COASTAL INTEGRATED SERVICES, INC.

FINANCIAL STATEMENTS
June 30, 2014
(Unaudited)

COASTAL INTEGRATED SERVICES, INC.

BALANCE SHEETS

	June 30, 2014	December 31, 2013
Assets:		
Current Assets		
Cash	$2,067	$4,261
Total Current Assets	$2,067	$4,261
Deposit	-	-
Total Assets	$2,067	$4,261
Liabilities:		
Related Party Loan	186,599	150,609
Convertible Note	-	$24,000
Accrued Expenses	11,300	11,300
Total Current Liabilities	197,899	185,909
Total Liabilities	197,899	185,909
Stockholders' Equity:		
Common Stock, 2,000,000,000 authorized, issued and outstanding 352,487,904 @0.001 shares @0.001	35,249	1,000
Preferred Stock, 20,000,000 Authorized, 10,000,000 issued @0.001	10,000	-
Additional Paid in Capital	(20,249)	-
(Deficit) Accumulated During the Developmental Stage	(220,832)	(182,648)
Total Stockholders' Equity (Deficit)	(195,832)	(181,648)
Total Liabilities and Stockholders' Equity	$2,067	$4,261

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

COASTAL INTEGRATED SERVICES, INC.

STATEMENTS OF OPERATIONS

(unaudited)

	For the six months ended June 30, 2014	For the six months ended June 30, 2013	For the three months ended June 30, 2014	For the three months ended June 30, 2013	Inception August 27 2013 to June 30, 2014
Revenue	-	-	-	-	-
Operating Expenses:					
Selling, General and Administrative Expenses	38,184	-	31,171	-	220,832
Total Operating Expenses	38,184	-	31,171	-	220,832
Operating Profit (Loss)	(38,184)	-	(31,171)	-	(220,832)
Other Income	-	-	-	-	-
Net Profit (Loss)	$(38,184)	-	(31,171)	-	(220,832)
Net (loss) Profit per Share	(0.00)	-	(0.00)	-	-
Weighted Average Shares Outstanding	72,789,069	-	144,709,122	-	-

COASTAL INTEGRATED SERVICES, INC.

STATEMENT OF STOCKHOLDERS' EQUITY
(unaudited)

	Common Shares	Total	Additional Paid in Capital	Preferred Stock	Retained Earnings	Total
Shares issued at inception 8/27/13	1,000	1,000	-	-	-	1,000
Loss for the period					(182,648)	(182,648)
Balance December 31, 2013	1,000	1,000	-	-	(182,648)	(181,648)
Stock issued for debt	52,418,000	52,418,000	47,176		-	52,418
Merger	(1,000)	(1,000)	1,000	-	-	-
Effects of Reverse Merger	300,069,904	300,069,904	(68,425)	10,000,000	-	(28,418)
Net loss for Six Months					(38,184)	(38,184)
Balance June 30, 2014	352,487,904	352,487,904	(20,249)	10,000,000	(220,832)	(195,832)

COASTAL INTEGRATED SERVICES, INC.
STATEMENTS OF CASH FLOWS
(UNAUDITED)

	For the six months ended June 30, 2014	For the six months ended June 30, 2013	Inception 8/27/2013 to June 30, 2014
CASH FLOW FROM OPERATING ACTIVITES:			
Net Profit (Loss) for the Period	$(38,184)	-	$(220,832)
Adjustments to reconcile net loss to net cash used by operating activities:			
Stock issued	-	-	-
Reverse Merger	-		
Increase in Accrued Expenses	-	-	11,300
Increase in Deposits	-	-	-
Net Cash Provided from Operating Activities	(38,184)	-	(209,532)
CASH FLOWS FROM INVESTING ACTIVITIES:			
Purchase of Equipment	-	-	-
Net Cash Used by Investing Activities	-	-	-
CASH FLOWS FROM FINANCING ACTIVITIES:			
Loans from Related Party	35,990	-	187,599
Note Payable	-	-	24,000
Net Cash Used by Financing Activities	35,990	-	211,599
Net (Decrease) Increase in Cash	(2,194)	-	2,067
Cash at Beginning of Period	$4,261	-	-
Cash at End of Period	$2,067	-	$2,067

