Bergio International, Inc.
Form 10-Q
November 20, 2017

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

FORM 10-Q

[X] QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended: **September 30, 2017**

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

Commission File Number: **333-150029**

BERGIO INTERNATIONAL, INC.

(Exact name of registrant as specified in its charter)

Delaware	**27-1338257**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

12 Daniel Road E.

Fairfield, NJ 07004

(Address of principal executive offices)

(973) 227-3230

(Registrant s telephone number, including area code)

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 past 12 months, and (2) has been subject to such filing requirements for the past 90 days. Yes [X] No [ ]

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, smaller reporting company, or an emerging growth company. See the definitions of large accelerated filer, accelerated filer, smaller reporting company, and emerging growth company in Rule 12b-2 of the Exchange Act.

Large accelerated filer	[ ]	Accelerated filer	[ ]
Non-accelerated filer	[ ]	Smaller reporting company	[X]
(Do not check if a smaller reporting company)		Emerging growth company	[ ]

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. [ ]

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

As of November 20, 2017, there were 4,622,047,395 shares outstanding of the registrant s common stock.

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PART I - FINANCIAL INFORMATION

Item 1. Financial Statements

BERGIO INTERNATIONAL, INC.

CONSOLIDATED BALANCE SHEETS

	September 30,		**December 31,**	
	2017		**2016**	
ASSETS:	(unaudited)			
Current assets:				
Cash	$	13,159	$	21,662
Accounts receivable, net of allowance for doubtful accounts of $80,912 and $95,587 at September 30, 2017 and December 31, 2016, respectively		53,537		5,594
Inventories		1,201,289		1,264,080
Total current assets		1,267,985		1,291,336
Property and equipment, net		269,361		346,858
Other assets:				
Investment in unconsolidated affiliate		5,828		5,828
Total other assets		5,828		5,828
Total assets	$	1,543,174	$	1,644,022
LIABILITIES AND STOCKHOLDERS DEFICIT:				
Current Liabilities:				
Accounts payable and accrued liabilities	$	217,190	$	224,912
Deferred compensation - CEO		584,559		453,309
Bank lines of credit, net		360,027		375,292
Convertible debt		538,639		574,275
		148,197		242,130

Advances from Principal Executive Officer and accrued interest				
Derivative liability		18,419		46,955
Total current liabilities		1,867,031		1,916,873
Total Liabilities		1,867,031		1,916,873
Commitments and contingencies		-		-
Stockholders' deficit				
Series A preferred stock - $0.00001 par value, 51 Shares				
Authorized, 51 and 51 shares issued and outstanding		-		-
Common stock, $0.00001 par value; 6,000,000,000 shares				
authorized, 2,558,323,113 and 1,836,846,489 issued and				
outstanding		25,881		18,366
Additional paid-in capital		7,743,155		7,531,256
Accumulated deficit		(8,092,893)		(7,801,231)
Total stockholders' deficit		(323,857)		(251,609)
Non-controlling interest in R.S. Fisher, Inc.		-		(21,242)
Total stockholders deficit		(323,857)		(272,851)
Total liabilities and stockholders' deficit	$	1,543,174	$	1,644,022

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

BERGIO INTERNATIONAL, INC.

CONSOLIDATED STATEMENT OF OPERATIONS (UNAUDITED)

	Three Months Ended		Nine Months Ended	
	September 30,		September 30,	
	2017	2016	2017	2016 (Restated)
Sales, net	225,980	88,896	408,648	395,195
Cost of sales	157,788	88,358	236,069	307,819
Gross profit	68,192	628	172,579	87,376
Selling, General and Administrative Expenses:				
Selling, general and administrative expenses	118,037	121,685	313,226	491,090
Total Selling, General and Administrative Expenses	118,037	121,685	313,226	491,090
Loss from operations	(49,845)	(121,057)	(140,647)	(403,714)
Other Income (Expense):				
Other income	-	-	-	2,630
Interest expense	2,074	(24,284)	(58,103)	(73,668)
Amortization of debt discount	-	(1,965)	-	(9,489)
Change in fair value of derivatives	(5,340)	(34,026)	14,724	29,444
Gain on extinguishment of debt	36,953	27,699	36,279	38,629
Gain on sale of asset	48,480	-	48,480	-
Amortization of deferred financing costs	-	-		(375)
Total Other Income (Expense)	82,167	(32,576)	41,380	(12,829)
Income (loss) before income taxes	32,322	(153,633)	(99,267	(416,543)
Provision for income taxes	-	-	-	-
Net income (loss)	$ 32,322	$ (153,633)	$ (99,267)	$ (416,543)
Net loss attributable to the non-controlling interest in	-	(9,096)	-	(42,371))

R.S. Fisher, Inc.

Net loss attributable to Bergio International, Inc.	$ 32,322	$ (144,537)	$ (99,267)	$ (374,142)
Net Income (Loss) per Common Share:				
Basic	$ 0.00	$ (0.00)	$ (0.00)	$ (0.00)
Diluted	$ 0.00	$ (0.00)	$ (0.00)	$ (0.00)
Weighted Average Shares:				
Basic	2,558,323,113	292,584,549	2,306,206,458	165,282,226
Diluted	10,591,290,696	292,584,549	2,306,206,458	165,282,226

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

BERGIO INTERNATIONAL, INC.

