Madison Technologies Inc.
Form 10-K
March 29, 2018

United states

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-K

[X] Annual report pursuant to section 13 0r 15(d) of the securities exchange act of 1934

For the fiscal year ended **December 31, 2017**

[ ] transition report pursuant to section 13 0r 15(d) of the securities exchange act of 1934

For the transition period from ___________ to___________

Commission file number **000-51302**

madison Technologies Inc.

(Exact name of registrant as specified in its charter)

Incorporated in the State of Nevada	**00-0000000**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

4448 Patterdale Drive, North Vancouver, BC V7R 4L8

(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code: 206-203-0474

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	**Name of each exchange on which registered**
None	N/A

Securities registered pursuant to Section 12(g) of the Act:

Common Stock - $0.001 par value

(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 [X] 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 [X] No

Note - Checking the box above will not relieve any registrant required to file reports pursuant to Section 13 or Section 15(d) of the Exchange Act from their obligations under those sections.

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 last 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.

[X] Yes [ ] No

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 (§ 229.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files).

[X] Yes [ ] No

Indicate by check mark if disclosure of delinquent filers in response to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of 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. **[ ]**

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

Larger accelerated filer	[ ]	Accelerated filer	[ ]
Non-accelerated filer (Do not check if a smaller reporting company)	[ ]	**Smaller reporting company**	**[X]**

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act).

[ ] Yes [X] No

State the aggregate market value of the voting and non-voting common equity held by **non-affiliates** computed by reference to the price at which the common equity was sold, or the average bid and asked price of such common equity, as of the last business day of the registrant's most recently completed second fiscal quarter: **$790,473 ($0.13 X 6,080,565) as of June 30, 2017**

State the number of shares outstanding of each of the issuer's classes of common equity, as of the latest practicable date.

Class	**Outstanding at March 29, 2018**
Common Stock - $0.001 par value	16,757,565

Forward Looking Statements

The information in this annual report contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. These forward-looking statements involve risks and uncertainties, including statements regarding Madison's capital needs, business strategy and expectations. Any statements contained herein that are not statements of historical facts may be deemed to be forward-looking statements. In some cases, you can identify forward-looking statements by terminology such as "may", "will", "should", "expect", "plan", "intend", "anticipate", "believe", "estimate", "predict", "potential" or "continue", the negati terms or other comparable terminology. Actual events or results may differ materially. In evaluating these statements, you should consider various factors, including the risks outlined from time to time, in other reports Madison's files with the Securities and Exchange Commission.

The information constitutes forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. The forward-looking statements in this Form 10-K for the fiscal year ended December 31, 2017, are subject to risks and uncertainties that could cause actual results to differ materially from the results expressed in or implied by the statements contained in this report. As a result, the identification and interpretation of data and other information and their use in developing and selecting assumptions from and among reasonable alternatives requires the exercise of judgment. To the extent that the assumed events do not occur, the outcome may vary substantially from anticipated or projected results, and accordingly, no opinion is expressed on the achievability of those forward-looking statements. No assurance can be given that any of the assumptions relating to the forward-looking statements specified in the following information are accurate.

All forward-looking statements are made as of the date of filing of this Form 10-K and Madison disclaims any obligation to publicly update these statements, or disclose any difference between its actual results and those reflected in these statements. Madison may, from time to time, make oral forward-looking statements. Madison strongly advises that the above paragraphs and the risk factors described in this Annual Report and in Madison's other documents filed with the United States Securities and Exchange Commission should be read for a description of certain factors that could cause the actual results of Madison to materially differ from those in the oral forward-looking statements. Madison disclaims any intention or obligation to update or revise any oral or written forward-looking statements whether as a result of new information, future events or otherwise.

part I

Item 1. Business.

Summary

Madison Technologies Inc. ("**Madison**") is a Nevada corporation that was incorporated on June 15, 1998. Madison was initially incorporated under the name "Madison-Taylor General Contractors, Inc." Effective May 24, 2004, Madison changed its name to "Madison Explorations, Inc." by a majority vote of the shareholders. Effective March 9, 2015, Madison changed its name to "Madison Technologies Inc," by a majority vote of the shareholders. See Exhibit 3.3 – Certificate of Amendment for more details.

On September 16, 2016, pursuant to the terms of the Product License Agreement Madison was granted the exclusive rights to distribute Tuffy Pack's product line of line custom inserts that provide a level of personal protection from ballistic threats similar to what law enforcement officers wear daily as bullet proof vests. See Exhibit 10.5 - Product License Agreement for more details.

Madison maintains its statutory resident agent's office at 1859 Whitney Mesa Drive, Henderson, Nevada, 89014 and its business office is located at 4448 Patterdale Drive, North Vancouver, BC, V7R 4L8. Madison's office telephone number is 206-203-0474

Madison has an authorized capital of 500,000,000 shares of Common Stock with a par value of $0.001 per share, of which 16,757,565 shares of Common Stock are currently issued and outstanding.

Madison has not been involved in any bankruptcy, receivership or similar proceedings. There has been no material reclassification, merger consolidation or purchase or sale of a significant amount of assets not in the ordinary course of Madison's business.

Business of Madison

Until period ended September 16, 2016, Madison was focused on identifying and assessing new projects for acquisition purposes that are global in nature and technology-based.

On September16, 2016, Madison was granted the exclusive rights to distribute Tuffy Pack's product line pursuant to the terms and conditions of a product license agreement. See Exhibit 10.5 - Product License Agreement for more details.

Product and Services

Tuffy Packs manufactures a line of custom inserts that provide a level of personal protection from ballistic threats similar to what law enforcement officers wear daily as bullet proof vests. The Tuffy Pack, LLC Ballistic Shields® conform to the National Institute of Justice (NIJ) Level IIIA threat requirements. NIJ is the research, development and evaluation agency of the U.S. Department of Justice. NIJ Standard–0101.06, "Ballistic Resistance of Body Armor," is a minimum performance standard developed in collaboration with the Office of Law Enforcement Standards (OLES) of the National Institute of Standards and Technology (NIST). It is produced as part of the Standards and Testing Program of the National Institute of Justice (NIJ), Office of Justice Programs, U.S. Department of Justice. This standard is a technical document that specifies the minimum performance requirements that equipment must meet to satisfy the requirements of criminal justice agencies and the methods that shall be used to test this performance. This standard is used by the NIJ Voluntary Compliance Testing Program (CTP) to determine which body armor models meet the minimum performance requirements for inclusion on the NIJ Compliant Products List.

Personal body armor covered by this standard is classified into five types (IIA, II, IIIA, III, IV) by level of ballistic performance. In addition, a special test class is defined to allow armor to be validated against threats that may not be covered by the five standard classes. The classification for the Tuffy Pack product line states;

2.3 Type IIIA (.357 SIG; .44 Magnum) Type IIIA armor that is new and unworn shall be tested with .357 SIG FMJ Flat Nose (FN) bullets with a specified mass of 8.1 g (125 gr) and a velocity of 448 m/s ± 9.1 m/s (1470 ft/s ± 30 ft/s) and with .44 Magnum Semi Jacketed Hollow Point (SJHP) bullets with a specified mass of 15.6 g (240 gr) and a velocity of 436 m/s ± 9.1 m/s (1430 ft/s ± 30 ft/s). Type IIIA armor that has been conditioned shall be tested with .357 SIG FMJ FN bullets with a specified mass of 8.1 g (125 gr) and a velocity of 430 m/s ± 9.1 m/s (1410 ft/s ± 30 ft/s) and with .44 Magnum SJHP bullets with a specified mass of 15.6 g (240 gr) and a velocity of 408 m/s ± 9.1 m/s (1340 ft/s ± 30 ft/s).

The ballistic shields (collectively, the "**Licensed Products**") when inserted into backpacks, briefcases or computer bags will provide the highest level of protection currently available as lightweight concealable body armor. Backpacks with ballistic protection weigh only 16 – 24 ounces more than a non-protected pack (based on the pack size).

11 x 14 Ballistic Shield

12 x 16 Ballistic Shield

12 x 18 Ballistic Shield

Markets

Madison sales strategy is to develop online exposure through the use of social media marketing and sending demo packs of the Licensed Products to both online bloggers and established gun owner clubs. The demo packs will include both new products as well as examples of the products that have been tested and exposed to gunfire.

Madison also intends to attend European tradeshows and exhibits, including, but not limited to, IDEF (International Defense Industry Fair), ITEC, and GREC (General Police Equipment & Exhibition Conference). These trade shows will assist in introducing the Licensed Products to wholesalers in an attempt to expand Madison's sales channel.

Distribution Methods

Madison's distribution method is to deliver the Licensed Products into the European and UK retail and wholesale markets via the use of online market and fulfillment services including but not limited to Amazon.eu, Redstag and MCS Fulfillment. By implementing these companies' services Madison will be able to establish a reliable supply chain that will receive delivery of the Licensed Products, warehouse the Licensed Products, package the Licensed Package as per each customer order, and ship the Licensed Products to the customer efficiently and cost effectively.

Management expects to expand Madison's sales distribution strategy beginning in May 2018 and to be operational by September 2018, this includes the following components:

1. Initial inventory with an estimated cost of $10,000

2. Social media and online advertising of $10,000

Status of Licensed Products

The Licensed Products will be supplied exclusively by Tuffy Packs, LLC. Tuffy Packs, LLC already has an established supply chain and is able to supply up to 10,000 units per month. Management believes this monthly supply of Licensed Products will be sufficient for Madison's anticipated inventory requirements.

Competitive Conditions

Madison will be competing with other online retail companies possessing greater financial resources and technical facilities than Madison in connection with the sale of similar products. Many of the competitors have a very diverse portfolio and have not confined their market to one product or line of products, but offer a wide array of products. All of these competitors have been in business for longer than Madison and may have established more strategic partnerships and relationships than Madison.

Management believes that it will have a competitive advantage over its competitors due to its plan of operations.

Madison has identified numerous body armor and bullet proof inserts available from a variety of online and offline merchants, and although most offer international shipping to the United Kingdom and Western Europe, the high cost of shipping and long delays in delivery makes purchasing from a US based retailer unattractive. Management believes that by establishing relationships with fulfillment companies and having stock on hand in its distribution territories Madison will have a competitive advantage in the ability to fill orders and deliver the Licensed Products to its customers quickly which will develop buyer loyalty.

