

MCIG, INC.

FORM 10-K/A (Amended Annual Report)

Filed 11/25/16 for the Period Ending 04/30/16

Address	4720 SALISBURY ROAD, STE 100 JACKSONVILLE, FL, 32256
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SIC Code	2111 - Cigarettes
Industry	Tobacco
Sector	Consumer Non-Cyclicals
Fiscal Year	04/30

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-K/A

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

FOR THE FISCAL YEAR ENDED APRIL 30, 2016

Commission file number: 333-175941

MCIG, INC.

(Exact name of registrant as specified in its charter)

NEVADA (State or other jurisdiction of incorporation or organization)	27-4439285 (I.R.S. Employer Identification No.)
2831 St. Rose Parkway, Suite 200, Henderson , NV (Address of principal executive offices)	89052 (Zip Code)
Registrant's telephone number, including area code	570-778-6459

Securities registered under Section 12(b) of the Act:

None

Securities registered under Section 12(g) of the Act:

Common Stock, par value \$0.0001 per share
(Title of class)

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act.
 Yes No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act.
 Yes No

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of the registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K.

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Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer. See definition of "accelerated filer and large accelerated filer" in Rule 12b-2 of the Exchange Act. (Check one)::

Large accelerated filer Accelerated filer

Non-accelerated filer Smaller reporting company
(Do not check if smaller reporting company)

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act)
Yes No

The aggregate market value of the voting and non-voting common equity held by non-affiliates as of the last business day of the registrant's most recently completed second fiscal quarter was approximately \$5,862,585. For purposes of the above statement only, all directors, executive officers and 10% shareholders are assumed to be affiliates. This determination of affiliate status is not necessarily a conclusive determination for other purposes.

As of August 31, 2016, there were 326,755,392 shares of common stock issued and outstanding.

DOCUMENTS INCORPORATED BY REFERENCE

List hereunder the following documents if incorporated by reference and the Part of the Form 10-K (e.g., Part I, Part II, etc.) into which the document is incorporated: (1) Any annual report to security holders; (2) Any proxy or information statement; and (3) Any prospectus filed pursuant to Rule 424(b) or (c) under the Securities Act of 1933. The listed documents should be clearly described for identification purposes (e.g., annual report to security holders for fiscal year ended April 30, 2016).

EXPLANATORY NOTE – AMENDMENT

Our purpose of this 10-K/A to our Annual Report on Form 10-K for the year ended April 30, 2016, as filed with the Securities and Exchange Commission on August 31, 2015 is to update the certifications under Exhibits 31.1, 31.2, 32.1 and 32.2. No other changes have been made to the Form 10-K other than those described herein.

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To the Board of Directors and Stockholders of
mCig, Inc.
Beverly Hills, California

We have audited the accompanying consolidated balance sheet of mCig, Inc. and its subsidiaries (collectively, the "Company") as of April 30, 2016, and the related consolidated statements of operations, stockholders' equity and cash flows for the year then ended. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform an audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audit included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of mCig, Inc. and its subsidiaries as of April 30, 2016 and the results of their operations and their cash flows for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

The accompanying financial statements have been prepared assuming that the Company will continue as a going concern. As discussed in Note 3 to the financial statements, the Company suffered recurring losses from operations. These conditions raise significant doubt about the Company's ability to continue as a going concern. Management's plans in this regard are described in Note 3. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

/s/ *MaloneBailey, LLP*
Houston, Texas
August 31, 2016

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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

SADLER GIBB

To the Board of Directors
mCig, Inc.

We have audited the accompanying balance sheet of mCig, Inc. ("the Company") as of April 30, 2015 and the related statements of operations, stockholders' equity and cash flows for the year then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audit included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion the financial statements referred to above present fairly, in all material respects, the financial position of mCig, Inc. as of April 30, 2015, and the results of their operations and cash flows for the year then ended, in conformity with U.S. generally accepted accounting principles.

/s/ *Sadler, Gibb & Associates, LLC*

Salt Lake City, UT
August 28, 2015

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mCig, Inc.

and SUBSIDIARIES
Consolidated Balance Sheets

	April 30, 2016	April 30, 2015
ASSETS		
Current Assets:		
Cash and cash equivalents	\$ 80,542	\$ 102,691
Accounts Receivable	6,120	22,141
Other Receivable	-	15,000
Inventory	7,268	40,547
Prepaid Expenses	-	411,566
Total Current Assets	93,930	591,945
Property, Plant, and Equipment, Net	1,334	1,770
Due From Related Party	186,276	100,264
Cost-Basis Investment	67,500	-
Intangible Assets	488	8,104
Total Assets	\$ 349,528	\$ 702,083
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current Liabilities:		
Accounts Payable and Accrued Expenses	\$ 45,385	\$ 14,653
Due to Shareholder	24,173	-
Deferred Revenue	6,502	-
Total Current Liabilities	76,060	14,653
Total Liabilities	76,060	14,653

COMMITMENTS AND CONTINGENCIES

STOCKHOLDERS' EQUITY

Preferred stock, \$0.0001 par value; 50,000,000 shares authorized; 23,000,000 shares outstanding.	2,300	2,300
Common stock, \$0.0001 par value; 560,000,000 shares authorized; 306,314,216 and 278,261,617 issued and outstanding as of April 30, 2016 and 2015, respectively.	30,631	27,826
Additional Paid in Capital	6,916,635	5,924,447
Accumulated Deficit	(6,658,558)	(5,267,143)
Total Stockholders' Equity	291,008	687,430
Non-Controlling Interest	(17,540)	-
Total Equity	273,468	687,430
Total Liabilities and Stockholders' Equity	\$ 349,528	\$ 702,083

See accompanying notes to consolidated financial statements.

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mCig, Inc.
and SUBSIDIARIES
Consolidated Statements of Operations

	Fiscal Year Ended April 30,	
	2016	2015
Sales	\$ 1,723,421	\$ 509,957
Cost of Sales	1,432,648	401,906
Gross Profit	290,773	108,051
Selling, general, and administrative	163,249	265,328
Professional Fees	28,445	42,244
Research and Development	5,516	37,000
Stock based compensation	1,339,058	4,022,967
Consultant Fees	155,408	-
Amortization and Depreciation	8,052	6,846
Total Operating Expenses	1,699,728	4,374,385
Loss From Operations	(1,408,955)	(4,266,334)

Impairment on investment in VitaCig	-	(13,658)
Impairment on investment in Vapolution	-	(625,000)
Net Loss from Continuing Operations	(1,408,955)	(4,904,992)
Net Income from Discontinuing Operations	-	35,544
Net Loss Before Non-Controlling Interest	(1,408,955)	(4,869,448)
Loss Attributable to Non-Controlling Interest	17,540	-
Net Loss Attributable to Controlling Interest	<u>\$ (1,391,415)</u>	<u>\$ (4,869,448)</u>
Basic and Diluted (Loss) Per Share:		
Income(Loss) per share from Continuing Operations	\$ (0.00)	\$ (0.02)
Income(Loss) per share from Discontinued Operations	\$ -	\$ 0.00
Income(Loss) Per Share	<u>\$ (0.00)</u>	<u>\$ (0.02)</u>
Weighted Average Shares Outstanding - Basic and Diluted	<u>293,680,673</u>	<u>271,793,396</u>

See accompanying notes to consolidated financial statements.

