

Future Healthcare of America
Form 10-Q/A
November 09, 2018

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

FORM 10-Q/A1

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

For the quarterly period ended September 30, 2018

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

For the transition period from
to

Commission File No. 000-54917

FUTURE HEALTHCARE OF AMERICA

(Exact name of registrant as specified in its charter)

WYOMING
(State or other jurisdiction of incorporation or organization)

45-5547692
(I.R.S. Employer Identification No.)

Edgar Filing: Future Healthcare of America - Form 10-Q/A

5001 Baum Blvd, Suite 770

Pittsburgh, PA 15213

(Address of Principal Executive Offices)

Registrant's Telephone Number: (561) 693-1422

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

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted 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 such files).

Yes No

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

Large accelerated filer

Non-accelerated filer

Accelerated filer

Smaller reporting company

Emerging Growth company

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

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

As of October 31, 2018, there were 11,265,631 shares of common stock, par value \$0.001, of the registrant issued and outstanding.

EXPLANATORY NOTE

This amended Quarterly Report on Form 10-Q/A1 is filed for the sole purpose of updating and correcting certain disclosures about the issuer's Share Exchange Agreement and Securities Purchase Agreement that were executed on September 21, 2018, and related matters.

PART I - FINANCIAL INFORMATION

The Unaudited Consolidated Financial Statements of Future Healthcare of America, a Wyoming corporation (the Company, FHA, we, our, us and words of similar import) were prepared by management and commence on the following page, together with related notes. In the opinion of management, the Unaudited Consolidated Financial Statements fairly present the financial condition of the Company.

Future Healthcare of America

Index to Unaudited Financial Statements

	Page
Unaudited Condensed Consolidated Balance Sheets	3
Unaudited Condensed Consolidated Statements of Operations	4
Unaudited Condensed Consolidated Statements of Cash Flows	5
Notes to Unaudited Condensed Consolidated Financial Statements	6

FUTURE HEALTHCARE OF AMERICA

CONDENSED CONSOLIDATED BALANCE SHEETS

	September 30, 2018 (Unaudited)	December 31, 2017
CURRENT ASSETS:		
Cash	\$ 60,202	\$ 144,462
Accounts receivable, net	182,360	198,670
Prepaid expenses	13,694	27,218
Current asset from discontinued operations	176,601	219,696
Total current assets	432,857	590,046
Deferred tax asset, net	-	-
Total assets	\$ 432,857	\$ 590,046
CURRENT LIABILITIES:		
Accounts payable	139,030	38,559
Accrued expenses	660,476	495,540
Derivative liability	-	43,726
Notes payable	279,879	-
Convertible note payable	1,010,000	1,010,000
Current liabilities from discontinued operations	289,983	130,572
Total current liabilities	2,379,368	1,718,397
Total liabilities	2,379,368	1,718,397
COMMITMENTS & CONTINGENCIES	-	-
STOCKHOLDERS DEFICIT		
Common stock	11,266	11,266
Additional paid-in capital	2,210,420	1,313,160
Subscription receivable	(270,005)	-
Accumulated deficit	(3,898,192)	(2,452,777)
Total stockholders deficit	(1,946,511)	(1,128,351)
Total liabilities and stockholders deficit	\$ 432,857	\$ 590,046

Future Healthcare of America Balance Sheet (Parenthetical)

Statement of Financial Position	September 30, 2018	December 31, 2017
Allowance for doubtful accounts included in current assets from discontinued operations	45,200	20,200
Common stock authorized	200,000,000	200,000,000
Common stock par value	0.001	0.001

Common stock outstanding	11,265,631	11,265,631
--------------------------	------------	------------

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

FUTURE HEALTHCARE OF AMERICA

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

	For the Three Months Ended		For the Nine Months Ended	
	September 30, 2018	September 30, 2017	September 30, 2018	September 30, 2017
REVENUE				
Total Revenue	\$ 363,607	\$ 423,306	\$ 1,138,825	\$ 1,433,838
COST OF SERVICES				
Total Cost of Services	261,734	330,294	853,702	1,110,667
Gross Profit	101,873	93,012	285,123	323,171
OPERATING EXPENSES				
Selling expenses	4,168	4,756	17,982	22,999
General and administrative	35,617	44,259	122,529	142,241
Salaries, wages and related expenses	110,829	100,122	306,356	305,352
Professional and consulting fees	62,324	7,947	118,240	57,775
Total Operating Expenses	212,938	157,084	565,107	528,367
Loss from continuing operations	(111,065)	(64,072)	(279,984)	(205,196)
OTHER INCOME (EXPENSE):				
Interest income	85	161	162	232
Gain/(loss) on derivative	-	(79,124)	-	(34,065)
Interest expense	(25,583)	(25,492)	(77,065)	(76,411)
Other income (expense)	-	-	-	-
Total Other Expense	(25,498)	(104,455)	(76,903)	(110,244)
Loss from continuing operations before income tax	(136,563)	(168,527)	(356,887)	(315,440)
Income tax provision	-	-	-	-
Net loss from continuing operations	(136,563)	(168,527)	(356,887)	(315,440)
Net income (loss) from discontinued operations, net of tax	(158,375)	3,729	(234,994)	33,446
NET LOSS	\$ (294,938)	\$ (164,798)	\$ (591,881)	\$ (281,994)
Basic and Diluted Loss Per Common Share from continuing operations				
	\$ (0.01)	\$ (0.02)	\$ (0.03)	\$ (0.03)
Basic and Diluted Income (Loss) Per Common Share from discontinued operations				
	\$ (0.02)	\$ 0.000	\$ (0.02)	\$ 0.00
Basic and Diluted Loss Per Common Share				
	\$ (0.03)	\$ (0.02)	\$ (0.05)	\$ (0.03)

Edgar Filing: Future Healthcare of America - Form 10-Q/A

Basic and Diluted Weighted Average Common Shares Outstanding	11,265,631	11,265,631	11,265,631	11,265,631
--	------------	------------	------------	------------

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

FUTURE HEALTHCARE OF AMERICA
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