Madison has also identified several online retailers that are located in either the UK or Europe that supply products that management believes would be in direct competition with Madison's business. Some of those competitors include, but not limited to, the following:

Vestgaurd - a UK based supplies the very best in British manufactured ballistic protection systems for personal and vehicle protection to the public and private sectors.

Mars Armor- a Bulgarian company specialized in the manufacture of body armor for protection against bullets, fragments and cold steel.

Spycatcher Online - a UK based supplier of specialist surveillance, counter-surveillance and personal protection equipment to the professional and consumer market.

Jack Ellis Body Protection - a UK based manufacturer in the personal protection market with clients including - UK and Foreign government organizations, special forces, police, prisons, private security and media.

Raw Materials and Equipment

Madison does not require raw materials as Madison will purchase all the Licensed Products directly from Tuffy Packs. Madison will require equipment related to online retailing including but not limited to the use of URL's for its online stores, warehousing facilities (leased on a month to month basis), software systems for inventory control and order fulfilment (leased on a month to month basis)

Principal Suppliers

At present Madison will rely solely on Tuffy Packs to provide all its principal supplies.

Dependence on Customers

Currently, Madison is not and will not be dependent on one or a few major customers.

Technology and Intellectual Property

Madison does not own, either legally or beneficially, any patents or trademarks.

Governmental and Industry Regulations

Madison will be subject to federal and state laws and regulations that relate directly or indirectly to its operations including federal securities laws. Madison will also be subject to common business and tax rules and regulations pertaining to the operation of its business.

For the most part, the distribution of the Licensed Products into Europe is unregulated. In Europe, the import and sale of ballistic vests and body armor products are allowed, with the exception of products that are developed under strict military specifications and/or for main military usage, or products above the level of protection NIJ 4, which are considered by the law as “armament materials” and, and as a result, prohibited for sale to civilians.

In the United Kingdom there are currently no legal restrictions on the import and sale of ballistic vests and body armor products, except, as similar to the Europe regulations, any products which are considered for main military usage.

Research and Development Activities and Costs

Madison has not spent any funds on research and development activities to date.

Compliance with Environmental Laws

Madison’s current operations are not subject to any environmental laws.

Facilities

Madison does not own or rent facilities of any kind at the date of this filing. Madison’s plan of operation may require the use of warehousing facilities to store inventory and fulfill customer orders, these may be leased on a month to month basis as required.

Madison plans to conduct its operations from the office of its president until Madison is in a position to commence and expand operations.

Number of Total Employees and Number of Full Time Employees

Madison does not have any employees other than the directors and officers of Madison.

Item 1A. Risk Factors.

Madison is a smaller reporting company as defined by Rule 12b-2 of the Exchange Act and is not required to provide the information required under this item.

Item 1B. Unresolved Staff Comments.

Madison is a smaller reporting company as defined by Rule 12b-2 of the Exchange Act and is not required to provide the information required under this item.

Item 2. Properties.

Madison’s executive offices are located at 4448 Patterdale Drive, North Vancouver, BC, Canada, V7R 4L8 .

Madison currently has no interest in any property.

Item 3. Legal Proceedings.

Madison is not a party to any pending legal proceedings and, to the best of Madison’s knowledge, none of Madison’s property or assets are the subject of any pending legal proceedings.

Item 4. Mine Safety Disclosures.

There are no current mining activities at the date of this report.

PART II

Item 5. Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities.

(a) Market Information

Madison's Common Stock has been quoted on the NASD OTC Bulletin Board under the symbol "MDEX" since April 26, 2006. The following table gives the high and low price information for each fiscal quarter Madison's common stock has been quoted for the last two fiscal years and for the interim period ended March 29, 2017. The price information was obtained from OTC Markets Group Inc. and reflects inter-dealer prices, without retail mark-up, mark-down or commission, and may not represent actual transactions.

High & Low Prices(1)

Period ended	High	Low	Source
29 March 2017	$0.12	$0.11	OTC Markets Group Inc.
31 December 2017	$0.128	$0.115	OTC Markets Group Inc.
30 September 2017	$0.1304	$0.07	OTC Markets Group Inc.
30 June 2017	$0.383	$0.134	OTC Markets Group Inc.
31 March 2017	$0.35	$0.15	OTC Markets Group Inc.
31 December 2016	$0.37	$0.16	OTC Markets Group Inc.
30 September 2016	$0.489	$0.05	OTC Markets Group Inc.
30 June 2016	$0.15	$0.05	OTC Markets Group Inc.
31 March 2016	$0.0845	$0.05	OTC Markets Group Inc.

(1) All high & low price data for all periods reflect Madison's 10:1 consolidation, which was effective March 11, 2015

Effective March 11, 2015, by a majority vote of the shareholders, Madison consolidated its issued and outstanding shares of common stock, without correspondingly decreasing the number of authorized shares of common stock, on a 10 "old" shares for every one "new" share basis, resulting in a decrease of Madison's issued and outstanding share capital from 113,020,000 shares to approximately 11,302,000 shares of common stock, not including any rounding up of fractional shares to be issued on consolidation.

(b) Holders of Record

Madison has approximately 12 holders of record of Madison’s Common Stock as of December 31, 2017 according to a shareholders’ list provided by Madison’s transfer agent as of that date. The number of registered shareholders does not include any estimate by Madison of the number of beneficial owners of Common Stock held in street name. The transfer agent for Madison’s Common Stock is Pacific Stock Transfer, 4045 South Spencer Street, Suite 403, Las Vegas, Nevada 89119 and their telephone number is (702) 361-3033.

(c) Dividends

Madison has declared no dividends on its Common Stock, and is not subject to any restrictions that limit its ability to pay dividends on its shares of Common Stock. Dividends are declared at the sole discretion of Madison’s Board of Directors.

(d) Recent Sales of Unregistered Securities

There have been no sales of unregistered securities within the last three years that would be required to be disclosed pursuant to Item 701 of Regulation S-K., with the exception of the following:

July 2017 – Conversion of Promissory Notes

On July 13, 2017, Madison issued an aggregate 955,556 restricted shares of common stock in the capital of Madison pursuant to the terms and conditions of (1) a convertible promissory note dated May 1, 2014 in the principle amount of $25,000 at a conversion price of $0.045 per share and (2) a convertible promissory note dated October 27, 2016 in the principle amount of $20,000 at a conversion price of $0.05 per share.

For this share issuance, Madison relied upon Section 4(2) of the Securities Act of 1933 and Rule 903 of Regulation S promulgated pursuant to that Act by the Securities and Exchange Commission. The value of the restricted shares was set by Madison and the lenders as part of the negotiations of the terms and conditions of the convertible promissory notes.

January 2018 – Conversion of Promissory Notes

On January 25, 2018, Madison issued an aggregate 4,500,000 restricted shares of common stock in the capital of Madison pursuant to the terms and conditions of (1) a convertible promissory note dated March 19, 2013 in the principle amount of $25,000 at a conversion price of $0.01 per share and (2) a convertible promissory note dated March 24, 2011 in the principle amount of $10,000 at a conversion price of $0.005 per share

For this share issuance, Madison relied upon Section 4(2) of the Securities Act of 1933 and Rule 903 of Regulation S promulgated pursuant to that Act by the Securities and Exchange Commission. The value of the restricted shares was set by Madison and the lenders as part of the negotiations of the terms and conditions of the convertible promissory notes.

There is currently $161,000 in outstanding debt securities convertible into 13,586,666 shares of Madison's Common Stock.

February 2018 - $0.10 Private Placement Offering

On February 16, 2018, the board of directors authorized the issuance of 150,000 restricted shares of common stock at a subscription price of $0.10 per restricted share. Madison raised $15,000 in cash in this closing, and will issue an aggregate 150,000 restricted shares of common stock to one non-US subscriber outside the United States. Madison set the value of the restricted shares arbitrarily without reference to its assets, book value, revenues or other established criteria of value. All the restricted shares issued in this offering were issued for investment purposes in a "private transaction".

For the one non-US subscriber outside the United States in this closing, Madison relied upon Section 4(2) of the Securities Act of 1933 and Rule 903 of Regulation S promulgated pursuant to that Act by the Securities and Exchange Commission. Management is satisfied that Madison complied with the requirements of the exemption from the registration and prospectus delivery of the Securities Act of 1933. The offering was not a public offering and was not accompanied by any general advertisement or any general solicitation. Madison received from each subscriber a completed and signed subscription agreement containing certain representations and warranties, including, among others, that (a) the subscriber was not a U.S. person, (b) the subscriber subscribed for the shares for their own investment account and not on behalf of a U.S. person, and (c) there was no prearrangement for the sale of the shares with any buyer. No offer was made or accepted in the United States and the share certificates representing the shares will be issued bearing a legend with the applicable trading restrictions.

As of the date of this filing the shares remain outstanding but not issued.

March 2018 - $0.10 Private Placement Offering

On March 2, 2018, the board of directors authorized the issuance of 150,000 restricted shares of common stock at a subscription price of $0.10 per restricted share. Madison raised $15,000 in cash in this closing, and will issue an aggregate 150,000 restricted shares of common stock to one non-US subscriber outside the United States. Madison set the value of the restricted shares arbitrarily without reference to its assets, book value, revenues or other established criteria of value. All the restricted shares issued in this offering were issued for investment purposes in a “private transaction”.

For the one non-US subscriber outside the United States in this closing, Madison relied upon Section 4(2) of the Securities Act of 1933 and Rule 903 of Regulation S promulgated pursuant to that Act by the Securities and Exchange Commission. Management is satisfied that Madison complied with the requirements of the exemption from the registration and prospectus delivery of the Securities Act of 1933. The offering was not a public offering and was not accompanied by any general advertisement or any general solicitation. Madison received from each subscriber a completed and signed subscription agreement containing certain representations and warranties, including, among others, that (a) the subscriber was not a U.S. person, (b) the subscriber subscribed for the shares for their own investment account and not on behalf of a U.S. person, and (c) there was no prearrangement for the sale of the shares with any buyer. No offer was made or accepted in the United States and the share certificates representing the shares will be issued bearing a legend with the applicable trading restrictions.