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**mCig, Inc.
and SUBSIDIARIES
Consolidated Statements of Changes in Stockholders' Equity**

	Preferred Stock		Common Stock		Additional	Non-controlling	Accumulated	Total
	Shares	Amount	Shares	Amount	Paid-in Capital	Interest	Deficit	Stockholders' Equity (Deficit)
Balance – April 30, 2014	<u>23,000,000</u>	<u>\$ 2,300</u>	<u>270,135,000</u>	<u>\$ 27,014</u>	<u>\$ 1,394,137</u>	<u>\$ -</u>	<u>\$ (381,653)</u>	<u>\$ 1,041,798</u>
Common stock issued for cash	-	-	-	-	\$ 100,000	-	-	100,000
Common stock issued for services	-	-	8,126,617	\$ 812	\$ 4,430,310	-	-	4,431,122
Dividend related to VitaCig spin-off	-	-	-	-	-	-	\$ (16,042)	(16,042)
Net loss	-	-	-	-	-	-	(4,869,448)	(4,869,448)
Balance – April 30, 2015	<u>23,000,000</u>	<u>\$ 2,300</u>	<u>278,261,617</u>	<u>\$ 27,826</u>	<u>\$ 5,924,447</u>	<u>\$ -</u>	<u>\$ (5,267,143)</u>	<u>\$ 687,430</u>
Common stock issued for services	-	-	25,552,599	\$ 2,555	\$ 924,938	-	-	\$ 927,493
Common stock for investing acquisition	-	-	2,500,000	\$ 250	\$ 67,250	-	-	\$ 67,500
Net loss	-	-	-	-	-	\$ (17,540)	\$ (1,391,415)	\$ (1,408,955)
Balance – April 30, 2016	<u>23,000,000</u>	<u>\$ 2,300</u>	<u>306,314,216</u>	<u>\$ 30,631</u>	<u>\$ 6,916,635</u>	<u>\$ (17,540)</u>	<u>\$ (6,658,558)</u>	<u>\$ 273,468</u>

See accompanying notes to consolidated financial statements.

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**mCig, Inc.
and SUBSIDIARIES
Consolidated Statements of Cash Flows**

	For the Years Ended	
	April 30,	
	2016	2015
Cash Flows From Operating Activities:		
Net (Loss)	\$ (1,408,955)	\$ (4,869,448)
<i>Adjustments to Reconcile Net Loss to Net Cash Provided By (Used In) Operating Activities:</i>		
Depreciation and Amortization	8,052	6,846
Bad Debt Expense	5,000	-
Common Stock Issued for Services	927,493	4,022,647
Loss on Impairment of Investments	-	638,658
<i>Changes in operating assets and liabilities:</i>		
Accounts Receivable	26,021	17,843
Receivable Related Party	(86,012)	-
Receivable Other	-	(15,000)
Inventories	33,279	21,649
Prepaid Expenses and Other Current Assets	411,566	3,162
Accounts Payable, Accrued Expenses and Taxes Payable	30,732	(38,362)
Deferred Revenue	6,502	-
Total Adjustment to Reconcile Net Loss to Net Cash	<u>(1,362,633)</u>	<u>4,657,443</u>

Provided by (Used in) Continuing Operating Activities	(46,322)	(212,005)
Provided by (Used in) Discontinued Operating Activities	-	(35,545)
Provided by (Used in) Operating Activities	(46,322)	(247,550)
Cash Flows From Investing activities:		
<i>Adjustments to Reconcile Net Investing Activities to Net Cash Provided By (Used In) Investing Activities:</i>		
Intangibles	-	(3,080)
Acquisition of Property, Plant and Equipment	-	(1,792)
Net Cash Used in Investing Activities	-	(4,872)
Cash Flows From Financing Activities:		
Issuance of Common Stock for Cash	-	100,000
Advances to Related Party	-	(105,264)
Borrowing on debt from Related Party	24,173	5,000
Net Cash Provided by (Used in) Financing Activities	24,173	(264)
Net Increase (Decrease) in Cash	(22,149)	(252,686)
Cash at Beginning of Year	102,691	355,377
Cash at End of Period	\$ 80,542	\$ 102,691
Supplemental Disclosure of Cash Flows Information:		
Cash Paid for Interest	\$ -	\$ -
Dividend related to VitaCig spin-Off	\$ -	\$ 16,042
Cash Paid for Taxes	\$ -	\$ -
Non-Cash Investing and Financing Activities:		
Shares Issued for Acquisition of Vapolution	\$ 67,500	\$ -

See accompanying notes to consolidated financial statements.

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mCig, Inc.
And SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENT

Note 1. Organization and Basis of Presentation

The accompanying consolidated audited financial statements of mCig, Inc., (the “Company”, “we”, “our”), have been prepared in accordance with accounting principles generally accepted in the United States of America and the rules of the Securities and Exchange Commission (“SEC”).

Description of Business

The Company was incorporated in the State of Nevada on December 30, 2010 originally under the name Lifetech Industries, Inc. Effective August 2, 2013, the name was changed from "Lifetech Industries, Inc." to "mCig, Inc." reflecting the new business model.

Since 2013, the Company has been involved in the marijuana and cannabinoid (CBD) industry. It currently markets, sales, services, and distributes electronic cigarettes, vaporizers, and accessories internationally and in the United States. The Company offers its products through its wholesale distribution and online storefronts, www.mcig.org, www.vitacig.org, www.vitacbd.com, and www.justchill.com. In FY 2016 the Company expanded its products and services to include construction management, where it builds marijuana grow and dispensary facilities for its clients.

All agreements related to the Lifetech business are terminated and closed as of April 30, 2014. It will not have any impact on the current and future operations because all of these agreements are related to the previous business directions of the Company.

Subsidiaries of the Company

The Company currently operates, in addition to the mCig product line under mCig, Inc., four subsidiaries; Scalable Solutions, LLC, Vapolution, Inc., VitaCig, Inc., and mCig Internet Sales, Inc.

mCig, Inc.

We distribute and wholesale the mCig product lines – affordable loose-leaf eCigs . Designed in the USA – with unique formulas, trade secrets, the mCig products provide a smoking experience by heating plant material, waxes, and oils delivering a smoother inhalation experience.

VitaCig, Inc.