	Nine Months Ended September 30,	
	2018	2017
Cash Flows from Operating Activities		
Net loss from continuing operations	\$ (356,887)	\$ (315,440)
Adjustments to reconcile net loss from continuing operations to net cash used by operating activities:		
Loss on derivative instruments	-	34,065
Change in assets and liabilities:		
Accounts receivable	16,310	69,514
Prepaid expenses	62,675	46,125
Accounts payable	100,470	7,806
Accrued expense	164,936	100,130
Net Cash Used in continuing operations	(12,496)	(57,800)
Net Cash Used in discontinued operations	(32,487)	(19,546)
Net Cash Used in Operating Activities	(44,983)	(77,346)
Cash Flows from Investing Activities:		
Net Cash Used in Investing Activities	-	-
Cash Flows from Financing Activities:		
Payments on subscription receivable	(270,005)	
Proceed from note payable	270,005	-
Proceed from related party advance	23,000	-
Re-payment of related party advance	(23,000)	-
Re-payment of insurance financing	(39,277)	(15,420)
Net Cash Used in Financing Activities	(39,277)	(15,420)
Net Decrease in Cash	(84,260)	(92,766)
Cash at Beginning of Period	144,462	206,352
Cash at End of Period	\$ 60,202	\$ 113,586
Supplemental Disclosures of Cash Flow Information		
Cash paid during the periods for:		
Interest	1,315	735
Income taxes	-	-

Supplemental Disclosures of Non-Cash Investing and Financing

Activities:

	For the Nine Months Ended September 30,	
	2018	2017
NON-CASH EXPENDITURES		

Prepaid insurance premiums financed

49,151

22,216

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

FUTURE HEALTHCARE OF AMERICA

NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization On June 22, 2012, FAB Universal (FAB) formed Future Healthcare of America (FHA), a wholly owned subsidiary. On October 1, 2012, FHA operations were spun-off in a 1 for 1 dividend to the shareholders of record of FAB on September 5, 2012, the record date. On November 14, 2014, FHA organized Future Healthcare Services Corp. (FHS), and transferred all the shares of Interim to FHS. Interim Healthcare of Wyoming, Inc. (Interim), a Wyoming corporation, a wholly owned subsidiary of FHS, was organized on September 30, 1991. Interim operates primarily in the home healthcare and healthcare staffing services in Wyoming and Montana. On April 3, 2007, Interim purchased the operations of Professional Personnel, Inc., d.b.a., Professional Nursing Personnel Pool.

Consolidation - The financial statements presented reflect the accounts of FHA, FHS and Interim. All inter-company transactions have been eliminated in consolidation.

Accounting Estimates - The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Management made assumptions and estimates for determining reserve for accounts receivable, obsolete inventory and in determining the impairment of definite life intangible assets and goodwill. Actual results could differ from those estimated by management.

Cash and Cash Equivalents The Company considers all highly liquid investments with an original maturity date of three months or less when purchased to be cash equivalents. At September 30, 2018, the Company had no cash balances in excess of federally insured limits.

Accounts Receivable - Accounts receivable consist of trade receivables arising in the normal course of business. At September 30, 2018, the Company has an allowance for doubtful accounts of \$45,200 in discontinued operations, which reflects the Company's best estimate of probable losses inherent in the accounts receivable balance. The Company determines the allowance based on known troubled accounts, historical experience, and other currently available evidence. During the nine months ended September 30, 2018 and 2017, the Company recorded bad debt expense of \$25,000 and \$0, respectively.

Depreciation - Depreciation of property and equipment is provided on the straight-line method over the estimated useful lives.

Income/(Loss) Per Share - The Company computes income (loss) per share in accordance with Accounting Standards Board (FASB) Accounting Standards Codification (ASC) Topic 260 Earnings Per Share, which requires the Company to present basic earnings per share and diluted earnings per share when the effect is dilutive (see Note 9).

Leases - The Company accounts for leases in accordance with Financial FASB ASC Topic 840, (formerly Statement of Financial Accounting Standards SFAS No. 13 Accounting for Leases). Leases that meet one or more of the capital lease criteria of standard are recorded as a capital lease, all other leases are operating leases.

Income Taxes - The Company accounts for income taxes in accordance with FASB ASC Topic 740 Accounting for Income Taxes. This topic requires an asset and liability approach for accounting for income taxes (see Note 7).

Advertising Costs - Advertising costs are expensed as incurred and amounted to \$19,391 and \$27,653 for the periods ending September 30, 2018 and 2017, respectively.

FUTURE HEALTHCARE OF AMERICA

NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Fair Value of Financial Instruments The Company accounts for fair value measurements for financial assets and financial liabilities in accordance with FASB ASC Topic 820. The authoritative guidance, which, among other things, defines fair value, establishes a consistent framework for measuring fair value and expands disclosure for each major asset and liability category measured at fair value on either a recurring or nonrecurring basis. Fair value is defined as the exit price, representing the amount that would either be received to sell an asset or be paid to transfer a liability in an orderly transaction between market participants. As such, fair value is a market-based measurement that should be determined based on assumptions that market participants would use in pricing an asset or liability. As a basis for considering such assumptions, the guidance establishes a three-tier fair value hierarchy, which prioritizes the inputs used in measuring fair value as follows:

Level 1. Observable inputs such as quoted prices in active markets for identical assets or liabilities;

Level 2. Inputs, other than the quoted prices in active markets, that are observable either directly or indirectly; and

Level 3. Unobservable inputs in which there is little or no market data, which require the reporting entity to develop its own assumptions.

Unless otherwise disclosed, the fair value of the Company's financial instruments including cash, accounts receivable, prepaid expenses, and accounts payable and accrued expenses approximates their recorded values due to their short-term maturities.

Revenue Recognition - On January 1, 2018, the Company adopted Accounting Standards Codification Topic 606, Revenue from Contracts with Customers, which includes clarifying ASUs issued in 2015, 2016 and 2017 (new revenue standard). The new revenue standard did not have a material impact on revenue recognition. The Company does not expect the impact of the adoption of the new standard to be material to net income on an ongoing basis.

Edgar Filing: Future Healthcare of America - Form 10-Q/A

Revenue is recognized when performance obligations with the customer are satisfied which occurs when services are provided to the customer. Revenue is measured as the amount of consideration expected to be received in exchange for providing services. The Company's sales contain performance obligations satisfied at a point in time when the services are provided.

Generally, the time between when revenue is recognized and when payment is due is not significant. Pre-payments received prior to satisfaction of performance obligations through the Recovery Audit Program or RAP payments from Medicare are recorded as a deferred revenue liability. Given the insignificant days between revenue recognition and receipt of payment, financing components do not exist between the Company and its customers.