As of the date of this filing the shares remain outstanding but not issued.

(e) Penny Stock Rules

Trading in Madison's Common Stock is subject to the "penny stock" rules. The SEC has adopted regulations that generally define a penny stock to be any equity security that has a market price of less than $5.00 per share, subject to certain exceptions. These rules require that any broker-dealer who recommends Madison's Common Stock to persons other than prior customers and accredited investors, must, prior to the sale, make a special written suitability determination for the purchaser and receive the purchaser's written agreement to execute the transaction. Unless an exception is available, the regulations require the delivery, prior to any transaction involving a penny stock, of a disclosure schedule explaining the penny stock market and the risks associated with trading in the penny stock market. In addition, broker-dealers must disclose commissions payable to both the broker-dealer and the registered representative and current quotations for the securities they offer. The additional burdens imposed upon broker-dealers by such requirements may discourage broker-dealers from effecting transactions in Madison's securities, which could severely limit their market price and liquidity of Madison's securities. The application of the "penny stock" rules may affect your ability to resell Madison's securities.

Item 6. Selected Financial Data.

Madison is a smaller reporting company as defined by Rule 12b-2 of the Exchange Act and is not required to provide the information required under this item.

Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations.

THE FOLLOWING PRESENTATION OF THE PLAN OF OPERATION OF MADISON TECHNOLOGIES INC. SHOULD BE READ IN CONJUNCTION WITH THE AUDITED FINANCIAL STATEMENTS AND OTHER FINANCIAL INFORMATION INCLUDED HEREIN.

Overview

Madison was incorporated in the State of Nevada on June 15, 1998 under the name "Madison-Taylor General Contractors, Inc." Effective May 24, 2004, Madison changed its name to "Madison Explorations, Inc." by a majority vote of the shareholders. Effective March 9, 2015, Madison changed its name to "Madison Technologies Inc," by a majority vote of the shareholders. See Exhibit 3.3 – Certificate of Amendment for more details.

Pursuant to the terms and conditions of a product license agreement dated September 16, 2016 between Tuffy Packs, LLC and Madison Technologies Inc. Tuffy Packs has granted an exclusive license to Madison for the distribution of Tuffy Pack's product line (collectively, the "**Licensed Products**") into the United Kingdom and 43 European countries. According to the terms and conditions of the product license agreement Madison will pay an aggregate amount of $50,000 for the exclusive license to distribute the Licensed Products in Europe. See Exhibit 10.5 - Product License Agreement for more details.

Tuffy Packs manufactures a line of custom inserts that provide a level of personal protection from ballistic threats similar to what law enforcement officers wear daily as bullet proof vests. The ballistic panels conform to the National Institute of Justice (NIJ) Level IIIA threat requirements.

Results of Operation for the Period Ended December 31, 2017

During the fiscal year ended December 31, 2017, we incurred net losses of $53,273, compared to our net losses in fiscal 2016 of $45,268. Our losses in the current fiscal year were slightly lower due to lower general and administrative expenses that we incurred in connection with our preparation and filings.

We have not attained profitable operations and are dependent upon obtaining financing to complete our proposed business plan. For these reasons our auditors believe that there is substantial doubt that we will be able to continue as a going concern.

Our financial statements have been prepared assuming that we will continue as a going concern and, accordingly, do not include adjustments relating to the recoverability and realization of assets and classification of liabilities that might be necessary should we be unable to continue in operation.

Liquidity and Capital Resources

As of December 31, 2017, Madison had total assets of $21,041, and a working capital deficit of $377,208, compared with a working capital deficit of $369,935 as of December 31, 2016. The increase in the working capital deficit was primarily due to an increase in interest accrued on notes payable debt, the balance owing on the license agreement and an increase in convertible notes payable arising from interest recognition on discount. The assets consisted of $3,281 in cash and $17,760 in a license agreement. The liabilities consisted of $45,394 in accounts payable and accrued liabilities ($36,510 in 2016), $123,094 in notes payable and accrued interest ($114,683 in 2016), $196,000 in convertible notes payable ($241,000 in 2016), $33,500 in license fee payable and $261 due to a related party.

There are no assurances that Madison will be able to achieve further sales of its Common Stock or any other form of additional financing. If Madison is unable to achieve the financing necessary to continue its plan of operations, then Madison will not be able to continue its plan of operations and its business will fail.

Net Cash Used in Operating Activities

For the fiscal year ended December 31, 2017, net cash used in operating activities increased to $10,978compared with $30,742 for the same period in the previous fiscal year. The use of cash was primarily due to a net loss of $53,278less non cash items of interest on the convertible debt of $6,160, amortization of license of $25,000 and, foreign exchange on note payable of $2,252.

Net Cash Used in Investing Activities

Net cash used in investing activities was $nil for the purchase of licensing agreement during the fiscal year ended December 31, 2017 as compared with cash flow from investing activities of $16,500 for the same period in the previous fiscal year.

Net Cash Provided by Financing Activities

Net cash flows provided by financing activities was $nil for the fiscal year ended December 31, 2017 as compared with financing activities of $61,000 for the same period in the previous fiscal year. The net cash provided by financing activities was due to the proceeds from convertible notes payable.

Plan of Operation

Madison's plan of operation for the next 12 months is to deliver the Licensed Products into the European and UK retail and wholesale markets via the use of online market and fulfilment services including but not limited to Amazon.eu, Redstag and MCS Fulfilment. By implementing these companies' services Madison will be able to establish a reliable supply chain that will receive delivery of the Licensed Products, warehouse the Licensed Products, package the Licensed Package as per each customer order, and ship the Licensed Products to the customer efficiently and cost effectively.

Management expects to expand Madison's sales distribution strategy beginning in May 2018 and to be operational by September 2018, this includes the following components:

1. Initial inventory with an estimated cost of $10,000

2. Social media and online advertising of $10,000

3. Payments to be made under Product License Agreement of $33,500

Madison sales strategy is to develop online exposure through the use of social media marketing and sending demo packs of the Licensed Products to both online bloggers and established gun owner clubs. The demo packs will include both new products as well as examples of the products that have been tested and exposed to gunfire to demonstrate the products effectiveness.

In addition to the costs associated to Madison's sales and distribution strategy, management anticipates incurring the following expenses during the next 12 month period:

Management anticipates spending approximately $2,500 in ongoing general and administrative expenses per month for the next 12 months, for a total anticipated expenditure of $30,000 over the next 12 months. The general and administrative expenses for the year will consist primarily of professional fees for the audit and legal work relating to Madison's regulatory filings throughout the year, as well as transfer agent fees, annual mineral claim fees and general office expenses.

Management anticipates spending approximately $15,000 in complying with Madison's obligations as a reporting company under the *Securities Exchange Act of 1934* and as a reporting issuer in Canada. These expenses will consist primarily of professional fees relating to the preparation of Madison's financial statements and completing and filing its annual report, quarterly report, and current report filings with the SEC and with SEDAR in Canada.

As at December 31, 2017, Madison had cash of $3,281 and a working capital deficit of $377,208. Accordingly, Madison will require additional financing in the amount of $418,927 in order to fund its obligations as a reporting company under the *Securities Act of 1934* and its general and administrative expenses for the next 12 months.

During the 12 month period following the date of this annual report, management anticipates that Madison will not generate any revenue. Accordingly, Madison will be required to obtain additional financing in order to continue its plan of operations. Management believes that debt financing will not be an alternative for funding Madison's plan of operations as it does not have tangible assets to secure any debt financing. Rather, management anticipates that additional funding will be in the form of equity financing from the sale of Madison's Common Stock. However, Madison does not have any financing arranged and cannot provide investors with any assurance that it will be able to raise sufficient funding from the sale of its Common Stock to fund its plan of operations. In the absence of such financing, Madison will not be able to acquire any interest in a new technology and its business plan will fail. Even if Madison is successful in obtaining equity financing and acquire an interest in a new technology, additional research and development will be required before a determination as to whether the technology will be commercially viable. If Madison does not continue to obtain additional financing, it will be forced to abandon its business and plan of operations.

Purchase of Significant Equipment

We do not intend to purchase any significant equipment during the next 12 months.

Off-Balance Sheet Arrangements

Madison has no off-balance sheet arrangements including arrangements that would affect its liquidity, capital resources, market risk support and credit risk support or other benefits.

Material Commitments for Capital Expenditures

Madison had no contingencies or long-term commitments at December 31, 2017.

Going Concern

The independent auditors' report accompanying our December 31, 2017 and 2016 financial statements contains an explanatory paragraph expressing substantial doubt about our ability to continue as a going concern. The financial statements have been prepared assuming that we will continue as a going concern, which contemplates that we will realize our assets and satisfy our liabilities and commitments in the ordinary course of business.

Tabular Disclosure of Contractual Obligations

Madison is a smaller reporting company as defined by Rule 12b-2 of the Exchange Act and is not required to provide the information required under this item.

Critical Accounting Policies

Madison's financial statements and accompanying notes are prepared in accordance with generally accepted accounting principles in the United States. Preparing financial statements requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenue, and expenses. These estimates and assumptions are affected by management's application of accounting policies. Management believes that understanding the basis and nature of the estimates and assumptions involved with the following aspects of Madison's financial statements is critical to an understanding of Madison's financial statements.

Use of Estimates

The preparation of financial statements in accordance with United States generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses in the reporting period. Madison regularly evaluates estimates and assumptions related to deferred income tax asset valuation allowances. Madison bases its estimates and assumptions on current facts, historical experience and various other factors that it believes to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities and the accrual of costs and expenses that are not readily apparent from other sources. The actual results experienced by Madison may differ materially and adversely from Madison's estimates. To the extent there are material differences between the estimates and the actual results, future results of operations will be affected.

