

COFFEESMITHS COLLECTIVE, INC.

FORM 10-K/A (Amended Annual Report)

Filed 04/22/19 for the Period Ending 12/31/18

Address 1901 NORTH ROSELLE ROAD
SUITE 800
SCHAUMBURG, IL, 60195
Telephone 630-250-2709
CIK 0001619055
Symbol COFE
SIC Code 2030 - Canned, Frozen and Preservd Fruit, Vegetables and Food Specialties
Industry Restaurants & Bars
Sector Consumer Cyclicals
Fiscal Year 12/31

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

FORM 10-K/A

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

For the fiscal year ended December 31, 2018

OR

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

For the transition period from _____ to _____.

Commission File Number: 333-199583

THE COFFEESMITHS COLLECTIVE, INC.

(f/k/a DOCASA, Inc.)

(Exact name of registrant as specified in its charter)

Nevada

(State or other jurisdiction of
incorporation or organization)

1901 North Roselle Road, Suite 800
Schaumburg, Illinois

(Address of principal executive offices)

47-1405387

(IRS Employer
Identification No.)

60195

(Zip Code)

Registrant's telephone number, including area code: (630) 250-2709

Securities registered under Section 12(b) of the Exchange Act:
None

Securities registered under Section 12(g) of the Exchange 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 No

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

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

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

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K (§ 229.405 of this chapter) 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 filer. See definition of "large accelerated filer", "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large Accelerated Filer	<input type="checkbox"/>	Accelerated Filer	<input type="checkbox"/>
Non-Accelerated Filer	<input type="checkbox"/>	Smaller Reporting Company	<input checked="" type="checkbox"/>
		Emerging Growth Company	<input type="checkbox"/>

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or

revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. Yes [] No []

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

On June 30, 2018, the last business day of the registrant's most recently completed second quarter, the aggregate market value of the registrant's common stock held by non-affiliates of the registrant was \$40,010,300, based upon the closing price on that date of the common stock of the registrant on the OTC Link system of \$0.80/share. For purposes of this response, the registrant has assumed that its directors, executive officers and beneficial owners of 5% or more of its common stock are deemed affiliates of the registrant.

As of April 12, 2019, the registrant had 160,012,875 shares of its common stock, \$0.001 par value, outstanding. The Company has 47,087,125 shares of its common stock conditionally issuable.

EXPLANATORY NOTE

The Coffeesmiths Collective, Inc. (the “Company”) is filing this Current Report on Form 10-K/A (“Amendment No. 1”) to amend its Current Report on Form 10-K filed with the Securities and Exchange Commission on April 17, 2019 (the “Initial Report”), which had two administrative errors; one on the Statements of Operations and the other on the Statements of Cash Flow.

The information previously reported in the Initial Report is hereby incorporated by reference into this Amendment No. 1. This Amendment No. 1 is being filed solely to provide the information required by Item 8. Of Form 10-K and does not amend the Initial Report in any manner other than such Item 8.

The updates in Amendment No. 1 were already included elsewhere in the Initial Report but were not appropriately updated on these two pages, as follows:

Statements of Operations – The foreign currency translation profit (loss) for 2018 was incorrectly reported as \$393,465 whereas it should have been \$(107,524). As a consequence of this administrative error, total comprehensive loss was reported as \$(2,284,758) whereas it should have been \$(2,785,746).

Statements of Cash Flow – The non-cash investing and financing activities for the four months ended December 31, 2017 had reported acquisitions – inventory, acquisitions – prepaid expenses, acquisitions – fixed assets, net, acquisitions – deposits, acquisitions – accrued expenses, and acquisitions – loans as zero. Each balance has been corrected in Amendment No. 1.

THE COFFEESMITHS COLLECTIVE, INC.
(f/k/a DOCASA, Inc.)
and Subsidiaries
Consolidated Statements of Operations and Comprehensive Loss

	For the year ended December 31, 2018	For the four months ended December 31, 2017	For the year ended August 31, 2017
Revenue, net	\$ 10,049,846	\$ 2,066,111	\$ 4,180,483
Operating expenses			
Direct costs of revenue	6,794,062	1,618,963	3,633,591
Professional fees	270,416	102,533	171,181
Rent	1,488,265	252,528	463,655
Depreciation and amortization	543,036	101,817	191,025
Property taxes	-	-	10,461
Other general and administrative expenses	3,540,439	496,071	1,091,080
Operating loss	(2,586,371)	(505,801)	(1,380,510)
Other income (expense)			
Interest expense	(82,348)	(10,293)	-
Impairment expense	(13,582)	-	(46,566)
Loss before provision for income taxes	(2,682,300)	(516,094)	(1,427,076)
Provision for income tax	-	-	-
Net loss before non-controlling interest	(2,682,300)	(516,094)	(1,427,076)
Loss attributable to non-controlling interest	4,077	638	1,230
Net loss attributable to common shareholders	\$ (2,678,222)	\$ (515,456)	\$ (1,425,846)
Foreign currency translation profit (loss)	(107,524)	199,814	(33,723)
Total comprehensive loss	<u>\$ (2,785,746)</u>	<u>\$ (315,642)</u>	<u>\$ (1,459,569)</u>
Net loss attributable to common shareholders per share	<u>\$ (0.01)</u>	<u>\$ (0.00)</u>	<u>\$ (0.01)</u>
Weighted average number of shares outstanding	<u>208,288,685</u>	<u>207,100,000</u>	<u>207,025,000</u>

See accompanying notes to consolidated financial statements.

