Blink Technologies, Inc.
Form 10-Q
August 11, 2014

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM 10-Q

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

For the quarterly period ended December 31, 2013

Blink Technologies, Inc.
(Exact name of registrant as specified in Charter)

Nevada	**000-53564**	**26-1395403**
(State or other jurisdiction of incorporation or organization)	(Commission File No.)	(IRS Employee Identification No.)

5536 S. Ft. Apache #102

Las Vegas, NV 89148

(Address of Principal Executive Offices)

(949) 903-9144

(Issuer Telephone number)

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

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 x

Indicate by check mark whether the registrant is a larger accelerated filer, an accelerated filer, or a non-accelerated filer. See definition of "accelerated filer and large accelerated filer" in Rule 12b-2 of the Exchange Act. (Check one)

Large accelerated filer	¨	Accelerated filer	¨
Non-accelerated filer	¨	Smaller reporting company	x

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

Indicate the number of shares outstanding of each of the registrant’s classes of common stock, as of the latest practicable date. At August 6, 2014 the registrant had outstanding 43,950,602 shares of common stock, $.0001 par value per share. The registrant’s common stock is listed under the symbol “PUNK.PK”.

Blink Technologies, Inc.

FORM 10-Q

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PART 1 – FINANCIAL INFORMATION

Item1. Financial Statements.

Blink Technologies, Inc.

Condensed Consolidated Balance Sheets (Unaudited)

	December 31, 2013	September 30, 2013
ASSETS		
Current assets:		
Cash	$ 2,748	$ 1,951
Assets from discontinued operations	17,210	17,210
Total current assets	19,958	19,161
Assets from discontinued operations	-	30,139
Total assets	$ 19,958	$ 49,300
LIABILITIES AND STOCKHOLDERS' DEFICIT		
Current liabilities:		
Accounts payable and accrued liabilities	$ 25,974	$ 19,323
Accrued interest	50,160	40,182
Convertible notes payable	344,809	344,809
Promissory note	100,000	100,000
Liabilities from discontinued operations	124,722	379,332
Total current liabilities	645,665	883,646
Total liabilities	645,665	883,646
Commitments and contingencies		
Stockholders' deficit:		
Preferred stock, $0.0001 par value; 25,000,000 shares authorized; none issued and outstanding at December 31, 2013 and September 30, 2013	-	-
Common stock, $0.0001 par value; 200,000,000 shares authorized; issued and outstanding 19,950,602 at December 31, 2013 and September 30, 2013	1,995	1,995

Additional paid-in capital	1,444,102	1,385,250
Accumulated deficit	(2,071,804)	(2,221,591)
Total stockholders' deficit	(625,707)	(834,346)
Total liabilities and stockholder's deficit	$ 19,958	$ 49,300

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

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Blink Technologies, Inc.

Consolidated Statements of Operations (Unaudited)

	Three Months Ended December 31, 2013	2012
Net sales	$ -	$ -
Cost of sales	-	-
Gross profit	-	-
Operating expenses:		
General and administrative	7,968	92,686
Operating loss	(7,968)	(92,686)
Other income (expense):		
Interest expense	(9,978)	(4,840)
Interest expense - accretion of debt discount	(58,852)	-
Total other income (expense)	(68,830)	(4,840)
Loss from continung operations	(76,798)	(97,526)
Income tax provision (benefit)	-	-
Net loss from continuing operations	(76,798)	(97,526)
Gain (loss) from discontinued operations	226,585	(289,108)
Net income (loss)	149,787	(386,634)
Basic and diluted income (loss) per common share:		
Continuing operations	$ (0.004)	$ (0.002)
Discontinued operations	0.011	(0.006)
Total	$ 0.008	$ (0.008)
Weighted average common shares outstanding - basic	19,950,602	46,057,164
The shares listed below were not included in the computation of diluted losses per share because to do so would have been antidilutive for the periods presented:		

Convertible promissory notes	2,705,376	1,473,994

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

Blink Technologies, Inc.