Subsequent to this reporting period, we distribute and wholesale the VitaCig product lines – affordable loose-leaf eCigs . Designed in the USA – with unique formulas, trade secrets, VitaCig provides a smoking experience by heating plant material, waxes, and oils delivering a smoother inhalation experience.

On February 24, 2014 the company entered into a Contribution Agreement with VitaCig, Inc. In accordance with this agreement VitaCig, Inc. accepted the contribution by mCig, Inc. of specific assets consisting solely of pending trademarks for the term “VitaCig” filed with the USPTO and \$500 in cash as contribution in exchange for 500,135,000 shares of common capital stock representing 100% of the shares outstanding of VitaCig, Inc.

On November 28, 2014, the Company distributed to its shareholders 270,135,000 shares of Common Stock of VitaCig, Inc. owned by the Company, a shareholder of VitaCig. The shareholders of the Company received one share of VitaCig common stock for every one share of mCig common stock that they held as of the record date.

For the years ended April 30, 2016 and April 30, 2015 the Company accounted for its investment in VitaCig, Inc. under the equity method.

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On June 22, 2016 the Company acquired the business operations from VitaCig, Inc., in exchange for 172,500,000 shares of stock of VitaCig, Inc., owned by the Company and \$95,000, which was a drawdown of the outstanding balance owed by VitaCig, Inc., to the Company. (see Subsequent Events).

Vapolution, Inc.

The Company maintains an investment in Vapolution, Inc. which manufactures and retails home-use vaporizers such as the Vapolution 2.0.

On January 23, 2014, the Company signed a Stock Purchase Agreement with Vapolution, Inc. which manufactures and retails home-use vaporizers. In accordance with this agreement mCig, Inc. acquired 100% of Vapolution, Inc.; as part of this transaction mCig, Inc. has agreed to issue 5,000,000 shares to shareholders of Vapolution, Inc.

On October 30, 2015 the Company issued the final installment of 2,500,000 shares to the prior owners of Vapolution, Inc.

Vapolution, Inc., has the right to rescind the transaction in exchange for returning 5,000,000 shares of mCig stock to the treasury until June 30, 2017. As such, the Company continues to treat the investment into Vapolution, Inc., as an investment, not a consolidation.

Scalable Solutions, LLC

Scalable Solutions, LLC was organized by the Company on March 6, 2016, provides construction services in the cultivation and grow industry. Scalable began operations in December 2015, but was not officially incorporated until March 2016. The Company owns 80% of Scalable. Zoha Development, LLC maintains an option to acquire 40% of Scalable for a nominal fee.

mCig Internet Sales, Inc.

On June 1, 2016, subsequent to this reporting period, the Company incorporated mCig Internet Sales, Inc., (“mCig Internet”) in order to consolidate all online retail sales from various websites and to provide streamlining of administrative and documentation services, consolidation of inventories, and support economy of scale.

Note 2. Summary of Significant Accounting Policies

Principles of Consolidation

The consolidated financial statements include the accounts of the Company and the majority owned subsidiary of Scalable Solutions, LLC for the year ended April 30, 2016. Significant intercompany balances and transactions have been eliminated. The Company had consolidated VitaCig, Inc. through November 28, 2014 at which time VitaCig was spun-off and is no longer consolidated into the Company’s financial statements. See Note 11.

Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Management bases its estimates on historical experience and on various assumptions that are believed to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. The most significant estimates include: revenue recognition; sales returns and other allowances; allowance for doubtful accounts; valuation of inventory; valuation and recoverability of long-lived assets; property and equipment; contingencies; and income taxes.

On a regular 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.

Revenue Recognition Policy

Our revenue recognition policy is in accordance with generally accepted accounting principles, which requires the recognition of sales when there is evidence of a sales agreement, the delivery of goods has occurred, the sales price is fixed or determined and the collectability of revenue is reasonably assured.

The Company recognizes revenue for sales online either direct to consumer or through our Wholesaler, Distributor, Reseller (WDR) program. For online sales, revenue is recognized by the Company at the time of order fulfillment. Since mCig collects payment for each online order at the time of sale, the point of shipping revenue recognition method ensures that the Company recognizes the revenue collected within 24-48 hours after the order is received and the funds are collected.

The Company measures construction revenue as a Cost-type contract in accordance with ASC 605, which discusses accounting for performance of construction contracts. The Company recognizes revenue on a cost-plus basis, provisions for reimbursable costs (which are generally spelled out in the contract), overhead recovery percentages, and fees. A fee may be a fixed amount or a percentage of reimbursable costs or an amount based on performance criteria. Generally, percentage fees may be accrued as the related costs are incurred, since they are a percentage of costs incurred, and profits therefore are recognized as costs are incurred.

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Stock-Based Compensation

The Company accounts for share-based awards issued to employees in accordance with FASB ASC 718. Accordingly, employee share-based payment compensation is measured at the grant date, based on the fair value of the award, and is recognized as an expense over the requisite service period. Additionally, share-based awards to non-employees are expensed over the period in which the related services are rendered at their fair value. The Company applies ASC 505-50, "Equity Based Payments to Non-Employees", with respect to options and warrants issued to non-employees.

Deferred Revenue

Payments received by the Company in advance are recorded as deferred revenue until the merchandise has shipped to the customer.

Cost of Goods Sold

The Company recognizes the direct cost of purchasing product for sale, including freight-in and packaging, as cost of goods sold in the accompanying statement of operations.

Cash and Cash Equivalents

The Company includes in cash and cash equivalents all short-term, highly liquid investments that mature within three months of the date of purchase. Cash equivalents consist principally of investments in interest-bearing demand deposit accounts and liquidity funds with financial institutions and are stated at cost, which approximates fair value. For cash management purposes the company concentrates its cash holdings in an account at Bank of America. The Company had no cash equivalents at April 30, 2016 or 2015.

Inventory

Inventory consists of finished product, mCig products valued at the lower of cost or market valuation under the first-in, first-out method of costing.

	April 30, 2016	April 30, 2015
Finished goods	\$ 7,268	\$ 45,547
Allowance for obsolescence	-	(5,000)
Total inventory	\$ 7,268	\$ 40,547

As of April 30, 2016, the Company had no allowance for obsolescence. The level of inventory maintained by the Company is insignificant and is typically ordered on an as needed basis, or just-in-time.

Property and Equipment

Property and equipment are stated at cost less accumulated depreciation and amortization. Expenditures for maintenance and repairs are charged to expense as incurred. Additions, improvements and major replacements that extend the life of the asset are capitalized.

Depreciation and amortization is recorded using the straight-line method over the estimated useful lives of depreciable assets, which are generally three to five years.

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Accounts Receivable

The Company's accounts receivable is primarily from its construction and grow division. As the retail division is either paid through credit card processing and prepaid wholesale purchases, the Company does not project to have any outstanding accounts receivable for its retail division. The Company recognizes receipt of payment at the time the funds are deposited with the merchant services account of the Company. When the merchant services vendor determines to maintain a reserve for potential refunds and chargebacks, the Company allocated the reserve for bad debt. Once the vendor releases the funds, the bad debt reserve is appropriately reversed. At the end of the fiscal year

the Company had zero in reserves.

