Crown Equity Holdings, Inc.
Form 10-K
August 07, 2018

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-K

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

For the fiscal year ended **December 31, 2016**

¨ 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: **000-29935**

CROWN EQUITY HOLDINGS INC.

(Exact name of registrant as specified in its charter)

Nevada	**33-0677140**
State or other jurisdiction of incorporation or organization	(IRS Employer Identification Number)

<u>11226 Pentland Downs Street, Las Vegas, NV 89141</u>

(Address of principal executive offices)(Zip Code)

Registrant's telephone number, including area code: **(702) 683-8946**

Securities registered pursuant to Section 12(b) of the Act: **None.**

Name of each exchange on which registered: **None.**

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

Indicate by check mark if the registrant is a well-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 15d of the Act Yes x 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 such shorter period of 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 x

Indicate by checkmark 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 previous 12 months (or for such shorter period that the registrant was required to submit and post such files.) Yes x No ¨

Indicate by checkmark if disclosure of delinquent filers to Item 405 of Regulation S-K (§229.405) is not contained herein and will not be contained, to the best of the registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of 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.

Large accelerated filer	¨	Accelerated filer	¨
Non-accelerated filer	¨	Smaller reporting company	x
(Do not check if 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 Section7(a)(2)(B) of the Securities Act.

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

The aggregate number of shares of the voting stock held by non-affiliates on June 30, 2015 was 371,653. The aggregate market value of the common stock held by non-affiliates of the registrant was approximately $286,173 as of June 30, 2015. For the purposes of the foregoing calculation only, all directors and executive officers of the registrant have been deemed affiliates.

The number of shares outstanding of the Company's $.001 Par Value Common Stock as of August 6, 2018 was 11,799,389.

DOCUMENTS INCORPORATED BY REFERENCE: **None.**

PART I

ITEM 1: BUSINESS

A) General

Crown Equity Holdings Inc. formerly known as Micro Bio-Medical Waste Systems, Inc. (the "Company") was incorporated on August 31, 1995 as "Visioneering Corporation" under the laws of the State of Nevada.

In December, 2010, the Company formed two wholly owned subsidiaries Crown Tele Services Inc. and CRWE Direct Inc. Crown Tele Services Inc. was formed to provide voice over internet services to clients at a competitive price, CRWE Direct Inc. was formed to provide direct sales to customers. Both entities had minimum sales during the year.

In December 2011, the Company formed a wholly owned subsidiary CRWE Real Estate Inc. to hold real estate. This entity had no sales during the year. The company sold the above subsidiaries (Crown Tele Services Inc., CRWE Direct, and CRWE Real Estate Inc.) on the 28th of December, 2016.

At the present time, the Company is offering its services to domestic and global companies seeking to become public entities in the United States. It has launched a website, www.crownequityholdings.com, which offers its services in a wide range of fields. The Company provides various consulting services to companies and individuals dealing with corporate structure and operations globally. The Company also provides public relations and news dissemination for publicly and privately held companies.

In 2009, the Company re-focused its primary vision to using its network of websites to provide advertising and marketing services, as a worldwide online media advertising publisher, dedicated to the distribution of quality branding information. The Company offers Internet media-driven advertising services, which cover and connect a wide range of marketing specialties, as well as search engine optimization for clients interested in online media awareness. As part of its operations, the Company has utilized the services of software and hardware technicians in developing its websites and adding additional websites. This allows the Company to disseminate news and press releases for its customers as well as general news and financial information on a much bigger scale than it did previously. The Company markets its services to companies seeking market awareness of them and the services or goods that they offer. The Company then publishes information concerning these companies on its many websites. The Company is paid in cash and/or stock of the customer companies. The condition of online publishing remains at an all-time high and is continuing to evolve and grow. It is to a point where online publishing is a key component of a publishing company's strategy in the print dominated market. No longer is the possession of printed reading material adding value to a reader's experience.

At the moment, the majority of the Company's publishing sites have light to relatively medium traffic. The Company is presently in the process of strengthening its online publishing competitive position with its strategy of producing and obtaining a stronger presence with its community targeted online news and information publishing. The Company has increased its web presence with the dedicated community targeted news and information publishing websites. The Company has increased its readership to create a stronger competitive position within the online publishing industry. The company is continuing its efforts with increasing its readership to obtain advertisers wanting to reach its viewership.

The Company's office is located at 11226 Pentland Downs Street, Las Vegas NV 89141. The Company is provided office space by one of the officers and directors at no charge.

As of December 31, 2016, the Company utilized the services of independent contractors during the year. Montse Zaman Arnulfo Sucedo-Bardan and Kenneth Bosket. Officers compensation is detailed in Part III, Item 11 of this filing.

Item 2: Properties

The Company is provided office space by one of the officers and directors at no charge. The Company believes that this office space is sufficient for its needs for the foreseeable future.

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Item 3: Legal Proceedings

The Company was subject to the following judgment:

Lowell Holden vs. Kenneth Bosket, Crown Equity Holdings Inc.

On March 3, 2016, Lowell Holden received a judgment for $39,965 in the Hennepin County District Court in Minneapolis, MN in reference to monies owed for prior services rendered. The Company settled the judgment with a one-time cash payment of $10,000 during the first quarter of 2016. The Company accrued $10,000 payable as of December 31, 2015.

Item 4: Submission of Matters to a Vote of Security Holders

None

Item 5: Market for Registrant's Common Equity and Related Shareholder Matters

The Company's common stock is currently traded on the OTC Electronic Bulletin Board in the United States, having the trading symbol "CRWE" and CUSIP #22834M107. The Company's stock is traded on the OTC Electronic Bulletin Board. As of December 31, 2016, the Company had 11,341,831 shares of its common stock issued and outstanding of which 10,496,152 were held by affiliates.

The following table reflects the high and low quarterly bid prices for the fiscal years ended December 31, 2016 and 2015.

Period	**High**	**Low**
1st Qtr. 2016	2.55	0.70
2nd Qtr. 2016	6.05	1.99
3rd. Qtr. 2016	2.00	1.60

4th Qtr. 2016	2.75	1.50
1st Qtr. 2015	2.46	1.48
2nd Qtr. 2015	1.87	0.75
3rd. Qtr. 2015	1.20	0.62
4th Qtr. 2015	1.25	0.65

The Internet provided the above information to the Company. These quotations may reflect inter-dealer prices without retail mark-up/mark-down/commission and may not reflect actual transactions.

As of December 31, 2016, the Company estimates there are approximately 85 "holders of record" of its common stock and estimates that there are approximately 150 beneficial shareholders of its common stock. The Company has authorized 450,000,000 shares of common stock, par value $.001 and 20,001,000 shares of preferred stock, par value $.001, of which 1,000 are designated Series A. The 1,000 Series A preferred stock are outstanding and granted to our President. No other preferred shares are issued and outstanding.

Item 6: Selected Financial Data

Not applicable.

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Item 7: Management's Discussion and Analysis or Plan of Operation

FORWARD-LOOKING STATEMENTS MAY NOT PROVE ACCURATE

When used in this Form 10-K, the words "anticipated", "estimate", "expect", and similar expressions are intended to identify forward-looking statements. Such statements are subject to certain risks, uncertainties and assumptions including the possibility that the Company will fail to generate projected revenues. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those anticipated, estimated or projected.

OVERVIEW

The following discussion of the financial condition, changes in financial condition and results of operations of the Company for the fiscal years ended December 31, 2016 and 2015 should be read in conjunction with the financial statements of the Company and related notes included therein.