CONSOLIDATED STATEMENT OFCHANGES IN STOCKHOLDER S EQUITY (UNAUDITED)

AS OF SEPTEMBER 30, 2017

	Common Stock Shares	Common Stock Amount	Additional Paid in Capital	Accumulated Deficit	Non-controlling interest in R.S. Fisher	Total Stockholders Deficit
Balance at January 1, 2016	69,272,518	$ 691	$ 7,445,512	$ (7,246,263)	$ 167,860	$ 367,800
Issuance of stock for debt conversion	1,767,573,971	17,675	85,744	-	-	103,419
Net loss	-	-	-	(554,968)	(189,102)	(744,070)
Balance at December 31, 2016	1,836,846,489	18,366	7,531,256	(7,801,231)	(21,242)	(272.851)
Issuance of stock for debt conversion	691,476,624	6,915	35,346	-	-	42,261
Issuance of stock for accounts payable	60,000,000	600	5,400			6,000
Non-controlling interest	-	-	171,153	(192,395)	21,242	-
Net loss	-	-	-	(99,267)	-	(99,267)
Balance at September 30, 2017	2,588,323,113	$ 25,881	$ 7,743,155	$ (8,092,893)	$ -	$ (323,857)

	Preferred Stock Shares	Preferred Stock Amount
Balance at January 1, 2016	51	$ -
Balance at December 31, 2016	51	$ -
Balance at September 30, 2017	51	$ -

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

BERGIO INTERNATIONAL, INC.

CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED)

	Nine Months Ended September 30, 2017	2016 (Restated)
Operating activities:		
Net loss	$ (99,267)	$ (374,172)
Adjustments to reconcile net loss to net cash used in operating activities:		
Non-controlling interest	-	(42,371)
Depreciation and amortization	77,497	118,231
Amortization of debt discount and deferred financing costs	-	9,864
Gain on extinguishment of debt	(36,279)	(38,629)
Gain on sale of asset	(48,480)	-
Change in fair value of derivative liabilities	(14,724)	(29,444)
Provision for bad debts	(7,175)	(10,732)
Changes in operating assets and liabilities:		
Accounts receivable	(42,810)	(76,250)
Inventory	62,791	86,831
Deferred compensation	131,250	128,900
Accounts payable and accrued liabilities	34,898	66,137
Net cash provided by (used in) operating activities	57,701	(9,135)
Investing activities:		
Sale of RS Fisher	20,527	-
Capital expenditures	-	(1,150)
Net used in investing activities	20,527	(1,150)
Financing activities:		
Advances of bank lines of credit, net	7,202	5,340
Repayments to stockholder, net	(93,933)	2,052
Net cash (used in) provided by financing activities	(86,731)	7,392
Net change in cash	(8,503)	(2,893)
Cash - beginning of periods	21,662	2,893
Cash - end of periods	$ 13,159	$ -0-
Supplemental disclosures of cash flow information:		
Cash paid for interest	$ 21,396	$ 5,896
Cash paid for income taxes	$ -	$ -

Supplemental disclosure of non-cash investing and financing activities:				
Issuance of common stock for convertible debt, accrued interest and				
accounts payable	$	48,261	$	32,053

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

BERGIO INTERNATIONAL, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

Note 1 - Nature of Operations and Basis of Presentation

Bergio International, Inc. (the Company) was incorporated in the State of Delaware on July 24, 2007 under the name Alba Mineral Exploration, Inc. On October 21, 2009, as a result of a Share Exchange Agreement, the corporation s name was changed to Bergio International, Inc. The Company is engaged in the product design, manufacturing, distribution of fine jewelry primarily in the United States and is headquartered in Fairfield, New Jersey.

In the opinion of management, the accompanying unaudited consolidated financial statements contain all adjustments necessary consisting of normal recurring adjustments to present fairly the financial position of the Company as of September 30, 2017, the results of operations for the three and nine months ended September 30, 2017 and 2016, and statements of cash flows for the nine months ended September 30, 2017 and 2016. These results are not necessarily indicative of the results to be expected for the full year. The financial statements have been prepared in accordance with the requirements of Form 10-Q and consequently do not include disclosures normally made in an Annual Report on Form 10-K. The December 31, 2016 balance sheet included herein was derived from the audited financial statements included in the Company s Annual Report on Form 10-K as of that date. Accordingly, the financial statements included herein should be reviewed in conjunction with the financial statements and notes thereto included in the Company s Annual Report on Form 10-K for the fiscal year ended December 31, 2016, as filed with the Securities and Exchange Commission (SEC) on April 17, 2017 (the Annual Report).

Note 2 - Going Concern

The accompanying consolidated financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America, which contemplates continuation of the Company as a going concern.

The Company has suffered recurring losses, and current liabilities exceeded current assets by $599,046, as of September 30, 2017. As of September 30, 2017, the Company had $538,639 in convertible debentures which are currently due and the Company is currently negotiating terms with the holders of these debentures. At September 30, 2017, the Company also had a stockholders deficit of $323,857. These factors raise substantial doubt about the Company's ability to continue as a going concern. The recoverability of a major portion of the recorded asset amounts shown in the accompanying consolidated balance sheet is dependent upon continued operations of the Company, which in turn, is dependent upon the Company's ability to raise capital and/or generate positive cash flows from operations.

In addition to obtaining new customers and increasing sales to existing customers, management plans to achieve profitability by increasing its business through partnering with other companies in the jewelry business and finding other channels to distribute its products. These consolidated financial statements do not include any adjustments relating to the recoverability and classification of recorded assets, or the amounts and classification of liabilities that might be necessary in the event the Company cannot continue in existence.

BERGIO INTERNATIONAL, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

Note 3 - Summary of Significant Accounting Policies

Principles of Consolidation

The consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States, and include the Company and its wholly-owned subsidiary. All significant inter-company accounts and transactions have been eliminated.

During the nine months ended September 30, 2017, there have been no other material changes in the Company s significant accounting policies to those previously disclosed in the Company s Annual Report.