	2016	2015
Accounts Receivable	6,120	22,141
Total	\$ 6,120	\$ 22,141

Advertising Costs and Expense

The advertising costs are expensed as incurred. During the years ended April 30, 2016 and 2015, the advertising costs were \$53,981 and \$14,865, respectively.

Foreign Currency Translation

The Company's functional currency and its reporting currency is the United States Dollar.

Intangible Assets

The Company's intangible assets consist of certain website development costs and are amortized over its useful life.

Research and Development

The costs of research and development are expensed as incurred. During the years ended April 30, 2015 and 2016, the advertising costs were \$37,000 and \$5,516, respectively.

Financial Instruments

The carrying amounts reflected in the balance sheets for cash, accounts receivable, accounts payable and accrued expenses approximate the respective fair values due to the short maturities of these items. The Company does not hold any investments that are available-for-sale.

As required by the Fair Value Measurements and Disclosures Topic of the FASB ASC, fair value is measured based on a three-tier fair value hierarchy, which prioritizes the inputs used in measuring fair value as follows: (Level 1) observable inputs such as quoted prices in active markets; (Level 2) inputs, other than the quoted prices in active markets, that are observable either directly or indirectly; and (Level 3) unobservable inputs in which there is little or no market data, which require the reporting entity to develop its own assumptions.

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The three levels of the fair value hierarchy are described below:

Level 1 —Valuations based on quoted prices for identical assets and liabilities in active markets.

Level 2 —Valuations based on observable inputs other than quoted prices included in Level 1, such as quoted prices for similar assets and liabilities in active markets, quoted prices for identical or similar assets and liabilities in markets that are not active, or other inputs that are observable or can be corroborated by observable market data.

Level 3 —Valuations based on unobservable inputs reflecting our own assumptions, consistent with reasonably available assumptions made by other market participants. These valuations require significant judgment.

The Company does not have any assets or liabilities that are required to be measured and recorded at fair value on a recurring basis.

Income Taxes

Income taxes are accounted for under the assets and liability method. Deferred tax assets and liabilities are recognized for the estimated future tax consequences attributable to differences between the financial statements carrying amounts of existing assets and liabilities and their respective tax bases and operating loss and tax credit carry forwards. Deferred tax assets are reduced by a valuation allowance when, in the opinion of management, it is more likely than not that some portion or all of the deferred tax assets will not be realized. Deferred tax assets and liabilities are measured using enacted tax rates in effect for the year in which those temporary differences are expected to be recovered or settled.

Basic and Diluted Net Loss Per Share

The Company follows ASC Topic 260 to account for earnings per share. Basic earnings per share ("EPS") calculations are determined by dividing net loss by the weighted average number of shares of common stock outstanding during the year. Diluted earnings per share calculations are determined by dividing net income by the weighted average number of common shares and dilutive common share equivalents outstanding. During periods when common stock equivalents, if any, are anti-dilutive they are not considered in the computation.

There is no potential dilutive security as of April 30, 2016 or 2015.

Concentration of Credit Risk

Financial instruments, which potentially subject us to concentrations of credit risk, consist principally of cash and trade receivables. Concentrations of credit risk with respect to trade receivables are limited due to the clients that comprise our customer base and their dispersion across different business and geographic areas. We estimate and maintain an allowance for potentially uncollectible accounts and such estimates have historically been within management's expectations.

We rely almost exclusively on one Chinese factory as our principle supplier, for the manufacturing of mCig's.

Therefore, our ability to maintain operations is dependent on this third-party manufacturer.

Our cash balances are maintained in accounts held by major banks and financial institutions located in the United States. The Company may occasionally maintain amounts on deposit with a financial institution that are in excess of the federally insured limit of \$250,000. The risk is managed by maintaining all deposits in high quality financial institutions. The Company had no deposits in excess of federally insured limits at April 30, 2016 and 2015.

Impairment of Long-lived Assets

The Company accounts for long-lived assets in accordance with the provisions of FASB Topic 360, “*Accounting for the Impairment of Long-Lived Assets*”. This statement requires that long-lived assets and certain identifiable intangibles be reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. An impairment loss would be recognized when the estimated future cash flows from the use of the asset are less than the carrying amount of that asset.

Cost-Basis Investments

The Company’s non-marketable equity investment in Vapolution is recorded using the cost-basis method of accounting, and is classified within other long-term assets on the accompanying balance sheet as permitted by FASB ASC 325, “Cost Method Investments”. During 2016 there were no impairment losses. During 2015 the Company recorded an impairment loss of \$625,000 related to the investment in Vapolution.

Equity-Basis Investments

The Company accounts for its approximately 46% ownership of VitaCig, Inc., (Nevada) as an equity-basis investment. As of April 30, 2016 and April 30, 2015, there is no net book value of the ownership of VitaCig, due to the pro-rata value after the Spin-off and the impairment of the investment in VitaCig.

On June 22, 2016 the Company reduced its ownership of VitaCig, Inc., to 57,500,000 through a Separation and Transfer Agreement where the Company acquired the business operations of VitaCig in exchange for selling back to the treasury of VitaCig, Inc., (Nevada) 172,500,000. As a condition to the action, the Company’s shares are non-dilutive for a period of 12 months.

Warranties

Warranty reserves include management’s best estimate of the projected costs to repair or to replace any items under warranty, based on actual warranty experience as it becomes available and other known factors that may impact the Company’s evaluation of historical data. Management reviews mCig’s reserves at least quarterly to ensure that its accruals are adequate in meeting expected future warranty obligations, and the Company will adjust its estimates as needed. Initial warranty data can be limited early in the launch of a product and accordingly, the adjustments that are recorded may be material. As a result, the products that can be returned as a warranty replacement are extremely limited. As a result, due to the Company’s warranty policy, the Company did not have any significant warranty expenses to report for the year ended April 30, 2016. Based on these actual expenses, the warranty reserve, as estimated by management as of April 30, 2016 and April 30, 2015 were at \$0. Any adjustments to warranty reserves are to be recorded in cost of sales.

It is likely that as we start selling higher priced products, that are not affected by federal shipping laws and/or are not single use items (such as eLiquid Juice Vaporizer), we will acquire additional information on the projected costs to service work under warranty and may need to make additional adjustments. Further, a small change in the Company’s warranty estimates may result in a material charge to the Company’s reported financial results.

Recent Accounting Pronouncements

The Company evaluated all recent accounting pronouncements issued and determined that the adoption of these pronouncements would not have a material effect on the financial position, results of operations, or cash flows of the Company.