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

COASTAL INTEGRATED SERVICES, INC.
NOTES TO FINANCIAL STATEMENTS
June 30, 2014
(unaudited)

NOTE 1 - ORGANIZATION AND DESCRIPTION OF BUSINESS

Coastal Integrated Services, Inc. (the "Company") was incorporated on March 5, 2002, in Nevada. On May 2, 2014, the Company entered into a share exchange agreement with Simply Lids, Inc., a private company incorporated in Nevada on August 27, 2013, in which it acquired 100% of the shares of Simply Lids, Inc. For accounting purposes the share exchange agreement is being treated as a reverse merger. Simply Lids, Inc. has developed a patent pending, leak resistant, re-closable container, designed to provide the ultimate drinking experience.

NOTE 2 -SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

The Company's financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP").

Development stage company

The Company is a development stage company as defined by section 915-10-20 of the Financial Accounting Standards Board ("FASB") Accounting Standards Codification. The Company has not recognized revenue since inception, and is still devoting substantially all of its efforts on establishing the business and, therefore, still qualifies as a development stage company. All losses accumulated since inception have been considered as part of the Company's development stage activities.

Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Accordingly, actual results could differ from those estimates. Such estimates include management's assessments of the carrying value of certain assets, useful lives of assets, and related depreciation and amortization methods applied.

Cash equivalents

The Company considers all highly liquid investments with an original maturity of three months or less when purchased to be cash equivalents. At June 30, 2014 and December 31, 2013, the Company had no cash equivalents.

Fair value of financial instruments

The Company adopted the provisions of FASB ASC 820 (the "Fair Value Topic") which defines fair value, establishes a framework for measuring fair value under GAAP, and expands disclosures about fair value measurements.

The Fair Value Topic defines fair value as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. It requires that valuation techniques maximize the use of observable inputs and minimize the use of unobservable inputs. It also establishes a fair value hierarchy, which prioritizes the valuation inputs into three broad levels.

The following fair value hierarchy is used to classify assets and liabilities based on the observable inputs and unobservable inputs used in order to value the assets and liabilities:

A) Market approach - Uses prices and other relevant information generated by market transactions involving identical or comparable assets or liabilities. Prices may be indicated by pricing guides, sale transactions, market trades, or other sources;

B) Cost approach - Based on the amount that currently would be required to replace the service capacity of an asset (replacement cost); and

C) Income approach - Uses valuation techniques to convert future amounts to a single present amount based on current market expectations about the future amounts (includes present value techniques, and option-pricing models). Net present value is an income approach where a stream of expected cash flows is discounted at an appropriate market interest rate.

Level 1: Quoted market prices available in active markets for identical assets or liabilities as of the reporting date. An active market for an asset or liability is a market in which transactions for the asset or liability occur with significant frequency and volume to provide pricing information on an ongoing basis.

Level 2: Observable inputs other than Level 1 inputs. Example of Level 2 inputs include quoted prices in active markets for similar assets or liabilities and quoted prices for identical assets or liabilities in markets that are not active.

Level 3: Unobservable inputs based on the Company's assessment of the assumptions that are market participants would use in pricing the asset or liability.

The carrying amount of the Company's financial assets and liabilities, such as cash, prepaid expenses, accounts payable, accrued expenses, and deferred revenue approximate their fair value because of the short maturity of those instruments. The Company's note payable approximate the fair value of such instruments based upon management's best estimate of interest rates that would be available to the Company for similar financial arrangements at June 30, 2014 and December 31, 2013.

The Company had no assets and/or liabilities measured at fair value on a recurring basis for the period ended June 30, 2014 and December 31, 2013, respectively, using the market and income approaches.

