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 **March 31, 2016**

[ ] Transition Report pursuant to 13 or 15(d) of the Securities Exchange Act of 1934

For the transition period from __________ to __________

Commission File Number: **000-21202**

Textmunication Holdings, Inc.
(Exact name of registrant as specified in its charter)

Nevada	**58-1588291**
(State or other jurisdiction of incorporation or organization)	(IRS Employer Identification No.)

1940 Contra Costa Blvd. Pleasant Hill, CA 94523
(Address of principal executive offices)

925-777-2111
(Registrant's telephone number)

(Former name, former address and former fiscal year, if changed since last report)

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

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files).
[X] Yes [ ] No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company.

[ ] Large accelerated filer	[ ] Accelerated filer
[ ] Non-accelerated filer	[X] Smaller reporting company

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

State the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date: 121,177,720 common shares as of May 24, 2016.

TABLE OF CONTENTS

PART I - FINANCIAL INFORMATION

Item 1. Financial Statements

Our consolidated financial statements included in this Form 10-Q are as follows:

These consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America for interim financial information and the SEC instructions to Form 10-Q. In the opinion of management, all adjustments considered necessary for a fair presentation have been included. Operating results for the interim period ended March 31, 2016 are not necessarily indicative of the results that can be expected for the full year.

TEXTMUNICATION, INC.
CONSOLIDATED BALANCE SHEETS
(UNAUDITED)

	March 31, 2016	December 31, 2015
ASSETS		
Current assets		
Cash and cash equivalents	$ 37,578	$ 61,130
Receivables	3,853	3,062
Total current assets	41,431	64,192
Fixed Assets, net	850	1,031
Investment in equity method investee	455,469	-
Total assets	497,750	65,223
LIABILITIES AND STOCKHOLDERS' DEFICIT		
Current liabilities		
Accounts payable and accrued liabilities	$ 267,210	$ 180,537
Due to related parties	11,750	11,750
Loans payable	63,841	98,435
Convertible notes payable, net of discount	409,879	323,773
Derivitive liability	666,885	551,646
Total current liabilities	1,419,565	1,166,141
Total liabilities	1,419,565	1,166,141
Stockholders' deficit		
Preferred stock, 9,933,333 shares authorized, $0.0001 par value, 4,000,000 issued and outstanding	400	400
Series B - Preferred stock, 66,667 shares authorized, $0.0001 par value, 66,667 issued and outstanding	7	-
Common stock; $0.0001 par value; 250,000,000 shares authorized; 117,682,660 and 109,542,788 shares issued and outstanding as of March 31, 2016 and December 31, 2015, respectively.	11,759	10,945
Additional paid-in capital	4,473,037	3,064,831
Accumulated deficit	(5,407,017)	(4,177,094)
Total stockholders' deficit	(921,815)	(1,100,918)
Total liabilities and stockholders' deficit	$ 497,750	$ 65,223

The accompanying notes are an integral part of these financial statements

TEXTMUNICATION, INC.
CONSOLIDATED STATEMENT OF OPERATIONS
(UNAUDITED)

	The Quarters Ended	
	March 31, 2016	March 31, 2015
Revenues	$ 88,410	$ 82,278
Cost of revenues	17,676	8,890
Gross profit	70,733	73,388
Operating expenses		
General and administrative expenses	193,475	97,859
Total operating expenses	193,475	97,859
Loss from operations	(122,742)	(24,471)
Other expense		
Interest expense	(66,679)	(6,459)
Loss on change of derivitive liability	(918,770)	-
Amortization of debt discount	(127,348)	(9,542)
Total other expense	(1,112,797)	(16,001)
Income from investment in equity method investee	5,616	-
Net loss	$ (1,229,923)	$ (40,472)
Basic weighted average common shares outstanding	113,289,367	77,337,130
Net loss per common share: basic and diluted	$ (0.01)	$ (0.00)

The accompanying notes are an integral part of these financial statements

TEXTMUNICATION, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(UNAUDITED)

