even and are not included in the profit and loss statements. Full operations will resume on April 1, 2019 and various musical acts as well as a festival are in the process of being signed to perform. CEO Marvin Baker’s contacts in the Nashville music industry are a key to bringing this venue back to its former status. A successful season will lead to solid cash flow and a dramatically higher valuation of the operations.

### **LIG Developments**

LIG Developments (LIGD), led by architect Todd Hubbard was originally formed to provide light gauge steel framing and wall solutions for residential and commercial structures, which we believe is the future for the construction industry. In addition, the company will realize the benefits of vertical and horizontal integration by using the steel framing and wall resources of LIGD for the development of the Brentwood property as well as future developments. LIGD has been restructured with almost zero fixed overhead, allowing better matching with the variability of project delays. This business had been temporarily suspended as the Brentwood Project utilized most of the company’s time and financial resources. This line of business will potentially restart in the June/July time frame.

## **Live Stor America**

Live Stor America is a Joint Venture with Live Stor Ltd. of Nova Scotia and LIG Assets. It has now made major progress, highlighted by the recent announcement of the first two storage facilities; one in Portland, ME and a second in Seattle WA. This portion of the business is being led by LIGA CEO Allan Gillis. The Gillis family has been in the seafood business for more than 70 years. Joint venture partner, Live Stor Ltd., is revolutionizing the storage of live seafood. This necessitates new facilities to store the live seafood locally. Live Stor America will build and operate the Portland, ME and Seattle, WA facilities, providing live seafood at lower operational costs. The construction of these facilities will use many of the same technologies that we use when building our homes. Live Stor America will be part of a global and local live seafood network being developed by Live Stor Ltd. Live Stor Ltd has a management agreement with Eskasoni First Nations for Live Stor Sydney.

Live Stor's new Sydney Nova Scotia facility is currently operational with conventional frozen seafood and storage. The new 250,000 lb. live lobster holding facility is expected to be fully operational in December 2018. Major seafood companies are already reserving space for live seafood storage. This facility will be the 'Beta Site' for the Portland ME and Seattle WA facilities. The Portland ME and Seattle WA sites are in planning stage.

Live Ship Ltd. is a global seafood logistics company which 100% is owned by Jim and Allan Gillis. They will use Live Ship's 40-foot specialized sea containers and 53-foot specialized road and rail containers to link Live Stor America to the live seafood export and import markets to develop an efficient network of live seafood holding facilities across all of America.

During the fourth quarter of 2018 Live Stor America worked with the Kentucky Department of Natural resources to test the survivability of Asian Carp in the Bio Novations Traystor container. The test was conducted on Lake Barkley in western Kentucky. Most survived for almost two weeks. As a result the Carp can be shipped live to major processing plants throughout the United States. This is important as Carp break down quickly and live shipping opens the ability to sell to processors creating fresh filets for consumption as well as fish oil factories. These 'high value' uses removes the previous plan to ship to Asia.

Current methods of harvesting Asian Carp are not very efficient and do not remove the Carp in the necessary numbers to effectively reduce the population. The Gillis family is designing specialized boats with high technology collection methods to dramatically improve the productivity and provide 'commercial scale' harvesting. As a result Live Stor appears to be in line for major state and federal grants. The recent passage of the Natural Resources Management Act by the Senate reinforces that opinion. Live Stor is actively engaged with agencies in Tennessee, Kentucky, Indiana, and Ohio. Successful implementation of the Live Stor America Asian Carp solution will dramatically increase the value of LIG Assets.

## **Summary**

The recent rezoning of the Brentwood property from agricultural to residential was an important accomplishment for LIG Assets. This immediately increased the appraised value of the property and allowed various lenders to begin underwriting the actual construction. The real estate transactions moving forward are practically 'self auditing' as the transactions are recorded by county governments. The progress of the Brentwood project will be easy for the general public to track. Successful closing of the construction funding will be the beginning of what should be many years of exceptional growth. The Brentwood TN project will dramatically improve cash flow and lot sales are expected to close early in the process. The Nashville TN metropolitan area is one of the strongest (if not the strongest) real estate markets in the United States. The suburb of Brentwood is an extremely

desirable location. The LIGA property is also adjacent to Nolensville Pike giving direct access to downtown Nashville.

Successful completion of the Panama City Beach home will lead to multiple orders for new homes. These homes will be customer financed and built by qualified contractors. LIG Homes will receive a royalty on each home plus commissions on each steel frame and magnesium oxide wall. Therefore this portion of the business requires no operating capital moving forward. While the company will still be opportunistic and work on planned developments, the individual home sales with royalties and commissions are expected to be a major driver moving forward.

We expect to achieve OTCQB status in 2019. OTCMarkets has a new rule allowing an audit of the most recent fiscal year, of which 2018 will be used. It also requires a closing stock price above \$0.01 for 30 consecutive days. Successful Brentwood lot sales should make both conditions a reality. Management is currently focused on a successful closing of the land development financing. If successful this will be a milestone for LIG Assets and begin a new chapter in the company's growth. It will finally start to realize the potential of the Robert Plarr technologies, of which LIG Assets is the sole supplier.