Property and Equipment

Property and equipment are recorded at cost. Expenditures for major additions and betterments are capitalized. Maintenance and repairs are charged to operations as incurred. Depreciation is computed by the straight-line method over the assets estimated useful life of three (3) years for equipment, (5) years for automobile, and (7) years for furniture and fixtures. Upon sale or retirement of property and equipment, the related cost and accumulated depreciation are removed from the accounts and any gain or loss is reflected in statements of operations.

Impairment of long-lived assets

The Company follows paragraph 360-10-05-4 of the FASB Accounting Standards Codification for its long-lived assets. The Company's long-lived assets, such as intellectual property, are required to be reviewed for impairment annually, or whenever events or changes in circumstances indicate that the carrying amount of the asset may not be recoverable.

The Company assesses the recoverability of its long-lived assets by comparing the projected undiscounted net cash flows associated with the related long-lived asset or group of long-lived assets over their remaining estimated useful lives against their respective carrying amounts. Impairment, if any, is based on the excess of the carrying amount over the fair value of those assets. Fair value is generally determined using the asset's expected future discounted cash flows or market value, if readily determinable. If long-lived assets are determined to be recoverable, but the newly determined remaining estimated useful lives are shorter than originally estimated, the net book values of the long-lived assets are depreciated over the newly determined remaining estimated useful lives.

The Company determined that there were no impairments of long-lived assets as of June 30, 2014 and December 31, 2013.

Commitments and contingencies

The Company follows subtopic 450-20 of the FASB Accounting Standards Codification to report accounting for contingencies. Liabilities for loss contingencies arising from claims, assessments, litigation, fines and penalties and other sources are recorded when it is probable that a liability has been incurred and the amount of the assessment can be reasonably estimated.

Revenue recognition

The Company follows paragraph 605-10-S99-1 of the FASB Accounting Standards Codification for revenue recognition. The Company will recognize revenue when it is realized or realizable and earned. The Company considers revenue realized or realizable and earned when all of the following criteria are met: (i) persuasive evidence of an arrangement exists, (ii) the product has been shipped or the services have been rendered to the customer, (iii) the sales price is fixed or determinable, and (iv) collectability is reasonably assured. In addition, the Company records allowances for accounts receivable that are estimated to not be collected.

Income taxes

The Company follows Section 740-10-30 of the FASB Accounting Standards Codification, which requires recognition of deferred tax assets and liabilities for the expected future tax consequences of events that have been included in the financial statements or tax returns. Under this method, deferred tax assets and liabilities are based on the differences between the financial statement and tax bases of assets and liabilities using enacted tax rates in effect for the fiscal year in which the temporary differences are expected to be recovered or settled. Deferred tax assets are reduced by a valuation allowance to the extent management concludes it is more likely than not that the assets will not be realized. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date.

The Company adopted section 740-10-25 of the FASB Accounting Standards Codification (“Section 740-10-25”) with regards to uncertainty in income taxes. Section 740-10-25 addresses the determination of whether tax benefits claimed or expected to be claimed on a tax return should be recorded in the financial statements. Under Section 740-10-25, the Company may recognize the tax benefit from an uncertain tax position only if it is more likely than not that the tax position will be sustained on examination by the taxing authorities, based on the technical merits of the position. The tax benefits recognized in the financial statements from such a position should be measured based on the largest benefit that has a greater than fifty percent (50%) likelihood of being realized upon ultimate settlement. Section 740-10-25 also provides guidance on de-recognition, classification, interest and penalties on income taxes, accounting in interim periods and requires increased disclosures. The Company had no material adjustments to its assets and/or liabilities for unrecognized income tax benefits according to the provisions of Section 740-10-25.