	The Quarter Ended	
	March 31, 2016	March 31, 2015
Cash Flows from Operating Activities		
Net loss	$ (1,229,923)	$ (40,472)
Adjustments to reconcile net loss to net cash provided by operating activities:		
Amortization of debt discount	127,348	9,542
Loss on derivative liability	918,770	-
Depreciation	181	181
Income from equity method investee	(5,616)	
Changes in assets and liabilities		
Receivables	(791)	849
Accounts payable and accrued expenses	86,673	(17,159)
Net cash from operating activities	(103,357)	(47,059)
Distributions from equity method investee	10,149	-
Net cash used in investing activities	10,149	-
Cash Flows from Financing Activities		
Proceeds from loans payable	-	28,825
Payments on loans payable	(34,594)	(17,890)
Proceeds from convertible notes payable	100,000	64,000
Payments on convertible notes payable	4,250	(20,000)
Net cash from financing activities	69,656	54,935
Net increase in cash	(23,552)	7,876
Cash, beginning of period	61,130	4,797
Cash, end of period	$ 37,578	$ 12,673
Supplemental disclosure of cash flow information		
Cash paid for interest	$ 20,907	$ 12,673
Cash paid for tax	$ -	$ -
Non-Cash investing and financing transactions		
Preferred shares issued for equity method investee	$ 460,002	$ -
Conversion of convertible notes payable	$ 45,494	$ -
Settlement of derivative liability	$ 56,583	$ -

The accompanying notes are an integral part of these financial statements

NOTE 1 – BASIS OF PRESENTATION AND GOING CONCERN

Basis of Presentation

The accompanying unaudited interim financial statements of the Company have been prepared in accordance with accounting principles generally accepted in the United States of America and the rules of the Securities and Exchange Commission, and should be read in conjunction with the audited financial statements and notes thereto contained in the Company's most recent Annual Financial Statements filed with the SEC on Form 10-K/A. In the opinion of management, all adjustments, consisting of normal recurring adjustments, necessary for a fair presentation of financial position and the results of operations for the interim period presented have been reflected herein. The results of operations for the interim period are not necessarily indicative of the results to be expected for the full year. Notes to the financial statements which would substantially duplicate the disclosures contained in the audited financial statements for the most recent fiscal period, as reported in the Form 10-K/A, have been omitted.

Going concern

These consolidated financial statements have been prepared in accordance with generally accepted accounting principles applicable to a going concern, which contemplates the realization of assets and the satisfaction of liabilities and commitments in the normal course of business. As of March 31, 2016, the Company has an accumulated deficit of $5,407,017. The company's ability to continue as a going concern is contingent upon the successful completion of additional financing arrangements and its ability to achieve and maintain profitable operations. While the Company is expanding its best efforts to achieve the above plans, there is no assurance that any such activity will generate funds that will be available for operations. These conditions raise substantial doubt about the Company's ability to continue as a going concern. These consolidated financial statements do not include any adjustments that might arise from this uncertainty.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Cash

The Company considers all highly liquid instruments purchased with a maturity of three months or less to be cash equivalents.

The Company minimizes its credit risk associated with cash by periodically evaluating the credit quality of its primary financial institution. The balance at times may exceed federally insured limits. At March 31, 2016 no cash balances exceeded the federally insured limit.

Accounts receivable and allowance for doubtful accounts

Accounts receivable are stated at the amount management expects to collect. The Company generally does not require collateral to support customer receivables. The Company provides an allowance for doubtful accounts based upon a review of the outstanding accounts receivable, historical collection information and existing economic conditions. As of March 31, 2016 and 2015 the allowance for doubtful accounts was $0 and bad debt expense of $0 and $0, respectively.

Revenue Recognition

We recognize revenue in accordance with Accounting Standards Codification, or ("ASC"), 605, Revenue Recognition. We recognize revenue when all of the following conditions are satisfied: (1) there is persuasive evidence of an arrangement; (2) the service has been provided to the customer; (3) the amount of fees to be paid by the customer is fixed or determinable; and (4) the collection of our fees is reasonably assured.

Thus, we recognize subscription revenue on a monthly basis, as services are provided. Customers are billed for the subscription on a monthly basis.

Fair Value of Financial Instruments

The carrying amounts reflected in the balance sheets for cash, accounts payable and accrued expenses approximate the respective fair values due to the short maturities of these items.

As required by the Fair Value Measurements and Disclosures Topic of the FASB ASC, fair value is measured based on a three-tier fair value hierarchy, which prioritizes the inputs used in measuring fair value as follows: (Level 1) observable inputs such as quoted prices in active markets; (Level 2) inputs, other than the quoted prices in active markets, that are observable either directly or indirectly; and (Level 3) unobservable inputs in which there is little or no market data, which require the reporting entity to develop its own assumptions.