The Company evaluated subsequent events, which are events or transactions that occurred after September 30, 2017 through the issuance of the accompanying financial statements.

Non-controlling Interest

Non-controlling interest represents third party ownership in the net assets of our consolidated subsidiaries. For financial reporting purposes, the assets and liabilities of our majority owned subsidiaries are consolidated with those of our own, with any third party investor s interest shown as non-controlling interest.

On June 1, 2015, the Company acquired a 51% interest in R.S. Fisher, in exchange for funding the company s operations. The minority holder contributed jewelry molds and inventory valued at $349,292.

As of September 30, 2017, the Company sold its 51% interest in R.S. Fisher.

Note 4 - Income (Loss) per Share

Basic earnings (loss) per share includes no dilution and is computed by dividing earnings available to common stockholders by the weighted average number of common shares outstanding for the period. Dilutive earnings per share reflect the potential dilution of securities that could occur through the effect of common shares issuable upon the exercise of stock options, warrants and convertible securities. Basic net loss per share equaled the diluted loss per share for the nine months ended September 30, 2017, since the effect of shares potentially issuable upon the exercise or conversion was anti-dilutive. Equity instruments that may dilute earnings per share in the future are listed in Note 6 below. For the nine months ended September 30, 2017, 8,002,967,583 shares issuable upon the conversion of convertible debt were not included in the computation of diluted net loss because their inclusion would be anti-dilutive. For the three and nine months ended September 30, 2016, 1,411,502,797 shares issuable upon the conversion of convertible debt were not included in the computation of diluted net loss because their inclusion would be anti-dilutive

BERGIO INTERNATIONAL, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

5 - New Authoritative Accounting Guidance

In August 2014, the FASB issued Accounting Standards Update (ASU) No. 2014-15, Presentation of Financial Statements - Going Concern to provide guidance about management s responsibility to evaluate whether there is substantial doubt about an entity s ability to continue as a going concern. The guidance requires management to assess whether there are conditions or events, considered in the aggregate, that raise substantial doubt about an entity s ability to continue as a going concern within one year after the date that the financial statements are issued. When management identifies such conditions or events, a footnote disclosure is required to disclose their nature, as well as management s plans to alleviate the substantial doubt to continue as a going concern. The standard became effective for our fiscal year end 2017 and did not have an impact on the consolidated financial statements.

In April 2016, the FASB issued ASU No. 2016-10, *Revenue from Contracts with Customers: Identifying performance obligations and licensing,* to reduce the cost and complexity of applying the guidance on identifying promised goods or services around identifying performance obligations and implementation guidance on determining whether an entity s promise to grant a license provides a customer with either a right to use the entity s intellectual property (which is satisfied at a point in time) or a right to access the entity s intellectual property (which is satisfied over time). The ASU defines a five-step process to achieve the core principal and, in doing so, it is possible more judgement and estimates may be required within the revenue recognition process than are currently in use. The ASU will be effective for the Company in the first quarter of 2018 using either of two methods: (1) retrospective application to each prior reporting period presented with the option to elect certain practical expedients or (2) retrospective application with the cumulative effect of initially applying the ASU recognized at the date of the initial application and providing certain additional disclosures. Early adoption is permitted as of annual and interim reporting periods beginning after December 15, 2016. The Company is continuing to evaluate the future impact of this ASU on the consolidated financial statements and do not believe there will be a material impact to our revenue upon adoption.

No other recently issued accounting pronouncements had or are expected to have a material impact on the Company s condensed consolidated financial statements.

Note 6 - Bank Lines of Credit

A summary of the Company s credit facilities is as follows:

	September 30, 2017	December 31, 2016
Various unsecured Credit Cards, minimum payment of principal and interest are due monthly at the credit card s annual interest rate. September 30, 2017 and December 31, 2016, the interest rates ranged from 6.0% to 22.5%.	$ 360,027	$ 375,292
Current maturities included in current liabilities	$ 360,027	$ 375,292

The Company s CEO also serves as a guarantor of the Company s debt.

BERGIO INTERNATIONAL, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

Note 7 - Convertible Debt

Fife, Typenex and Iliad

In December 2012, the Company entered into a $325,000 convertible note with Fife consisting of three tranches to be drawn down with the first tranche totaling $125,000, including $25,000 in loan costs and an additional two tranches totaling $200,000. The note bears a 5% annual interest rate and matures eighteen months from the date of issuance. The note is convertible into common shares of the Company based on 70% of the average of the three lowest closing prices of the common stock for the proceeding 15 consecutive trading days immediately prior to the conversion. During 2013, the conversion price was fixed at $0.005 per share. As of December 31, 2012, the Company only drew down the first tranche totaling $125,000. On February 11, 2013, April 5, 2013, April 23, 2013, and July 1, 2013, the Company drew down an additional $250,000.

On June 5, 2014, the Company, Fife, Typenex and Iliad Research and Trading, LLP (Iliad) entered into an Assignment and Assumption Agreement and Note Purchase Agreement (the Note Purchase Agreement) whereby Iliad acquired all of Fife s and Typenex s right, title, obligations and interest in, to and arising under the Company Notes (as defined in the Note Purchase Agreement) and the Note Purchase Documents (as defined in the Note Purchase Agreement).

On October 17, 2014, the Company entered into a financing arrangement with Iliad to provide additional financing in the amount of up to $450,000 through the issuance of a Secured Convertible Promissory Note (the Note). The Company agreed to cover Iliad s legal, accounting and other related fees in the amount of $5,000, which is included in the principal balance of the Note. The Note will accrue interest at the rate of 8% per annum until the Note is paid in full. Monies are to be drawn in eight tranches with the initial tranche in the amount of $105,000, and the remaining balance of $350,000 in 7 tranches of $50,000 each. The Company drew down the initial tranche on October 17, 2014. The Note has a maturity date of July 17, 2016. The Company is currently negotiating with the lender (see below).