The following table disaggregates revenue by category:

	<u>For the nine months ended September 30, 2018</u>					
	Medicare	Private Pay	Medicaid	Staffing	Ins.	Total
Montana	-	215,015	138,629	704,591	80,590	1,138,825

FUTURE HEALTHCARE OF AMERICA

NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

	<u>For the three months ended September 30, 2018</u>					
	Medicare	Private Pay	Medicaid	Staffing	Ins.	Total
Montana	-	70,194	46,975	219,286	27,152	363,607

Derivative Financial Instruments In July 2017, the FASB issued ASU No. 2017-11, (Part I) Accounting for Certain Financial Instruments with Down Round Features, (Part II) Replacement of the Indefinite Deferral for Mandatorily Redeemable Financial Instruments of Certain Nonpublic Entities and Certain Mandatorily Redeemable Noncontrolling Interests with a Scope Exception. The new standard applies to issuers of financial instruments with down-round features. A down-round provision is a term in an equity-linked financial instrument (i.e. a freestanding warrant contract or an equity conversion feature embedded within a host debt or equity contract) that triggers a downward adjustment to the instrument's strike price (or conversion price) if equity shares are issued at a lower price (or equity-linked financial instruments are issued at a lower strike price) than the instrument's then-current strike price. The purpose of the feature is typically to protect the instrument's counterparty from future issuances of equity shares at a more favorable price. The ASU amends (1) the classification of such instruments as liabilities or equity by revising the certain guidance relative to evaluating if they must be accounted for as derivative instruments and (2) the guidance on recognition and measurement of freestanding equity-classified instruments. For the Company, this ASU is effective January 1, 2019, with early adoption permitted.

During the period ending September 30, 2018, we adopted the requirements of the new guidance as of January 1, 2018, utilizing the modified retrospective method of transition. As a result, we recorded a cumulative adjustment to retained earnings as of January 1, 2018, to reflect the effect of the new guidance.

The impact of adopting the new guidance resulted in a decrease in the previously recorded derivative liability, an increase in additional paid-in capital and a reduction of retained earnings related to the down-round provisions in the Convertible Note Payable and warrants (see Note 4).

The modified retrospective method of transition requires us to disclose the effect of applying the new guidance on each item included in our 2018 financial statements.

Following are the line items from our balance sheet as of September 30, 2018, that were affected, the amounts that would have been reported under the former guidance, the effects of applying the new guidance, and the balances reported under the new guidance:

Edgar Filing: Future Healthcare of America - Form 10-Q/A

	<u>Amounts that would have been reported</u>	<u>Effects of applying new guidance</u>	<u>Balance As reported</u>
<u>Assets:</u>	-	-	-
<u>Liabilities</u>			
Derivative liability	(21,632)	21,632	-
<u>Stockholders' Deficit</u>			
Accumulated Deficit	3,022,564	875,628	3,898,192
Additional Paid-In Capital	(1,313,160)	(897,260)	(2,210,420)

FUTURE HEALTHCARE OF AMERICA

NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

The following are the line items from the statement of operations for the nine-month period ending September 30, 2018, that were affected, the amounts that would have been reported under the former guidance, the effects of applying the new guidance, and the amounts reported under the new guidance:

<u>Statement of operations</u>	Amounts that would have <u>been reported</u>	Effects of applying new <u>guidance</u>	Balance As <u>Reported</u>
Interest expense	54,971	22,094	77,065
Net income	(569,787)	(22,094)	(591,881)

The following are the line items from the statement of operations for the three-month period ending September 30, 2018, that were affected, the amounts that would have been reported under the former guidance, the effects of applying the new guidance, and the amounts reported under the new guidance:

<u>Statement of operations</u>	Amounts that would have <u>been reported</u>	Effects of applying new <u>guidance</u>	Balance As <u>Reported</u>
Interest expense	9,647	15,936	25,583
Net income	(279,002)	(15,936)	(294,938)

Recently Enacted Accounting Standards - In February 2016, the FASB issued changes to the accounting for leases that primarily affect presentation and disclosure requirements. The new standard will require the recognition of a right to use asset and underlying lease liability for operating leases with an initial life in excess of one year. This standard is effective for us beginning in the first quarter of 2019. We have not yet determined the impact of the new standard on our consolidated financial statements.

Other recent accounting pronouncements issued by the FASB did not or are not believed by management to have a material impact on the Company's present or future financial statements.

NOTE 2 - GOING CONCERN

The accompanying consolidated financial statements have been prepared in conformity with generally accepted accounting principles of the United States of America, which contemplate continuation of the Company as a going concern. However, the Company has incurred losses, an accumulated deficit and has a short-term note payable in excess of anticipated cash. These factors raise substantial doubt about the ability of the Company to continue as a going concern for a period of one year from the issuance of these financial statements. There is no assurance that the Company will be successful in achieving profitable operations. The financial statements do not include any adjustments that might result from the outcome of these uncertainties.

NOTE 3 DISCONTINUED OPERATIONS

Effective August 31, 2018, Future Healthcare of America closed the offices of its Casper, Wyoming operations. During 2018, the Company saw a continued decrease in the utilization of our home healthcare services in Casper, Wyoming. Additionally, we have seen an increase in competition, specifically for Medicare service providers in 2018. Also, there has been a shortage of Registered Nurses, Physical Therapists and management personnel, leading to higher costs due to having to source the required talent from staffing companies. This increase in costs coupled with a decrease in business activity, lead to the decision to close the Casper, Wyoming operations. In closing the office, the Company transitioned its clients to new service providers, and terminated employees as the transition happened. The month to month lease was terminated with the landlord on August 31, 2018, and the office was closed the same day. We have one part-time employee, working remotely, primarily on the collection of accounts receivable.

FUTURE HEALTHCARE OF AMERICA

NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

NOTE 3 DISCONTINUED OPERATIONS

Reconciliation of the Carrying Amounts of Major Classes of Asset and Liabilities of the Discontinue Operation to Total Assets and Liabilities That are Presented Separately in the Balance Sheet

	September 30, 2018	December 31, 2017
Carrying amounts of major classes of assets included as part of discontinued operations:		
Cash	\$ 1,044	\$ 13,610
Accounts receivable, net	170,396	201,914
Prepaid expenses	5,161	4,172
Total current assets of discontinued operations	176,601	219,696
Other assets held for sale	-	-
Total assets of discontinued operations	\$ 176,601	\$ 219,696
Carrying amounts of major classes of liabilities included as part of discontinued operations:		
Accounts payable	107,626	65,228
Accrued expenses	142,275	52,512
Deferred revenue	40,082	12,832
Total current liabilities of discontinued operations	289,983	130,572
Other liabilities held for sale	-	-
Total liabilities of discontinued operations	\$ 289,983	\$ 130,572

Reconciliation of the Major Classes of Line Items Constituting Pretax Profit (Loss) of Discontinued Operations That are Presented Separately in the Statement of Operations