The Company was incorporated on August 31, 1995 as Visioneering Corporation. In 1999, the Company acquired 20/20 Web Design, Inc., a Colorado corporation wholly owned by Crown Partners, Inc. In August, 2009, Crown Partners transferred its shares of the Company to Crown Marketing Corporation ("Crown Marketing") in exchange for marketing and public relation services to be provided by Crown Marketing.

In July, 2009, the Company received a one-time licensing fee of $250,000 which it has utilized in funding its current operations. The Company also anticipates that as it proceeds with its planned advertising and marketing services, the revenues generated will be used to finance its operations in the short-term. The Company continues to search for additional areas in which it can generate revenue so that the Company will become profitable but there can be no guarantee that profitability will be achieved in the near- or long-term.

The Company will attempt to carry out its business plan as discussed below. The Company's business plan is to continue building its network of online publishing sites, as well as continuing to provide the consulting and services to its client on an as-needed basis. These services include general and financial management to private and public companies with an emphasis on their financial reporting and filing requirements. Such service is subject to the needs of its clients and may vary by company. The Company will attempt to carry out its business plan as described above. The Company cannot predict to what extent its lack of liquidity and capital resources will hinder its business plan prior to the consummation of a business combination.

LIQUIDITY AND CAPITAL RESOURCES

Since inception, the Company's most significant change in liquidity or capital resources or stockholders' equity has been receipts of proceeds from offerings of its capital stock. The Company's balance sheet as of December 31, 2016 reflects expanded assets and reduced liabilities from the previous year primarily due to company’s common stock purchases and conversion of notes payable to common shares. The revenue transaction does not reflect the ability of the Company to fund itself without outside sources in the future. Further, there exist no agreements or understandings with regard to loan agreements by or with the Officers, Directors, principals, affiliates or shareholders of the Company. In the past, officers and directors of the Company have lent or advanced monies to the Company to fund operations, there are no formal agreements or arrangements for them to continue to do so. As of December 31, 2016, the Company has $10,563 in cash and $15,616 of notes payable used for providing working capital to the company.

At December 31, 2016, the Company had negative working capital of $184,357 which consisted of current assets of $10,563 and current liabilities of $194,920. The current liabilities of the Company at December 31, 2016 are composed primarily of accounts payable and accrued expenses of $168,721, accounts payable to related party of $10,583 and, short-term debt of $9,500 and short-term debt due to related parties of $6,116.

Cash flows used in operating activities during the year ended December 31, 2016 was 165,193 compared to cash flow used of $67,906 for the same period in 2015. This represents an increase of $97,287.

Cash flows used in investing activities were $0 for both years ended December 31, 2016 and 2015.

Cash flows provided by financing activities was $173,208 for the year ended December 31, 2016 compared to $67,985 for the same period in 2015. The financing activities in 2016 consisted of loan proceeds and payments and the sale of common stock.

As of December 31, 2016, the Company had total assets of $10,563 and total liabilities of $194,920. Stockholders' deficit as of December 31, 2016 was $11,073,069 compared to a deficit of $10,572,114 at December 31, 2015. The Company will attempt to carry out its plan of business as discussed above. The Company cannot predict to what extent its lack of liquidity and capital resources will hinder its business plan. The Company will need additional capital to fund that proposed operation.

NEED FOR ADDITIONAL FINANCING

The Company's existing capital may not be sufficient to meet the Company's cash needs, including the costs of compliance with the continuing reporting requirements of the Securities Exchange Act of 1934, as amended.

No commitments to provide additional funds have been made by management or other stockholders. Accordingly, there can be no assurance that any funds will be available to the Company to allow it to cover its expenses.

The Company might seek to compensate providers of services by issuances of stock in lieu of cash.

RESULTS OF OPERATIONS - Comparison of the Year Ended December 31, 2016 to the Year Ended December 31, 2015

REVENUES

Sales for the year ended December 31, 2016 were $2,327 compared to $1,916 for the year ended December 31, 2015, an increase of $411. This reflects increased revenue from our services and product with non-related party customers.

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OPERATING EXPENSES

During the year ended December 31, 2016, we incurred $442,173 in operating expenses, compared to $321,669 in the same period ended December 31, 2015, an increase of $120,504. The increase was primarily due to the company’s general and administrative consulting services cost.

OTHER INCOME AND EXPENSES

During the year ended December 31, 2016, we incurred a net other expenses of $61,109 compared to net other expenses of $63,358 in the same period ended December 31, 2015 an increase of $2,249.

NET INCOME

The Company had a net loss for the year ended December 31, 2016 of $500,955 compared to a net loss of $383,111 for the year ended December 31, 2015.

Item 8: Financial Statements

Financial statements are audited and included herein beginning on page F-1 and are incorporated herein by this reference.

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

There were no disagreements with accountants on accounting and financial disclosure during the relevant period.

Item 9a: Controls & Procedures

Evaluation of Disclosure Controls and Procedures

For purposes of this section, the term *disclosure controls and procedures* means controls and other procedures of an issuer that are designed to ensure that information required to be disclosed by the issuer in the reports that it files or submits under the Securities Exchange Act of 1934, as amended (the "Act") (15 U.S.C. 78a et seq.) is recorded, processed, summarized and reported, within the time periods specified in the Commission's rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed by an issuer in the reports that it files or submits under the Act is accumulated and communicated to the issuer's management, including its principal executive and principal financial officers, or persons performing similar functions, as appropriate to allow timely decisions regarding required disclosure. It should be noted that the design of any system of controls is based in part upon certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions, regardless of how remote. As of the end of the period covered by this Annual Report, we carried out an evaluation, under the supervision and with the participation of our Chief Executive Officer and our Chief Financial Officer, of the effectiveness of the design and operation of our disclosure controls and procedures. Based on this evaluation, our CEO and CFO has concluded that the Company's disclosure controls and procedures are not effective because of the identification of a material weakness in our internal control over financial reporting which is identified below, which we view as an integral part of our disclosure controls and procedures.

Changes in Internal Controls over Financial Reporting

We have not yet made any changes in our internal controls over financial reporting that occurred during the period covered by this report on Form 10-K that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

Management's Annual Report on Internal Control Over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting, as such term is defined in Rules 13a-15(f) and 15d-15(f) of the Exchange Act. Our internal control system was designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes, in accordance with generally accepted accounting principles. Because of inherent limitations, a system of 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 due to change in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Our management conducted an evaluation of the effectiveness of our internal control over financial reporting using the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) in Internal Control—Integrated Framework. Based on its evaluation, our management concluded that there are material weaknesses in our internal control over financial reporting. A material weakness is a deficiency, or a combination of control deficiencies, in internal control over financial reporting such that there is a reasonable possibility that a material misstatement of the Company's annual or interim financial statements will not be prevented or detected on a timely basis.

The material weaknesses relate to the following:

- Lack of segregation of duties in financial reporting, as our financial reporting and all accounting functions are performed by our Officers. Our Officers do not possess accounting expertise and our company does not have an audit committee.
- Lack of a formal review process that includes multiple levels of review, as all accounting and financial reporting functions are performed by our Officers and the work is not reviewed by anyone.
- Lack of expertise in accounting for and valuation of equity and marketable securities transactions.

- Lack of control over identification of related parties.

These weaknesses are due to the company's lack of working capital to hire additional staff. To remedy the material weaknesses, we intend to engage another accountant to assist with financial reporting as soon as our finances will allow.

This annual report does not include an attestation report of the Company's registered public accounting firm regarding internal control over financial reporting. Management's report was not subject to the attestation by the Company's registered public accounting firm pursuant to temporary rules of the SEC that permit the Company to provide only management's report in this annual report.