Beginning six months after October 17, 2014 and on the same day each month thereafter, the Company shall make an installment payment, based upon the unpaid balance. At the option of the Company, payments may be made in cash or by converting the installment amount into shares of the Company s common stock. The conversion price is equal to the lesser of (i) $0.0005 per share and (ii) 67.5% of the average of the three lowest closing bid prices in the 15 trading days immediately preceding the conversion. The Company has the right to prepay the Note at 135% of the outstanding balance at the time of prepayment. During the nine months ended September 30, 2017 principal and interest of $27,336 was converted into 402,000,000 shares of common stock. The outstanding balances at September 30, 2017 and December 31, 2016 was $73,414 and $97,609, respectively, with accrued interest of $2,000 and $653 at

September 30, 2017 and December 31, 2016, respectively.

During the year ended December 31, 2014, the Company drew down an additional $314,703. There were no conversions during the nine months ended September 30, 2017. The outstanding balances at September 30, 2017 and December 31, 2016 were $329,175, with accrued interest of $59,035 and $39,831 at September 30, 2017 and December 31, 2016, respectively.

Third Party Note

In November 2014, the Company converted a portion of its outstanding accounts payable for legal services to a third party into two convertible promissory notes in the aggregate amount of $63,275. These are demand notes and accrue interest at the rate of 10% on the outstanding balance. The notes are convertible into shares of the Company s common stock based on 65% of the average ten trading days closing bid price during the preceding ten consecutive trading days immediately prior to the conversion. During the nine months ended September 30, 2017, principal of $10,345 was converted into 197,876,624 shares of common stock. The outstanding balances at September 30, 2017 and December 31, 2016 were $12,327 and $22,672, respectively, with accrued interest of $-0- and $9,000 at September 30, 2017 and December 31, 2016, respectively. This note was fully repaid in October 2017.

BERGIO INTERNATIONAL, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

Note 7 - Convertible Debt (continued)

Third Party Note (continued)

On April 7, 2015, the convertible promissory notes and accrued interest was assigned to Carebourn Capital L.P. (Carebourn Capital). All terms and conditions remained the same, except that notes are convertible into shares of the Company s common stock equal to 50% of the average ten trading days closing bid price during the preceding ten consecutive trading days immediately prior to the conversion.

KBM Worldwide

On February 4, 2015, the Company entered into an 8% convertible note in the amount of $54,000 with KBM Worldwide, Inc. (KBM Worldwide). The principal and accrued interest is payable on or before November 6, 2015. At the option of the Company, but not before six months from the date of issuance, the holder may elect to convert all or part of such note into the Company s common stock. The note is convertible into shares of the Company s common stock at a price of 60% of the average of the three lowest trading prices during the 10 days prior to the date of conversion or $0.00009, whichever is greater. There were no conversions during the nine months ended September 30, 2017. The outstanding balances at September 30, 2017 and December 31, 2016 were $40,590, with accrued interest of $2,465 and $6,913 at September 30, 2017 and December 31, 2016, respectively.

Vis Vires Group, Inc.

On March 11, 2015, the Company entered into an 8% convertible note in the amount of $38,000 with Vis Vires Group, Inc. (Vis Vires). The principal and accrued interest is payable on or before November 6, 2015. At the option of the Company, but not before six months from the date of issuance, the holder may elect to convert all or part of the convertible into the Company s common stock. The note is convertible into shares of the Company s common stock at a price equal to 60% of the average of the three lowest trading prices during the 10 days prior to the date of conversion or $0.00009, whichever is greater. There were no conversions during the nine months ended September 30, 2017. The outstanding balances at September 30, 2017 and December 31, 2016 were $38,000 with accrued interest of $7,862 and $5,582 at September 30, 2017 and December 31, 2016, respectively.

On April 30, 2015, the Company entered into an 8% convertible note in the amount of $33,000 with Vis Vires. The principal and accrued interest is payable on or before November 6, 2015. At the option of the Company, but not before six months from the date of issuance, the holder may elect to convert all or part of the convertible into the Company s common stock. The note is convertible into shares of the Company s common stock at a price equal to 60% of the average of the three lowest trading prices during the 10 days prior to the date of conversion or $0.00009, whichever is greater. There were no conversions during the nine months ended September 30, 2017. The outstanding balance at September 30, 2017 and December 31, 2016 was $33,000 with accrued interest of $6,344 and $4,364 at September 30, 2017 and December 31, 2016, respectively.

JMJ Financial

On April 15 2015, the Company entered into a $250,000 convertible note with JMJ Financial. The consideration was $225,000 and $25,000 original issue discount. The principal and accrued interest is payable on or before May 4, 2016. On April 15, 2015, the Company borrowed $25,000 of this amount. The holder, at its option, may elect to convert all or part of the convertible into the Company s common stock at a price equal to the lesser of $0.018 per share or 60% of the lowest trading price during the 25 days prior to the date of conversion. . During the nine months ended September 30, 2017, principal of $1,096 was converted into 91,000 shares of common stock. The outstanding balance at September 30, 2017 and December 31, 2016 was $12,133 and $13,229, respectively, with accrued interest of $4,554, and $3,761 at September 30, 2017 and December 31, 2016, respectively.

As of September 30, 2017 and December 31, 2016, total convertible debt was $538,639 and $574,275, respectively.