Consolidated Statements of Cash Flows (Unaudited)

	Three Months Ended December 31, 2013	2012
Cash flows from operating activities:		
Loss on continuing operations	$ (76,798)	$ (97,526)
Income (loss) on discontinued operations	226,585	(289,108)
Reconciliation to net cash provided by (used in) continuing operations:		
Depreciation and amortization	-	3,551
Accretion of debt discount	58,852	91,897
Common stock issued for services	-	116,438
Gain on forgivness of debt	(256,092)	-
Impairment of assets	29,507	-
Changes in assets and liabilities:		
Accounts receivable	-	(4,353)
Inventory	-	960
Other current assets	-	2,628
Accounts payable	8,765	93,386
Accrued interest	9,978	11,124
Net cash provided (used) by operating activities	797	(71,003)
Cash flows from investing activities:		
Capital expenditures, net	-	-
Net cash used by investing activities	-	-
Net cash provided by financing activities:		
Proceeds from promissory notes	-	2,141
Payment of promissory note	-	(100,000)
Proceeds from revolving credit facility	-	93,650
Payments of revolving credit facility	-	(151,526)
Net cash used by financing activities	-	(155,735)
Net increase (decrease) in cash	797	(226,738)
Cash - beginning of period	1,951	226,738
Cash - end of period	$ 2,748	$ -
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION		
CASH PAID DURING THE YEAR FOR:		
Taxes paid	$ -	$ -
Interest paid	$ -	$ -
NON-CASH FINANCING ACTIVITIES:		

Value of common stock issued for services	$	-	$	82,538
Value of debt discount recorded for beneficial conversion feature	$	58,852	$	91,897
Value of stock issued for deferred stock compensation	$	-	$	33,900

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

Blink Technologies, Inc.

Notes to the Condensed Consolidated Financial Statements (Unaudited)

Basis of Presentation

The unaudited financial statements of Blink Technologies, Inc. as of December 31, 2013, and for the three months ended December 31, 2013 and 2012, have been prepared in accordance with accounting principles generally accepted in the United States for interim financial reporting and include our wholly-owned subsidiary, Punk Industries, Inc. ("Punk"). Accordingly, they do not include all of the disclosures required by accounting principles generally accepted in the United States for complete financial statements and should be read in conjunction with the audited consolidated financial statements and notes thereto for the year ended September 30, 2013, as filed with the Securities and Exchange Commission as part of the Company's Form 10-K. In the opinion of management, all adjustments (consisting only of normal recurring adjustments) considered necessary for a fair presentation of the interim financial information have been included. The Company did not record an income tax provision during the periods presented due to net taxable losses. The results of operations for any interim period are not necessarily indicative of the results of operations for the entire year.

Note A – Organization and Going Concern

Organization

Blink Technologies, Inc. (fka ePunk, Inc.) was originally incorporated under the laws of the State of Delaware on April 27, 2007 as Sewell Ventures, Inc. On January 29, 2010, the Company was re-domiciled to the State of Nevada.

On February 10, 2014, the Company entered into a Share Exchange Agreement with and Blink Technologies, Inc., a Nevada corporation whereby the Company has agreed to issue, on a pro rata basis, a total of 24,000,000 shares of the Company's common stock, which will represent 54.98% of the post-closing issued and outstanding shares of the Company, in exchange for all of the issued and outstanding common share capital of Blink Technologies. Blink Technologies is based in Silicon Valley and is focused on delivering consumer technology solutions that enhance and expand the experiences people enjoy every-day while using essential electronic devices such as smartphones, tablets, and TVs. On June 26, 2014, the Company issued 24,000,000 shares of common stock due and allocated as of February 10, 2014, to sixty nine shareholders of record in accordance with the terms and conditions of the Share Exchange Agreement with Blink Technologies, Inc., dated February 10, 2014.

Going Concern

The accompanying consolidated financial statements have been prepared in conformity with generally accepted accounting principles in the United States of America, which contemplate continuation of the Company as a going concern. In the course of funding sales and marketing activities, the Company has sustained operating losses since inception, and, as of December 31, 2013, has an accumulated deficit of $2,071,804 and negative working capital of $625,707. The Company will continue to use capital and may not be profitable for the foreseeable future. These factors raise doubt about the ability of the Company to continue as a going concern. In this regard, management is proposing to raise any necessary additional funds not provided by operations through loans or through sales of common stock. There is no assurance that the Company will be successful in raising this additional capital. If adequate funds are not available on reasonable terms or at all, it would result in a material adverse effect on the Company's business, operating results, financial condition and prospects.