	For the Three Months Ended		For the Nine Months Ended	
	September 30, 2018	September 30, 2017	September 30, 2018	September 30, 2017
Major classes of line items constituting pretax income (loss) of discontinued operations				
Revenue	\$ 123,740	\$ 416,279	\$ 763,260	\$ 1,356,598

Edgar Filing: Future Healthcare of America - Form 10-Q/A

Cost of Services	229,421	278,005	676,169	908,383
Operating Expenses	54,285	134,522	323,718	414,808
Other Income	(1,591)	23	(1,633)	(39)
Income (loss) of discontinued operations before income tax	(158,375)	3,729	(234,994)	33,446
Gain on disposal of discontinued operation before tax	-	-	-	-
Total income (loss) on discontinued operations before income tax	(158,375)	3,729	(234,994)	33,446
Income tax expense or benefit	-	-	-	-
Total profit or loss on discontinued operations that is presented in the statement where net income is presented	\$ (158,375)	\$ 3,729	\$ (234,994)	\$ 33,446

FUTURE HEALTHCARE OF AMERICA

NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

NOTE 4 SHARE EXCHANGE AGREEMENT AND SECURITIES PURCHASE AGREEMENT

(a) On September 21, 2018, the Company and Natur Holding B.V., a Netherlands-based holding company (Natur), and the several shareholders of Natur executed a Share Exchange Agreement (the SEA) by which the Company is to acquire all of Natur s outstanding capital stock in exchange for a number of shares of the Company s common stock that will constitute approximately 71% of the issued and outstanding capital stock of the Company on a fully-diluted basis after giving effect to the closing of the transactions contemplated by the SEA, and which includes the post-closing adoption of an equity award plan reserving up to 1,500,000 shares of common stock as equity awards to the Company s directors, officers, employees and consultants. The remaining 29% of the Company s outstanding common stock will be owned by its current stockholders, noteholders and lenders. Upon completion of the transaction, Natur will be a wholly-owned subsidiary of the Company, and the former Natur stockholders will collectively own a controlling interest in the Company. The SEA closing has not occurred as of the issuance of these financial statements, since there are conditions precedent yet to be satisfied.

(b) On September 21, 2018, the Company also executed a Securities Purchase Agreement (the SPA) by which it agreed to privately issue and sell and the purchaser identified on the signature page to the SPA (the Purchaser) agreed to purchase up to an aggregate of 2,000 shares of Series A Stock for \$2,000,000 in cash, of which \$270,005 has been advanced as of September 21, 2018, under the terms of a promissory note dated as of that date between the Company and the Purchaser, plus 469.131 shares of Series A Stock by the exchange of outstanding convertible notes held by Alpha Capital Anstalt in the aggregate principal amount of \$469,131, for a total of up to 2,469.131 Series A Stock to be sold under the SPA. The Series A Stock will be convertible into shares of the Company s common stock at a conversion price of \$0.030303 per share. In addition to a certificate representing the number of shares of Series A Stock purchased by the Purchaser, at the closing of the SPA (the SPA Closing), the Company is to deliver to the Purchaser: (i) a Warrant to purchase up to a number of shares of the Company s common stock equal to 50% of the number of shares of common stock into which the Series A Stock is convertible, at an exercise price equal to 200% of the initial conversion price of the Series A Stock; and (ii) a Registration Rights Agreement providing for the registration of the Company common stock issuable upon conversion of the Series A Stock and upon exercise of the Warrant. The SEA closing is a pre-condition to the SPA Closing. The Company can provide no assurance that such condition will be met or that the SPA Closing will occur as contemplated by the parties.

NOTE 5 - NOTES PAYABLE AND CONVERTIBLE DEBENTURE

On September 9, 2013, the Company closed a Subscription Agreement by which one institutional investor purchased a) a Variable Rate Senior Secured Convertible Note payable having a total principal amount of \$1,010,000, convertible into common shares of the Company at \$0.25 per share and maturing March 9, 2015; b) Warrants to purchase a total of 3,030,000 shares of common stock, at \$0.50 per share, exercisable for four years, and c) a greenshoe to purchase a total of 2,000,000 shares of common stock at \$0.25 per share, exercisable for one year from

the closing date. The note and warrants have a down-round provision, wherein if the Company issues common stock or equity-based instruments with lower prices or strike prices, the note and warrants exercise prices will be adjusted to match the lower prices. On September 9, 2014 the greenshoe expired unexercised. On March 9, 2015, the Note matured.

As the note has not been paid nor extended, the outstanding principal, plus accrued but unpaid interest, liquidated damages and other amounts, became due and payable at the election of the holder. The holder has not made such an election. Effective December 14, 2017, the note payable was amended to reduce the conversion price from \$0.25 per share to \$0.10 per share.

As of September 30, 2018, the Company had accrued interest payable on the debenture of \$410,552.

On January 2, 2018, the Company financed the premium for directors and officers insurance. The Company borrowed \$26,921 at 6.00% interest, and the note will be repaid in 10 equal installments of \$3,079. As of September 30, 2018, the balance of the note payable was \$3,061.

FUTURE HEALTHCARE OF AMERICA

NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

NOTE 5 - NOTES PAYABLE AND CONVERTIBLE DEBENTURE - continued

On January 25, 2018, the Company financed the premium for liability insurance. The Company borrowed \$22,230 at 6.00% interest, and the note will be repaid in 10 equal installments of \$2,287. As of September 30, 2018, the balance of the note payable was \$6,813.

On September 21, 2018 the Company executed a Promissory Note for \$275,000 with Alpha Capital Anstalt (Alpha). The value of the note received shall be exchanged for Series A Preferred Stock of the Company at the time of closing of the Share Exchange Agreement between the Company and the shareholders of Natur Holdings, NV, a Netherlands corporation (Natur), pursuant to a Securities Purchase Agreement. On September 28, 2018, the Company received \$270,005 from Alpha and on the same date, wired \$270,005 to Natur. The difference in the face of the note payable and the amount received was due to an error in amount of funds transferred by Alpha.

NOTE 6 - CAPITAL STOCK

Common Stock - The Company has authorized 200,000,000 shares of common stock, \$0.001 par value. As of September 30, 2018, 11,265,631 shares were issued and outstanding.

On September 21, 2018, the Company executed a Promissory Note for \$275,000 with Natur. The note shall be exchanged for Series A Preferred Stock of the Company at the time of closing of the Share Exchange Agreement between the Company and Natur. On September 28, 2018, the Company received \$270,005 from Alpha and on the same date, wired \$270,005 to Natur for working capital. The note is recorded as a subscription receivable while the Share Exchange Agreement is pending. See also Note 4.