BERGIO INTERNATIONAL, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

Note 8 - Derivative Liability

The Company accounts for the fair value of the conversion features of its convertible debt in accordance with ASC Topic No. 815-15 Derivatives and Hedging; Embedded Derivatives (Topic No. 815-15). Topic No. 815-15 requires the Company to bifurcate and separately account for the conversion features as an embedded derivative contained in the Company s convertible debt. The Company is required to carry the embedded derivative on its balance sheet at fair value and account for any unrealized change in fair value as a component of results of operations. The Company values the embedded derivatives using the Black-Scholes pricing model. Amortization of debt discount amounted to $-0- and $7,524 for the nine months ended September 30, 2017 and 2016, respectively. The derivative liability is revalued each reporting period using the Black-Scholes model. As of September 30, 2017 and December 31, 2016, the derivative liability was $18,419 and $46,955, respectively.

The Black-Scholes model utilized the following inputs to value the derivative liability at the date of issuance of the convertible note at September 30, 2017:

Stock Price - The stock price was based closing price of the Company s stock as of the valuation date, which was $0.0001 at September 30, 2017.

Variable Conversion Prices - The conversion price was based on: (i) 50% of the average closing bid price during the preceding ten consecutive trading days immediately prior to the conversion at September 30, 2017 for Carebourn Capital; (ii) the lower of $0.018 per share or 60% of the lowest trading price during the 25 days prior to the date of conversion at September 30, 2017 for JMJ Financial.

Time to Maturity - The time to maturity was determined based on the length of time between the valuation date and the maturity of the debt. Time to maturity 92 days at September 30, 2017.

Risk Free Rate - The risk free rate was based on the Treasury note rate as of the valuation dates with a term commensurate with the remaining term of the debt. The risk free rate at September 30, 2017 was 1.06% based on the term of the note.

Volatility - The volatility was based on the historical volatility of the Company. The average volatility was 150.32% at September 30, 2017.

Note 8 - Related Party Transactions

The Company receives periodic advances from its principal executive officer based upon the Company s cash flow needs. At September 30, 2017, 2016 and December 31, 2016, $148,197 and $242,130, respectively, was due to the principal executive officer, including accrued interest. Interest expense is accrued at an average annual market rate of interest which was 4.25% at September 30, 2017 and 3.75% at December 31, 2016. Interest expense associated with this loan was $6,308 and $17,989 for the three and nine months ended September 30, 2017 as compared to $4,367 and $12,473 for the three and nine months ended September 30, 2016, respectively. No terms for repayment have been established. As a result, the amount is classified as a Current Liability.

BERGIO INTERNATIONAL, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

Note 8 - Related Party Transactions (continued)

Effective September 1, 2011, the Company and CEO entered into an Amended and Restated Employment Agreement (the Amended Agreement) which primarily retains the term and compensation of the original agreement. The Amended Agreement, however, removes the section which previously provided for the issuance of Company common stock to the CEO, from time to time, when the Company is unable to pay the CEO the full amount of his Base Salary (as defined in the Amended Agreement) which would allow the CEO to maintain a fifty-one percent (51%) share of the Company s outstanding common stock. However, the CEO does have the right to request all or a portion of his unpaid Base Salary be paid with the Company s restricted common stock. In addition, the Amended Agreement provides for the issuance of 51 shares of newly authorized Series A Preferred Stock to be issued to the CEO. As defined in the Certificate of Designations, Preferences and Rights of the Series A Preferred Stock, each share of Series A Preferred Stock has voting rights such that the holder of 51 shares of Series A Preferred Stock will effectively maintain majority voting control of the Company. Effective November 3, 2011, the CEO notified the Company that for the one year period, retroactive from April 1, 2011, through December 31, 2012, he would reduce his Base Salary to $100,000. The reduction in base compensation was subsequently extended to December 31, 2013. The CEO is currently deferring his salary to conserve cash. Deferred wages due to the CEO amounted to $584,559 and $453,309 for the periods ended September 30, 2017 and December 31, 2016, respectively.

The Company is in process of extending this agreement.

Note 9 - Litigation

We are currently not involved in any litigation that we believe could have a material adverse effect on our financial condition or results of operations. There is no action, suit, proceeding, inquiry or investigation before or by any court, public board, government agency, self-regulatory organization or body pending or, to the knowledge of the executive officers of our company or any of our subsidiaries, threatened against or affecting our company, our common stock, any of our subsidiaries or of our companies or our subsidiaries officers or directors in their capacities as such, in which an adverse decision could have a material adverse effect.

Item 2. Management s Discussion and Analysis of Financial Condition and Results of Operations

Forward Looking Statements

This quarterly report on Form 10-Q and other reports (collectively, the Filings) filed by Bergio International, Inc. (Bergio or the Company) from time to time with the U.S. Securities and Exchange Commission (the SEC) contain o may contain forward-looking statements and information that are based upon beliefs of, and information currently available to, the Company s management as well as estimates and assumptions made by Company s management. Readers are cautioned not to place undue reliance on these forward-looking statements, which are only predictions and speak only as of the date hereof. When used in the Filings, the words anticipate, believe, estimate, expect, fu intend, plan, or the negative of these terms and similar expressions as they relate to the Company or the Company s management identify forward-looking statements. Such statements reflect the current view of the Company with respect to future events and are subject to risks, uncertainties, assumptions, and other factors, including the risks contained in the Risk Factors section of the Company s Annual Report on Form 10-K for the fiscal year ended December 31, 2016, filed with the SEC on April 17, 2017, relating to the Company s industry, the Company s operations and results of operations, and any businesses that the Company may acquire. Should one or more of these risks or uncertainties materialize, or should the underlying assumptions prove incorrect, actual results may differ significantly from those anticipated, believed, estimated, expected, intended, or planned.