Fair Value Measurements

Madison follows FASB ASC 820, "*Fair Value Measurements and Disclosures"*, for all financial instruments and non-financial instruments accounted for at fair value on a recurring basis. This new accounting standard establishes a single definition of fair value and a framework for measuring fair value, sets out a fair value hierarchy to be used to classify the source of information used in fair value measurement and expands disclosures about fair value measurements required under other accounting pronouncements. It does not change existing guidance as to whether or not an instrument is carried at fair value. Madison defines fair value as the price that would be received from selling an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. When determining the fair value measurements for assets and liabilities, which are required to be recorded at fair value, Madison considers the principal or most advantageous market in which Madison would transact and the market-based risk measurements or assumptions that market participants would use in pricing the asset or liability, such as inherent risk, transfer restrictions and credit risk. Madison has adopted FASB ASC 825, "*Financial Instruments",* which allows companies to choose to measure eligible financial instruments and certain other items at fair value that are not required to be measured at fair value. Madison has not elected the fair value option for any eligible financial instruments.

Impairment of Long-Lived Assets

Impairment losses on long-lived assets, such as mining claims, are recognized when events or changes in circumstances indicate that the undiscounted cash flows estimated to be generated by such assets are less than their carrying value and, accordingly, all or a portion of such carrying value may not be recoverable. Impairment losses are then measured by comparing the fair value of assets to their carrying amounts.

Convertible Debt

Prior to January 1, 2017, the Company considered that the reason for investing in convertible debt issued without interest was for the conversion feature and, accordingly, allocated all of the proceeds of this type of instrument to equity. The face value of the debt was allocated to additional paid in capital and was amortized and charged to interest on an effective interest rate basis. For the year ended December 31, 2017, the Company corrected this policy and adopted FASB ASC Topic 470, "*Debt with Conversions and Other Options*," which requires that convertible debt with no beneficial conversion feature be allocated in totality to debt and that no amount be allocated to equity. This change has been applied retroactively to the financial statements

Item 7A. Quantitative and Qualitative Disclosures About Market Risk.

Madison is a smaller reporting company as defined by Rule 12b-2 of the Exchange Act and is not required to provide the information required under this item.

Item 8. Financial Statements and Supplementary Data.

MADISON TECHNOLOGIES INC.

Financial Statements

December 31, 2017

MADISON TECHNOLOGIES INC.

(AUDITED)

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FINANCIAL STATEMENTS

K. R. MARGETSON LTD. ***Chartered Professional Accountant***
#210, 905 West Pender Street Tel: 604.641.4450
Vancouver BC V6C 1L6 Fax: 1.855.603.3228
Canada

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Stockholders of

Madison Technologies Inc.:

I have audited the accompanying balance sheets Madison Technologies Inc. as of December 31, 2017 and 2016 and the related statements of operations, stockholders' deficit and cash flows for the years then ended. These financial statements are the responsibility of the Company's management. My responsibility is to express an opinion on these financial statements based on my audits.

I conducted my audits in accordance with the standards of the Public Company Accounting Oversight Board (United States of America). Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor was I engaged to perform an audit of its internal control over financial reporting. 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. I believe that my audits provide a reasonable basis for my opinion.

In my opinion, based on my audits, these financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2017 and 2016 and the change in stockholders' deficit and the results of its operations and its cash flows for the years ended December 31, 2017 and 2016 in conformity with accounting principles generally accepted in the United States of America.

The accompanying financial statements have been prepared using accounting principles generally accepted in the United States of America assuming that the Company will continue as a going concern. As discussed in Note 1 to the financial statements, the Company has incurred operating losses since inception, which raises substantial doubt about its ability to continue as a going concern. Management's plans in regard to their planned financing and other matters are also described in Note 1. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

Vancouver, Canada	*/s/ K. R. Margetson Ltd*
March 29, 2018	Chartered Professional Accountant

MADISON TECHNOLOGIES INC.

Balance Sheets

	December 31, 2017	December 31, 2016
ASSETS		
CURRENT ASSETS		
Cash	$3,281	$14,259
	3,281	14,259
Intangible asset, at amortized cost License agreement (Note 3)	17,760	42,760
Total Assets	$21,041	$57,019
LIABILITIES AND STOCKHOLDERS' DEFICIT		
CURRENT LIABILITIES		
Accounts payable and accrued liabilities	$45,394	$36,510
License fee payable (Note 3)	33,500	33,500
Demand notes and accrued interest payable (Note 4)	123,094	114,683
Convertible notes payable (Note 5) as restated (Note 9)	196,000	241,000
Related party advance (Note 6)	261	261
TOTAL LIABILITIES – as restated (Note 9)	398,249	425,954
STOCKHOLDERS' DEFICIIT		
Common Stock (Note 7)		
Par Value:$0.001		
Authorized 500,000,000 shares		
Issued and outstanding: 12,257,556 shares	12,258	11,302
(Dec 31, 2016 - 11,302,000 shares)		
Additional Paid in Capital – as restated (Note 9)	88,644	44,600
Accumulated deficit – as restated (Note (9)	(478,110)	(424,837)
Total stockholders' deficit – as restated (Note 9)	(377,208)	(368,935)
Total liabilities and stockholders' deficiency	$21,041	$57,019

Note 1 Going concern

Note 9 Correction of prior period error

Note 10 Subsequent events

See Accompanying Notes to the Financial Statements.

MADISON TECHNOLOGIES INC.

STATEMENTS of Operations

	For the year ended **December 31, 2017**	For the year ended **December 31, 2016**
Revenues		
Sales	$6,675	$221
Cost of sales	(4,511)	(62)
Gross Margin	2,164	159
Operating expenses		
Amortization expense	25,000	7,240
General and administrative	24,277	31,616
	49,277	38,856
Loss before other expense	(47,113)	(38,697)
Other items		
Gain on dissolution of subsidiary	-	2,673
Interest – as restated (Note 9)	(6,160)	(6,135)
	(6,160)	(3,462)
Net loss	(53,273)	(42,159)
Other Comprehensive income		
Translation gain(loss)	-	(3,109)
Total comprehensive loss	$(53,273)	$(45,268)
Net loss per share		
-Basic and diluted	$(0.005)	$(0.004)
Average number of shares of common stock outstanding	11,747,053	11,302,000

See Accompanying Notes to Financial Statements.

MADISON TECHNOLOGIES INC.

StatementS of stockholders' DEFICIT

	Common Shares	*Amount*	*Additional Paid-in Capital*	*Accumulated Other Comprehensive Income*	*Accumulated Deficit*	*Total*
Balance December 31, 2015 as restated (Note 9)	11,302,000	$ 11,302	$ 44,600	$ 3,109	$ (382,678)	$ (323,667)
Foreign currency adjustments	-	-	-	(3,109)	-	(3,109)
Net loss,December 31, 2016 as restated (Note 9)	-	-	-	-	(42,159)	(42,159)
Balance December 31, 2016 as restated (Note 9)	11,302,000	11,302	44,600	-	(424,837)	(368,935)
Debt converted to shares - Note 7						
Converted at $0.05 per share	400,000	400	19,600	-	-	20,000
Converted at $0.045 per share	555,556	556	24,444	-	-	25,000
Net loss, December 31, 2017	-	-	-	-	(53,273)	(53,273)
Balance December 31, 2017	12,257,556	$ 12,258	$ 88,644	$ -	$ (478,110)	$ (377,208)

See Accompanying Notes to the Financial Statements.

MADISON TECHNOLOGIES INC.

StatementS of cash flows

	For the year ended **December 31, 2017**	For the year ended **December 31, 2016**
Cash Flows from operating activities:		
Net loss for the year - as restated (Note 9)	$ (53,273)	$ (42,159)
Adjustments to reconcile net loss to cash used in operating activities		
Amortization of license	25,000	7,240
Accrued interest on notes payable	6,160	6,135
Foreign exchange on notes payable	2,252	-
Gain on dissolution of subsidiary	-	(2,673)
Changes in assets and liabilities		
Accounts payable and accruals	8,883	715
Net cash used in operating activities	(10,978)	(30,742)
Cash Flows from investing activities:		
Purchase of Intangible asset	-	(16,500)
Net cash used in investing activities	-	(16,500)
Cash Flows from financing activities:		
Proceeds of convertible notes payable	-	61,000
Net cash provided by financing activities	-	61,000
Net increase (decrease) in cash	(10,978)	13,758
Cash, beginning of period	14,259	501
Cash, end of period	$ 3,281	$ 14,259
SUPPLEMENTAL DISCLOSURE		
Interest	$ 6,160	$ 6,135
Taxes paid	$ -	$ -

See Accompanying Notes to the Financial Statements

MADISON TECHNOLOGIES INC.

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2017

Note 1 <u>Nature and Continuance of Operations</u>

The Company was incorporated on June 15, 1998 in the State of Nevada, USA and the Company's common shares are publicly traded on the OTC Bulletin Board.

Up until fiscal 2014, the Company was in the business of mineral exploration. On May 28, 2014, the Company formalized an agreement whereby it purchased assets associated with a smokeless cannabis delivery system. The Company planned to develop this system for commercial purposes. On December 14, 2014, this asset purchase agreement was terminated.

On January 21, 2015, a majority of the Company's stockholders approved a consolidation of the issued and outstanding shares of common stock, on a 10 for 1 basis, thereby decreasing the issued and outstanding share capital from 113,020,000 to 11,302,000. On March 11, 2015, the Company changed its name from Madison Explorations, Inc. to Madison Technologies Inc. and effected the stock consolidation. These financial statements give retroactive effect to both these changes.

On September 16, 2016, the Company entered into an exclusive distribution product license agreement with Tuffy Packs, LLC to distribute products into the United Kingdom and 43 other essentially European countries. The Company will be selling ballistic panels which are personal body armors, that conforms to the National Institute of Justice (NIJ) Level IIIA threat requirements. The Company's plan of operations and sales strategy include online and social media marketing, as well as attending various tradeshows and conferences. As the Company failed to make specified payments as required, the agreement was amended to a non-exclusive basis.

Effective December 31, 2016, the Company dissolved its wholly owned subsidiary, Scout Resources Inc. ("Scout") and assumed all the debt that Scout owed.