In view of these conditions, the ability of the Company to continue as a going concern is in substantial doubt and dependent upon achieving a profitable level of operations and on the ability of the Company to obtain necessary financing to fund ongoing operations. Management is planning to raise necessary additional funds for working capital through loans and additional sales of its common stock. However, there is no assurance that the Company will be successful in raising additional capital or that such additional funds will be available on acceptable terms, if at all. Should the Company be unable to raise this amount of capital its operating plans will be limited to the amount of capital that it can access. These financial statements do not give effect to any adjustments which will be necessary should the Company be unable to continue as a going concern and therefore be required to realize its assets and discharge its liabilities in other than the normal course of business and at amounts different from those reflected in the accompanying consolidated financial statements.

Note B – Discontinued Operations

On October 9, 2013, the Company and TCA Global Credit Master Fund ("TCA") executed an Assignment, Assumption Waiver and Termination Agreement (the "Assignment Agreement") as a result of the default by the Company under the Credit Agreement for failure to make principle and interest payments. Under the Assignment Agreement the Company assigned all of its right, title and interest in the website www.countyimports.com in consideration for (i) the TCA's waiver of its rights to foreclose upon the Collateral (as defined in the Credit Agreement), (ii) TCA's immediate release and discharge of all liens and security interests currently held in favor of TCA against the Company, (ii) TCA's immediate release and discharge of all obligations owed by the Company under and pursuant to the Credit Agreement and all Loan Documents (as defined therein) and (iii) TCA's immediately termination of the Credit Agreement and all Loan Documents. As a result, the Company effectively ceased revenue generating activities and on October, 9, 2013, the Company impaired the full value of its fixed and intangible assets. These financial statements reflect the revenue generating activities and related financial statement items as discontinued operations.

Discontinued operations are comprised of the following balance sheet components:

		December 31, 2013		September 30, 2013
Current assets:				
Other current assets		17,210		17,210
Total current assets		17,210		17,210
Non current assets:				
Property, plant and equipment, net		-		22,252
Intangible assets net of $4,613 and $2,827 of amortization, respectively		-		7,887
Total non current assets		-		30,139
Total assets	$	17,210	$	47,349
Current liabilities:				
	$	124,722	$	123,240

Accounts payable and accrued liabilities				
Accrued interest		-		13,968
Revolving credit facility, net of $0 and $265,288 discount, respectively		-		242,124
Total current liabilities	$	124,722	$	379,332

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Note C – Promissory Notes

Convertible Promissory Notes ("CPN")

As of December 31, 2013, the Company had the following CPNs:

Date of: Issuance	Maturity	Conversion Price	Status	Principle	Accrued Interest	Total Outstanding
01/28/11	07/28/11	$ 0.10	In default	$ 5,000	$ 1,169	$ 6,169
06/21/11	01/21/12	$ 0.10	In default	2,500	506	3,006
06/24/11	01/24/12	$ 0.10	In default	10,000	2,019	12,019
07/14/11	02/14/12	$ 0.10	In default	10,000	1,975	11,975
07/28/11	02/28/12	$ 0.10	In default	10,000	1,944	11,944
08/10/11	02/10/12	$ 0.10	In default	15,263	2,924	18,187
08/19/11	02/19/12	$ 0.10	In default	10,000	1,898	11,898
09/21/11	03/21/12	$ 0.10	In default	21,500	3,925	25,425
10/12/11	04/12/12	$ 0.10	In default	2,900	508	3,408
10/19/11	04/19/12	$ 0.10	In default	7,500	1,290	8,790
11/09/11	05/09/12	$ 0.10	In default	11,950	1,970	13,920
01/03/12	07/03/12	$ 0.10	In default	11,817	1,886	13,703
02/27/12	08/27/12	$ 0.10	In default	15,392	2,270	17,662
01/09/13	06/09/13	$ 0.20	In default	75,021	5,854	80,875
02/08/13	08/08/13	$ 0.20	In default	41,928	2,996	44,924
03/18/13	09/15/13	$ 0.20	In default	35,185	2,221	37,406
05/22/13	11/22/13	$ 0.20	In default	33,853	1,655	35,508
06/04/13	12/04/13	$ 0.20	In default	25,000	1,151	26,151
				$ 344,809	$ 38,160	$ 382,969
Number of shares issuable upon exercise of the above debt upon default						2,705,376

From time to time the Company has issued CPNs all with identical terms, including a maturity date six to seven months from the date of issuance, eight percent (8%) per annum interest rate, no requirement for any payments prior to maturity, and the right to convert the outstanding principle and interest in to into fully paid and non-assessable shares of the Company's common stock at a fixed conversion price of $0.10 or $0.20 per share upon default. The conversion privilege provides for net share settlement only. Pursuant to ASC 470-20-25-5, the Company determined that due to the market price of the Company's common stock being greater than the conversion price contained in each CPN on the commitment date, each CPN contained a beneficial conversion feature (“BCF”) with an intrinsic value in excess of the face amount of each CPN. The resulting discount to the Loan is recorded to interest expense upon default. The Company has not received notice from the holder of the defaulted notes to enforce collection. The Company communicates regularly with the holder who has not expressed a desire to force collection at this time.