In April 2014, the FASB issued ASU 2014-08, *Reporting Discontinued Operations and Disclosures of Components of an Entity*, which updates the definition of discontinued operations. Going forward, only those disposals of components of an entity that represent a strategic shift that has (or will have) a major effect on an entity’s operations and financial results will be reported as discontinued operations in the financial statements. Previously, a component of an entity that is a reportable segment, an operating segment, a reporting unit, a subsidiary, or an asset group was eligible for discontinued operations presentation. Additionally, the condition that the entity not have any significant continuing involvement in the operations of the component after the disposal transaction has been removed. The effective date for the revised standard is for applicable transactions that occur within annual periods beginning on or after December 15, 2014. We do not expect the guidance to have a material impact on the Company.

In June 2014, the Financial Accounting Standards Board issued Accounting Standards Update No. 2014-10, which eliminated certain financial reporting requirements of companies previously identified as “Development Stage Entities” (Topic 915). The amendments in this ASU simplify accounting guidance by removing all incremental financial reporting requirements for development stage entities. The amendments also reduce data maintenance and, for those entities subject to audit, audit costs by eliminating the requirement for development stage entities to present inception-to-date information in the statements of income, cash flows, and shareholder equity. Early application of each of the amendments is permitted for any annual reporting period or interim period for which the entity’s financial statements have not yet been issued (public business entities) or made available for issuance (other entities). Upon adoption, entities will no longer present or disclose any information required by Topic 915. The Company has adopted this standard and will not report inception-to-date information.

On May 28, 2014, the FASB issued ASU No. 2016-08 a standard on recognition of revenue from contracts with customers (Topic 606). An issue discussed relates to when another party, along with the entity, is involved in providing a good or a service to a customer. In those circumstances, Topic 606 requires the entity to determine whether the nature of its promise is to provide that good or service to the customer (that is, the entity is a principal) or to arrange for the good or service to be provided to the customer by the other party (that is, the entity is an agent). This determination is based upon whether the entity controls the good or the service before it is transferred to the customer. Topic 606 includes indicators to assist in this evaluation. The Company evaluated all its contracts to determine if the Company was a principal or agent. The Company has determined it was the principal in all its contracts.

In March 2016, the FASB issued ASU No. 2016-03 implementing the effective dates of Intangible – Goodwill and Other (Topic 350), Business Combinations (Topic 805), Consolidation (Topic 810) and Derivatives and Hedging (Topic 815) immediately. The Company has reviewed the topics and in compliance. The effects of the immediate implementation of these topics have had no effect on the financial statements of the Company.

In March 2016, the FASB issued ASU No. 2016-09, Compensation-Stock Compensation (Topic 718): “Improvements to Employee Share-Based Payment Accounting.” This ASU makes targeted amendments to the accounting for employee share-based payments. This guidance is to be applied using various transition methods such as full retrospective, modified retrospective, and prospective based on the criteria for the specific amendments as outlined in the guidance. The guidance is effective for annual periods, and interim periods within those annual periods, beginning after December 15, 2016. Early adoption is permitted, as long as all of the amendments are adopted in the same period. The Company is currently evaluating the provisions of this guidance and assessing its impact on the Company’s financial statements and disclosures.

In August 2014, the Financial Accounting Standards Board (“FASB”) issued Accounting Standards Update (“ASU”) No. 2014-15, “Presentation of Financial Statements—Going Concern: Disclosure of Uncertainties about an Entity’s Ability to Continue as a Going Concern.” ASU 2014-15, which is effective for annual reporting periods ending after December 15, 2016, extends the responsibility for performing the going-concern assessment to management and contains guidance on how to perform a going-concern assessment and when going-concern disclosures would be required under GAAP. We do not anticipate that the adoption of ASU 2014-15 will have a material impact on our consolidated financial condition or results from operations. Management’s evaluations regarding the events and conditions that raise substantial doubt regarding our ability to continue as a going concern as discussed in the notes to our consolidated financial statements included elsewhere.

We have implemented all other new accounting pronouncements that are in effect and that may impact our financial statements and we do not believe that there are any other new accounting pronouncements that have been issued that might have a material impact on our consolidated financial position or results of operations.

Note 3. Going Concern

The Company's financial statements are prepared using generally accepted accounting principles, which contemplate the realization of assets and liquidation of liabilities in the normal course of business. Because the business is new and has a limited history, no certainty of continuation can be stated. The accompanying financial statements for the years ended April 30, 2016 and 2015 have been prepared assuming that we will continue as a going concern, which contemplates the realization of assets and satisfaction of liabilities in the normal course of business.

The Company has suffered losses from operations and has a nominal working capital surplus, which raise substantial doubt about its ability to continue as a going concern.

Management is taking steps to raise additional funds to address its operating and financial cash requirements to continue operations in the next twelve months. Management has devoted a significant amount of time in the raising of capital from additional debt and equity financing. However, the Company’s ability to continue as a going concern is dependent upon raising additional funds through debt and equity financing and generating revenue. There are no assurances the Company will receive the necessary funding or generate revenue necessary to fund operations. The financial statements contain no adjustments for the outcome of this uncertainty.

Note 4. Property, Plant and Equipment

The following is a detail of equipment at April 30, 2016 and 2015:

	2016	2015
Furniture and fixtures	\$ 1,792	\$ 1,792
Total property	1,792	1,792
Less: accumulated depreciation	(458)	(22)
Total property, net	<u>\$ 1,334</u>	<u>\$ 1,770</u>

Depreciation expense on property, plant and equipment was \$436 and \$22 for the years ended April 30, 2016 and 2015, respectively.

Note 5. Intangible Assets:

Intangible assets, net consisted of the following:

	2016	2015
Intangible assets	\$ 19,511	\$ 19,511
Additional website development	3,080	3,080
Total Intangible Assets	22,591	22,591
Less amortization	(22,102)	(14,487)
Net intangible assets	\$ 488	\$ 8,104

Amortization expense on intangible assets was \$7,616 and \$6,824 for the years ended April 30, 2016 and 2015, respectively. The weighted average remaining useful life on intangible assets at April 30, 2016 is approximately 2 months.

The table below represents the estimated amortization of intangible assets for each of the next five years.

Year	Amortization
2017	\$ 488
2018	-
2019	-
2020	-
2021	-
Total	\$ 488

Note 6. Related Parties and Related Party Transactions

During the year ended April 30, 2016, the Company advanced to VitaCig \$86,012 for internet product sales, and inventory purchases bringing the total outstanding due the Company to \$186,276, which is recorded as due from related party.

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The Company entered into various agreements with Zoha Development, LLC in the management and ownership of Scalable Solutions, LLC. The principal owner of Zoha Development, LLC is Ronald Sassano, Scalable CEO and Board member. Zoha Development, LLC owns 20% of Scalable Solutions, Inc., and has an option to acquire 40% additional membership units of Scalable Solutions, LLC.