These financial statements have been prepared in accordance with generally accepted accounting principles applicable to a going concern, which assumes that the Company will be able to meet its obligations and continue its operations for its next twelve months. Realization values may be substantially different from carrying values as shown and these financial statements do not give effect to adjustments that would be necessary to the carrying values and classification of assets and liabilities should the Company be unable to continue as a going concern. At December 31, 2017, the Company had not yet achieved profitable operations, had accumulated losses of $478,110 since its inception and expects to incur further losses in the development of its business, all of which casts substantial doubt about the Company's ability to continue as a going concern. The Company's ability to continue as a going concern is dependent upon its ability to generate future profitable operations and/or to obtain the necessary financing to meet its obligations and repay its liabilities arising from normal business operations when they come due. Management has no formal plan in place to address this concern but considers that the Company will be able to obtain additional funds by equity financing and/or related party advances. That said, there is no assurance of additional funding being available.

Note 2 Summary of Significant Accounting Policies

a) Year end

The Company has elected a December 31st fiscal year end.

b) Cash and cash equivalents

The Company considers all highly liquid instruments with a maturity of three months or less at the time of issuance to be cash equivalents. As at December 31, 2017, the Company did not have any cash equivalents in 2017. (2016 – $nil).

c) Revenue Recognition

The Company recognizes revenue when a contract is in place, goods or services are delivered to the purchaser and collectability is reasonably assured.

d) Stock-Based Compensation

The Company follows the guideline under FASB ASC Topic 718 "*Compensation-Stock Compensation"* for all stock based compensation plans, including employee stock options, restricted stock, employee stock purchase plans and stock appreciation rights. Stock compensation expenses are to be recorded using the fair value method. No stock options have been issued.

e) Basic and Diluted Net Income (Loss) per Share

The Company reports basic loss per share in accordance FASB ASC Topic 260, "*Earnings per share*". Basic net income (loss) per share is computed by dividing net income (loss) available to common stockholders by the weighted average number of common shares outstanding during the period. Diluted net income (loss) per share on the potential exercise of the equity-based financial instruments is not presented where anti-dilutive.

f) Comprehensive Income

In accordance with FASB ASC Topic 220 "*Comprehensive Income*," comprehensive income consists of net income and other gains and losses affecting stockholder's equity that are excluded from net income, such as unrealized gains and losses on investments available for sale, foreign currency translation gains and losses and minimum pension liability.

g) Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying disclosures. Although these estimates are based on management's best knowledge of current events and actions the Company may undertake in the future, actual results may ultimately differ from the estimates. Management believes such estimates to be reasonable.

h) Fair Value Measurements

The Company follows FASB ASC Topic 820, "*Fair Value Measurements and Disclosures",* for all financial instruments and non-financial instruments accounted for at fair value on a recurring basis. This accounting standard establishes a single definition of fair value and a framework for measuring fair value, sets out a fair value hierarchy to be used to classify the source of information used in fair value measurement and expands disclosures about fair value measurements required under other accounting pronouncements. It does not change existing guidance as to whether or not an instrument is carried at fair value. The Company defines fair value as the price that would be received from selling an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. When determining the fair value measurements for assets and liabilities, which are required to be recorded at fair value, the Company considers the principal or most advantageous market in which the Company would transact and the market-based risk measurements or assumptions that market participants would use in pricing the asset or liability, such as inherent risk, transfer restrictions and credit risk. The Company has adopted FASB ASC 825, "*Financial Instruments",* which allows companies to choose to measure eligible financial instruments and certain other items at fair value that are not required to be measured at fair value. The Company has not elected the fair value option for any eligible financial instruments.

i) Financial Instruments and correction of error in previously issued financial statements

Fair Value

The Company's financial instruments consisting of cash, account payable and accrued liabilities, notes payable and accrued interest and related party advances are carried at face which approximates fair value because of their short-term nature.

During the year, the Company changed the accounting policy by which it accounts for its convertible debt. Previously, the Company based its policy on the fact that the promissory notes have been issued without an interest component and, assuming the reason for investing is the pursuit of profit, the total value of these instruments had been allocated to the equity component as this is the only logical reason for investment. Promissory note issuances were included in additional paid-in capital and were amortized and charged to interest on an effective interest rate basis.

During the year, the Company corrected this policy and adopted FASB ASC Topic 470, "*Debt with Conversions and Other Options,*" which requires that convertible debt with no beneficial conversion feature be allocated in totality to debt and that no amount be allocated to equity. This change has been applied retroactively to the financial statements and the effect on the financial statements is described in Note 9. None of the Company's convertible notes had a beneficial conversion feature.

Risks:

Financial instruments that potentially subject the Company to credit risk consist principally of cash. Management does not believe the Company is exposed to significant credit risk.

Management, as well, does not believe the Company is exposed to significant interest rate risks during the period resented in these financial statements.

The accompanying financial statements do not include any adjustments that might result from the eventual outcome of the risks and uncertainties described above.

j) Income Taxes

The Company accounts for income taxes under an asset and liability approach that requires the recognition of deferred tax assets and liabilities for the expected future tax consequences of events that have been recognized in the Company's financial statements or tax returns. In estimating future tax consequences, all expected future events other than enactment of changes in the tax laws or rates are considered.

Due to the uncertainty regarding the Company's future profitability, the future tax benefits of its losses have been fully reserved.

k) Impairment of Long-Lived Assets

Impairment losses on long-lived assets, such as mining claims, are recognized when events or changes in circumstances indicate that the undiscounted cash flows estimated to be generated by such assets are less than their carrying value and, accordingly, all or a portion of such carrying value may not be recoverable. Impairment losses are then measured by comparing the fair value of assets to their carrying amounts.

l) Foreign Currency Translation and Transactions

The Company’s functional currency is US dollars. Foreign currency balances are translated into US dollars as follows:

Monetary assets and liabilities are translated at the period-end exchange rate. Non-monetary assets are translated at the rate of exchange in effect at their acquisition, unless such assets are carried at market or nominal value, in which case they are translated at the period-end exchange rate. Revenue and expense items are translated at the average exchange rate for the period. Foreign exchange gains and losses in the period are included in operations.

The functional currency of the now dissolved wholly owned subsidiary was Canadian dollars. The assets and liabilities arising from these operations were translated at current exchange rates and related revenues and expenses at the exchange rates in effect at the time the revenue or expense was incurred. Resulting translation adjustments, if material, were accumulated as a separate component of accumulated other comprehensive income in the statement of stockholders’ deficit.

m) Intangible Assets

Intangible assets are non-monetary identifiable assets, controlled by the Company that will produce future economic benefits, based on reasonable and supportable assumptions about conditions that will exist over the life of the asset. An intangible asset that does not meet these attributes will be recognized as an expense when it is incurred. Intangible assets that do, are capitalized and initially measured at cost. Those with a determinable life will be amortized on a systematic basis over their future economic life. Those with a indefinite useful life shall not be amortized until its useful life is determined to be longer indefinite. An intangible assets subject to amortization shall be periodically reviewed for impairment. A recoverability test will be performed and, if applicable, unscheduled amortization is considered.

A license agreement has been capitalized and recorded at cost. It will be amortized over the life of the contract, which is two years.

n) Recent Accounting Pronouncements

The Company adopts new pronouncements relating to generally accepted accounting principles applicable to the Company as they are issued, which may be in advance of their effective date. Management does not believe that any pronouncement not yet effective but recently issued would, if adopted, have a material effect on the accompanying financial statements.

Note 3 License Agreement

The Company entered into an exclusive product license agreement on September 16, 2016 with Tuffy Packs, LLC, a Texas corporation, to sell Ballistic Panels in certain countries, essentially in Europe. The license is for a period of two years unless terminated and may be renewed for successive terms of two years each. The payment terms for the license is as follows:

1. $10,000 payable within seven days after the effective date;
2. An additional $15,000 payable within 30 days after the effective date; and
3. A final payment of $25,000 payable within 90 days of the effective date.

At December 31, 2017, the Company had paid $16,500 to the Licensor, leaving an unpaid balance of $33,500.To date, the Company has recorded a total license amortization of $32,240.

As a result of the failure to make payments as required under the agreement, the Company was informed on March 20, 2017, that going forward, the agreement would be on a non-exclusive basis.

Note 4 Demand Notes and Accrued Interest Payable

The Company has three notes payable. Each note is unsecured and payable on demand.

	December 31, 2017	**December 31, 2016**
Note payable bearing nterest at 8%	$ 25,000	$ 25,000
Accrued interest thereon	25,797	23,797
	50,797	48,797
Note payable bearing nterest at 5%		
(Debt is Cdn $30,000)	23,809	22,826
Accrued interest thereon	12,798	10,362
	36,607	33,188
Note payable bearing nterest at 12%	25,000	25,000
Accrued interest thereon	10,690	7,698
	35,690	32,698
Total debt and interest payable	$ 123,094	$ 114,683

Interest accrued on the note bearing 8% interest was $2,000 in 2017 (2016 - $2,000).

Interest accrued on the note bearing 5% interest was $1,190 in 2017 (2016 - $1,143).

Interest accrued on the note bearing 12% interest was $2,992 in 2017 (2016 - $2,992).

Note 5 Convertible Notes Payable

In total, there are nine convertible notes payable remaining. Two of the convertible notes payable were converted into shares during the year. All notes are non-interest bearing, unsecured and payable on demand. The notes are convertible into common stock at the discretion of the holder atsixdifferent conversion rates: $0.01 debt to 1 common share, $0.005 to 1 common share; $0.045 to 1 common share; $0.15 to 1 common share;$0.05 to 1 common share; and $0.04 to 1 common share.The effect that conversion would have on earnings per share has not been disclosed due to the anti-dilutive effect. A recap of convertible debt outstanding based on conversion rates is as follow:

	December 31, 2017	December 31, 2016
Convertible at $0.01 debt to 1 common share	$110,000	$110,000
Convertible at $0.005 debt to 1 common share	20,000	20,000
Convertible at $0.045 debt to 1 common share	-	25,000
Convertible at $0.015 debt to 1 common share	25,000	25,000
Convertible at $0.05 debt to 1 common share	21,000	41,000
Convertible at $0.04 debt to 1 common share	20,000	20,000
	$196,000	$241,000

Note 6 Related Party Advance

In 2008, the current President advanced the Company $561 repayable without interest or any other terms. The unpaid balance as at June 30, 2017 is $261. There were no related party transactions during the year ended December 31, 2017 or 2016.