During the three months ended December 31, 2013 and 2012, the Company recognized $58,852 and $0 of expense related to the debt discount arising from the beneficial conversion feature of CPN's entering default status. During the three months ended December 31, 2013 and 2012, the Company recognized $6,953 and $2,698, respectively, of interest expense related to the stated interest rate contained in the Company's CPNs.

Non-Convertible Promissory Notes

On March 19, 2012, the Company entered into a Securities Purchase Agreement, Guaranty and Note (the "Note") with Gemini Master Fund, Ltd. under which the Company issued a promissory note with a face amount of $280,000 and received net proceeds of $245,000. The net proceeds include a $30,000 original issue discount ("OID") and $5,000 in documentary fees associated with the note and with held by the lender. The Note matured six months from the date of issue, bears interest of twelve percent (12%) per annum on the face amount and is payable in full upon maturity. In the event of default, the Note is subject to a penalty of 130% of the then outstanding principle and increase in the interest rate to twenty four percent (24%) per annum. In connection with the Note the Company issued 200,000 shares of restricted common stock. Pursuant to ASC 470-20-25, the Company recorded a debt discount of $105,933 including $70,933 attributable to the 200,000 shares of common stock and $35,000 to the OID and documentary fees. The debt discount was accreted over the term of the Note, or six months on a straight line basis during our second through the fourth quarter of 2012.

During the three months ended December 31, 2012, on October 3, 2012, the Company paid an additional $100,000 against the principle balance of the Note and issued 20,000 shares of restricted common stock to Gemini Master Fund, Ltd. in exchange for their not exercising the default terms of the Note. The shares were valued on the date of the Agreement or $0.93 per share. On December 31, 2012, Gemini sold and Amalfi Coast Capital purchased the remaining $100,000 balance remaining under the Note.

During the three months ended December 31, 2013 and 2012, the Company recognized $3,025 and $2,142, respectively of interest expense related to this note.

Note D – Stockholders Deficit

Preferred Stock

The Company has authorized 25,000,000 shares of $0.0001 par value preferred stock available for issuance. No shares of preferred stock have been issued as of December 31, 2013.

Common Stock

The Company has authorized 200,000,000 shares of $0.0001 par value common stock available for issuance. 19,950,602 shares are issued and outstanding as of December 31, 2013.

On May 22, 2013, 1) Jesse Gonzales returned and the company canceled 13,000,000 shares of common stock leaving Mr. Gonzales with 75,000 restricted common shares, 2) Justin Dornan returned and the company canceled 100% of Mr. Dornan's holdings or 7,910,000 shares of common stock, and 3) Frank Dreschler returned and the company canceled 100% of Mr. Dreschler's holdings or 5,300,000 shares of common stock.

On May 10, 2012 ("Effective Date"), the Company's Board of Directors and Majority Shareholders adopted the 2012 Stock Incentive Plan. (the "Plan")(See Exhibit 10.1 to the Company's December 31, 2011 Form 10-Q filed with the SEC on May 31, 2012). The purpose of the plan is to facilitate the ability of the Company and its subsidiaries to attract, motivate and retain eligible employees, directors and other personnel through the use of equity-based and other incentive compensation opportunities. The Company may issue each of the following under the Plan: incentive options, nonqualified options, Director shares, stock appreciation rights, restricted stock and deferred stock rights, other types of awards and performance-based awards as approved by the Board. No Award shall be granted pursuant to the Plan ten years after the Effective Date. Stock options to purchase shares of our common stock expire no later than ten years after the date of grant. The total number of shares available under the Plan is four million (4,000,000). In any fiscal year, the total number of shares that may be covered by awards made to an employee may not exceed 1,000,000 plus the aggregate amount of such individual’s unused annual share limit as of the close of the preceding fiscal year, and the maximum amount of cash that may be payable to an employee pursuant to performance-based cash awards made under Section 10 of the Plan is $1,000,000 plus the aggregate amount of such individual’s unused annual dollar limit as of the close of the preceding fiscal year. During the year ended September 30, 2013 and 2012, 156,931 and 781,837 shares of restricted common stock were issued under the Plan, respectively. As of December 31, 2013, 938,768 shares of restricted common stock have been issued under the Plan.