The Company's management carried out an assessment of the effectiveness of the Company's internal control over financial reporting as of December 31, 2016. The Company's management based its evaluation on criteria set forth in the framework in Internal Control—Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission. Based on that assessment, management has concluded that the Company's internal control over financial reporting was not effective as of December 31, 2016.

Item 9b: Other Information

None

Part III

Item 10: Directors, Executive Officers, Promoters and Control Persons; Compliance with Section 16(a) of the Exchange Act

Identification of Directors and Executive Officers of the Company

The following table sets forth the names and ages of all directors and executive officers of the Company and all persons nominated or chosen to become a director, indicating all positions and offices with the Company held by each such person and the period during which they have served as a director:

The principal executive officers and directors of the Company are as follows:

Name	**Age**	**Positions Held and Tenure**
Mike Zaman	61	Director since 11/2013; appointed President/CEO since 7/2015
Kenneth Bosket	64	Director since 06/2008; appointed to COO since 7/10/2015
Montse Zaman	42	Director, Secretary and Treasurer since 02/2008
Arnulfo Saucedo Bardan	45	Director from 02/2008 thru 01/2013 and since 11/2013
Brian P. Colvin	48	Director since 6/2017; appointed Vice President 6/2017
Deborah P. Robinson	63	Director since 6/2017; appointed Chief Marketing Officer in 6/2017
Vinoth Sambandam	35	Appointed CTO in 01/2016

There are no family relationship between or among any Officer and Director except that Arnulfo Saucedo-Bardan and Montse Zaman are brother and sister and Mike Zaman and Montse Zaman are husband and wife.

The Directors named above will serve until the next annual meeting of the Company's stockholders. Thereafter, Directors will be elected for one-year terms at the annual stockholders' meeting. Officers will hold their positions at the pleasure of the Board of Directors, absent any employment agreement, of which none currently exist or is contemplated. There is no arrangement or understanding between the Directors and Officers of the Company and any other person pursuant to which any Director or Officer was or is to be selected as a Director or Officer of the Company.

The Directors and Officers of the Company will devote their time to the Company's affairs on an "as needed" basis. As a result, the actual amount of time which each will devote to the Company's affairs is unknown and is likely to vary substantially from month to month.

The Company has no audit or compensation committee.

Business Experience: The following is a brief account of the business experience for the past five years of the directors and executive officers, indicating their principal occupations and employment during that period, and the names and principal businesses of the organizations in which such occupations and employment were carried out.

MIKE ZAMAN - Mike Zaman is the President and CEO of the company. He was born in Tehran, Iran and moved to Florida in the 1980's where he attended Florida International University to study Computer Science. Since becoming a U.S. citizen, he has been a corporate, marketing and sales consultant for many numerous companies and has advised or consulted in the process of mergers, acquisitions, as well as the raising of capital for private and public entities. He was appointed as the Company's Chief Marketing Officer in October of 2013.

KENNETH BOSKET - Kenneth Bosket is a director and CFO of the Company. Mr. Bosket has been member of the Company's team since June, 2008. Mr. Bosket retired in 2004 after 30 years with Sprint (Telecommunication Division). Mr. Bosket is a former Board Member and President of Bridge Counseling Associates, a mental health and substance abuse service company. His experience includes implementing appropriate procedures for positioning his organization's goals with successful teaming relationships, marketing and over 30 years of extensive customer service, as well as managing various departments, and being a western division facilitator working directly for a President of Sprint. Mr. Bosket earned a Masters of Business Administration from the University of Phoenix and a Bachelor's of Business Administration from National University.

VINOTH SAMBANDAM - Vinoth Sambandam, is the Chief Technology Officer, with several years of technical (IT) experience and has a background in BPO sector. Mr. Sambandam did his B.tech Information Technology in Dhanalakshmi College of Engineering in Chennai, India.

MONTSE ZAMAN - Montse Zaman is the corporate secretary of the Company. She worked for Zaman & Company, a private business consulting firm, as an administrative assistant. In 2008, she joined the Company. Ms. Zaman has extensive organizational experience. She has a Bachelor degree in Communications from the Instituto Superior De Ciencia Y Tecnologia A.C. in Mexico.

ARNULFO SAUCEDO-BARDAN - Arnulfo Saucedo-Bardan is a director as well as executive editor. He is an entrepreneur from Torreon Coahuila, Mexico. In 2005, he opened and operated a small independent Mexican food restaurant in Mexico, City, until December of 2007. In 2008, he joined the Crown Equity Holdings Inc. team as CEO and later elected as the company's Chairman until January of 2013. Mr. Saucedo – Bardan has a Bachelor Degree in engineering from the Instituto Tecnologico De La Laguna in Torreon Coahuila.

BRIAN P. COLVIN - Brian Colvin is the Vice President of the company. He is an entrepreneur, as well as the co-founder of PrimeColo, Inc., X Connect DC, LLC., and American Research and Development, Inc. Brian has a combine vast background history of over 25 years in I.T., Telecommunications, and Finance.

DEBORAH P. ROBINSON - Deborah Robinson has expanded her career from Canada, Australia, India, United Kingdom to the United States with over 25 years prior experience as a Principal, Managing Direct and Business Development Marketing Director for various industries. Deborah received her Business Management degree from Sheridan College in Toronto, Canada.

CONFLICTS OF INTEREST

The Officers and Directors of the Company will devote most of their time to the Company however; there will be occasions when the time requirements of the Company's business conflict with the demands of their other business and investment activities. Such conflicts may require that the Company attempt to employ additional personnel. There is no assurance that the services of such persons will be available or that they can be obtained upon terms favorable to the Company.

There is no procedure in place which would allow the Officers and Directors to resolve potential conflicts in an arms-length fashion. Accordingly, they will be required to use their discretion to resolve them in a manner which they consider appropriate.

The Company's Officers and Directors may actively negotiate or otherwise consent to the purchase of a portion of their common stock as a condition to, or in connection with, a proposed merger or acquisition transaction. It is anticipated that a substantial premium over the initial cost of such shares may be paid by the purchaser in conjunction with any sale of shares by the Company's Officers and Directors which is made as a condition to, or in connection with, a proposed merger or acquisition transaction. The fact that a substantial premium may be paid to the Company's Officers and Directors to acquire their shares creates a potential conflict of interest for them in satisfying their fiduciary duties to the Company and its other shareholders. Even though such a sale could result in a substantial profit to them, they would be legally required to make the decision based upon the best interests of the Company and the Company's other shareholders, rather than their own personal pecuniary benefit.

The Company previously adopted a Code of Ethics in 2004. The Company has revised the Code of Ethics and is adopting a new Code of Ethics which applies to its directors as well as to its officers including its principal executive officer, principal financial officer, and principal accounting officer. A copy of the Code of Ethics is attached as an Exhibit to this Report and is also available on the Company's website, www.crownequityholdings.com . A copy of the Code of Ethics is also available at no charge to anyone who may send a request in writing to the Company, addressed to its CEO, at, Las Vegas, NV 89141.

Identification of Certain Significant Employees - The Company does not employ any persons who make or are expected to make significant contributions to the business of the Company.

Item 11: Executive Compensation

During fiscal 2014 the Company paid its officers and directors an aggregate of $59, 225. During fiscal 2016 the Company paid its officers and directors (Kenneth Bosket, Arnulfo Saucedo-Bardan and Vinoth Sambandam) an aggregate of $47,758. The remaining directors made the decision to serve as officers and/or directors without compensation upon appointment. In 2016, the company added board member Rudy Chacon who made the decision to serve as officers and directors without compensation upon appointment.