Stock-Based Compensation

In December, 2004, the FASB issued FASB Accounting Standards Codification No. 718, *Compensation – Stock Compensation*. Under FASB Accounting Standards Codification No. 718, companies are required to measure the compensation costs of share-based compensation arrangements based on the grant-date fair value and recognize the costs in the financial statements over the period during which employees are required to provide services. Share-based compensation arrangements include stock options, restricted share plans, performance-based awards, share appreciation rights and employee share purchase plans. As such, compensation cost is measured on the date of grant at their fair value. Such compensation amounts, if any, are amortized over the respective vesting periods of the option grant. The Company applies this statement prospectively.

Equity instruments (“instruments”) issued to other than employees are recorded on the basis of the fair value of the instruments, as required by FASB Accounting Standards Codification No. 718. FASB Accounting Standards Codification No. 505, *Equity Based Payments to Non-Employees* defines the measurement date and recognition period for such instruments. In general, the measurement date is when either a (a) performance commitment, as defined, is reached or (b) the earlier of (i) the non-employee performance is complete or (ii) the instruments are vested. The measured value related to the instruments is recognized over a period based on the facts and circumstances of each particular grant as defined in the FASB Accounting Standards Codification.

Net income (loss) per share

The Company computes basic and diluted earnings per share amounts pursuant to section 260-10-45 of the FASB Accounting Standards Codification. Basic earnings per share is computed by dividing net income (loss) available to common shareholders, by the weighted average number of shares of common stock outstanding during the period, excluding the effects of any potentially dilutive securities. Diluted earnings per share is computed by dividing net income (loss) available to common shareholders by the diluted weighted average number of shares of common stock during the period. The diluted weighted average number of common shares outstanding is the basic weighted number of shares adjusted as of the first day of the year for any potentially diluted debt or equity.

There were no potentially dilutive shares outstanding as of June 30, 2014 and December 31, 2013, respectively.

Subsequent events

The Company follows the guidance in Section 855-10-50 of the FASB Accounting Standards Codification for the disclosure of subsequent events. The Company will evaluate subsequent events through the date when the financial statements were issued.

Recently issued accounting pronouncements

On April 2, 2013 FASB issued an update for reporting on discontinued operations. In section 205-20-45-10- The assets and liabilities of a disposal group classified as held for sale shall be presented separately in the asset and liability sections, respectively, of the statement of financial position. Those assets and liabilities shall not be offset and presented as a single amount. For any discontinued operation that is part of a disposal group classified as held for sale, an entity shall disclose separately. The major classes of assets and liabilities classified as held for sale of the discontinued operation shall be separately disclosed either on the face of the statement of financial position or in the notes to financial statements.

Company management does not believe that any other recently issued, but not yet effective accounting pronouncements, if adopted, would have a material effect on the accompanying financial statements.

Reliance on Key Personnel

The Company is heavily dependent on the continued active participation of their current executive officers. The loss these officers could significantly and negatively impact the business until adequate replacements can be identified and put in place.

NOTE 3 - GOING CONCERN

The accompanying financial statements have been prepared assuming that the Company will continue as a going concern, which contemplates continuity of operations, realization of assets, and liquidation of liabilities in the normal course of business.

As of June 30, 2014, the Company had an accumulated deficit and limited assets. These factors raise doubt about the Company’s ability to continue as a going concern.

While the Company has commenced operations and is generating revenues, the Company’s cash position may not be significant enough to support the Company’s daily operations. Management intends to raise additional funds by way of a public or private offering. Management believes that the actions presently being taken to further implement its business plan and generate revenues provide the opportunity for the Company to continue as a going concern.

While the Company believes in the viability of its strategy to generate revenues and in its ability to raise additional funds, there can be no assurances to that effect. The ability of the Company to continue as a going concern is dependent upon the Company's ability to further implement its business plan and generate revenues.

The financial statements do not include any adjustments that might be necessary if the Company is unable to continue as a going concern.