The Company measures and records stock-based compensation awards to employees pursuant to guidance in ASC 718 Compensation-Stock Compensation. The Company measures and records stock-based compensation awards to non-employees pursuant to guidance in ASC 505-50 Equity-Based Payments to Non-Employees.

Note E – Subsequent Events

Pursuant to FASB Accounting Standards Codification 855, Subsequent Events, Including ASC 855-10-S99-2, the Company evaluated subsequent events through the date of this report.

On February 10, 2014, the Company entered into a Share Exchange Agreement with Blink Technologies, Inc., a Nevada corporation whereby the Company has agreed to issue, on a pro rata basis, a total of 24,000,000 shares of the Company's common stock, which will represent 54.98% of the post-closing issued and outstanding shares of the Company, in exchange for all of the issued and outstanding common share capital of Blink Technologies. Blink Technologies is based in Silicon Valley and is focused on delivering consumer technology solutions that enhance and expand the experiences people enjoy every-day while using essential electronic devices such as smartphones, tablets, and TVs. On June 26, 2014, the Company issued 24,000,000 shares of common stock due and allocated as of February 10, 2014, to sixty nine shareholders of record in accordance with the terms and conditions of the Share Exchange Agreement with Blink Technologies, Inc., dated February 10, 2014.

On February 27, 2014, Sean Clarke, acting CEO of the Registrant, tendered his resignation to the Board of Directors, and Dean Miller was appointed as CEO and President. Also on that date, Clarke resigned from his position as a director effective upon the expiration of the ten day notice period required by Rule 14f-1, at which time additional persons designated by Mr. Miller were appointed as directors of the Registrant, Steve Dowdell and Robert Gilbert.

On April 23, 2014, ePunk, Inc., a Nevada corporation changed its name from ePunk, Inc. to Blink Technologies, Inc. The Company has submitted an application for name and symbol change with the Financial Industry Regulatory Authority (FINRA) but does not anticipate any name change to be finalized until after our Securities Exchange Act of 1934 filings are brought current.

On May 22, 2014, Steve Dowdell resigned as a director of the Company.

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

Forward-Looking Statements

This Form 10-Q includes "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. All statements, other than statements of historical facts, included or incorporated by reference in this Form 10-Q which address activities, events or developments which the Company expects or anticipates will or may occur in the future, including such things as future capital expenditures (including the amount and nature thereof); finding suitable merger or acquisition candidates; expansion and growth of the Company's business and operations; and other such matters are forward-looking statements. These statements are based on certain assumptions and analyses made by the Company in light of its experience and its perception of historical trends, current conditions and expected future developments, as well as other factors it believes are appropriate under the circumstances. However, whether actual results or developments will conform with the Company's expectations and predictions is subject to a number of risks and uncertainties, including general economic, market and business conditions; the business opportunities (or lack thereof) that may be presented to and pursued by the Company; changes in laws or regulation; and other factors, most of which are beyond the control of the Company.

These forward-looking statements can be identified by the use of predictive, future-tense or forward-looking terminology, such as "believes," "anticipates," "expects," "estimates," "plans," "may," "will," or similar terms. These statements appear in a number of places in this Filing and include statements regarding the intent, belief or current expectations of the Company, and its directors or its officers with respect to, among other things: (i) trends affecting the Company's financial condition or results of operations for its limited history; (ii) the Company's business and growth strategies; and, (iii) the Company's financing plans. Investors are cautioned that any such forward-looking statements are not guarantees of future performance and involve significant risks and uncertainties, and that actual results may differ materially from those projected in the forward-looking statements as a result of various factors. Such factors that could adversely affect actual results and performance include, but are not limited to, the Company's limited operating history, potential fluctuations in quarterly operating results and expenses, government regulation, technological change and competition.

Consequently, all of the forward-looking statements made in this Form 10-Q are qualified by these cautionary statements and there can be no assurance that the actual results or developments anticipated by the Company will be realized or, even if substantially realized, that they will have the expected consequence to or effects on the Company or its business or operations. The Company assumes no obligations to update any such forward-looking statements.