Although the Company believes that the expectations reflected in the forward-looking statements are reasonable, the Company cannot guarantee future results, levels of activity, performance, or achievements. Except as required by applicable law, including the securities laws of the United States, the Company does not intend to update any of the forward-looking statements to conform these statements to actual results.

Our financial statements are prepared in accordance with accounting principles generally accepted in the United States (GAAP). These accounting principles require us to make certain estimates, judgments and assumptions. We believe that the estimates, judgments and assumptions upon which we rely are reasonable based upon information available to us at the time that these estimates, judgments and assumptions are made. These estimates, judgments and assumptions can affect the reported amounts of assets and liabilities as of the date of the financial statements as well as the reported amounts of revenues and expenses during the periods presented. Our financial statements would be affected to the extent there are material differences between these estimates and actual results. In many cases, the accounting treatment of a particular transaction is specifically dictated by GAAP and does not require management s judgment in its application. There are also areas in which management s judgment in selecting any available alternative would not produce a materially different result. The following discussion should be read in conjunction with our consolidated financial statements and notes thereto appearing elsewhere in this report.

Plan of Operation

We concentrate our business on boutique, upscale jewelry stores. We currently sell our jewelry to approximately 50 independent jewelry retailers across the United States. We have spent over $3 million in branding the Bergio name through tradeshows, trade advertising, national advertising and billboard advertising since launching the line in 1995. Our products consist of a wide range of unique styles and designs made from precious metals such as, gold, platinum, and Karat gold, as well as diamonds and other precious stones. We currently design and produce approximately 100 to 150 product styles. Current retail prices for our products range from $400 to $200,000. We have manufacturing control over our line as a result of having a manufacturing facility in New Jersey as well as subcontracts with facilities located in Italy.

It is our intention to establish Bergio as a holding company for the purpose of acquiring established jewelry design and manufacturing firms who possess branded product lines. Branded product lines are products and/or collections whereby the jewelry manufacturers have established their products within the industry through advertising in consumer and trade magazines as well as possibly obtaining federally registered trademarks of their products and collections. This is in line with our strategy and belief that a brand name can create an association with innovation, design and quality which helps add value to the individual products as well as facilitate the introduction of new products.

Item 2. Management s Discussion and Analysis of Financial Condition and Results of Operations (continued)

Plan of Operation (continued)

We intend to acquire design and manufacturing firms throughout the United States and Europe. We intend to locate potential candidates through our relationships in the industry. However, as of the date of this report, we do not have any binding agreements with any potential acquisition candidates.

Crown Luxe, Inc. was incorporated in the State of Delaware on March 5, 2014 in order to operate the Company s first retail store located in Bergen County, New Jersey, which opened in the fourth quarter of 2014. We intend to provide another area for growth by establishing a retail outlet for the Company s products.

On June 1, 2015, the Company acquired a 51% interest in R.S. Fisher, Inc., a Delaware corporation (R.S. Fisher), in exchange for funding the company s operations. The minority shareholder contributed jewelry molds and inventory valued at $349,292.

Our future operations are contingent upon increasing revenues and raising capital for on-going operations and expansion of our product lines. Because we have a limited operating history, you may have difficulty evaluating our business and future prospects.

Results of Operations

Overview

Considering the sluggish economy and the slowdown in the jewelry market, the Company has been carefully managing its expenses in order to better match its revenues until such time as the opportunities we are currently exploring generate an increase in revenues. For the quarter ended September 30, 2017 the Company reported operating loss of $49,845 as compared to a loss from operations in the amount of $121,057 for the three months ended September 30, 2016. The Company continues to explore opportunities to expand its business. We remain confident that the jewelry market will turn around and that we can be profitable in the future. However, there can be no assurance that the jewelry market will turn around or that we will be profitable.

	Three Months Ended	Dollar Increase	Percent Increase

	September 30, 2017	September 30, 2016	(Decrease)	(Decrease)
Sales, net	$ 225,980	$ 88,986	$ 136,994	154.0%
Gross profit	$ 68,192	$ 628	$ 67,564	-
Gross profit as a % of sales	30.2%	0.7%		

	Nine Months Ended		Dollar Increase	Percent Increase
	September 30, 2017	September 30, 2016	(Decrease)	(Decrease)
Sales, net	$ 408,648	$ 395,195	$ 13,453	3.4%
Gross Profit	$ 172,579	$ 87,376	$ 85,203	97.5%
Gross profit as a % of sales	42.2%	22.1%		

Sales

Net sales for the three months ended September 30, 2017 increased $136,994 (154.0 %) to $225,980, as compared to $88,986 for the three months ended September 30, 2016. This increase is primarily attributed to an increase in wholesale sales offset partially by the reduction in sales from R.S. Fisher. Net sales for the nine months ended September 30, 2017 increased $13,453 (3.4 %) to $408,648, as compared to $395,195 for the nine months ended September 30, 2016. This increase is primarily attributed to an increase in wholesale sales as well as in increase in retail sales from its retail store offset partially by reduction sales from RS Fisher. The increase in sales is primarily attributed to the timing of orders. The Company intends to concentrate on its domestic operations and explore additional opportunities to expand its business. However, there has been a general slowdown in the market for the Company s products.