The following tables sets for the compensation for all officers and directors during the past three years:

DIRECTORS OFFICERS COMPENSATION

		Annual compensation			Long-term compensation Awards				
						Securities			
				Other annual compen -sation	Restricted stock award(s)	under- lying options/ SARs	Payouts LTIP payouts	All other compen- sation	
Name and Principal Position	**Year**	**Salary ($)**	**Bonus ($)**	**($)**	**($)**	**(#)**	**($)**	**($)**	**Total Compensation**

Kenneth Bosket,	2016	16,500	-	-	-	-	-	-	16,500
CEO,	2015	2,000	-	-	-	-	-	-	2,000
Director			-	-	-	-	-	-	
Arnulfo									
Saucedo-Bardan,	2016	6,250	-	-	-	-	-	-	6,250
COO,	2015	-	-	-	-	-	-	-	-
Director			-	-	-	-	-	-	
Montse Zaman,	2016	-	-	-	-	-	-	-	-
Secretary, Treasurer,	2015	-	-	-	-	-	-	-	-
Director			-	-	-	-	-	-	
Mark Vega,	2016	-	-	-	-	-	-	-	-
Former Director	2015	2,000	-	-	-	-	-	-	2,000
			-	-	-	-	-	-	
John Scrudato,	2016	-	-	-	-	-	-	-	-
CFO, Former Director	2015	4,000	-	-	-	-	-	-	4,000
			-	-	-	-	-	-	
Rudy Chacon	2016	-	-	-	-	-	-	-	-
Director	2015	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-
Steve Onoue	2016	-	-	-	-	-	-	-	-
Director	2015	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-
Mike Zaman	2016	1	-	-	-	-	-	-	1
Director	2015	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-
Harold Gewerter	2016	-	-	-	-	-	-	-	-
Former Director	2015	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-
Brett Mattus	2016	-	-	-	-	-	-	-	-
Former Director	2015	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-
Vinoth Sambandam	2016	25,008	-	-	-	-	-	-	25,008
CTO	2015	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-

Directors are entitled to reimbursement for reasonable travel and other out-of-pocket expenses incurred in connection with attendance at meeting of the Board of Directors.

The Company has no material bonus or profit-sharing plans pursuant to which cash or non-cash compensation is or may be paid to the Company's directors or executive officers.

The Company has no compensatory plan or arrangements, including payments to be received from the Company, with respect to any executive officer or director, where such plan or arrangement would result in any compensation or remuneration being paid resulting from the resignation, retirement or any other termination of such executive officer's employment or from a change-in-control of the Company or a change in such executive officer's responsibilities following a change-in-control and the amount, including all periodic payments or installments where the value of such compensation or remuneration exceeds $100,000 per executive officer.

During the last completed fiscal year, no funds were set aside or accrued by the Company to provide pension, retirement or similar benefits for Directors or Executive Officers.

The Company has no written employment agreements.

In December, 2007, the Company adopted the Crown Equity Holdings, Inc. Consultants and Employees Stock Plan for 2007. Under the Plan, 50,000 shares are reserved for issuance to employees, officers, directors, advisors and consultants. As of December 31, 2013, 28,855 shares had been issued under the Plan. During 2014, an additional 20,500 shares were issued under the Consultants and Employees Stock Plan.

In October, 2014, the Company adopted a new Crown Equity Holdings, Inc. Consultants and Employees Stock Plan for 2014. As of December 31, 2014, no shares were issued from this plan.

Termination of Employment and Change of Control Arrangement. Except as noted herein, the Company has no compensatory plan or arrangements, including payments to be received from the Company, with respect to any individual named above from the latest or next preceding fiscal year, if such plan or arrangement results or will result from the resignation, retirement or any other termination of such individual's employment with the Company, or from a change in control of the Company or a change in the individual's responsibilities following a change in control.

Section 16(a) Beneficial Ownership Reporting Compliance. During the year ended December 31, 2016, the following persons were officers, directors and more than ten-percent shareholders of the Company's common stock:

Name	**Position**	**Filed Reports**
Steven Onoue	Director	Yes
Arnulfo Saucedo-Bardan	Director	Yes
Kenneth Bosket	Officer, Director	Yes
Montse Zaman	Officer, Director	Yes

Item 12: Security Ownership of Certain Beneficial Owners and Management

There were 11,341,831 shares of the Company' common stock issued and outstanding on December 31, 2016. There are 20,000,100 shares of preferred stock, par value $.001, of which 1,000 are designated as Series A. The 1,000 Series A preferred shares are outstanding at December 31, 2016. No other Preferred Shares are outstanding at December 31, 2016.authorized with none outstanding. The following tabulates holdings of shares of the Company by each person who, subject to the above, at the date of this Report, holds or record or is known by Management to own beneficially more than five percent (5%) of the Common Shares of the Company and, in addition, by all directors and officers of the Company individually and as a group.

Preferred Stock

Names and Addresses	Number of Preferred Shares Owned Beneficially	Percent of Preferred Beneficially Owned Shares
Mike Zaman (1) 11226 Pentland Downs Street Las Vegas, NV 89141	1,000	100%

(1) Denotes Officer and/or Director

Common Stock

Names and Addresses	Number of Shares Owned Beneficially	Percent of Beneficially Owned Shares
Steven Onoue (1) 11226 Pentland Downs Street Las Vegas, NV 89141	1,318	0%
Montse Zaman (1) 11226 Pentland Downs Street Las Vegas, NV 89141	10,012,057	87.6%
Ken Bosket (1) 1453 Flintrock Road Henderson, Nevada 89014	21,022	0%
Mike Zaman (1) 11226 Pentland Downs Street Las Vegas, NV 89141	7,476	0%
Arnulfo Saucedo Bardan (1) 11226 Pentland Downs Street Las Vegas, Nevada 89141	1,611	0%
All directors and officers as a group	10,043,484	87.9%

(1) Denotes officer or director.

Change in Control. There are no arrangements known to the Company, including any pledge by any person of securities of the Company, the operation of which may at a subsequent date result in a change of control of the Company.

Equity Compensation Plan Information

Plan Category	**Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)**	**Weighted-average exercise price of outstanding options, warrants and rights (b)**	**Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)**
Equity compensation plans approved by security holders	--	--	66,290,000
Equity compensation plans not approved by security holders	--	--	--
Total	--	--	66,290,000

The Company utilizes the shares available under the Plan described above to issue shares of stock as compensation to employees, consultants and officers and directors. At the end of each quarter, the Board of Directors of the Company determines the amount of shares to be issued pursuant to the Plan.

Item 13: All Relationships and Related Transactions

The Company is provided office space by one of the officers and directors at no charge. The Company believes that this office space is sufficient for its needs for the foreseeable future.

As of December 31, 2016 and 2015, the Company had a payable of $10,583 and $5,026 due to Montse Zaman. The payable is unsecured, bears no interest and due on demand.

As of December 31, 2016 and 2015, the aggregate outstanding balance of notes payable to related parties was $6,116 and $23,674, respectively consisting of loans as described in Note 3.

During 2016, the Company paid expenses on behalf of American Video Teleconferencing Corp. (AVOT) $4,000, as well as on the behalf of iB2BGlobal an amount of $503.95.

During 2014, Arnulfo Saucedo-Bardan, a Director of the Company, made multiple advances due from the Company of $50,100. During 2015, Arnulfo Saucedo-Bardan, made additional advances due from the Company of $14,421. The debt is unsecured, carries 12% interest rate and is due on demand. Mr. Saucedo-Bardan cancelled the $64,521 debt and interest of $770 during 2015 which was recognized as a capital transaction.