The three levels of the fair value hierarchy are described below:

Level 1: Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities;

Level 2: Quoted prices in markets that are not active, or inputs that is observable, either directly or indirectly, for substantially the full term of the asset or liability;

Level 3: Prices or valuation techniques that require inputs that are both significant to the fair value measurement and unobservable (supported by little or no market activity).

The fair value of the accounts receivable, accounts payable, notes payable are considered short term in nature and therefore their value is considered fair value.

Financial assets and liabilities measured at fair value on a recurring basis are summarized below for the period ended March 31, 2016:

	Level 1	Level 2	Level 3	Total
Liabilities				
Derivative Financial Instruments	$ —	$ —	$ 666,885	$ 666,885

Financial assets and liabilities measured at fair value on a recurring basis are summarized below for the year ended December 31, 2015:

	Level 1	Level 2	Level 3	Total
Liabilities				
Derivative Financial Instruments	$ —	$ —	$ 551,646	$ 551,646

The following table presents details of the Company's level 3 derivative liabilities as of March 31, 2016 and December 31, 2015:

	Amount
Balance December 31, 2015	$ 551,646
Debt discount originated from derivative liabilities	100,000
Initial loss recorded	550,708
Adjustment to derivative liability due to debt conversion	(903,531)
Change in fair market value of derivative liabilities	368,062
Balance March 31, 2016	$ 666,885

Net income (loss) per Common Share

Basic net income (loss) per share is computed by dividing the net loss attributable to the common stockholders by the weighted average number of shares of common stock outstanding during the period. Fully diluted loss per share is computed similar to basic loss per share except that the denominator is increased to include the number of additional common shares that would have been outstanding if the potential common shares had been issued and if the additional common shares were dilutive.

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 the financial statements and the reported amount of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Stock-Based Compensation

The Company accounts for employee stock-based compensation in accordance with the guidance of FASB ASC Topic 718, Compensation – Stock Compensation which requires all share-based payments to employees, including grants of employee stock options, to be recognized in the financial statements based on their fair values. The fair value of the equity instrument is charged directly to compensation expense and credited to additional paid-in capital over the period during which services are rendered.

The Company follows ASC Topic 505-50, formerly EITF 96-18, "Accounting for Equity Instruments that are Issued to Other than Employees for Acquiring, or in Conjunction with Selling Goods and Services," for stock options and warrants issued to consultants and other non-employees. In accordance with ASC Topic 505-50, these stock options and warrants issued as compensation for services provided to the Company are accounted for based upon the fair value of the services provided or the estimated fair market value of the option or warrant, whichever can be more clearly determined. The fair value of the equity instrument is charged directly to compensation expense and additional paid-in capital over the period during which services are rendered.

Investments in Securities

Investments in securities are accounted for using the equity method if the investment provides the Company the ability to exercise significant influence, but not control, over an investee. Significant influence is generally deemed to exist if the Company has an ownership interest in the voting stock of the investee between 20% and 50%, although other factors, such as representation on the investee's Board of Directors, are considered in determining whether the equity method is appropriate.

Recent Accounting Pronouncements

No new accounting pronouncements issued or effective during the fiscal year has had or is expected to have a material impact on the financial statements.

NOTE 4 – RELATED PARTY TRANSACTIONS

As of March 31, 2016, the Company had advances due to a related party. The loans are due on demand and have no interest. Amounts outstanding as of March 31, 2016 and December 31, 2015 were approximately $11,750 and $11,750, respectively.

NOTE 5 – LOANS PAYABLE

As of March 31, 2016 and December 31, 2015, the Company had short term loans payable of $63,841 and $98,435, respectively. During the quarter ended March 31, 2016 and 2015, the Company received proceeds of $0 and $28,825 and made payments of $34,594 and $17,890 respectively, from certain short term loans payable with interest rates ranging from 23%-28%.

NOTE 6 - CONVERTIBLE NOTE PAYABLE

Convertible notes payable consist of the following as of March 31, 2016 and December 31, 2015:

Total convertible notes payable	560,127	501,369
Less discounts	(150,248)	(177,596)
Convertible notes net of discount	$ 409,879	$ 323,773

On February 17, 2016, we entered into a convertible promissory note pursuant to which we borrowed $100,000. Interest under the convertible promissory note is 12% per annum, and the principal and all accrued but unpaid interest is due on November 17, 2016. The note is convertible at any date after the issuance date at noteholders option into shares of our common stock at a variable conversion price of 50% of the lowest day market price of our common stock during the previous 20 days to the date of the notice of conversion or the date the note was executed. The Company recorded a debt discount in the amount of $100,000 in connection with the initial valuation of the derivative liability of the Note to be amortized utilizing the effective interest method of accretion over the term of the Note. Further, the Company recognized a derivative liability of $650,708 and an initial loss of $550,708 based on the Black Scholes Merton pricing model.