**The Coffeesmiths Collective, Inc.
and Subsidiaries
Consolidated Statements of Cash Flows**

	For the Year Ended December 31, 2018	For the Four Months Ended December 31, 2017	For the Year Ended August 31, 2017
Cash flows from operating activities:			
Net loss attributable to common shareholders	\$ (2,682,302)	\$ (516,094)	\$ (1,425,846)
Adjustments to reconcile net loss before taxes and non-controlling interest to net cash provided by (used in) operations:			
Depreciation and amortization expense	543,036	101,817	190,645
Other comprehensive income	(107,524)	199,814	(33,723)
Impairment expense	-	-	46,566
Bad debt expense	-	-	423,680
Non-controlling interest gain	-	-	(1,230)
Changes in operating assets and liabilities:			
Accounts receivable	(94,243)	216,420	(551,695)
Other receivables	-	-	114,874
Prepaid expenses	(21,410)	(261,446)	153,979
Inventory	(59,235)	1,950	(7,154)
Prepaid expenses and other assets	-	-	(32,678)
Other non-current receivables	8,349	(1,840)	-
Deposits	(235,652)	(2,211)	-
Accounts payable	703,561	43,261	322,133
Accounts payable to related parties	10,064	(40,867)	-
Accrued expenses	(1,621,887)	282,167	(35,665)
Taxes payable	140,379	(32,079)	78,585
Deferred revenue	5,598	2,973	26,104
Net cash used in operating activities	(3,411,266)	(6,135)	(731,424)
Cash flows used in investing activities:			
Acquisition of fixed assets	(1,936,809)	(38,294)	(831,296)
Acquisition of intangible assets	-	(4,779)	-
Investments	-	-	29
Cash paid for acquisitions	(2,242,170)	-	-
Cash acquired from acquisitions	256,550	200,582	-
Acquisition of Tapped, net	-	(243,937)	-
Advance to related party	(511,738)	-	-
Net cash used in investing activities	(4,434,167)	(86,428)	(831,267)
Cash flows from (used in) financing activities:			
Proceeds from notes payable	-	-	3,229,558
Payments on notes payable to related parties	-	(58,667)	-
Payments on capital leases	(108,425)	(75,270)	(57,986)
Contributions of capital	-	1,289	-
Sale of preference shares	10,592,782	611,769	638,037
Payments on notes payable	(213,811)	(364,155)	(2,244,654)
Net cash provided by (used in) financing activities	10,269,921	114,966	1,564,955
Net increase (decrease) in cash	2,428,488	22,403	2,263
Cash at beginning of period	115,803	93,400	91,137
Cash at end of period	<u>\$ 2,540,291</u>	<u>\$ 115,803</u>	<u>\$ 93,400</u>

**The Coffeesmiths Collective, Inc.
and Subsidiaries
Consolidated Statements of Cash Flows**

	For the Year Ended December 31, 2018	For the Four Months Ended December 31, 2017	For the Year Ended August 31, 2017
Supplemental disclosure of cash flow information:			
Cash paid for interest	\$ 32,138	\$ 10,293	\$ -
Cash paid for taxes	\$ -	\$ -	\$ 606
Non-cash investing and financing activities:			
Acquisitions - Goodwill	\$ 9,372,020	\$ 2,013,119	\$ -
Acquisitions - Accounts receivable, net	\$ 225,520	\$ -	\$ -
Acquisitions - Inventory	\$ 235,651	\$ (51,411)	\$ -
Acquisitions - Loan receivable	\$ 6,130	\$ -	\$ -
Acquisition - Prepaid expenses	\$ 135,320	\$ (95,052)	\$ -
Acquisitions - Fixed assets, net	\$ 1,808,465	\$ (73,3337)	\$ -
Acquisitions - Intangible assets, net	\$ 126,209	\$ -	\$ -
Acquisitions - Deposits	\$ 79,737	\$ (119,999)	\$ -
Acquisitions - Accounts payable	\$ 539,347	\$ -	\$ -
Acquisitions - Accrued expenses	\$ 1,917,994	\$ 195,621	\$ -
Acquisitions - Loans	\$ 1,437,798	\$ 369,586	\$ -
Assets acquired with capital leases	\$ -	\$ 191,761	\$ -
Issuance of common stock for acquisitions	\$ 1,673,081	\$ -	\$ -
Issuance of preference shares for acquisitions	\$ 3,506,434	\$ -	\$ -
Issuance of preference shares for capital lease	\$ -	\$ 1,918,125	\$ -
Assets acquired from capital leases	\$ 158,645	\$ -	\$ -
Contingent consideration	\$ 928,965	\$ -	\$ -
Fixed asset additions by capital leases	\$ -	\$ -	\$ 357,967
Payment of services by third party	\$ -	\$ -	\$ 82,592
Preference shares issued for debt	\$ -	\$ -	\$ 605,511

See accompanying notes to consolidated financial statements.

SIGNATURES

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

April 22, 2019

By: /s/ Ashley Lopez
Ashley Lopez, Principal Executive Officer

April 22, 2019

By: /s/ Phillip Maritz
Phillip Maritz, Principal Financial Officer

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

April 22, 2019

By: /s/ Stefan Allesch-Taylor
Stefan Allesch-Taylor
CBE, Chairman

April 22, 2019

By: /s/ Matthew Gill
Matthew Gill
Director