During 2014, Mark Vega, a Director of the Company, made multiple advances due from the Company of $21,300. The debt is unsecured, carries 12% interest rate and is due on demand. Mr. Vega cancelled the $21,300 debt during 2015 which was recognized as a capital transaction.

On October 18, 2013 the Company borrowed an additional $8,550 from Ken Bosket our CEO. This is a demand note is unsecured and contains a zero percent stated interest rate. The total due to Ken Bosket at December 31, 2014 was $25,550. Mr. Bosket cancelled $8,550 of the total debt during 2015 which was recognized as a capital transaction. During 2015, the Company repaid the $17,000 balance of the debt and interest of $2,607 through the issuance of 19,607 common shares resulting in a loss of $3,921.

During 2014, a related party of the Company, made advances due from the Company of $4,000. The debt is unsecured, carries 12% interest rate and is due on demand. The debt was converted in full into common shares of the Company during the year ended December 31, 2016.

During 2014, Montse Zaman, a Director of the Company, made multiple advances and received payments for a net amount advanced to the Company of $16,900. The debt is unsecured, carries zero interest and is due on demand. The total outstanding balance under these advances was $36,910 at December 31, 2014. Ms. Zaman cancelled $17,000 of the $36,910 debt during 2015 which was recognized as a capital transaction. During 2015, Montse, made additional aggregate advances to the Company that totaled $8,270, for an outstanding balance of $28,180, of which the Company repaid $8,736 and interest of $685 in 2015 through the issuance of 9,421 common shares resulting in a loss of $1,884. The total outstanding balance under these advances was $$19,444 at December 31, 2015.

As of December 31, 2014, the Company had $17,025 due to Phoenix Consulting Services, a company controlled by Montse Zaman, as three year unsecured notes due on November 19, 2012, with interest accruing at 12% per annum. As of December 31, 2014, the notes were in default and accrue interest at the rate of 18% per annum. During 2015 the Company repaid the $17,025 note and interest of 11,381 through the issuance of 28,406 common shares resulting in a loss of $5,681.

During 2015, the company made additional borrowings of $230 under a related party note and $1,000 of related party loans and interest of $373 was converted to 1,373 common shares resulting in a loss of $275. The remaining $230 was paid back during year ended December 31, 2016.

In July 2013 the Company entered into a management consultant contract with Cleantech Transit, Inc., a related party, for consulting services through June 30, 2014. There were no cash receipts and there was no revenue recognized under this agreement during the years ended December 31, 2016 and 2015.

As of December 31, 2016 and December 31, 2015, the Company held an aggregate of 7,000,000 common shares of American Video Teleconferencing, Inc. American Video Teleconferencing, Inc. became a related party in 2014 due to common officers and Directors. The investment was fully impaired during 2014.

Item 14: Principal Accounting Fees and Services

The following table presents for each of the last two fiscal years the aggregate fees billed in connection with the audits of our financial statements and other professional services rendered by our independent registered public accounting firm MaloneBailey, LLP, Certified Public Accountants and Consultants.

		2016	2015
Audit fees	$	27,000	25,000
Audit related fees		-	-
Tax fees		-	-
All other fees		-	-

Audit fees represent the professional services rendered for the audit of our annual financial statements and the review of our financial statements included in quarterly reports, along with services normally provided by the accounting firm in connection with statutory and regulatory filings or engagements. Audit-related fees represent professional services rendered for assurance and related services by the accounting firm that are reasonably related to the performance of the audit or review of our financial statements that are not reported under audit fees.

Tax fees represent professional services rendered by the accounting firm for tax compliance, tax advice, and tax planning. All other fees represent fees billed for products and services provided by the accounting firm, other than the services reported for in the other categories.

Item 15: Exhibits and Reports on Form 8-K

(a) Financial Statements and Schedules

The following financial statements and schedules are filed as part of this report:

EXHIBITS FILED WITH THIS REPORT

Exhibits required by Item 601 of Regulation S-K. The following exhibits are filed as a part of, or incorporated by reference into, this Report.

Exhibit Number	**Description**
31.1*	Certification Required by Rule 13a-14(a) of the Securities Exchange Act of 1934, as amended, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 from Chief Executive Officer
31.2*	Certification Required by Rule 13a-14(a) of the Securities Exchange Act of 1934, as amended, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 from Chief Financial Officer
32.1*	Certification of Chief Executive Officer and Chief Financial Officer Pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
32.2*	Certification of Chief Financial Officer and Pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
101.INS **	XBRL Instance Document
101.SCH **	XBRL Taxonomy Extension Schema Document

101.CAL **	XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF **	XBRL Taxonomy Extension Definition Linkbase Document
101.LAB **	XBRL Taxonomy Extension Label Linkbase Document
101.PRE **	XBRL Taxonomy Extension Presentation Linkbase Document

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* Exhibit filed herewith

** XBRL (Extensible Business Reporting Language) information is furnished and not filed or a part of a registration statement or prospectus for purposes of Sections 11 or 12 of the Securities Act of 1933, as amended, is deemed not filed for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, and otherwise is not subject to liability under these sections.

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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, in the City of Las Vegas, State of Nevada, on August 7, 2018.

CROWN EQUITY HOLDINGS, INC.

By:*/s/ Mike Zaman*
Mike Zaman
Chief Executive 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 indicated on August 7, 2018.

Signature	**Title**
/s/ Mike Zaman Mike Zaman	Director, Chief Executive Officer
/s/ Steven Onoue Steven Onoue	Director
/s/ Montse Zaman Montse Zaman	Director, Secretary, Treasurer
/s/ Kenneth Bosket Kenneth Bosket	Director, Chief Financial Officer (Principal Financial Officer), Principal Accounting Officer

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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Stockholders

Crown Equity Holdings, Inc.

Las Vegas, Nevada

We have audited the accompanying consolidated balance sheets of Crown Equity Holdings, Inc. and its subsidiaries (collectively, the "Company") as of December 31, 2016 and 2015, and the related consolidated statements of operations, changes in stockholders' deficit, and cash flows for the years then ended. These consolidated financial statements are the responsibility of Crown Equity Holdings, Inc.'s management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform an audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Crown Equity Holdings, Inc. and its subsidiaries as of December 31, 2016 and 2015 and the results of their operations and their cash flows for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

The accompanying consolidated financial statements have been prepared assuming that Crown Equity Holdings, Inc. will continue as a going concern. As discussed in Note 2 to the consolidated financial statements, Crown Equity Holdings, Inc. has historically suffered losses from operations and has a working capital deficit which raise substantial doubt about its ability to continue as a going concern. Management's plans regarding those matters also are described in Note 2. The consolidated financial statements do not include any adjustments that might result from the outcome of this uncertainty.

/s/ MaloneBailey, LLP

www.malonebailey.com

Houston, Texas

August 6, 2018

CROWN EQUITY HOLDINGS, INC.

CONSOLIDATED BALANCE SHEETS

		December 31,		
		2016		**2015**
Assets				
Current assets				
Cash	$	10,563	$	2,448
Total Current Assets		10,563		2,448
Total Assets	$	10,563	$	2,448
Liabilities and Stockholders' Deficit				
Current liabilities				
Accounts payable and accrued expenses	$	168,721	$	187,567
Accounts payable to related party		10,583		5,026
Notes payable to related parties		6,116		23,674
Notes payable		9,500		11,500
Total Current Liabilities		194,920		227,767
Stockholders' deficit				
Preferred Stock, 20,000,000 shares authorized, authorized at $.001 par value, none issued or outstanding		-		-
Series A Preferred Stock, $0.001 par value, 1,000 shares authorized, 1,000 and no shares issued or outstanding at December 31, 2016 and 2015		1		-
Common Stock, 450,000,000 authorized at $0.001 par value; 11,341,831 and 10,904,564 shares issued and outstanding at December 31, 2016 and 2015		11,342		10,905
Additional paid-in capital		10,877,369		10,335,890
Accumulated deficit		(11,073,069)		(10,572,114)
Total stockholders' deficit		(184,357)		(225,319)
Total liabilities and stockholders' deficit	$	10,563	$	2,448

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

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CROWN EQUITY HOLDINGS, INC.