The Company entered into a Line of Credit with Paul Rosenberg (see Subsequent Events) for up to \$100,000 in funding. Throughout the fiscal year, the Company had various transactions in which Paul Rosenberg, the Company's CEO and Chairman of the Board personally paid expenses on behalf of the Company. As of April 30, 2016 the Company borrowed \$24,173 from Paul Rosenberg. On May 1, 2016 the Company entered into a Line of Credit and Convertible Promissory Note for up to \$100,000 in funding by Paul Rosenberg to accurately record the day-to-day transactions of the Company and Paul Rosenberg.

During the year ended April 30, 2015, the Company advanced to VitaCig \$105,264 for professional fees and inventory purchases and VitaCig repaid \$5,000 of that advance during the year ended April 30, 2015.

As of April 30, 2015, the balance of the advances to VitaCig was \$100,264 and is recorded as due from related party.

Note 7. Commitments and Contingencies

The Company had a one year lease for a storage facility located in Falls Church, Virginia that expired in August 2015. As of April 30, 2015, we had \$3,167 remaining on this one year lease. As of April 30, 2016, the Company has not renewed this lease.

Rent expense for the year ended April 30, 2016 and 2015 was \$501 and \$7,628, respectively.

	2016	2015
Commitments	\$ -	\$ 3,167
Total Commitments	\$ -	\$ 3,167

Note 8. Stockholders' Equity

Common Stock

As of April 30, 2016, the Company was authorized to issue 560,000,000 common shares at a par value of \$0.0001. As of April 30, 2015 the Company had issued and outstanding 278,261,617 common shares.

During the year ended April 30, 2016 the Company issued 25,552,599 shares of common stock for services rendered valued at \$927,493 and issued 2,500,000 shares of common stock valued at \$67,500 for investment purposes. As of April 30, 2016 the total issued and outstanding of common stock was 306,314,216.

During the year ended April 30, 2015, the Company issued 8,126,617 shares of common stock as compensation. The shares were issued from the Company. The fair values of the shares were a total of \$4,431,122 and were recorded at the market price on the date of grant.

On January 23, 2014, the Company completed the investment acquisition of Vapolution, Inc. by acquiring all of its issued and outstanding shares in exchange for 5,000,000 shares of mCig's common stock at a market value of \$0.25 per share on the date of the acquisition, where Vapolution became a controlled subsidiary.

Since only half of the agreed upon shares had been paid out by mCig, Inc. to the previous owners of Vapolution, Inc. as of April 30, 2014 as part of the agreed upon purchase price, only half of the purchase price (\$625,000) was reported on the Company's balance sheet as Investment in Vapolution, Inc. at the year-end date. On April 30, 2015 the investment of \$625,000 was impaired. The remaining purchase price of 2,500,000 shares (\$67,500 value) was recognized on the Company's balance sheet on October 30, 2015.

On January 23, 2014, Paul Rosenberg, CEO of mCig, Inc. has cancelled an equal amount (2,500,000 shares) of common shares owned by him resulting in a net non-dilutive transaction to existing mCig, Inc. shareholders. The remaining 2,500,000 of common shares owned by Paul Rosenberg will be cancelled to offset the 2,500,000 new shares issued from the treasury to complete the purchase of Vapolution, Inc.

Stock Split

On December 12, 2013, the company made an amendment of Certificate of Incorporation to decrease the number of authorized shares of Common stock, \$0.0001 par value per share, from 1,000,000,000 shares to 560,000,000 shares.

Preferred Stock

The Company has authorized 50,000,000 shares of preferred stock, at \$0.0001 par value and 23,000,000 are issued and outstanding as of April 30, 2016 and 2015. Each share of the Preferred Stock has 10 votes on all matters presented to be voted by the holders of the Company's common stock. All 23,000,000 shares of preferred stock were granted to the Company's Chief Executive Officer on September 23, 2013, which was valued at \$2,300, the price of the common stock of \$0.0001 exchanged in the transaction.

On September 23, 2013, the Company entered into a Share Cancellation / Exchange / Return to Treasury Agreement with Paul Rosenberg, the chief executive officer of mCig, Inc., for the cancellation of 230,000,000 shares of our common stock held by Mr. Rosenberg in exchange for 23,000,000 shares of our company's Series A Preferred Stock.

Under the terms of the Agreement the Preferred Shares only have voting rights and no right to convert to common stock in accordance with the Certificate of Certification filed with the State of Nevada on September 10, 2013. The Series A Preferred shares of mCig, Inc. carry ten (10) votes per each share of Preferred stock while mCig, Inc.'s common shares carry one (1) vote per each share outstanding.

On April 10, 2014, the Share Cancellation / Exchange / Return to Treasury Agreement was amended. Under terms of the amended agreement, all or any part of the Preferred Shares held by Shareholder can be converted at any time or from time to time, and can be exchanged for a stated number of the company's Common Stock Shares. The amendment was rejected by the State of Nevada as the conversion did not have a stated number of shares that converts and thus was invalid.

On July 16, 2014, the Board of Directors approved the conversion rate of ten for one (ten shares of common stock for each share of Series A Preferred Stock). In addition, the Board of Directors reduced the number of shares of Series A Preferred Stock to the amount issued and outstanding (23,000,000) and executed a lock up agreement such that Mr. Rosenberg cannot convert the Series A Convertible Preferred Stock until after the year ended April 30, 2015. The Certificate of Certification was filed on July 17, 2014 with the State of Nevada.

Note 9. Income Taxes

The Company's income tax expense for the periods presented in the statements of operations represents minimum California franchise taxes. The items accounting for the difference between income taxes computed at the federal statutory rate and the provision for income taxes were as follows:

	2016	2015
Statutory federal income tax rate	34.0%	34.0%
State income taxes, net of federal taxes	6.0%	6.0%
Non-deductible items	(1.0)%	(1.0)%
Valuation allowance	(39.0)%	(39.0)%
Effective income tax rate	<u>0.0%</u>	<u>0.0%</u>

The Company may not be able to utilize the net operating loss carry forwards for its U.S. income taxes in future periods should it experience a change in ownership as defined in Section 382 of the Internal Revenue Code (“IRC”). Under section 382, should the Company experience a more than 50% change in its ownership over a 3-year period, the Company would be limited based on a formula as defined in the IRC to the amount per year it could utilize in that year of the net operating loss carry forwards. Section 382 of the Internal Revenue Code (“IRC”) imposes limitations on the use of NOL’s and credits following changes in ownership as defined in the IRC. The limitation could reduce the amount of benefits that would be available to offset future taxable income each year, starting with the year of an ownership change. The Company has not completed the complex analysis required by the IRC to determine if an ownership change has occurred.