NOTE 7 WARRANTS

On September 9, 2013, the Company closed a Subscription Agreement wherein the Company granted warrants to purchase a total of 3,030,000 shares of common stock, at \$0.50 per share, exercisable for four years. On September 9, 2017 the expiration date of the warrants was extended to September 9, 2018. On September 9, 2018 the warrants expired.

A summary of the status of the warrants granted is presented below for the three months ended:

	September 30, 2018		December 31, 2017	
		Weighted Average Exercise Price		Weighted Average Exercise Price
	<u>Shares</u>		<u>Shares</u>	
Outstanding at beginning of period	3,030,000	\$ 0.50	3,030,000	\$ 0.50
Granted	-	-	-	-
Exercised	-	-	-	-
Expired	3,030,000	0.50	-	-
Outstanding at end of period	-	\$ -	3,030,000	\$ 0.50

FUTURE HEALTHCARE OF AMERICA

NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

NOTE 8 - INCOME TAXES

The Company accounts for income taxes in accordance with FASB ASC Topic 740, Accounting for Income Taxes which requires the Company to provide a net deferred tax asset or liability equal to the expected future tax benefit or expense of temporary reporting differences between book and tax accounting and any available operating loss or tax credit carryforwards.

Because of the uncertainty surrounding the realization of the loss carryforwards and significant changes in the ownership of the Company, a valuation allowance has been established equal to the tax effect of the loss carryforwards and, therefore, no deferred tax asset has been recognized for the loss carryforwards. The net deferred tax assets are approximately \$1,400,000 as of September 30, 2018, with an offsetting valuation allowance of the same amount.

NOTE 9 LEASES

Operating Lease - The Company leases office space in Billings, Montana for \$1,525 a month through May 2020.

The future minimum lease payments for non-cancelable operating leases having remaining terms in excess of one year as of September 30, 2018 are as follows:

Twelve months ending September 30	Lease Payments
2019	18,300
2020	12,200
Total Minimum Lease Payments	\$ 30,500

Lease expense charged to operations was \$49,077 and \$57,578 for the nine months ended September 30, 2018 and 2017, respectively.

NOTE 10 INCOME/ (LOSS) PER SHARE

At September 30, 2018 and 2017, the Company had zero and 3,030,000, respectively, warrants to purchase common stock of the Company at \$0.50 per share, and a convertible debenture payable wherein the holder could convert the note and underlying accrued interest into a minimum of 10,100,000 and 4,040,000, respectively shares of common stock which were not included in the loss per share computation because their effect would be anti-dilutive.

FUTURE HEALTHCARE OF AMERICA

NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

NOTE 11 COMMITMENTS AND CONTINGENCIES

On June 17, 2016 a complaint was filed with the Wyoming State Department of Labor against the Company, alleging discrimination on the basis of sex and disability. The complaint did not seek any specific monetary relief. The complaint was mediated by the Wyoming State Department of Labor. The Wyoming State Department of Labor issued a notice of dismissal for the complaint. On February 9, 2018, this former employee filed a lawsuit against Interim Healthcare of Wyoming, claiming wrongful termination. After reviewing the facts and circumstances, the Company believes the claims made are weak, at best, and the Company has retained counsel and intends to continue a vigorous defense.

At this time, management cannot reasonably estimate the cost to defend or the outcome of the complaints, and we do not expect it will have a material financial impact on the Company.

On June 30, 2016 a complaint was filed with the Federal Equal Employment Opportunity Commission (EEOC) against the Company, alleging wage discrimination on the basis of sex.

On June 1, 2018, The U.S. EEOC made a determination that Interim Healthcare of Wyoming violated the Wage discrimination laws (Title VII of the Civil Rights Act of 1964) by paying a male employee more than female employees. The EEOC has determined that back wages for these individuals plus liquidated damages total \$43,593, and the Company has recorded an accrual for \$17,593 of this amount, as the remainder is in dispute. The company has voluntarily entered into the Conciliation Process with the EEOC to reach a resolution of the matter. On September 19, 2018, the Company attended the Conciliation meeting, which the EEOC presented a revised settlement of \$133,575 for back wages plus liquidated damages. The Company and the EEOC did not agree to a resolution. On September 28, 2018, the EEOC filed in the U.S. District Court for the District of Wyoming a complaint claiming Interim Healthcare of Wyoming violated the wage discrimination laws (Title VII of the Civil Rights Act of 1964) by paying a male employee more than female employees. The Company recorded an accrual totaling \$133,575 related to this matter. This accrual is included in the discontinued operations of the Company.

NOTE 12 RELATED PARTY

During the first six months of 2018, an officer of the Company advanced \$23,000 to the company for operating purposes. The advance bears no interest or maturity. The advance was repaid during the third quarter of 2018.

NOTE 13 - SUBSEQUENT EVENTS

On October 23, 2018 the Company amended its Articles of Incorporation as follows. The Company authorized 2,469.131 shares of Series A Convertible Preferred Stock, \$.001 par value and \$1,000 stated value. The Company authorized 100,000 shares of Series B Preferred Stock, \$.001 par value and \$1,000 stated value.

The Series A Convertible Preferred Stock have no voting rights with liquidation rights of stated value plus unpaid dividends and damages. The Series A Convertible Preferred Stock is convertible into common shares at \$0.030303 per common shares subject to limitations. A total of 757.575 are convertible at the option of the holder at any time after the original issue date, and a total of 1,711.556 are convertible at any time after the original issue date upon the Corporation amending its Articles of Incorporation to adjust the number of shares of Common Stock sufficient for the conversion of the 1,711.556 the Preferred Stock.

FUTURE HEALTHCARE OF AMERICA

NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

NOTE 13 - SUBSEQUENT EVENTS - Continued

The Series B Preferred Stock has voting rights equal to the number of whole shares of Common Stock into which the shares would be converted as of the record date with liquidation rights \$.01 per share after the rights of the Series A Preferred Shareholders have been satisfied. Each share of Series B Preferred Stock is convertible into 1,000 shares of common stock. Each share of Series B Preferred Stock will convert automatically, without any further action on the part of the holder, upon the Corporation amending its Articles of Incorporation to adjust the number of authorized shares of Common Stock to permit the Corporation to issue a sufficient number of shares of Common Stock in conversion of the Series B Preferred Stock. The Corporation undertakes to use its best efforts to adjust the number of authorized shares of Common Stock so as to permit the conversion of the Series B Preferred Stock, within one year of the issuance of the Series B Preferred Stock.