CONSOLIDATED STATEMENTS OF OPERATIONS

	For the Years Ended December 31, 2016	2015
Revenues	$ 2,327	$ 1,916
Operating expenses		
General and administrative expense	442,173	321,051
Depreciation	-	618
Total Operating Expenses	442,173	321,669
Loss from operations	(439,846)	(319,753)
Other income (expense)		
Interest expense	(47,811)	(4,746)
Other income	178	-
Loss on extinguishment of debt	(19,443)	(58,612)
Gain on sale of subsidiaries	5,967	-
Total Other Expense	(61,109)	(63,358)
Net loss	$ (500,955)	$ (383,111)
Basic and Diluted net loss per common share		
Basic and diluted net loss per common share	$ (0.04)	$ (0.03)
Weighted average number of common shares outstanding basic and diluted	11,150,794	10,716,486

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

CROWN EQUITY HOLDINGS, INC.

CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' DEFICIT

FOR THE YEARS ENDED DECEMBER 31, 2016 AND 2015

	Preferred Stock		Common Stock		Additional Paid-In	Accumulated	Total Stockholders'
	Shares	Amount	Shares	Amount	Capital	Deficit	(Deficit)
Balances, December 31, 2014	-	-	10,566,969	10,567	9,760,054	(10,189,003)	(418,382)
Common stock issued for cash	-	-	22,081	22	22,059	--	22,081
Common stock issued for services	-	-	152,496	152	240,170	--	240,322
Common stock issued for settlement of accounts payable	-	-	19,495	20	23,374	--	23,394
Conversion of debt to common stock	-	-	143,523	144	178,092	--	178,236
Forgiveness of related party debt	-	-	--	--	112,141	--	112,141
Net loss	-	-	--	--	--	(383,111)	(383,111)
Balances, December 31, 2015	-	$ -	10,904,564	$ 10,905	$ 10,335,890	$ (10,572,114)	$ (225,319)
Common stock issued for services	-	-	100,000	100	274,900	--	275,000
Common stock	-	-	218,267	218	143,548	--	143,766

issued for cash											
Common stock issued for settlement of debt	-		-	119,000		119		79,031		--	79,150
Preferred stock issued for services	1,000		10,000	--		--		--		--	1
Debt discount due to beneficial conversion feature	-		-	--		--		44,000		--	44,000
Net loss	-		-	--		--		--		(500,955)	(500,955)
Balances at December 31, 2016	1,000	$	10,000	11,341,831	$	11,342	$	10,887,369	$	(11,073,069)	$ (184,357)

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

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CROWN EQUITY HOLDINGS, INC.

CONSOLDIATED STATEMENTS OF CASH FLOWS

	For the Years Ended December 31, 2016	2015
Cash flows from operating activities		
Net loss	$ (500,955)	$ (383,111)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation expense	-	618
Gain on sale of subsidiaries	5,967	-
Common stock issued for services	275,000	240,322
Preferred stock issued for services	1	-
Loss on settlement of debt	19,443	58,612
Amortization of beneficial conversion features	44,000	58,612
Changes in operating assets and liabilities		
Accounts payable and accrued expenses	(14,206)	15,653
Accrued expenses – related party	5,557	-
Net cash used in operating activities	(165,193)	(67,906)
Cash flows from investing activities		
Proceeds from sale of subsidiaries	100	-
Net cash provided by investing activities	100	-
Cash flows from financing activities		
Proceeds from convertible notes payable	17,000	22,983
Proceeds from sale of stock	143,766	22,081
Proceeds from notes payable - related party	-	22,921
Proceeds from convertible notes payable - related party	30,000	-
Payments on notes payable - related party	(17,558)	-
Net cash provided by financing activities	173,208	67,985
Net increase in cash	8,115	79
Cash, beginning of period	2,448	2,369
Cash, end of period	$ 10,563	$ 2,448
SUPPLEMENTAL DISCLOSURE:		
Interest paid	$ -	$ -
Income taxes paid	-	-
NONCASH INVESTING AND FINANCING ACTIVITIES:		

Common stock issued for settlement of debt and interest	$ 2,000	$ -
Common stock issued for settlement of accounts payable	-	19,495
Common stock issued for debt and interest conversion	57,000	123,523
Forgiveness of debt related party	-	112,141
Debt issued for settlement payment made by related party on behalf of the Company	10,000	-
Debt discount resulting from convertible notes	44,000	-

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

CROWN EQUITY HOLDINGS, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1 – NATURE OF BUSINESS AND SUMMARY OF ACCOUNTING POLICIES

Nature of Business

Crown Equity Holdings Inc. ("Crown Equity", “our”, “we”, or the "Company") was incorporated in August 1995 in Nevada. The Company offers through its digital network of websites, advertising branding, marketing solutions and other services to boost customer awareness, as well as merchant visibility as a worldwide online multi-media publisher. The Company focuses on the distribution of information for the purpose of bringing together its audience with the advertisers that want to reach them. Its advertising services cover and connect a range of marketing specialties, as well as provide search engine optimization for clients interested in online media awareness. Crown Equity Holdings' objective is making its endeavor known as CRWE WORLD into a global online news and information source, as well as a global one stop shop for various distinct products and services. The Company also offers services to companies seeking to become public entities in the United States, as well as providing various consulting services to companies and individuals dealing with corporate structure and operations globally.

In 2010, the Company formed two subsidiaries Crown Tele Services, Inc. and CRWE Direct, Inc. Crown Tele Services Inc. was formed to provide voice over IP messaging at a competitive price to other competitors and CRWE Direct was formed to provide its client with direct sales of products.

In 2011, the Company formed a wholly owned subsidiary CRWE Real Estate Inc. CRWE Real Estate Inc. was formed to hold real estate. CRWE Real Estate Inc., Crown Tele Services, Inc. and CRWE Direct, Inc. were sold in December of 2016 for aggregate consideration of $100 resulting in a gain of $5,967.

In 2016, the company sale of the subsidiaries is not considered to be a strategic shift since there were minimal activities during the year in the subsidiaries.

Assets	-
Intercompany	-
Total Assets sold	**-**

Cash	100
Payable assumed by buyer	5,867
Total Consideration	**5,967**
Gain on sale of subsidiaries	**5,967**

Principles of Consolidation

The consolidated financial statements include the financial information of Crown Equity Holdings, Inc. At the end of 2016, the following subsidiaries were divested and are not included in the financial statements: Crown Tele Services Inc., CRWE Direct Inc. and CRWE Real Estate, Inc.

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 reported amounts of assets and liabilities at the date of the balance sheet. Actual results could differ from those estimates.

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Cash and Cash Equivalents

Crown Equity considers all highly liquid investments purchased with an original maturity of three months or less to be cash equivalents.