Note 7 Common Stock

On July 14, 2017, two convertible notes were converted into shares. One note for $25,000 was converted into 555,556 shares at $0.045 per share and the other was converted to 400,000 shares at $0.05 per shares.

On January 21, 2015, a majority of the Company's stockholders approved a consolidation of the issued and outstanding shares of common stock, on a 10 for 1 basis, thereby decreasing the issued and outstanding share capital from 113,020,000 to 11,302,000. This was effected on March 11, 2015. This consolidation has been applied retroactively and all references to the number of shares issued reflect this consolidation.

On March 30, 2006, the Company entered into a private placement agreement whereby the Company issued 20,000 Regulation-S shares in exchange for $50,000. ($2.50 per share).

On June 7, 2004, the Company issued 5,907,000 in consideration of $472 in cash. ($.00008 per share.)

On June 14, 2001, the Company approved a forward stock split of 5,000:1. These financial statements have been retroactively adjusted to effect this split.

On June 15, 1998, the Company authorized and issued 5,375,000 shares of its common stock in consideration of $430 in cash. ($.00008 per share.)

There are no shares subject to warrants or options as of December 31, 2017.

Note 8 <u>Income Taxes</u>

Income tax recovery differs from that which would be expected from applying the effective tax rates to the net income (loss) as follows:

	December 31, 2017	December 31, 2016
Net income (loss) for the year – as restated	$(53,273)	$(42,159)
Statutory and effective tax rates	26.0 %	26.0 %
Income taxes expenses (recovery) at the effective rate	$(13,851)	$(10,961)
Tax benefit not recognized	13,851	10,961
Income tax expense (recovery) and income tax liability (asset)	$-	$-

As at December 31, 2017 the tax effect of the temporary timing differences that give rise to significant components of deferred income tax asset are noted below. A valuation allowance has been recorded as management believes it is more likely than not that the deferred income tax asset will not be realized.

	December 31, 2017	**December 31, 2016**
Tax loss carried forward	$341,791	$288,518
Deferred tax assets	$88,866	$75,015
Valuation allowance	(88,866)	(75,015)
Deferred taxes recognized	$-	-

The tax losses will expire between 2027 and 2038.

Note 9 <u>Correction of Previously Issued Financial Statements</u>

As described in Note 2 (i) Financial Instruments, the Company corrected the accounting for convertible debt by adopting the principles in FASB ASC Topic 470, "*Debt with Conversions and Other Options,*" which requires that convertible debt with no beneficial conversion feature be allocated to debt and that no amount be allocated to equity. This change has been applied retroactively to the financial statements and the effect on the financial statements noted below.

a) Effect on Balance Sheet – as at December 31, 2016:

	As Previously Stated	As Adjusted	Effect of Change
Cash	$14,259	$14,259	$-
Intangible assets	42,760	42,760	-
Total assets	$57,019	$57,019	$-
Accounts payable and accrued charges	$36,510	$36,510	$-
License fee payable	33,500	33,500	-
Notes and accrued interest payable	114,683	114,683	-
Convertible notes payable	146,013	241,000	94,987

Related party advance	261	261	-
Total liabilities	330,967	425,954	94,987
Common stock	11,302	11,302	-
Additional paid in capital	285,600	44,600	(241,000)
Accumulated deficit	(570,850)	(424,837)	146,013
Total stockholders' deficiency	(273,948)	(368,935)	(94,987)
Total liabilities and stockholders' deficiency	$57,019	$57,019	$-

b) Effect on Statement of Operations – for the Year Ended December 31, 2016:

	As Previously Stated	As Adjusted	Effect of Change
Sales	$ 221	$ 221	$ -
Cost of sales	62	62	-
Gross margin	159	159	-
Operating expenses	38,856	38,856	-
Loss before other items	(38,697)	(38,697)	-
Gain on dissolution of subsidiary	2,673	2,673	-
Interest expense	(30,065)	(6,135)	23,930
Net Loss	(66,089)	(42,159)	(23,930)
Translation loss	(3,109)	(3,109)	-
	$ (69,198)	$ (45,268)	$ 23,930
Net loss per share - basic and diluted	$ (0.006)	$ (0.004)	$ (0.002)

c) Effect on Statement of Stockholders' Deficit – for the Year Ended December 31, 2016:

	As Previously Stated	As Adjusted	Effect of Change
Stockholders' deficit Dec 31, 2015			
Common shares, Dec 31, 2015	$ 11,302	$ 11,302	$ -
Additional paid in capital, Dec 31, 2015	224,600	44,600	(180,000)
Accumulated other comprehensive income Dec 31, 2015	3,109	3,109	-
Accumulated deficit, Dec 31, 2015	(504,761)	(382,678)	122,083
Total stockholders' deficit Dec 31, 2015	(265,750)	(323,667)	(57,917)
Foreign currency adjustments	(3,109)	(3,109)	-
Net loss for year ended Dec 31, 2016	(66,089)	(42,159)	(23,930)
Convertible debt issued	61,000	-	61,000
Stockholders' deficit Dec 31, 2016			
Common shares, Dec 31, 2016	11,302	11,302	-
Additional paid in capital, Dec 31, 2016	285,600	44,600	241,000
Accumulated other comprehensive income Dec 31, 2016	-	-	-
Accumulated deficit, Dec 31, 2016	(570,850)	(424,837)	(146,013)
Total stockholders' deficit Dec 31, 2016	$ (273,948)	$ (368,935)	$ 94,987

d) Effect on Statement of Cash Flows – for the Year Ended December 31, 2016:

	As Previously Stated	As Adjusted	Effect of Change
Cash flows from operating activities			
Net loss for the Year	$ (66,089)	$ (42,159)	$ 23,930
Amortization of convertible debt	23,930	-	(23,930)
Amortization of license	7,240	7,240	-
Accrued interest on notes payable	6,135	6,135	-
Gain on dissolution of subsidiary	(2,673)	(2,673)	-
Change in accounts payable and accruals	715	715	-
Net cash used in operating activities	(30,742)	(30,742)	-
Cash flows from investing activities			
Purchase of intangible asset	(16,500)	(16,500)	-
Cash flows from financing activities			
Proceeds of convertible notes	61,000	61,000	-
Increase in cash	13,758	13,758	-
Cash, beginning of year	501	501	-
Cash, end of year	$ 14,259	$ 14,259	$ -

e) Effect on Specific Convertible Notes Payable – as at December 31, 2016:

	As Previously Stated	As Adjusted	Effect of Change
Notes convertible on the basis of $0.01 of debt to 1 common share Carrying value, December 31, 2016	$ 101,250	$ 110,000	$ 8,750
Notes convertible on the basis of $0.005 of debt to 1 common share Carrying value, December 31, 2016	20,000	20,000	-
Notes convertible on the basis of $0.045 of debt to 1 common share Carrying value, December 31, 2016	13,333	25,000	11,667
Notes convertible on the basis of $0.15 of debt to 1 common share Carrying value, December 31, 2016	8,750	25,000	16,250
Notes convertible on the basis of $0.05 of debt to 1 common share Carrying value, December 31, 2016	2,080	41,000	38,920

Notes convertible on the basis of $0.04 of debt to 1 common share Carrying value, December 31, 2016	600	20,000	19,400
	$ 146,013	$ 241,000	$ 94,987

f) Effect on deferred taxes – as at December 31, 2016

	As Previously Stated	As Adjusted	Effect of Change
Net loss for the year	$ (66,089)	$ (42,159)	$ (23,930)
Statutory and effective tax rate	26.0 %	26.0 %	-
Recovery at effective rate	(17,183)	(10,961)	(6,222)
Tax effect of permanent difference	6,222	-	6,222
Tax benefit not recognized	10,961	10,961	-
Income tax recovery and income tax asset	$ -	$ -	$ -

Note 10 <u>Subsequent events</u>

a) On January 25, 2018, the Company issued an aggregate 4,500,000 restricted shares of common stock pursuant to the terms and conditions of two convertible promissory notes. One noted in the principal amount of $25,000 was converted at $0.01 per share and the other in the principal amount of $10,000 was converted at $0.005 per share.

b) On February 16, 2018, the Company completed a private placement of 150,000 shares of common stock at a per share price of $0.10 for gross proceeds of $15,000.

c) On March 2, 2018, the Company completed a private placement of 150,000 shares of common stock at a per share price of $0.10 for gross proceeds of $15,000.

Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure.

There are no changes in and disagreements with Madison's accountants on accounting and financial disclosure. Madison's Independent Registered Public Accounting Firm since January 31, 2009 has been K. R. Margetson Ltd, Chartered Professional Accountant, 210, 905 West Pender Street, Vancouver, BC V6C 1L6, Canada.

Item 9A. Controls and Procedures.

Disclosure Controls and Procedures

In connection with the preparation of this annual report on Form 10-K, an evaluation was carried out by Madison's management, with the participation of the Chief Executive Officer and the Chief Financial Officer, of the effectiveness of Madison's disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934 ("Exchange Act")) as of December 31, 2017. Disclosure controls and procedures 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 the SEC rules and forms and that such information is accumulated and communicated to management, including the Chief Executive Officer and the Chief Financial Officer, to allow timely decisions regarding required disclosures.

Based on that evaluation, Madison's management concluded, as of the end of the period covered by this report, that Madison's disclosure controls and procedures were not effective in recording, processing, summarizing, and reporting information required to be disclosed, within the time periods specified in the SEC rules and forms and that such information was accumulated or communicated to management to allow timely decisions regarding required disclosure. In particular, Madison has identified material weaknesses in internal control over financial reporting, as discussed below.

Management's Report on Internal Controls over Financial Reporting

Management is responsible for establishing and maintaining adequate internal control over financial reporting, as required by Sarbanes-Oxley (SOX) Section 404 A. Madison's internal control over financial reporting is a process designed under the supervision of Madison's Chief Executive Officer and Chief Financial Officer to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Madison's financial statements for external purposes in accordance with U.S. generally accepted accounting principles. Internal control over financial reporting 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 Madison’s assets;
- provide reasonable assurance that transactions are recorded as necessary to permit preparation of the financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures are being made only in accordance with authorizations of management and the Board of Directors; and
- provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of Madison’s assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, 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.

