

FULLNET COMMUNICATIONS INC

Form 10-Q

November 14, 2018

0001092570 --12-31 fulo Non-accelerated Filer Yes true false false 2018 Q3 0001092570 2018-01-01 2018-09-30

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us-gaap:CommonStockMember 2018-01-01 2018-09-30 0001092570 us-gaap:PreferredStockMember 2018-01-01

2018-09-30 0001092570 us-gaap:AdditionalPaidInCapitalMember 2018-01-01 2018-09-30 0001092570

us-gaap:RetainedEarningsMember 2018-01-01 2018-09-30 0001092570 us-gaap:CommonStockMember 2017-12-31

0001092570 us-gaap:PreferredStockMember 2017-12-31 0001092570 us-gaap:AdditionalPaidInCapitalMember

2017-12-31 0001092570 us-gaap:RetainedEarningsMember 2017-12-31 0001092570 us-gaap:CommonStockMember

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us-gaap:AdditionalPaidInCapitalMember 2018-09-30 0001092570 us-gaap:RetainedEarningsMember 2018-09-30

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fil:ConvertibleNotePayable1Member 2018-09-30 xbrli:pure iso4217:USD xbrli:shares iso4217:USD xbrli:shares

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

(Mark One)

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

For the quarterly period ended September 30, 2018

o 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: 000-27031

FULLNET COMMUNICATIONS INC.

(Exact name of registrant as specified in its charter)

OKLAHOMA

731473361

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

201 Robert S. Kerr Avenue, Suite 210

Oklahoma City, Oklahoma 73102

(Address of principal executive offices)

(405) 236-8200

(Registrant's telephone number)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports) and (2) has been subject to such filing requirements for the past 90 days. 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 (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes No

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

Large accelerated filer Accelerated filer Non-accelerated filer Smaller reporting company
Emerging-growth company

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

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

As of November 14, 2018, 13,621,009 shares of the registrant's common stock, \$0.00001 par value, were outstanding.

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FullNet Communications, Inc. and Subsidiaries**CONDENSED CONSOLIDATED BALANCE SHEETS**

	SEPTEMBER 30, 2018 (Unaudited)	DECEMBER 31, 2017
ASSETS		
CURRENT ASSETS		
Cash	\$176,438	\$29,399
Accounts receivable, net	8,583	8,854
Prepaid expenses and other current assets	43,869	6,110
Assets of discontinued operations, net (Note 8)	6,357	4,472
Total current assets	235,247	48,835
PROPERTY AND EQUIPMENT, net	40,869	39,448
OTHER ASSETS AND INTANGIBLE ASSETS	15,188	21,813
LONG-TERM ASSETS DISCONTINUED OPERATIONS, net (Note 8)	14,668	24,871
TOTAL ASSETS	\$305,972	\$134,967
LIABILITIES AND STOCKHOLDERS' DEFICIT		
CURRENT LIABILITIES		
Accounts payable	\$23,131	\$37,371
Accounts payable, related party	3,516	7,982
Accrued and other liabilities	552,255	610,107
Convertible notes payable, related party - current portion	7,203	5,354
Deferred revenue	416,961	397,931
Liabilities of discontinued operations (Note 8)	83,747	140,566
Total current liabilities	1,086,813	1,199,311
CONVERTIBLE NOTES PAYABLE, related party - less current portion	22,053	27,888

LONG-TERM LIABILITIES OF DISCONTINUED
OPERATIONS (NOTE 8)

	-	53,246
Total liabilities	1,108,866	1,280,445

STOCKHOLDERS' DEFICIT

Preferred stock - \$0.001 par value; authorized, 10,000,000 shares; Series A convertible; issued and outstanding, 987,102 shares in 2018 and 2017	633,806	618,675
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Common stock - \$0.00001 par value; authorized, 40,000,000 shares; issued and outstanding, 13,621,009 shares in 2018 and 11,871,009 in 2017	136	119
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Additional paid-in capital	8,768,697	8,640,769
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Accumulated deficit	(10,205,533)	(10,405,041)
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Total stockholders' deficit	(802,894)	(1,145,478)
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TOTAL LIABILITIES AND STOCKHOLDERS' DEFICIT	\$	
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