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

Safe Harbor Statement.

Statements made in this Form 10-Q which are not purely historical are forward-looking statements with respect to the goals, plan objectives, intentions, expectations, financial condition, results of operations, future performance and business of the Company, including, without limitation, (i) our ability to gain a larger share of the home healthcare industry, our ability to continue to develop services acceptable to our industry, our ability to retain our business relationships, and our ability to raise capital and the growth of the home healthcare industry, and (ii) statements preceded by, followed by or that include the words may, would, could, should, expects, projects, anticipates, estimates, plans, intends, targets, tend or similar expressions.

Forward-looking statements involve inherent risks and uncertainties, and important factors (many of which are beyond the Company's control) that could cause actual results to differ materially from those set forth in the forward-looking statements, including the following, in addition to those contained in the Company's reports on file with the Securities and Exchange Commission: general economic or industry conditions, nationally and/or in the communities in which the Company conducts business, changes in the interest rate environment, legislation or regulatory requirements, conditions of the securities markets, changes in the home healthcare industry, the development of services that may be superior to the services offered by the Company, competition, changes in the quality or composition of the Company's services, our ability to develop new services, our ability to raise capital, changes in accounting principles, policies or guidelines, financial or political instability, acts of war or terrorism, other economic, competitive, governmental, regulatory and technical factors affecting the Company's operations, services and prices.

Accordingly, results actually achieved may differ materially from expected results in these statements.

Forward-looking statements speak only as of the date they are made. The Company does not undertake, and specifically disclaims, any obligation to update any forward-looking statements to reflect events or circumstances occurring after the date of such statements.

Business Highlights

FHA's subsidiary, Interim Healthcare of Wyoming, Inc., a Wyoming corporation (Interim), is an independent franchisee of Interim HealthCare that has been serving its community for over 20 years, providing a wide range of visiting nurse services to the elderly, wounded and sick. It is one of the 300 independent home health agencies that comprise the Interim HealthCare network. Our business consists of providing healthcare services for those in need.

We record all revenue and expenses and provide all services under one umbrella. Below is a description of our Home Healthcare and Staffing operations.

Our business is driven by a number of different factors and fluctuates significantly as they change.

Our revenue during the first nine months of 2018 has decreased significantly from the previous year. The decrease in business has been driven by the following factors.

As the need for labor diminishes with the gas and oil wells shutting down in Wyoming, our business has seen dramatic negative impacts with the resulting decrease in population, both in number of clients as well as available personnel. Historically, as the price of gas decreases, the drilling operations stop, and the population has moved to another area to support themselves. Our operations are also heavily influenced by increases in minimum wage as well as starting wages being offered by all employers in the region. With the multiple businesses paying higher starting wages, we have seen a decrease in individuals wanting and needing to take employment in the healthcare profession, and we have been unable to continue increasing our starting wages. Additionally, we have seen an increase in direct competition in the market place for the business and clients we serve.

We have also seen the impact of turn-over in senior management with our clients. As these positions are filled by new personnel, their decisions on utilization of services impacts our businesses, and we have seen a significant decrease in the utilization of our services.

As a result of financial impact of these factors, we closed the operations in Casper, Wyoming on August 31, 2018.

During the nine months of 2018, FHA's continuing operations experienced a 21% decrease in revenue over the first nine months of 2017. This was driven by decreases in both our Billings, Montana businesses. We do not foresee a change in this trend through the end of 2018. We continue to see increased costs to provide services and decreases in reimbursement rates, reducing margins, and difficulty in retaining qualified personnel, making it difficult to cover overhead costs. This can be seen in our results during the first nine months of 2018.

During the nine months of 2018, we have seen a significant decrease in the utilization staffing services in Billings, Montana as facilities that use our services receive directives to remove and reduce the use of staffing services. We've also seen significant decreases within our home healthcare services. As for our operations, we anticipate the trends seen in the first nine months of 2018 to continue throughout 2018. We anticipate a continued slowing of the use of our staffing services. We also anticipate a continued slowing of the utilization of our home healthcare business. As such, we are evaluating other options outside the home healthcare industry. Promotional activities and operations are being managed as the offices experience fluctuations in the day-to-day activities and as we embark on new business opportunities.

Home Healthcare

Through trained health care professionals, the Company provides home care services including senior care and pediatric nursing; physical, occupational and speech therapy. The Company offices deliver quality home care and treat each patient with genuine compassion, kindness and respect. The Company provides health care professionals at all skill levels, including registered nurses, therapists, LPN's and certified home health aides. FHA derives its revenue from multiple payer sources. These include Medicare, Medicaid, Insurance, Medicaid LTW, and Private Payers. Because our offices are located in areas that do not contain a large population base (less than 200,000 residents), we continually explore opportunities to increase our revenue with our current payer sources and expand through new sources of revenue. The healthcare team is utilized across all payer sources, including staffing services. Our customer base comes from referrals from hospitals, rehab facilities, nursing homes, assisted living facilities and previous patients.

In addition to our professional team, we employ a management team at each facility to handle the day to day operations of the office. This is completed by our Administrators in each location. We also have a Director of Nursing in each location. This person is responsible for the day to day oversight of the service providers and ensuring the certified professionals obtain the necessary training to maintain their certificates as well as the training necessary to be in compliance with all regulating organizations.

Staffing

Interim offices provide nurses, nurse aides and management services to hospitals, prisons, schools, corporations and other health care facilities. Interim's success is based on our ability to recruit the best health care professionals and the responsiveness of our local managers to fill the needs of our clients in a timely manner. Additionally, we work with our clients should they decide they would like to hire our service professionals on a full time basis. Another key to our success is the personal relationship that our management and sales team build with each of our existing and new clients. As noted previously, in order to reduce turnover of our service team by providing as many hours as possible, similar to the hours of a full-time employee, we utilize the same service team members across all payer sources.

As each of our businesses is located in smaller based population areas of the country, the competition is significantly heightened and the relationships maintained with our clients become very critical to the continued success of our operations.

As we provide diversified services and accept payments from multiple payer sources, we are not heavily dependent on a few clients in order for our business to be successful.

Results of Operations

Nine Months Ended September 30, 2018 and 2017.

During the nine months ended September 30, 2018, FHA recorded revenues of \$1,138,825, a 21% decrease over revenues of \$1,433,838 for the same period in 2017. The decrease for 2018 was driven by a significant decrease in the use of our staffing services and our home healthcare services in Billings, Montana. The Casper, Wyoming location was closed on August 31, 2018.