NOTE 4 - RELATED PARTY TRANSACTIONS

Related Party Loan

At June 30, 2014 and December 31, 2013 the Company was advanced funds by its officers and incurred consulting fees. At June 30, 2014 the Company was indebted to its officers for loans of $105,599 plus consulting fees of $81,000 for a total of $186,599. At December 31, 2013 the Company was indebted for loans of $75,609 and $75,000 of consulting fees for a total of $150,609.

Office Space

An officer provides office space to the Company on a month to month basis of $1,500 per month.

Stock Issuance

At June 30, 2014, each of the two officers own 120,000,000 shares of stock or 240,000,000 of the issued and outstanding stock of 352,487,904.

The Company's preferred stock is issued to one of its officers.

NOTE 5 – CONVERTIBLE NOTE PAYABLE

At December 31, 2013, the Company had one convertible note payable for $28,418. The note was converted on May 27, 2014, by the issuance of 28,418,000 shares @ $0.001 per share. As the Company's trading history is virtually non-existent, the derivative calculation is not present.

NOTE 6 – STOCKHOLDERS' EQUITY

Common Stock Authorized

The Company is authorized to issue 2,000,000,000 shares of common stock with a par value of $0.001.

Common Stock Issued

On May 2, 2014, the Company effectuated a reverse merger of which 300,000,000 shares were issued. The issued shares at the time were 69,904. On May 27, 2014 the Company issued 28,418,000 shares for the reduction of its debt. On June 24, 2014, the Company issued 24,000,000 shares to satisfy a debt incurred of $24,000 assumed by the Company in the reverse. At June 30, 2014, the Company had outstanding shares of 352,487,904 .

Preferred Stock

At June 30, 2014, the Company has authorized 20,000,000 shares of which 10,000,000 are issued. The preferred shares are convertible to common at a rate of 100:1 and have a voting right equal to 100 votes per 1 share in comparison to the common shares which have 1 vote per share.

NOTE 7– INCOME TAX

Deferred taxes are provided on a liability method whereby deferred tax assets are recognized for deductible temporary differences and operating loss and tax credit carry forwards and deferred tax liabilities are recognized for taxable temporary differences. Temporary differences are the differences between the reported amounts of assets and liabilities and their tax bases. Deferred tax assets are reduced by a valuation allowance when, in the opinion of management, it is more likely than not that some portion or all of the deferred tax assets will not be realized. Deferred tax assets and liabilities are adjusted for the effects of changes in tax laws and rates on the date of enactment.

Net deferred tax assets consist of the following components as of December 31, 2013, are:

	December 31, 2013	December 31, 2012
Deferred Tax Assets – Non-current:		
NOL Carryover	$ 107,648	$57
Less valuation allowance	(107,648)	(57)
Deferred tax assets, net of valuation allowance	$ -	$ -

The income tax provision differs from the amount of income tax determined by applying the U.S. federal income tax rate to pretax income from continuing operations for the period ended December 31, 2013 a due to the following:

	2013	2012
Book Income	$(182,648)	-
Other nondeductible expenses	75,000	-
Valuation allowance	107,648	-
	$ -	$ -

At December 31, 2013, the Company had net operating loss carry forwards of approximately $107,648that may be offset against future taxable income from the year 2013 to 2033. No tax benefit has been reported in the December 31, 2013 financial statements since the potential tax benefit is offset by a valuation allowance of the same amount.

Due to the change in ownership provisions of the Tax Reform Act of 1986, net operating loss carryforwards for Federal Income tax reporting purposes are subject to annual limitations. Should a change in ownership occur, net operating loss carry forwards may be limited as to use in future years.

NOTE 8 – SUBSEQUENT EVENTS

Management has evaluated subsequent events pursuant to the requirements of ASC Topic 855 and has determined that no material subsequent events exist.

CERTIFICATION

I, John Newman, President of Coastal Integrated Services, Inc., certify that:
The consolidated financial statements and the attached notes filed herewith are in conformity with consistently applied accounting principles generally accepted in the United States, and in all material respects fairly present the financial position and results of operations for the period ended June 30, 2014.

/S/John Newman,
President