The tax effects of the temporary differences and carry forwards that give rise to deferred tax assets consist of the following:	2016	2015
Deferred tax asset	\$ 875,109	\$ 399,725
Valuation allowance	(875,109)	(399,725)
Net deferred taxes	\$ -	\$ -

At April 30, 2016 and 2015, the Company had net operating loss carry forwards available to offset future taxable income of approximately 2,575,824 and \$2,100,440, respectively. These carry forwards will begin to expire in the year ending December 31, 2026. Utilization of the net operating loss carry forwards may be subject to a substantial annual limitation due to the ownership change limitations provided by the Internal Revenue Code of 1986, as amended and similar state provisions.

The Company has not performed a change in ownership analysis since its inception in 2007 and, accordingly, some or all of its net operating loss carry forwards may not be available to offset future taxable income. Even if the loss carry forwards are available, they may be subject to substantial annual limitations resulting from past ownership changes, and ownership changes occurring after April 30, 2016, that could result in the expiration of the loss carry forwards before they are utilized.

The nature of the components of the deferred tax asset is entirely attributable to the Net operating loss carry-forwards incurred by the Company less any permanent differences that maybe used in future years to offset future tax liabilities. We believe that it is more likely than not that the benefit from certain NOL carryforwards will not be realized. In recognition of this risk, we have provided a valuation allowance of \$875,109 on the deferred tax assets relating to these NOL carryforwards.

The Company periodically evaluates the likelihood of the realization of deferred tax assets, and adjusts the carrying amount of the deferred tax assets by the valuation allowance to the extent the future realization of the deferred tax assets is not judged to be more likely than not. The Company considers many factors when assessing the likelihood of future realization of its deferred tax assets, including its recent cumulative earnings experience by taxing jurisdiction, expectations of future taxable income or loss, the carry-forward periods available to the Company for tax reporting purposes, and other relevant factors. At April 30, 2016 and 2015, deferred tax assets have been fully offset by a valuation allowance.

The Company files income tax returns in the U.S. federal jurisdiction, and with the State of California. The Company is subject to U.S. federal and state income tax examinations by tax authorities for tax years 2014 through 2016 due to net operating losses that are being carried forward for tax purposes. The Company does not have any uncertain tax positions or unrecognized tax benefits at April 30, 2016 or 2015. The Company’s policy is to recognize interest and penalties related to income taxes as components of interest expense and other expense, respectively.

Note 10. Basic Loss per Share before Non-Controlling Interest

Basic Loss Per Share - The computation of basic and diluted loss per common share is based on the weighted average number of shares outstanding during each period.

	April 30,	
	2016	2015
Net loss from continuing operations before Non-controlling Interest	(1,391,415)	(4,904,992)
Net income from discontinued operations	-	35,544
Net loss	(1,391,415)	(4,869,448)
Basic loss per common share from continuing operations	\$ (0.00)	\$ (0.02)
Basic income per common share from discontinued operations	N/A	\$ 0.00
Basic income (loss) per share	\$ (0.00)	\$ (0.02)
Basic weighted average number of shares outstanding	293,680,673	271,793,396

The computation of basic loss per common share is based on the weighted average number of shares outstanding during

the year.

Note 11. Spin-Off of VitaCig, Inc.

On November 28, 2014, mCig completed the spin-off of VitaCig, Inc. (the “Spin-off”). Effective as of 11:59 p.m., New York City time, on November 28, 2014 (the “Distribution Date”), the Company distributed 270,135,000 shares of common stock of VitaCig, Inc., par value \$0.0001 per share (“VitaCig Common Stock”), to holders of mCig’s stockholders of record as a pro rata dividend. The record date for the dividend was November 28, 2014. The Ex-Dividend Date was set for November 25, 2014. mCig stockholders received one share of VitaCig Common Stock for every one share of common stock, par value \$0.0001 per share, of mCig. The Spin-off was completed for the purpose of legally and structurally separating VitaCig, Inc. from mCig. MCig retained 230,000,000 shares of common stock and remains as a controlling shareholder. During the year ended April 30, 2015, the Company reclassified the investment in VitaCig as discontinued operations.

The shares of common stock received by mCig shareholders were registered on a Form S-1 filed by VitaCig and declared effective by the Securities and Exchange Commission on November 5, 2014.

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During the year ended April 30, 2015, the Company recorded a loss on impairment of investment related to VitaCig of \$13,658. The following table presents the net book value of VitaCig as of the Spin-off date, the pro-rata value after the Spin-off and the impairment of the investment in VitaCig:

Net book value of VitaCig at spin-off	\$ 29,700
Dividend related to spin-off	16,042
Pro-rata net book value after spin-off	13,658
Loss on impairment of investment	(13,658)
Balance	\$ -

Note 12. Subsequent Events

On May 1, 2016 the Company entered into a Line of Credit Agreement with Paul Rosenberg, the Chairman and CEO. The Company will utilize the Line of Credit as needed for day-to-day operations.

On May 15, 2016, a shareholder elected to convert 400,000 shares of Series A Preferred Stock into 4,000,000 shares of common stock.

On June 7, 2016, the Company issued 3,441,176 shares of common stock for services and 7,000,000 shares of common stock in exchange for the purchase of three domain urls. The common stock issued for services was recorded as Stock Based Compensation in the amount of \$103,235. The common stock issued for the purchase of the domain urls was recorded as an Intangible Asset in the amount of \$210,000.

On June 8, 2016, Paul Rosenberg converted 600,000 shares of Series A Preferred Stock into 6,000,000 shares of common stock.

On June 22, 2016, the Company and VitaCig, Inc., entered into a Separation and Share Transfer Agreement whereby VitaCig transferred the assets and operations of the business of VitaCig, Inc., to Company in exchange for the return of 172,500,000 shares of VitaCig Common Stock to the treasury of VitaCig, Inc., and for a reduction of the amount owed to the Company in excess of \$95,000.

As a part of the acquisition the Company secured four contracts between VitaCig, Inc., and its customers.

The assets of the VitaCig business has been transferred from VitaCig, Inc., a Nevada corporation to VitaCig, Inc., a Florida corporation, a wholly owned subsidiary of mCig, Inc.

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ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE.

Not applicable

ITEM 9A. CONTROLS AND PROCEDURES.

Evaluation of Disclosure Controls and Procedures .

Disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act) are designed to ensure that information required to be disclosed in reports filed or submitted under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in SEC rules and forms. Disclosure controls and procedures are also designed to ensure that such information is accumulated and communicated to management,

including the principal executive officer and principal financial officer, to allow timely decisions regarding required disclosures.

We carried out an evaluation, under the supervision and with the participation of management, including our principal executive officer and principal financial officer, of the effectiveness of the design and operation of our disclosure controls and procedures as of April 30, 2016. In designing and evaluating the disclosure controls and procedures, management recognizes that there are inherent limitations to the effectiveness of any system of disclosure controls and procedures, including the possibility of human error and the circumvention or overriding of the controls and procedures. Accordingly, even effective disclosure controls and procedures can only provide reasonable assurance of achieving their desired control objectives. Additionally, in evaluating and implementing possible controls and procedures, management is required to apply its reasonable judgment. Based on the evaluation described above, our principal executive officer and principal financial officer concluded that our disclosure controls and procedures were not effective as of the end of the period covered by this report because we did not document our Sarbanes-Oxley Act Section 404 internal controls and procedures.