For the nine months ended September 30, 2018, cost of services totaled \$853,702, a 23% decrease compared to \$1,110,667 in the comparable period of 2017. This is a reflection of the costs associated with the overall reduction of revenue. FHA posted a gross profit of \$285,123 during the first nine months of 2018, versus a gross profit of \$323,171 for the first nine months of 2017, a decrease of 12%.

FHA recorded total operating expenses of \$565,107 during the first nine months of 2018, a 7% increase as compared to operating expenses of \$528,367 in the same period of 2017. General and administrative expenses totaled \$122,529 in the first nine months of 2018 versus \$142,241 in the first nine months of 2017, a decrease of 14%, driven by a decrease in recruiting expense. Consulting fees increased from \$57,775 to \$118,240 when comparing the first nine months of 2017 versus 2018, driven by an increase in legal fees. Salaries, wages and related expenses increased 0% to \$306,356 in the first nine months of 2018 from \$305,352 in 2017. Selling expenses in the first nine months of 2018 were \$17,982 versus \$22,999 in the comparable period of 2017, driven by a decrease in advertising.

For the first nine months of 2018, other expense included \$77,065 of interest expense on the notes payable. By way of comparison, for the first nine months of 2017, other income and expense included \$34,065 for recognition of a loss on the derivative liability and \$76,411 of interest expense on the notes payable.

FHA's net loss available to common shareholders was \$591,881 for the first nine months of 2018. This represents a 110% increase from our net loss of \$281,994 in the first nine months of 2017.

Three Months Ended September 30, 2018 and 2017.

During the three months ended September 30, 2018, FHA recorded revenues of \$363,607, a 14% decrease over revenues of \$423,306 for the same period in 2017. The decrease for 2018 was driven by a decrease in the use of our staffing services and our home healthcare services in Billings, Montana.

For the quarter ended September 30, 2018, cost of services totaled \$261,734, a 21% decrease as compared to \$330,294 in the comparable period of 2017. This is a reflection of the costs associated with the overall reduction of revenue.

FHA posted gross profit of \$101,873 during the third quarter 2018, versus a gross profit of \$93,012 for the third quarter of 2017, an increase of 10%.

FHA recorded total operating expenses of \$212,938 during the third quarter of 2018, a 36% increase as compared to operating expenses of \$157,084 in the same period of 2017. General and administrative expenses totaled \$35,617 in the third quarter of 2018 versus \$44,259 in the third quarter 2017, a decrease of 20% driven by a decrease in liability insurance and recruiting fees. Consulting fees increased to \$62,324 from \$7,947 when comparing the third quarter of 2018 versus 2017, driven by an increase in legal fees. Salaries, wages and related expenses increased to \$110,829 in the third quarter of 2018 from \$100,122 in 2017, an increase of 11%, driven by an increase in accrued wages. Selling expenses in the third quarter of 2018 were \$4,168 versus \$4,756 in the comparable quarter of 2017.

FHA's net loss available to common shareholders was \$294,938 for the third quarter of 2018. This represents a 79% increase from our net loss of \$164,798 in the third quarter of 2017.

Liquidity and Capital Resources.

Cash on hand was \$60,202 at September 30, 2018, a decrease of \$84,260 from the \$144,462 on hand at December 31, 2017. Cash used in operations for the nine months ended September 30, 2018, was \$44,983, versus cash used in

operation of \$77,346 for the nine months ended September 30, 2017. The decrease is a result of the increase collection of accounts receivables, coupled with our operating results.

On September 21, 2018, in connection with the execution of the Share Exchange Agreement (the SEA) between the Company, Natur Holding B.V., a Netherlands-based holding company (Natur), and the several stockholders of Natur, the Company executed a Promissory Note for \$275,000 with Natur. The note shall be exchanged for Series A Preferred Stock of the Company at the time of closing of the Share Exchange Agreement between the Company and Natur. On September 28, 2018, the Company received \$270,005 from Alpha and on the same date, wired \$270,005 to Natur for working capital. The note is recorded as a subscription receivable while the Share Exchange Agreement is pending. The execution of the SEA was disclosed in the Company s Current Report on Form 8-K dated September 21, 2018, and filed with the Securities and Exchange Commission on September 24, 2018.

The Company has insufficient cash to finance operations and continues to incur losses and accumulated deficit and has a short-term note payable in default in excess of anticipated cash. These factors raise substantial doubt about the ability of the Company to continue as a going concern. There is no assurance that the Company will be successful in achieving profitable operations or finding additional equity or debt financing.

Item 3. Quantitative and Qualitative Disclosures About Market Risk.

Not required for smaller reporting companies.

Item 4. Controls and Procedures.

(a) Evaluation of Disclosure Controls and Procedures

Our disclosure controls and procedures (as defined in Rule 13a-15(e) under the Securities Exchange Act of 1934 (the Exchange Act)), which we refer to as disclosure controls, are controls and procedures that are designed with the objective of ensuring that information required to be disclosed in our reports filed under the Exchange Act, such as this report, is recorded, processed, summarized and reported within the time periods specified in the Securities and Exchange Commission s rules and forms. Disclosure controls are also designed with the objective of ensuring that such information is accumulated and communicated to our management, including the Chief Executive Officer and the Chief Financial Officer, as appropriate to allow timely decisions regarding required disclosure. There are inherent limitations to the effectiveness of any control system. A control system, no matter how well conceived and operated, can provide only reasonable assurance that its objectives are met. No evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, within our company have been detected.

As of September 30, 2018, an evaluation was carried out under the supervision and with the participation of our management, including the Chief Executive Officer and the Chief Financial Officer, of the effectiveness of the design and operation of our disclosure controls. Based upon that evaluation, the Chief Executive Officer and the Chief Financial Officer concluded that, as of such date, the design and operation of these disclosure controls were effective to accomplish their objectives at the reasonable assurance level.

(b) Changes in Internal Control over Financial Reporting

No change in our internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act), occurred during the fiscal quarter ended September 30, 2018 that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

PART II - OTHER INFORMATION

Item 1. Legal Proceedings.