Business

On October 9, 2013, we assigned all of our right, title and interest in the website www.countyimports.com to TCA Global Credit Master Fund as a result of the default by our Company under the Credit Agreement for failure to make principle and interest payments. As a result, we effectively ceased revenue generating activities.

On February 10, 2014, we entered into a Share Exchange Agreement with Blink Technologies, Inc., a Nevada corporation whereby we agreed to issue, on a pro rata basis, a total of 24,000,000 shares of our common stock, which will represent 54.98% of the post-closing issued and outstanding shares our company, in exchange for all of the issued and outstanding common share capital of Blink Technologies. On June 26, 2014, we issued 24,000,000 shares of common stock due and allocated as of February 10, 2014, to sixty nine shareholders of record in accordance with the terms and conditions of the Share Exchange Agreement with Blink Technologies, Inc., dated February 10, 2014.

Plan of Operation

Blink Technologies is based in Silicon Valley and is focused on delivering consumer technology solutions that enhance and expand the experiences people enjoy every-day while using essential electronic devices such as smartphones, tablets, and TVs. Our long-term business strategy is to design, deliver, and support integrated data collection, aggregation, management, and content streaming solutions that include consumer electronic data computing devices complemented by innovative software-as-a-solution (SaaS), subscription-based data management applications. While we launched BiggiFi streaming media player into the domestic streaming media market in October 2013, management’s future business plan will focus on and deliver next-generation integrated consumer technology solutions that collect, aggregate, manage, and help make sense of data critical to maximizing user experiences, improving subject wellness, and optimizing personal performance.

Critical Accounting Estimates

The preparation of financial statements and related disclosures in conformity with accounting principles generally accepted in the United States requires us to make judgments, assumptions and estimates that affect the amounts reported. Note A of Notes to Financial Statements as filed with our Form 10-K describes the significant accounting policies used in the preparation of the financial statements. Certain of these significant accounting policies are considered to be critical accounting policies, as defined below.

A critical accounting policy is defined as one that is both material to the presentation of the Company's financial statements and requires management to make difficult, subjective or complex judgments that could have a material effect on the Company's financial condition and results of operations. Specifically, critical accounting estimates have the following attributes:

- We are required to make assumptions about matters that are highly uncertain at the time of the estimate; and
- Different estimates we could reasonably have used, or changes in the estimate that are reasonably likely to occur, would have a material effect on the Company's financial condition or results of operations.

Estimates and assumptions about future events and their effects cannot be determined with certainty. We base estimates on historical experience and on various other assumptions believed to be applicable and reasonable under the circumstances. These estimates may change as new events occur, as additional information is obtained and as the Company's operating environment changes. These changes have historically been minor and have been included in the consolidated financial statements as soon as they became known. Based on a critical assessment of the Company's accounting policies and the underlying judgments and uncertainties affecting the application of those policies, management believes that our financial statements are fairly stated in accordance with accounting principles generally accepted in the United States, and present a meaningful presentation of the Company's financial condition and results of operations.

In preparing the Company's financial statements to conform to accounting principles generally accepted in the United States, we make estimates and assumptions that affect the amounts reported in the Company's financial statements and accompanying notes. These estimates include useful lives for fixed assets for depreciation calculations and assumptions for valuing options and warrants. Actual results could differ from these estimates.

Stock-Based Compensation

We measure and record stock-based compensation awards to employees pursuant to guidance in ASC 718 Compensation-Stock Compensation. We measure and record stock-based compensation awards to non-employees pursuant to guidance in ASC 505-50 Equity-Based Payments to Non-Employees. We measure fair value by application of the Black-Scholes option pricing model and recognize expense over the requisite service period or upon completion of milestones for performance-based awards depending on the relevant guidance in ASC 708 or ASC 505.

Accounting Changes and Recent Accounting Standards

We review new accounting standards as issued. Although some of these accounting standards issued or effective after the end of our previous fiscal year may be applicable to us, we have not identified any standards that we believe merit further discussion. We believe that none of the new standards will have a significant impact on our consolidated financial statements.

Results of Operations

Three Months Ended December 31, 2013 Compared with the Three Months Ended December 31, 2012

Revenue, COGS and Gross Profit

	Three Months Ended December 31, 2013	2012
Discontinued operations:		
Net sales	$ -	$ 329,453
Cost of sales	-	225,586
Gross profit	$ -	$ 103,867

Revenue in 2012 was generated through www.Countyimports.com and consists of sales of scooters, ATV’s, UTV’s, motorcycles and parts and accessories. Sales decreased as a result of assigning all of the Company's right, title and interest in the website www.Countyimports.com to TCA Global Credit Master Fund in exchange for their release of all claims due under the Credit Agreement.