As funds become available to us, we expect to implement additional measures to improve disclosure controls and procedures such as implementing and documenting our internal controls procedures.

Management's Report on Internal Control over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting. Internal control over financial reporting is defined in Rule 13a-15(f) promulgated under the Securities Exchange Act of 1934 as a process designed by, or under the supervision of, our principal executive officer and principal financial officer and effected by our board of directors, management and other personnel, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with accounting principles generally accepted in the United States of America and includes those policies and procedures that:

- Pertain to the maintenance of records that in reasonable detail accurately and fairly reflect the transactions and dispositions of our assets;
- Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with accounting principles generally accepted in the United States of America and that our receipts and expenditures are being made only in accordance with authorizations of our management and board of directors; and
- Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of our assets that could have a material effect on the financial statements.

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Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Internal control over financial reporting is a process that involves human diligence and compliance and is subject to lapses in judgment and breakdowns resulting from human failures. Internal control over financial reporting also can be circumvented by collusion or improper management override. Projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate. All internal control systems, no matter how well designed, have inherent limitations. Therefore, even those systems determined to be effective can provide only reasonable assurance with respect to financial statement preparation and presentation. Because of the inherent limitations of internal control, there is a risk that material misstatements may not be prevented or detected on a timely basis by internal control over financial reporting. However, these inherent limitations are known features of the financial reporting process. Therefore, it is possible to design into the process safeguards to reduce, though not eliminate, this risk.

As of April 30, 2016 management assessed the effectiveness of our internal control over financial reporting based on the criteria for effective internal control over financial reporting established in Internal Control-Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission and SEC guidance on conducting such assessments. Based on that evaluation, they concluded that, during the period covered by this report, such internal controls and procedures were not effective due to our limited accounting staff. We intend to strengthen these internal controls over the next few months by augmenting our accounting staff.

This annual report does not include an attestation report of our registered public accounting firm regarding internal control over financial reporting. Management's report was not subject to attestation by our registered public accounting firm pursuant to rules of the SEC that permit us to provide only the management's report in this annual report

Changes in Internal Control over Financial Reporting.

There have been no changes in our internal control over financial reporting during the year ended April 30, 2016 that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

ITEM 9B. OTHER INFORMATION.

None.

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ITEM 15. EXHIBITS, FINANCIAL STATEMENT SCHEDULES.

Exhibit No.	Description
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10.1	Share Transfer Agreement Between VitaCig and Malecon Pharmacy *
10.3	Exclusive Agreement with Just Chill *
10.4	Distribution Agreement with JCP *
10.5	Amendment to Stock Purchase Agreement with Vapolution shareholder *
10.6	Consulting Agreement with Michael Hawkins *
21	Articles of Incorporation of Scalable solutions, LLC *
23.1	Consent of MaloneBailey, LLP *
23.2	Consent of Sadler, Gibb & Associates, LLP *
31	Certification Pursuant to Section 302 of the Sarbanes-Oxley Act**
32	Certification Pursuant to Section 906 of the Sarbanes-Oxley Act**
101.INS	XBRL Instance Document
101.SCH	XBRL Taxonomy Extension Schema Document
101.CAL	XBRL Taxonomy Calculation Linkbase Document
101.LAB	XBRL Taxonomy Labels Linkbase Document
101.PRE	XBRL Taxonomy Presentation Linkbase Document
101.DEF	XBRL Definition Linkbase Document

* Incorporated by references to our Annual Report on Form 10-K, filed on August 31, 2016.

**Filed herein

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

mCig Inc

November 25, 2016 By: /s/ Paul Rosenberg

Paul Rosenberg

Chief Executive Officer
(Principal Executive Officer)

November 25, 2016 By: /s/ Michael W. Hawkins

Michael W. Hawkins

Chief Financial Officer and Chief
Accounting Officer (Principal
Financial Officer)

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant in the capacities and on the dates indicated.

Name	Position	Date
<u>/s/ Paul Rosenberg</u> Paul Rosenberg	Chief Executive Officer (Principal Executive Officer)	November 25, 2016
<u>/s/ Michael W. Hawkins</u> Michael W. Hawkins	Chief Operating Officer and Director	November 25, 2016

Certification of CEO pursuant to 18 U.S.C. Section 1350 as adopted pursuant to Section 302 and 906 of the Sarbanes-Oxley Act of 2002.

I, Paul Rosenberg, certify that:

1. I have reviewed this annual report on Form 10-K of mCig, Inc.;
2. Based on my knowledge, this report 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 report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the Registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Issuer, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the Issuer's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the Issuer's internal control over financial reporting that occurred during the Registrant's fiscal quarter ending April 30, 2016 that has materially affected, or is reasonably likely to materially affect, the Issuer's internal control over financial reporting.
5. The Registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Registrant's auditor and the audit committee of the Registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Dated: November 25, 2016

/s/ Paul Rosenberg
Paul Rosenberg, Chief Executive Officer
(Principal Executive Officer)

Certification of CFO pursuant to 18 U.S.C. Section 1350 as adopted pursuant to Section 302 and 906 of the Sarbanes-Oxley Act of 2002.

I, Michael Hawkins, certify that:

1. I have reviewed this annual report on Form 10-K of mCig, Inc.;
2. Based on my knowledge, this report 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 report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the Registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Issuer, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the Issuer's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the Issuer's internal control over financial reporting that occurred during the Registrant's fiscal quarter ending April 30, 2016 that has materially affected, or is reasonably likely to materially affect, the Issuer's internal control over financial reporting.
5. The Registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Registrant's auditor and the audit committee of the Registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Dated: November 25, 2016

/s/ Michael W. Hawkins
Michael W. Hawkins, Chief Financial Officer
(Principal Accounting Officer)

CERTIFICATIONS PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002
(18 U.S.C. SECTION 1350)

In connection with the annual report of mCig Inc. (the "Company") on Form 10-K for the period ending April 30, 2016, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Paul Rosenberg, Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and result of operations of the Company.

Dated: November 25, 2016

/s/ Paul Rosenberg
Paul Rosenberg,
Chief Executive Officer

CERTIFICATIONS PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002
(18 U.S.C. SECTION 1350)

In connection with the annual report of mCig, Inc. (the "Company") on Form 10-K for the period ending April 30, 2016, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Michael Hawkins, Chief Financial Officer, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and result of operations of the Company.

Dated: November 25, 2016

/s/ Michael W. Hawkins
Michael W. Hawkins, Chief Financial Officer
(Principal Accounting Officer)