Management conducted an assessment of the effectiveness of the Company’s internal control over financial reporting as of December 31, 2017, based on criteria established in *Internal Control –Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission (“**COSO**”). As a result of this assessment, management identified material weaknesses in internal control over financial reporting.

A material weakness is a control deficiency, or a combination of deficiencies, in internal control over financial reporting such that there is a reasonable possibility that a material misstatement of Madison’s annual or interim financial statements will not be prevented or detected on a timely basis.

The matters involving internal controls and procedures that management considered to be material weaknesses under the standards of the Public Company Accounting Oversight Board were: (1) lack of a functioning audit committee and lack of a majority of outside directors on Madison’s board of directors, resulting in ineffective oversight in the establishment and monitoring of required internal controls and procedures; (2) inadequate segregation of duties consistent with control objectives; (3) insufficient written policies and procedures for accounting and financial reporting with respect to the requirements and application of US GAAP and SEC disclosure requirements; and (4) ineffective controls over period end financial disclosure and reporting processes. The aforementioned material weaknesses were identified by Madison’s Chief Financial Officer in connection with the audit of its financial statements as of December 31, 2017 and communicated the matters to management.

As a result of the material weakness in internal control over financial reporting described above, management has concluded that, as of December 31, 2017, Madison’s internal control over financial reporting was not effective based on the criteria in *Internal Control – Integrated Framework* issued by COSO.

Management believes that the material weaknesses set forth in items (2), (3) and (4) above did not have an effect on Madison’s financial results. However, management believes that the lack of a functioning audit committee and lack of a majority of outside directors on Madison’s board of directors caused and continues to cause an ineffective oversight in the establishment and monitoring of the required internal controls over financial reporting.

Madison is committed to improving its financial organization. As part of this commitment and when funds are available, Madison will create a position to Madison to segregate duties consistent with control objectives and will increase its personnel resources and technical accounting expertise within the accounting function by: (i) appointing one or more outside directors to its board of directors who will also be appointed to the audit committee of Madison resulting in a fully functioning audit committee who will undertake the oversight in the establishment and monitoring of required internal controls over financial reporting; and (ii) preparing and implementing sufficient written policies and checklists that will set forth procedures for accounting and financial reporting with respect to the requirements and application of US GAAP and SEC disclosure requirements.

Management believes that the appointment of one or more outside directors, who will also be appointed to a fully functioning audit committee, will remedy the lack of a functioning audit committee and a lack of a majority of outside directors on Madison’s Board. In addition, management believes that preparing and implementing sufficient written policies and checklists will remedy the following material weaknesses: (i) insufficient written policies and procedures for accounting and financial reporting with respect to the requirements and application of US GAAP and SEC disclosure requirements; and (ii) ineffective controls over period end financial close and reporting processes. Further, management believes that the hiring of additional personnel who have the technical expertise and knowledge will result proper segregation of duties and provide more checks and balances within the department. Additional personnel will also provide the cross training needed to support Madison if personnel turn-over issues within the department occur. This coupled with the appointment of additional outside directors will greatly decrease any control and procedure issues Madison may encounter in the future.

Management will continue to monitor and evaluate the effectiveness of Madison's internal controls over financial reporting on an ongoing basis and are committed to taking further action and implementing additional enhancements or improvements, as necessary and as funds allow.

Madison's independent auditors have not issued an attestation report on management's assessment of Madison's internal control over financial reporting. As a result, this annual report does not include an attestation report of Madison's independent registered public accounting firm regarding internal control over financial reporting. Madison was not required to have, nor has Madison, engaged its independent registered public accounting firm to perform an audit of internal control over financial reporting pursuant to the temporary rules of the Securities and Exchange Commission that permit Madison to provide only management's report in this annual report.

Changes in Internal Controls

There were no changes in Madison's internal controls over financial reporting (as defined in Rule 13a-15(f) of the Exchange Act) during the quarter ended December 31, 2017, that materially affected, or are reasonably likely to materially affect, Madison's internal control over financial reporting.

Item 9B. Other Information

As of the date of this report Madison is not current with the required payment schedule per it's agreement with Tuffy Packs LLC. As a result of the arrears payments, Madison is no longer the exclusive distributor of the Tuffy Packs product line in The UK and Western Europe.

PART III

Item 10. Directors, Executive Officers, and Corporate Governance.

(a) Identify Directors and Executive Officers

Each director of Madison holds office until (i) the next annual meeting of the stockholders, (ii) his successor has been elected and qualified, or (iii) the director resigns.

Madison's management team is listed below.

Officer's Name	**Madison Technologies Inc.**
Joseph Gallo	Director and President, CEO, CFO, Treasurer, Corporate Secretary

Joseph Gallo Mr. Gallo (59 years old) has been a director and the president of Madison since June 2007 and the CFO, treasurer, and corporate secretary of Madison since September 2011. Mr. Gallo developed his managerial skills while moving up the store managerial ranks with Canada Safeway, Ltd., starting as a clerk in 1977, through service as a Team Leader and becoming an Assistant Store Manager and Store Closer, a position which he held until his resignation in 2006. Since 2006, he has devoted his time to developing his residential construction and rehabilitation business (d/b/a "Solid Construction") that he founded and has run since 1992. In 1986, Mr. Gallo founded JovicPlasticfacture, to which he assigned the patent for the bicycle brake light that he had invented that incorporated microprocessor technology ("speed indicating light mechanism"). The product was voted the most innovative product of the year by the Vancouver Design Group, was awarded two governmental grants, and the company commercialized the product until 1991. Mr. Gallo's past experience includes the staking of mineral exploration properties for companies such as US Diamonds Corporation and Atlas Corporation.

(b) Identify Significant Employees

Madison has no significant employees other than the sole director and officer of Madison.

(c) Family Relationships

There are no family relationships among the directors, executive officers or persons nominated or chosen by Madison to become directors or executive officers.

(d) Involvement in Certain Legal Proceedings

(1) No bankruptcy petition has been filed by or against any business of which any director was a general partner or executive officer either at the time of the bankruptcy or within two years prior to that time.

(2) No director has been convicted in a criminal proceeding and is not subject to a pending criminal proceeding (excluding traffic violations and other minor offences).

(3) No director has been subject to any order, judgement, or decree, not subsequently reversed, suspended or vacated, of any court of competent jurisdiction, permanently or temporarily enjoining, barring, suspending or otherwise limiting his involvement in any type of business, securities or banking activities.

(4) No director has been found by a court of competent jurisdiction (in a civil action), the Securities Exchange Commission or the Commodity Futures Trading Commission to have violated a federal or state securities or commodities law, that has not been reversed, suspended, or vacated.

(e) Compliance with Section 16(a) of the Exchange Act.

Section 16(a) of the Security Exchange Act of 1934 requires directors, executive officers and 10% or greater shareholders of Madison to file with the Securities and Exchange Commission initial reports of ownership (Form 3) and reports of changes in ownership of equity securities of the Company (Form 4 and Form 5) and to provide copies of all such Forms as filed to Madison. Based solely on Madison’s review of the copies of these forms received by it or representations from certain reporting persons, management believes that SEC beneficial ownership reporting requirements for fiscal 2017 were met.

(f) Nomination Procedure for Directors

Madison does not have a standing nominating committee; recommendations for candidates to stand for election as directors are made by the board of directors. Madison has not adopted a policy that permits shareholders to recommend candidates for election as directors or a process for shareholders to send communications to the board of directors.

(g) Audit Committee Financial Expert

Madison has no financial expert. Management believes the cost related to retaining a financial expert at this time is prohibitive. Madison's Board of Directors has determined that it does not presently need an audit committee financial expert on the Board of Directors to carry out the duties of the Audit Committee. Madison's Board of Directors has determined that the cost of hiring a financial expert to act as a director of Madison and to be a member of the Audit Committee or otherwise perform Audit Committee functions outweighs the benefits of having a financial expert on the Audit Committee.

(h) Identification of Audit Committee

Madison does not have a separately-designated standing audit committee. Rather, Madison's entire board of directors performs the required functions of an audit committee. Currently, Thomas Brady is the only member of Madison's audit committee, but he does not meet Madison's independent requirements for an audit committee member. See "Item 12. (c) Director independence" below for more information on independence.

Madison's audit committee is responsible for: (1) selection and oversight of Madison's independent accountant; (2) establishing procedures for the receipt, retention and treatment of complaints regarding accounting, internal controls and auditing matters; (3) establishing procedures for the confidential, anonymous submission by Madison's employees of concerns regarding accounting and auditing matters; (4) engaging outside advisors; and, (5) funding for the outside auditor and any outside advisors engaged by the audit committee.

As of December 31, 2017, Madison did not have a written audit committee charter or similar document.

(i) Code of Ethics

Madison has adopted a financial code of ethics that applies to all its executive officers and employees, including its CEO and CFO. See Exhibit 14 – Code of Ethics for more information. Madison undertakes to provide any person with a copy of its financial code of ethics free of charge. Please contact Madison at 206-203-0474 to request a copy of Madison's financial code of ethics. Management believes Madison's financial code of ethics is reasonably designed to deter wrongdoing and promote honest and ethical conduct; provide full, fair, accurate, timely and understandable disclosure in public reports; comply with applicable laws; ensure prompt internal reporting of code violations; and provide accountability for adherence to the code.

Item 11. Executive Compensation.