Operating Expenses

	Three Months Ended December 31,	
	2013	2012
General and administrative	$ 7,968	$ 40,186
Stock compensation expense	-	52,500
Discontinued operations:		
General and administrative	-	186,613
Sales and marketing	-	38,550
Depreciation and amortization	-	3,551
Stock compensation expense	-	63,938
Total operating expenses	$ 7,968	$ 385,338

As a result of the assignment www.Countyimports.com and resulting decrease in operating activities, operating expenses declined to reflect only those administrative costs required to maintain the corporate entity.

Other Income (Expense)

	Three Months Ended December 31,	
	2013	2012
Interest expense	$ (9,978)	$ (4,840)
Interest expense - accretion of debt discount	(58,852)	-
Discontinued operations:		
Interest expense	-	(8,426)
Interest expense - accretion of debt discount	-	(91,897)
Gain on forgivness of debt	256,092	-
Impairment of assets	(29,507)	-
Total other income (expense)	$ 157,755	$ (105,163)

"Interest expense" consists of interest related to our outstanding notes. "Interest expense - accretion of debt discount" relates to the amortization of the debt discount resulting from the beneficial conversion feature of our convertible notes due to Amalfi Coast Capital. Under discontinued operations, "interest expense" consists of interest related to our outstanding TCA notes. "Interest expense - accretion of debt discount" relates to the amortization of the debt discount resulting from the beneficial conversion feature of our convertible note due to TCA. As a result of the assignment of County Imports to TCA, and resulting note forgiveness, the Company recorded a gain and an impairment of the net book value of our fixed and intangible assets.

Net Loss

As a result of the foregoing, the Company recognized net income of $149,787 for the three months ended December 31, 2013 compared to a net loss of $386,634 during the three months ended December 31, 2012.

Liquidity and Capital Resources

At December 31, 2013, the Company had current assets of $19,958 and current liabilities totaling $645,665, including $494,969 of loan principle and accrued interest held by a single party. Management recognizes that in order for us to meet our capital requirements, and continue to operate, additional financing will be necessary. To date the Company has financed its expenses primarily from loans, sales of our common stock for cash and issuances of our common stock in exchange for services. Management is planning to raise necessary additional funds from those same sources.

Net cash provided by operating activities was $797 for the three months ended December 31, 2013 compared to cash used of $71,003 during the three months ended December 31, 2012.

Net cash used by financing activities was $0 for the three months ended December 31, 2013 compared to cash used of $155,735 during the three months ended December 31, 2012.

Off-Balance Sheet Arrangements

We have no off-balance sheet transactions.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

Not required under Regulation S-K for "smaller reporting companies."

Item 4. Controls and Procedures.

Disclosure Controls and Procedures

At the end of the period covered by this quarterly report, the Chief Executive and Chief Financial Officer of the Company (the "Certifying Officer") conducted an evaluation of the Company's disclosure controls and procedures. As defined under Sections 13a-15(e) and 15d-15(e) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), 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 Exchange Act 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 Exchange Act is accumulated and communicated to the issuer's management, including the Certifying Officer, to allow timely decisions regarding required disclosure.

Based on this evaluation, the Certifying Officer has concluded that the Company's disclosure controls and procedures were not effective, for the quarter covered by this report, to ensure that material information is recorded, processed, summarized and reported by management of the Company on a timely basis in order to comply with the Company's disclosure obligations under the Exchange Act, and the rules and regulations promulgated there under.

Internal Control over Financial Reporting

There were no changes in our internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) that occurred during the period covered by this report 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.

ePunk, Inc. v. Jesse Richard Gonzales et. al. (District Court, Clark County Nevada, Case No. A-12-699135-C). On April 11, 2013, the Company filed and action against certain individuals and entities including former officers Jesse Richard Gonzales and Justin Dorman (the "Defendants") alleging damages relating to certain actions involving the stock of the Company. The Complaint was for: Breach of Contract; Unjust Enrichment; Intentional Interference with Contract; Concert of Action; Injunctive Relief; Breach of the Implied Covenant of Good Faith and Fair Dealing; and Breach of Fiduciary Duty. Plaintiff EPUNK, INC. prayed for judgment against Defendants, for the following: general and special damages in excess of Ten Thousand Dollars ($10,000), and in an amount to be determined at trial, For an Order from this Court enjoining Defendants from transferring or otherwise alienating EPUNK, INC. stock pending the outcome of this action, interest upon an award of damages according to law, for reasonable attorney’s fees, for costs of suit, for any such other relief as the Court may deem just and proper. This matter is still ongoing . The Company is confident that it will achieve a favorable result in this matter.