On June 17, 2016 and June 30, 2016 two complaints were filed, one with the Federal Equal Employment Opportunity Commission (EEOC) and one with the Wyoming State Department of Labor against the Company, alleging discrimination on the basis of sex and disability. The complaints do not seek any specific monetary relief. The complaints are being mediated by the Wyoming State Department of Labor, and the U.S. Equal Employment

Opportunity Commission. The Wyoming State Department of Labor issued a notice of dismissal for one of the complaints. After reviewing the facts and circumstances, the Company believes the claims made are weak, at best, and the Company has retained counsel and intends to continue a vigorous defense. On March 6, 2018, a complaint was filed with the Wyoming Court of Natrona County, alleging violation of the Wyoming Fair Employment Practices Act of 1965 for discrimination based upon sex, disability and retaliation. The complaint does not seek any specific monetary relief. At this time, management cannot reasonably estimate the cost to defend or the outcome of the complaints.

On June 1, 2018, The U.S. EEOC made a determination that Interim Healthcare of Wyoming violated the Wage discrimination laws (Title VII of the Civil Rights Act of 1964) by paying a male employee more than female employees. The EEOC has determined that back wages for these individuals plus liquidated damages total \$43,593, and the Company has recorded an accrual for \$17,593 of this amount, as the remainder is in dispute. The company has voluntarily entered into the Conciliation Process with the EEOC to reach a resolution of the matter. On September 19, 2018, the Company attended the Conciliation meeting, which the EEOC presented a revised settlement of \$133,575 for back wages plus liquidated damages. The Company and the EEOC did not agree to a resolution. On September 28, 2018, the EEOC filed a in the U.S. District Court for the District of Wyoming a complaint claiming Interim Healthcare of Wyoming violated the Wage discrimination laws (Title VII of the Civil Rights Act of 1964) by paying a male employee more than female employees. The Company recorded an accrual totaling \$133,575 related to this matter.

Item 1A. Risk Factors.

Not required for smaller reporting companies.

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

None; not applicable.

Item 3. Defaults Upon Senior Securities.

None; not applicable.

Item 4. Mine Safety Disclosures.

None; not applicable.

Item 5. Other Information.

(a)

On September 21, 2018, the Company and Natur and the stockholders of Nature Holding B.V., a Netherlands-based holding company (Natur), executed executed the SEA, by which the Company is to acquire all of Natur s outstanding capital stock in exchange for a number of shares of the Company s common stock that will constitute approximately 71% of the issued and outstanding capital stock of the Company on a fully-diluted basis after giving effect to the closing of the transactions contemplated by the SEA, and which includes the post-closing adoption of an equity award plan reserving up to 1,500,000 shares of common stock as equity awards to the Company s directors, officers, employees and consultants. As disclosed in the Company s Current Report on Form 8-K dated September 21, 2018, and filed with the Securities and Exchange Commission on September 24, 2018, the closing of the SEA is subject to certain pre-conditions and the Company can provide no assurance that such conditions will be met or that the SEA closing will occur as contemplated by the parties. See the Company s Current Report on Form 8-K dated September 21, 2018, and filed with the Securities and Exchange Commission on September 24, 2018.

On September 28, 2018, the Company filed Amended and Restated Articles of Incorporation (the Amended Articles) with the Wyoming Secretary of State. The Amended Articles designate two series of preferred stock as follows:

(i) The Amended Articles designated 2,469.131 shares of Series A Convertible Preferred Stock (the Series A Stock) having a par value of \$0.001 per share and a Stated Value equal to \$1,000. Holders have the option to

Edgar Filing: Future Healthcare of America - Form 10-Q/A

convert their Series A Stock into the number of shares of common stock that is equal to the Stated Value divided by the Conversion Price of \$0.030303 (subject to adjustment as set forth in the Amended Articles). The Series A Stock has no voting rights. Holders of Series A Stock are entitled to receive dividends as declared and paid on the Company's common stock on an as-converted basis.

(ii) The Amended Articles designated 100,000 shares of Series B Preferred Stock (the Series B Stock) having a par value of \$0.001 per share. Each share of Series B Stock will convert automatically into 1,000 shares of the Company's common stock upon the filing by the Company of an amendment to its Articles of Incorporation to adjust the number of authorized shares of common stock to permit the Company to issue a sufficient number of common shares upon conversion of the Series B Stock. Each holder of Series B Stock is entitled to cast the number of votes that is equal to the number of shares of common stock into which the shares of Series B Stock held by such holder are convertible. Holders of Series B Stock are entitled to receive dividends as declared and paid on the Company's common stock on an as-converted basis. See the Company's Current Report on Form 8-K dated September 28, 2018, and filed with the Securities and Exchange Commission on October 3, 2018.

On October 18, 2018, the Company filed its Second Amended and Restated Articles of Incorporation (the Second Amended Articles) with the Wyoming Secretary of State. The Second Amended Articles amended the rights and preferences of the Series A Stock as follows:

(i) Of the 2,469.131 authorized shares of Series A Stock, a total of 757.575 shares shall be convertible at any time after their original issue date at the option of the holder thereof. A total of 1,711.556 such shares shall be convertible at any time upon the Company amending its Second Amended Articles to adjust the number of authorized shares of common stock to permit the Company to issue a sufficient number of common shares in conversion of such 1,711.556 shares of Series A Stock.

(ii) From the original issue date of the Series A Stock, the Company shall reserve underlying shares of common stock issuable upon conversion of 757.575 shares of Series A Stock. From and after the date of the amendment to the Second Amended Articles to adjust the number of authorized shares of common stock to permit the Company to issue a sufficient number of common shares in conversion of the remaining 1,711.556 shares of Series A Stock, the Company shall reserve underlying common shares issuable upon conversion of such 1,711.556 shares of Series A Stock. See the Company's Current Report on Form 8-K dated October 18, 2018, and filed with the Securities and Exchange Commission on October 23, 2018.

(b) During the quarterly period ended September 30, 2018, there were no changes to the procedures by which shareholders may recommend nominees to the Company's board of directors.

Item 6. Exhibits.

Exhibit No.

Description

31.1

302 Certification of Christopher J. Spencer

31.2

302 Certification of John Busshaus

32

906 Certification.

Documents incorporated by reference.

8-K Current Report dated September 21, 2018, filed on September 24, 2018, regarding Natur Holding Share Exchange Agreement and Securities Purchase Agreement.

8-K Current Report dated September 28, 2018, filed on October 3, 2018, regarding Amended and Restated Articles of Incorporation.

8-K Current Report dated October 18, 2018, filed on October 23, 2018, regarding Second Amended and Restated Articles of Incorporation.

SIGNATURES

Pursuant to the requirements 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.

FUTURE HEALTHCARE OF AMERICA

Date: 11/9/18

*By: /s/ Christopher J. Spencer
Christopher J. Spencer
Chief Executive Officer and President
and Director*

Date: 11/9/18

*/s/ John Busshaus
John Busshaus
Chief Financial Officer*