Madison has paid no compensation to its named executive officers during its fiscal year ended December 31, 2016.

summary compensation table

Name and principal position (a)	Year (b)	Salary ($) (c)	Bonus ($) (d)	Stock Awards ($) (e)	Option Awards ($) (f)	Non-Equity Incentive Plan ($) (g)	Non-qualified Deferred Compen-sation Earnings ($) (h)	All other compen-sation ($) (i)	Total ($) (j)
Thomas Brady	2017	nil	nil	nil	nil	nil	nil	nil	nil
President	2016	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Sep 2016 – Mar 2018	2015	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Joseph Gallo	2017	nil	nil	nil	nil	nil	nil	nil	nil
President	2016	nil	nil	nil	nil	nil	nil	nil	nil
Mar 2018 – present	2015	nil	nil	nil	nil	nil	nil	nil	nil
President									
June 2007 – Sep 2014									
Secretary/Treasurer									
Sep 2011 – Sep 2014									
President									
Jan 2015 – Sep 2016									
Secretary/Treasurer									
Jan 2015 – Sep 2016									
Frank McEnulty	2017	n/a	n/a	n/a	n/a	n/a	n/a	n/a	Nil
President	2016	nil	nil	nil	nil	nil	nil	nil	nil
Nov 2014 – Jan 2015	2015	nil	nil	nil	nil	nil	nil	nil	nil

Since Madison’s inception, no stock options, stock appreciation rights, or long-term incentive plans have been granted, exercised or repriced.

Currently, there are no arrangements between Madison and any of its directors whereby such directors are compensated for any services provided as directors.

There are no employment agreements between Madison and any named executive officer, and there are no employment agreements or other compensating plans or arrangements with regard to any named executive officer which provide for specific compensation in the event of resignation, retirement, other termination of employment or from a change of control of Madison or from a change in a named executive officer's responsibilities following a change in control.

Item 12. Security Ownership of Certain Beneficial Holders and Management and Related Stockholder Matters.

(a) **Security Ownership of Certain Beneficial Owners (more than 5%)**

(1) **Title of Class**	(2) Name and Address of Beneficial Owner	**(3) Amount and Nature of Beneficial Owner** [1]	**(4) Percent of Class** [2]	
Common Stock	Joseph Gallo 4448 Patterdale Street North Vancouver, British Columbia V7R 4L8 Canada	3,088,500	18.4	%
Common Stock	Thomas Brady 1005-1101 Pacific St Vancouver, British Columbia, V6E1T3	3,088,500	18.4	%

[1] The listed beneficial owner has no right to acquire any shares within 60 days of the date of this Form 10-K from options, warrants, rights, conversion privileges or similar obligations excepted as otherwise noted.

[2] Based on 16,757,565 shares of Common Stock issued and outstanding as of March 29, 2018.

(b) Security Ownership of Management

(1) Title of Class	(2) Name and Address of Beneficial Owner	(3) Amount and Nature of Beneficial Owner	**(4) Percent of Class** [1]	
Common Stock	Joseph Gallo 4448 Patterdale Street North Vancouver, British Columbia V7R 4L8 Canada	3,088,500	18.4	%
Common Stock	Directors and Executive Officers (as a group)	3,088,500	18.4	%

[1] Based on 16,757,565 shares of Common Stock issued and outstanding as of March 29, 2018.

(c) Changes in Control

Management is not aware of any arrangement that may result in a change in control of Madison, with the exception that on September 26, 2016, Thomas Brady and Steven Cozine entered into a share purchase agreement for the purchase and sale of 3,088,500 shares in the capital of Madison for the purchase price of $1,000.00. For more details, see Exhibit 10.1 – Share Purchase Agreement.

As a result of the purchase and sale of the 3,088,500 shares, there was a change in control in the voting shares of Madison. Thomas Brady, is now the beneficial owner of 18.4% of the issued and outstanding shares of common stock in the capital of Madison.

Item 13. Certain Relationships and Related Transactions, and Director Independence.

(a) Transactions with Related Persons

Since the beginning of Madison's last fiscal year, no director, executive officer, security holder, or any immediate family of such director, executive officer, or security holder has had any direct or indirect material interest in any transaction or currently proposed transaction, which Madison was or is to be a participant, that exceeded the lesser of (1) $120,000 or (2) one percent of the average of Madison's total assets at year-end for the last three completed fiscal years.

(b) Promoters and control persons

From July 2004 until June 2007, Kevin Stunder and Joel Haskins were promoters of Madison's business. From June 2007 until July 2011, Joseph Gallo and Steven Cozine were promoters of Madison's business. From July 2011 until September 2014 Joseph Gallo was the promoter of Madison's business. From September 2014 until November 2014 Brent Inzer was the promoter of Madison's business. From November 2014 until Jan 2015 Mr. Frank McEnulty was the promoter of Madison's business. From January 2015 until September 2016 Mr. Joseph Gallo was the promoter of Madison's business. From September 2016 until March 2018Mr. Thomas Brady was the promoter of Madison's business. Since March 3, 2018 until present Joseph Gallo has ben the promoter of Madison's business, none of these promoters have received anything of value from Madison nor is any person entitled to receive anything of value from Madison for services provided as a promoter of the business of Madison.

(c) Director independence

Madison's board of directors currently consists of Joseph Gallo. Pursuant to Item 407(a)(1)(ii) of Regulation S-K of the Securities Act, Madison's board of directors has adopted the definition of "independent director" as set forth in Rule 4200(a)(15) of the NASDAQ Manual. In summary, an "independent director" means a person other than an executive officer or employee of Madison or any other individual having a relationship which, in the opinion of Madison's board of directors, would interfere with the exercise of independent judgment in carrying out the responsibilities of a director, and includes any director who accepted any compensation from Madison in excess of $200,000 during any period of 12 consecutive months with the three past fiscal years. Also, the ownership of Madison's stock will not preclude a director from being independent.

In applying this definition, Madison's board of directors has determined that Mr. Gallo does not qualify as an "independent director" pursuant to Rule 4200(a)(15) of the NASDAQ Manual.

As of the date of the report, Madison did not maintain a separately designated compensation or nominating committee.

Madison has also adopted this definition for the independence of the members of its audit committee. Joseph Gallo serves on Madison's audit committee. Madison's board of directors has determined that Mr. Gallo is not "independent" for purposes of Rule 4200(a)(15) of the NASDAQ Manual, applicable to audit, compensation and nominating committee members, and is "independent" for purposes of Section 10A(m)(3) of the Securities Exchange Act.

Item 14. Principal Accounting Fees and Services

(1) Audit Fees

The aggregate fees billed for each of the last two fiscal years for professional services rendered by the principal accountant for Madison's audit of annual financial statements and for review of financial statements included in Madison's Form 10-Q's or services that are normally provided by the accountant in connection with statutory and regulatory filings or engagements for those fiscal years was:

2017 - $8,900 – K. R. Margetson Ltd. – Chartered Professional Accountant

2016 - $8,900 – K. R. Margetson Ltd. – Chartered Professional Accountant

(2) Audit-Related Fees

The aggregate fees billed in each of the last two fiscal years for assurance and related services by the principal accountants that are reasonably related to the performance of the audit or review of Madison's financial statements and are not reported in the preceding paragraph:

2017 - $nil – K. R. Margetson Ltd. – Chartered Professional Accountant

2016 - $nil – K. R. Margetson Ltd. – Chartered Professional Accountant

(3) Tax Fees

The aggregate fees billed in each of the last two fiscal years for professional services rendered by the principal accountant for tax compliance, tax advice, and tax planning was:

2017 - $nil – K. R. Margetson Ltd. – Chartered Professional Accountant

2016 - $nil – K. R. Margetson Ltd. – Chartered Professional Accountant

(4) All Other Fees

The aggregate fees billed in each of the last two fiscal years for the products and services provided by the principal accountant, other than the services reported in paragraphs (1), (2), and (3) was:

2017 - $nil – K. R. Margetson Ltd. – Chartered Professional Accountant

2016 - $nil – K. R. Margetson Ltd. – Chartered Professional Accountant

(6) The percentage of hours expended on the principal accountant's engagement to audit Madison's financial statements for the most recent fiscal year that were attributed to work performed by persons other than the principal accountant's full time, permanent employees was nil %.

Item 15. Exhibits, Financial Statement Schedules.

1. Financial Statements

Consolidated financial statements of Madison Technologies Inc. have been included in Item 8 above.

2. Financial Statement Schedules

All schedules for which provision is made in Regulation S-X are either not required to be included herein under the related instructions or are inapplicable or the related information is included in the footnotes to the applicable financial statement and, therefore, have been omitted from this Item 15.

3. Exhibits

All Exhibits required to be filed with the Form 10-K are included in this annual report or incorporated by reference to Madison's previous filings with the SEC, which can be found in their entirety at the SEC website at www.sec.gov under SEC File Number 000-51302.

Exhibit	**Description**	**Status**
3.1	Articles of Incorporation and Certificate of Amendment, filed as an exhibit to Madison's registration statement on Form 10-SB filed on May 4, 2005, and incorporated herein by reference.	Filed
3.2	By-Laws, filed as an exhibit to Madison's registration statement on Form 10-SB filed on May 4, 2005, and incorporated herein by reference.	Filed
3.3	Certificate of Amendment dated March 9, 2015,filed as an Exhibit to Madison's current report on Form 8-K filed March 11, 2015, and incorporated herein by reference	Filed
10.1	Share Purchase Agreement dated September 26, 2016 between Thomas Brady and Steven Cozine.	Filed
10.5	Product License Agreement dated September 16, 2016 between Tuffy Packs, LLC and Madison Technologies Inc., filed as an exhibit to Madison's Form 8-K (Current Report) filed on September	Filed

	19, 2016, and incorporated herein by reference.	
14	Code of Ethics, filed as an exhibit to Madison's 2010 annual report on Form 10-K filed on March 31, 2010, and incorporated herein by reference.	Filed
31	Certifications pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.	**Included**
32	Certification pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.	**Included**

Signatures

In accordance with the requirements of the Securities Exchange Act of 1934, Madison Technologies Inc. has caused this report to be signed on its behalf by the undersigned duly authorized person.

Madison Technologies Inc.

By: ***/s/ Joseph Gallo***
Name: **Joseph Gallo**
Title**: Director and President**
Dated: **March 29, 2018**

Pursuant to the requirements of the Securities Exchange Act of 1934, the following persons on behalf of Madison Technologies Inc. and in the capacities and on the dates indicated have signed this report below.

Signature	**Title**	**Date**
	President, Chief Executive Officer, Principal Executive Officer, Treasurer, Corporate Secretary, Chief Financial Officer, Principal Financial Officer, and Principal Accounting Officer	
/s/ Joseph Gallo **Joseph Gallo**	Member of the Board of Directors	March 29, 2018