

Acacia Diversified Holdings, Inc.
Form 10-Q
May 13, 2016

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

Form 10-Q

(Mark
One)

QUARTERLY REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT
OF 1934

For the quarterly period ended March 31, 2016

TRANSITION REPORT UNDER SECTION 13 OR 15(d) OF THE EXCHANGE ACT

For the transition period from _____ to _____

Commission file number: 1-14088

Acacia Diversified Holdings, Inc.
(Exact name of small business issuer as specified in its charter)

Texas
(State or other jurisdiction of incorporation or organization) (IRS Employer Identification No.)

3512 East Silver Springs Blvd. - #243 Ocala, FL 34470
(Address of principal executive offices) (Zip Code)

(877) 513-6294
(Registrant's telephone number)

(Former name, former address and former fiscal year, if changed since last report)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. (1) Yes No (2) Yes No

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Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer (Check one):

Large accelerated filer Accelerated filer

Non-accelerated filer 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

**APPLICABLE ONLY TO ISSUERS INVOLVED IN BANKRUPTCY
PROCEEDINGS DURING THE PRECEDING FIVE YEARS:**

Indicate by check mark whether the registrant HAS FILED ALL DOCUMENTS AND REPORTS REQUIRED TO BE FILED BY Sections 12, 13 or 15(d) of the Securities Exchange Act of 1934 subsequent to the distribution of securities under a plan confirmed by a court. Yes No Not applicable

APPLICABLE ONLY TO CORPORATE ISSUERS

State the number of shares outstanding of each of the issuer's classes of common equity, as of March 31, 2016: 15,430,256.

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PART I. FINANCIAL INFORMATION

Item 1. Financial Statements

ACACIA DIVERSIFIED HOLDINGS, INC.
CONSOLIDATED BALANCE SHEETS

	March 31, 2016 (Unaudited)	December 31, 2015 (Audited)
ASSETS		
Current Assets		
Cash	\$128,743	\$221,174
Accounts receivable	157,500	147,700
Inventory, stated at lower of average cost or market	84,982	-
Prepaid expenses	43,910	21,069
Total Current Assets	415,135	389,943
Property and Equipment, net of accumulated depreciation of \$55,302 and \$25,325 in 2016 and 2015, respectively	509,640	513,753
Other assets	841	2,577
Total Assets	\$925,616	\$906,273
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current Liabilities		
Accounts payable and accrued liabilities	\$62,450	\$12,315
Total Liabilities	62,450	12,315
Stockholders' Equity		
Common stock, \$0.001 par value, 150,000,000 shares authorized; 15,430,256 and 666,950 shares issued and outstanding in 2016 and 2015, respectively	15,430	667
Additional paid-in capital	2,443,316	2,207,708
Member's equity	-	20,687
Retained deficit	(1,595,580)	(1,335,104)
Total Stockholders' Equity	863,166	893,958
Total Liabilities & Stockholders' Equity	\$925,616	\$906,273

The accompanying notes are an integral part of these consolidated financial statements.

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ACACIA DIVERSIFIED HOLDINGS, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS
THREE MONTHS ENDED MARCH 31, 2016 AND 2015
(Unaudited)

	2016	2015
Revenues		
Revenues	\$225,834	\$-
Total Revenues	225,834	-
Cost of revenues, including \$21,778 of depreciation in 2016	72,243	-
Gross profit	153,591	-
Costs and expenses		
Employee compensation	137,223	-
Loss on sale of equipment to a related party	42,987	-
General and administrative	232,358	105,823
Depreciation and amortization	1,499	-
Total costs and expenses	414,067	105,823
Operating (loss) before other income (expense) and income taxes	(260,476)	(105,823)
Income taxes	-	-
Net (loss)	(260,476)	(105,823)
Basic and diluted loss per share	\$(0.02)	\$(0.01)
Weighted average number of common shares outstanding	15,430,256	14,034,156

The accompanying notes are an integral part of these consolidated financial statements.

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ACACIA DIVERSIFIED HOLDINGS, INC.
CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
FOR THE THREE MONTHS ENDED MARCH 31, 2016
(Unaudited)

	Members (Deficit) Equity		Common Stock		Additional Paid-in Capital	Retained Deficit	Total
	Units	Amount	Shares	Par Value			
Balance December 31, 2015	8,000	\$20,687	669,950	\$667	\$2,207,708	\$(1,335,104)	\$893,958
Reverse merger and recapitalization	(8,000)	(20,687)	14,760,306	14,763	235,608	-	229,684
Net (loss)	-	-	-	- 	-	(260,476)	(260,476)