Item 2. Management s Discussion and Analysis of Financial Condition and Results of Operations (continued)

Results of Operations (continued)

Gross Profit

Gross profit for the three months ended September 30, 2017 increased $67,564 to $68,192, as compared to $628 for the nine months ended September 30, 2016. This increase primarily is a result of the increase in sales. Gross profit for the three months ended September 30, 2016 was impacted to the selling of inventory at a substantial discount to provide cash for operations. Gross profit for the nine months ended September 30, 2017 increased $85,203 to $172,579 as compared to $87,376 for the nine months ended September 30, 2016. This increase is primarily attributed to the increase in sales. The nine months ended September 30, 2016 had inventory adjustments that negatively impacted the gross margin for the nine months ended September 30, 2016, which did not incur in the current year. For the three months ended September 30, 2017, our gross profit as a percentage of sales was 30.2% as compared to a gross profit as a percentage of sales of 0.7% for the three months ended September 30, 2016. For the nine months ended September 30, 2017, our gross profit as a percentage of sales was 42.2% as compared to a gross profit as a percentage of sales of 22.1 % for the nine months ended September 30, 2016.

Selling, General and Administrative Expenses

Total selling, general and administrative expenses decreased $3,648 (3.0%) for the three months ended September 30, 2017 to $118,037 as compared to $121,685 for the three months ended September 30, 2016. Lower depreciation expense as a result of the write-off in 2016 of RS Fisher assets due to impairment and lower professional fees was partially offset by a credit in 2016 as a result of a bad debt recovery which did not occur in 2017. Total selling, general and administrative expenses decreased $177,864 (36.2%) for the nine months ended September 30, 2017 to $313,226 as compared to $491,090 for the three months ended September 30, 2016. This decrease is due to cost-saving measures as a result of the general decline in business and lower depreciation expense as a result of the write-off in 2016 of RS Fisher assets due to impairment.

Loss from Operations

As a result of the above, we had losses from operations of $49,845 and $140,647 for the three and nine months ended September 30, 2017 as compared to losses from operations of $121,057 and $403,714 for the three and nine months ended September 30, 2016.

Other Income (Expense)

For the three months ended September 30, 2017, the Company had Other Income of $82,167 as compared to Other Expense of $32,576 for the three months ended September 30, 2016 primarily as a result of the lower loss on the change in the fair value of derivatives, lower interest expense and the gain on sale of asset. For the nine months ended September 30, 2017, the Company had Other Income of $41,380 as compared to Other Expense of $12,829 for the nine months ended September 30, 2016 primarily as a result of the gain on the sale of asset and lower interest expense offset partially by the lower gain on the change in the fair value of derivatives.

During the three months ended September 30, 2017, the Company sold its interest in RS Fisher for $20, 527 in cash and reversed the remaining balance sheet items netting to $27,953 for a total gain on sale of asset of $48,480.

Net Loss

As a result of the above, we had net income of $32,322 for the three months ended September 30, 2017 as compared to a net loss of $153,633 for the three months ended September 30, 2016. For the nine months ended September 30, 2017 the Company had a net loss of $99,267 as compared to a net loss of $416,543 for the nine months ended September 30, 2016.

Item 2. Management s Discussion and Analysis of Financial Condition and Results of Operations (continued)

Liquidity and Capital Resources

The following table summarizes working capital at September 30, 2017, compared to December 31, 2016:

	September 30, 2017		December 31, 2016		Increase/ (Decrease)	
Current Assets	$	1,267,985	$	1,291,336	$	(23,351)
Current Liabilities	$	1,867,031	$	1,916,873	$	(49,842)
Working Capital	$	(599,046)	$	(625,537)	$	(26,491)

Our working capital deficit decreased $26,491. This decrease is primarily attributed lower cash and inventories and higher accounts payable and accrued expenses and deferred compensation.

During the nine months ended September 30, 2017, the Company had a net decrease in cash of $8,503. The Company s principal sources and uses of funds were as follows:

Cash provided by (used in) operating activities: For the nine months ended September 30, 2017, the Company provided $57,701 in cash for operations as compared to using $9,135 in cash for operations for the nine months ended September 30, 2016. This increase in cash provided in operations is primarily attributed to the decrease in loss from operations.

Cash used in investing activities: Net cash used in investing activities was $20,527 for the nine months ended September 30, 2017 as compared to $1,150 for the nine months ended September 30, 2016, due to the sale of the Company s interest in RS Fisher.

Cash (used in) provided by financing activities: Net cash used in by financing activities for the nine months ended September 30, 2017 was $86,731 as compared to providing $7,392 for the nine months ended September 30, 2016. This decrease is primarily the result of repayments of advances to stockholders.

Our indebtedness is comprised of various bank credit lines, convertible debt, advances from a stockholder/officer and credit cards intended to provide capital for the ongoing manufacturing of our jewelry line, in advance of receipt of the payment from our retail distributors.

Bank Lines of Credit and Notes Payable

We have a number of various unsecured credit card obligations. These obligations require minimal monthly payments of interest and principal and as of September 30, 2017, have interest rates ranging from 9.0% to 22.5%. As of September 30, 2017, we have outstanding balances related to these obligations of $360,027.

Convertible Debt

From time to time the Company enters into certain financing agreements for convertible debt. For the most part, the Company settles these obligations with the Company s common stock. As of September 30, 2017, the Company had outstanding convertible debt in the amount of $538,639.

Item 2. Management s Discussion and Analysis of Financial Condition and Results of Operations (continued)

Liquidity and Capital Resources (continued)

Satisfaction of Our Cash Obligations for the Next 12 Months

A critical component of our operating plan impacting our continued existence is to efficiently manage the production of our jewelry lines and successfully develop new lines through our Company or through possible acquisitions and/or mergers. Our ability to obtain capital through additional equity and/or debt financing, and joint venture partnerships will also be important to our expansion plans. In the event we experience any significant problems assimilating acquired assets into our operations or cannot obtain the necessary capital to pursue our strategic plan, we may have to reduce the growth of our operations. This may materially impact our ability to increase revenue and continue our growth.