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

None.

Item 3. Defaults Upon Senior Securities.

Please refer to the financial statement footnotes, "Note C - Promissory Notes". As of December 31, 2013, the Company is in default on all outstanding debt, including $494,969 of principal and accrued interest.

Item 4. Mine Safety Disclosures.

Not applicable.

Item 5. Other Information.

There is no information with respect to which information is not otherwise called for by this form.

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Item 6. Exhibits.

Exhibit	Description of Exhibit
2.1	Share Exchange Agreement by and among ePunk, Inc. a Nevada Corporation and Punk Industries, Inc. (Incorporated by reference from Exhibit 10.1 to Form 8-K filed with the Securities and Exchange Commission on July 21, 2011)
3.1	Articles of Incorporation (incorporated by reference from our Report on Form SB-2 filed on October 11, 2007)
3.2	Amended Articles of Incorporation (incorporated by reference from our Report on Form 8-K filed on February 8, 2010)
3.3	Amended and Restated Articles of Incorporation (incorporated by reference from our Report on Form 8-K filed on April 28, 2010)
3.4	Amended Articles of Incorporation (incorporated by reference from our Report on Form 8-K filed on June 22, 2011)
3.5	Bylaws (incorporated by reference from our Report on Form SB-2 filed on October 11, 2007)
10.1	Form of Stock Purchase Agreement dated June 15, 2011 (Incorporated by reference from Exhibit 10.1 to Form 8-K filed with the Securities and Exchange Commission on June 22, 2011).
10.2	Form of employment agreement between Jesse Gonzales and the Company (Incorporated by reference from Exhibit 10.2 to Form 10-K filed with the Securities and Exchange Commission on February 14, 2013).
10.3	Form of employment agreement between Justin Dornan and the Company (Incorporated by reference from Exhibit 10.3 to Form 10-K filed with the Securities and Exchange Commission on February 14, 2013).
10.4	Form of stock cancellation agreement from Jesse Gonzales, Justin Dornan and Frank Drechsler dated August 7, 2012 (Incorporated by reference from Exhibit 10.1, 10.2 and 10.3 to Form 8-K filed with the Securities and Exchange Commission on August 8, 2012).
10.5	Form of Senior Secured Revolving Credit Facility Agreement, Revolving Promissory Note, Guaranty Agreement and Security Agreement(s) between ePunk, Inc., Punk Industries, Inc. and TCA Global Credit Master Fund, LP (Incorporated by reference from Exhibit 10.1, 10.2, 10.3, 10.4 and 10.5 to Form 8-K filed with the Securities and Exchange Commission on September 28, 2012).

10.6	Operating Agreement between ePunk, Inc and San West, Inc. for the management and operation relating to the business of County Imports dated May 28, 2013 (Incorporated by reference from Exhibit 10.1 to Form 8-K filed with the Securities and Exchange Commission on June 21, 2013).
10.7	Restricted common stock cancellation: Jesse Gonzales cancelled 13,000,000 shares; Justin Dornan cancelled 7,910,000 shares and Frank Dreschler cancelled 5,300,000 shares (Incorporated by reference from Exhibit 10.2 to Form 8-K filed with the Securities and Exchange Commission on June 21, 2013).
10.8	Assignment, Assumption Waiver and Termination Agreement between ePunk, Inc. and TCA Global Credit Master Fund, LP. (Incorporated by reference to the exhibits filed as part of the report on Form 10-Q for the quarter ended December 31, 2012, , filed on June 5, 2014).
31.1*	Chairman of the Board, Chief Executive Officer and Chief Financial Officer Certification Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1*	Chairman of the Board, Chief Executive Officer and Chief Financial Certification 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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* 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.

SIGNATURES

In accordance with the requirements of the Exchange Act, the registrant caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Blink Technologies, Inc.

(Registrant)

Dated: August 11, 2014

By:*/s/ Dean Miller*
Dean Miller
Chief Executive Officer, Chief Financial Officer

(Principal Accounting Officer)