Stock-Based Compensation

The Company accounts for stock-based compensation to employees in accordance with ASC 718 requiring employee equity awards to be accounted for under the fair value method. Accordingly, share-based compensation is measured at grant date, based on the fair value of the award and is recognized as expense over the requisite employee service period. The Company accounts for stock-based compensation to other than employees in accordance with FASB ASC 505-50. Equity instruments issued to other than employees are valued at the earlier of a commitment date or upon completion of the services, based on the fair value of the equity instruments and is recognized as expense over the service period. The Company estimates the fair value of share-based payments using the Black-Scholes option-pricing model for common stock options and the closing price of the Company's common stock for common share issuances.

Revenue Recognition

Crown Equity's revenue is recognized pursuant to ASC 605 "Revenue Recognition." The Company recognizes its revenue from services as those services are performed. Revenue recognition is limited to the amount that is not contingent upon delivery of any future service or meeting other specified performance conditions.

The Company recognizes its revenue from the display of impression and click based ads, as well as from its publishing distribution service and domain name registration products and recognizes revenue when the service is provided.

Services are normally completed as described on the sales invoice issued for the service provided. In most cases the services is a one-time completion and recognized when the service is completed.

Allowance for Doubtful Accounts

The Company establishes an allowance for bad debts through a review of several factors including historical collection experience, current aging status of the customer accounts, and financial condition of our customers. The Company does not generally require collateral for our accounts receivable. There was no allowance for doubtful accounts as of December 31, 2016 and 2015.

Concentrations

In 2016, the Company's revenues received were based on the company's consulting services which were (100%) from one customer and from the displaying of click based and impressions ads located on the company's websites; name registration from the company's domain website, and the company's news and press release publishing and distribution services. In 2015, the Company's revenues were generated from the display of impression and click based ads, as well as from its publishing distribution service and domain name registration product.

General and Administrative Expenses

Crown Equity's general and administrative expenses consisted of the following types of expenses during 2016 and 2015: Compensation expense, payroll expense, rent, travel and entertainment, legal and accounting, utilities, web sites, office expenses, depreciation and other administrative related expenses.

Property and Equipment

Property and equipment are carried at the cost of acquisition or construction and depreciated over the estimated useful lives of the assets. Costs associated with repair and maintenance are expensed as incurred. Costs associated with improvements which extend the life, increase the capacity or improve the efficiency of our property and equipment are capitalized and depreciated over the remaining life of the related asset. Gains and losses on dispositions of equipment are reflected in operations. Depreciation is calculated using the straight-line method over the estimated useful lives of the assets, which are 3 to 5 years. Depreciation expense during the years ended December 31, 2016 and 2015 totaled $0 and $618, respectively.

Impairment of Long-Lived Assets

The Company reviews the carrying value of its long-lived assets annually or whenever events or changes in circumstances indicate that the historical-cost carrying value of an asset may no longer be appropriate. The Company assesses recoverability of the asset by comparing the undiscounted future net cash flows expected to result from the asset to its carrying value. If the carrying value exceeds the undiscounted future net cash flows of the asset, an impairment loss is measured and recognized. An impairment loss is measured as the difference between the net book value and the fair value of the long-lived asset. Fair value is estimated based upon either discounted cash flow analysis or estimated salvage value. No impairment charge was recorded in 2016 or 2015.

Basic and Diluted Net Loss per Share

Basic and diluted net loss per share calculations are calculated on the basis of the weighted average number of common shares outstanding during the year. They include the dilutive effect of common stock equivalents in years with net income. Basic and diluted net loss per share are the same due to the absence of common stock equivalents.

Income Taxes

Crown Equity recognizes deferred tax assets and liabilities based on differences between the financial reporting and tax basis of assets and liabilities using the enacted tax rates and laws that are expected to be in effect when the differences are expected to be recovered. Crown Equity provides a valuation allowance for deferred tax assets for which it does not consider realization of such assets to be more likely than not.

Uncertain tax position

The Company also follows the guidance related to accounting for income tax uncertainties. In accounting for uncertainty in income taxes, the Company recognizes the financial statement benefit of a tax position only after determining that the relevant tax authority would more likely than not sustain the position following an audit. For tax positions meeting the more likely than not threshold, the amount recognized in the financial statements is the largest benefit that has a greater than 50% likelihood of being realized upon ultimate settlement with the relevant tax authority. No liability for unrecognized tax benefits was recorded as of December 31, 2016 and 2015.

Fair Value of Financial Instruments

The ASC guidance for fair value measurements and disclosure establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described below:

Level 1 Inputs – Quoted prices for identical instruments in active markets.

Level 2 Inputs – Quoted prices for similar instruments in active markets; quoted prices for identical or similar instruments in markets that are not active; and model-derived valuations whose inputs are observable or whose significant value drivers are observable.

Level 3 Inputs – Instruments with primarily unobservable value drivers.

The Company's financial instruments consist of cash and debt. The carrying amount of these financial instruments approximates fair value due either to length of maturity or interest rates that approximate prevailing market rates unless otherwise disclosed in these consolidated financial statements.

Reclassifications

Certain prior period amounts have been reclassified to conform to current period presentation.

Recently Issued Accounting Pronouncements

Crown Equity does not expect the adoption of any recently issued accounting pronouncements to have a significant impact on their financial position, results of operations or cash flows.

NOTE 2 – GOING CONCERN

As shown in the accompanying consolidated financial statements, Crown Equity has historically suffered losses from operations and had a working capital deficit as of December 31, 2016. These conditions raise substantial doubt as to Crown Equity's ability to continue as a going concern. The consolidated financial statements do not include any adjustments that might be necessary if Crown Equity is unable to continue as a going concern.

Crown Equity continues to review its expense structure reviewing costs and their reduction to move towards profitability. Management plans to continue raising funds through debt and equity financing to grow the business to profitability.

NOTE 3 – NOTES PAYABLE

During 2016 the Company borrowed an aggregate $57,000 under the following transactions:

- During February 2016, the Company entered into a one year, convertible at $0.50/share, 12% interest bearing note for $40,000 with a related party. The note was $30,000 cash and $10,000 in expense paid on behalf of the Company. This note was converted in full during the year in accordance with the terms.
- On January 6, 2016, the Company entered into a one year, convertible at $0.50/share, 12% interest bearing note for $1,000 with a non-related party. This note was converted in full during the year.
- On January 25, 2016, the Company entered into a one year, convertible at $0.50/share, 12% interest bearing note for $1,000 with a non-related party. This note was converted in full during the year.
- On January 14, 2016, the Company entered into a one year, convertible at $0.50/share, 12% interest bearing note for $15,000 with a non-related party. This note was converted in full during the year.

The Company analyzed the notes for derivatives noting none. The Company evaluated these convertible notes for beneficial conversion features and concluded that the beneficial conversion features resulted in a debt discount in the amount of $44,000. The notes were converted in full as of December 31, 2016 and the debt discount was expensed as interest during the year ended December 31, 2016.

The Company paid back a total of $17,558 in related party note payable during the year and converted $40,000 of related party convertible notes into common stock at $0.50/share. The balance due on related party notes is $6,116 which is due on demand, has 12% interest, and is in default.

During 2016, the Company converted $19,000 of third party note payable. The balance due on third party notes payable is $9,500 which is unsecured, bears no interest, and is due on demand.

During 2015 the Company borrowed an aggregate $22,983 under the following third party transactions:

- A note due on 12/18/16, convertible at $0.50, 12% interest bearing note for $1,000 from a non-related party.
- A note due on 1/26/16, convertible at $0.50, 12% interest bearing note for $983 from a non-related party.
- A note due on 1/6/17, convertible at $0.50, 12% interest bearing note for $20,000 from a non-related party.
- A note due on 7/6/16, convertible at $0.50, 12% interest bearing note for $1,000 from a non-related party.