The Company has suffered recurring losses, and current liabilities exceeded current assets by $599,046, as of September 30, 2017. As of September 30, 2017, the Company had $538,639 in convertible debentures which are currently due and the Company is currently negotiating terms with the holders of these debentures. At September 30, 2017, the Company also had a stockholders deficit of $323,857. These factors raise substantial doubt about the Company's ability to continue as a going concern. The recoverability of a major portion of the recorded asset amounts shown in the accompanying consolidated balance sheet is dependent upon continued operations of the Company, which in turn, is dependent upon the Company's ability to raise capital and/or generate positive cash flows from operations.

Research and Development

We are not anticipating significant research and development expenditures in the near future.

Expected Purchase or Sale of Plant and Significant Equipment

We do not anticipate the purchase or sale of any plant or significant equipment; as such items are not required by us at this time.

Significant Changes in the Number of Employees

We currently have three full-time employees and three part-time employees. Of our current employees, one is in sales and marketing, two are manufacturing and three hold administrative and executive positions. None of our employees are subject to any collective bargaining agreements. We do not anticipate a significant change in the number of full time employees over the next 12 months.

Off-Balance Sheet Arrangements

We do not have any off-balance sheet arrangements that have or are reasonably likely to have a current or future effect on our financial condition, results or operations, liquidity, capital expenditures or capital resources that is deemed material.

Critical Accounting Policies

Our critical accounting policies are described in Management s Discussion and Analysis of Financial Condition and Results of Operations included in our Annual Report. There have been no changes in our critical accounting policies. Our significant accounting policies are described in our notes to the 2016 consolidated financial statements included in our Annual Report.

Item 3. Quantitative and Qualitative Disclosures about Market Risk

We do not hold any derivative instruments and do not engage in any hedging activities.

Item 4. Controls and Procedures

(a) Evaluation of Disclosure Controls and Procedures

We maintain disclosure controls and procedures designed to ensure that information required to be disclosed in the reports we file pursuant to the Securities Exchange Act of 1934, as amended (the Exchange Act) are recorded, processed, summarized and reported within the time periods specified in the rules and forms of the SEC, and that such information is accumulated and communicated to our Principal Executive Officer (PEO) and Principal Financial Officer (PFO), to allow timely decisions regarding required disclosure. In designing and evaluating the disclosure controls and procedures, management recognized that any controls and procedures, no matter how well designed and operated, can only provide a reasonable assurance of achieving the desired control objectives, and in reaching a reasonable level of assurance, management necessarily was required to apply its judgment in evaluating the cost-benefit relationship of possible controls and procedures. Management designed the disclosure controls and procedures to provide reasonable assurance of achieving the desired control objectives.

We carried out an evaluation, under the supervision and with the participation of our management, including our PEO and PFO, of the effectiveness of the design and operation of our disclosure controls and procedures as of the end of the period covered by this Quarterly Report. Based upon that evaluation, the PEO and PFO concluded that the Company s disclosure controls and procedures were not effective.

(b) Changes in Internal Control over Financial Reporting

There were no changes in our internal control over financial reporting, as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act, during our most recently completed fiscal quarter that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II - OTHER INFORMATION

Item 1. Legal Proceedings.

We are currently not involved in any litigation that we believe could have a material adverse effect on our financial condition or results of operations. There is no action, suit, proceeding, inquiry or investigation before or by any court, public board, government agency, self-regulatory organization or body pending or, to the knowledge of the executive officers of our company or any of our subsidiaries, threatened against or affecting our company, our common stock, any of our subsidiaries or of our companies or our subsidiaries officers or directors in their capacities as such, in which an adverse decision could have a material adverse effect.

Item 1A. Risk Factors.

We believe there are no changes that constitute material changes from the risk factors previously disclosed in our Annual Report on Form 10-K for the year ended December 31, 2016, filed with the SEC on April 17, 2017.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds.

None.

Item 3. Defaults upon Senior Securities.

There has been no default in payment of principal, interest, sinking or purchase fund installment, or any other material default, with respect to any indebtedness of the Company.

Item 4. Mine Safety Disclosure.

Not applicable.

Item 5. Other Information.

Not applicable.

Item 6. Exhibits.

Exhibit No.	Description
31.1	Certification of Principal Executive Officer, pursuant to 18 U.S.C. 1350, as adopted pursuant to Section 302 of 2002*
31.2	Certification of Principal Financial Officer, pursuant to 18 U.S.C. 1350, as adopted pursuant to Section 302 of 2002*
32.1	Certification of Principal Executive Officer, pursuant to 18 U.S.C. 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002*
32.2	Certification of Principal Financial Officer, pursuant to 18 U.S.C. 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002*
101.INS	XBRL Instance Document *
101.SCH	XBRL Taxonomy Extension Schema *
101.CAL	XBRL Taxonomy Extension Calculation Linkbase *
101.DEF	XBRL Taxonomy Extension Definition Linkbase *
101.LAB	XBRL Taxonomy Extension Label Linkbase *
101.PRE	XBRL Taxonomy Extension Presentation Linkbase *

* Filed herewith

SIGNATURES

In accordance with the requirements of the Exchange Act, the registrant caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

BERGIO INTERNATIONAL, INC.

Date: November 20, 2017	By:	*<u>/s/ Berge Abajian</u>* Name: Berge Abajian Title: Chief Executive Officer (Principal Executive Officer) (Principal Financial Officer) (Principal Accounting Officer)