The Company analyzed the notes for derivatives noting none. The Company evaluated these convertible notes for beneficial conversion features at December 31, 2015 and concluded that there were none as no convertible terms had been agreed to at December 31, 2015.

During 2015, third party debt of $59,433 was settled through the issuance of common stock resulting in loss of $42,952.

As of December 31, 2016 and 2015, the aggregate outstanding principal on third party notes payable was $9,500 and $11,500, respectively.

NOTE 4 – RELATED PARTY TRANSACTIONS

The Company is provided office space by one of the officers and directors at no charge. The Company believes that this office space is sufficient for its needs for the foreseeable future.

As of December 31, 2016 and 2015, the Company had a payable of $10,583 and $5,026 respectively to Montse Zaman, director. The payable is unsecured, bears no interest and due on demand.

As of December 31, 2016 and 2015, the aggregate outstanding balance of notes payable to related parties was $6,116 and $23,674, respectively consisting of loans described in Note 3. This note is in default.

During 2016, the Company issued 1,000 shares of Series A preferred stock valued at $1 to the President for services. These shares carry the right to elect the majority of the board of directors. The holder of these Series A Preferred shares has 110% of outstanding common shares voting power in electing the majority of the board members.

During 2015, the Company made additional borrowings of $230 under a related party note and $1,000 of related party loans and interest of $373 was converted to 1,373 common shares resulting in a loss of $275. The remaining $230 was paid back during the year ended December 31, 2016.

During 2014, a related party of the Company, made advances due from the Company of $4,000. The debt is unsecured, carries 12% interest rate and is due on demand. The debt was converted in full into common shares of the Company during the year ended December 31, 2016.

During the year ended December 31, 2016, the Company paid an aggregate of $5,830 of expenses on behalf of two related entities with common officers and directors. The Company holds investments in these entities. $1,800 was paid back during the year which was treated as a reduction of expenses previously paid.

NOTE 5 – STOCKHOLDERS' EQUITY

On December 30, 2016, the company's Amended and Restated Certificate of Incorporation that changed its authorized shares of common stock to 450,000,000 shares and preferred stock to 20,001,000 shares.

The Company recorded $44,000 as debt discount on convertible notes that was added to additional paid-in capital.

In December, 2007, the Company adopted the Crown Equity Holdings, Inc. Consultants and Employees Stock Plan for 2007. Under the Plan, 10,000,000 shares are reserved for issuance to employees, officers, directors, advisors and consultants.

During 2016, the Company issued 1,000 shares of Series A preferred stock to the President for services. These shares carry the right to elect the majority of the board of directors. These shares carry the right to elect the majority of the board of directors The holder of these Series A Preferred shares has 110% of outstanding common shares voting power in electing the majority of the board members.

During 2016, the Company issued:

- 100,000 common shares for services with a value of $275,000
- 119,000 common shares for settlement of interest and debt with a fair value of $79,150 for the settlement of $59,707 in debt and interest resulting in a loss of $19,443
- and 218,267 common shares issued for cash of $143,766

During 2015, the Company issued:

- 22,081 common shares issued for cash proceeds of $22,081,
- 152,496 common shares issued for services with a value of $240,322,
- 143,523 shares issued with fair value of $178,236 for the settlement of $123,523 in debt and interest resulting in a loss of $54,713,
- and 19,495 shares issued with fair value of $23,394 for the settlement of $19,495 in accounts payable resulting in a loss of $3,899.

NOTE 6 – INCOME TAXES

The Company follows ASC 740, Accounting for Income Taxes. During 2009, there was a change in control of the Company. Under section 382 of the Internal Revenue Code such a change in control negates much of the tax loss carry forward and deferred income tax. Deferred income taxes reflect the net tax effects of (a) temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax reporting purposes, and (b) net operating loss carry forwards. For federal income tax purposes, the Company uses the accrual basis of accounting, the same that is used for financial reporting purposes.

The Company did not have taxable income during 2016 or 2015.

The Company's deferred tax assets consisted of the following as of December 31, 2016 and 2015:

	2016	2015
Net operating loss	$ 559,054	$ 530,300
Valuation allowance	(559,054)	(530,300)
Net deferred tax asset	$ -	$ -

As of December 31, 2016, the Company's accumulated net operating loss carry forward was approximately $1,663,924 and will begin to expire in the year 2032. Federal income tax returns have not been examined and reported upon by the Internal Revenue Service; returns of the years since 2014 are still open.

The 2017 Act reduces the corporate tax rate from 35% to 21% for tax years beginning after December 31, 2017. For net operating losses (NOLs) arising after December 31, 2017, the 2017 Act limits a taxpayer's ability to utilize NOL carryforwards to 80% of taxable income. In addition, NOLs arising after 2017 can be carried forward indefinitely, but carryback is generally prohibited. NOLs generated in tax years beginning before January 1, 2018 will not be subject to the taxable income limitation. The 2017 Act would generally eliminate the carryback of all NOLs arising in a tax year ending after 2017 and instead would permit all such NOLs to be carried forward indefinitely.

NOTE 7 - SUBSEQUENT EVENTS

Subsequent to December 31, 2016, the Company issued total common shares of 457,558 which are broken down as follows:

- 84,000 shares were issued for cash proceeds of $42,000 and

Promissory notes the Company entered subsequent to 12/31/16:

- During 2017, the following promissory notes were entered into subsequent to 12/31/16: all notes have the following terms: 12% annual interest, due within one year and are convertible upon request from the holder.

1.) two notes with Arnulfo Saucedo-Bardan for $620 and $1,240; 2.) one note from Mike Zaman for $2,310; 3.) one note from Chris Knudsen for $1,031; 4.) one note from Kevin Wiltz for $1,500; 5.) one note from Richard W. LeAndro for $3,000; 6.) one note from Montse Zaman for $2,300;

- During 2018, the following promissory notes were entered into subsequent to 12/31/16: all notes have the following terms: 12% annual interest, due within one year and are convertible upon request from the holder.

1.) one note from Richard W. LeAndro for $3,000; 2.) two notes from Montse Zaman for $1,785 and $1,460; 3.) one note from Mike Zaman for $450.

On June 13, 2017 the following executive changes occurred:

- Accepted the resignations of Rudy Chacon as a Director and Vice President, and Steven Onoue as a Director.

On June 21, 2017 the following SEC filing occurred:

· The company filed Notice of Exempt Offering of Securities in reference to its Private Placement Memorandum.

On November 20, 2017 and December 19, 2017 the following two leases occurred respectively:

· The company leased equipment and devices from Dell in reference to servers to manage programs and network resources. Terms:

11/20/17 • Dell Financial Services • Equipment lease - Dell server products • Monthly rent payment: $1,186 • Lease term: 60 months • End of lease purchase option $1.

12/19/17 • Lessor - Dell Financial Services • Equipment lease - Dell server products • Equipment total: $1,505 • Monthly rent payment: $54 • Lease term: 36 months • End of lease purchase option $1.

On February 20, 2018:

· The company sold its "Doing Business As" company known as (iB2BGlobal.com) to American Video Teleconferencing, Corp. (AVOT), which included maintenance and maintaining the "iB2BGlobal.com" online site within the Crown Equity Holdings server in exchange for 40,000,000 restricted shares of "AVOT" stock.

On June 26, 2018 the following director changes occurred:

- Απποιντεδ Στεϖε Χαντορ ασ α Διρεχτορ ανδ Χηαιρμαν οφ Βοαρδ. Μικε Ζαμαν ρεσιγνεδ ασ Χηαιρμαν οφ Βοαρδ.