Amortization of debt discount during the three-month period ended March 31, 2016 and 2015 was $15,693 and $0, respectively, and the unamortized discount at March 31, 2016 and December 31, 2015 was $84,307 and $0, respectively. Interest expense recorded on the convertible notes for the three-month period ended March 31, 2016 and 2015 was $1,447 and $0, respectively.

The Company accounts for the fair value of the conversion features of its convertible debt in accordance with ASC Topic No. 815-15 “Derivatives and Hedging; Embedded Derivatives” (“Topic No. 815-15”). Topic No. 815-15 requires the Company to bifurcate and separately account for the conversion features as an embedded derivative contained in the Company’s convertible debt. The Company is required to carry the embedded derivative on its balance sheet at fair value and account for’ any unrealized change in fair value as a component of results of operations. The Company values the embedded derivatives using the Black-Scholes pricing model.

The Black-Scholes model utilized the following inputs to value the derivative liability at the date of issuance of the convertible note and at March 31, 2016:

Fair value assumptions – derivative notes:	**March 31, 2016**
Risk free interest rate	0.59%
Expected term (years)	0.01-1.611
Expected volatility	310.68%
Expected dividends	0%

NOTE 7 – INVESTMENT IN ASPIRE CONSULTING GROUP, LLC

On January 5, 2016, the Company entered into a Share Exchange Agreement with Aspire Consulting Group, LLC, a Virginia limited liability company and certain members of Aspire. Pursuant to the terms of the Exchange Agreement, the Company agreed to acquire 49% of all of the issued and outstanding membership units of Aspire in exchange for the issuance of 66,667 shares of the Company's newly created Series B Convertible Preferred Stock to the Members valued at $460,002.

The Company has concluded that it has the ability to exercise significant influence, but not control, over Aspire through its acquired 49% equity interest and therefore has accounted for the acquisition of the interest under the equity method.

The following table presents details of the Company's investment is Aspire as of March 31, 2016 and December 31, 2015:

		Amount
Balance December 31, 2015	$	-
Fair value of shares issued for ownership 49% interest in Aspire		460,002
Income from equity method investee		5,616
Distributions received from Aspire		(10,149)
Balance March 31, 2016	$	455,469

NOTE 8 – COMMITMENTS AND CONTINGENCIES

Office Lease

On January 6, 2015 the Company signed an amendment to its lease originally signed on May 9, 2008. The amended lease commenced January 1, 2015 and expires on thirty days' notice. Rent expense was approximately $5,268 and $6,800 for the three months ended March 31, 2016 and 2015, respectively.

Current month to month lease is for $2,000 a month.

Executive Employment Agreement

The Company has an employment agreement with the CEO/Chairman to perform duties and responsibilities as may be assigned by the Board of Directors. The base salary is in the amount of $100,000 per annum plus an annual discretionary bonus plus benefits commencing on December 17, 2013 and ending May 1, 2017 with an automatic renewal on each anniversary date (May 1) thereafter.

Litigations, Claims and Assessments

The Company may become involved in various lawsuits and legal proceedings, which arise in the ordinary course of business.

There is currently a dispute over a $36,363 note secured by 59,400,000 shares of the Company's common stock held by the Company's CEO. In the view of management, there are significant issues of fact regarding the proper issuance and assumption of this note by the Company. Additionally, there are issues over the validity of the prior debt. Regardless, the Company is in discussions to settle this note, and while no guarantee can be given as to the successful resolution of this matter, the Company believes it will be resolved without litigation.

However, litigation is subject to inherent uncertainties, and an adverse result in these or other matters may arise that may harm its business. The Company is currently not aware of any such legal proceedings or claims that they believe will have, individually or in the aggregate, a material adverse effect on its business, financial condition or operating results.

NOTE 10 – STOCKHOLDERS' EQUITY

The Company is authorized to issue an aggregate of 250,000,000 shares of common stock with a par value of $0.0001. The Company is also authorized to issue 10,000,000 shares of "blank check" preferred stock with a par value of $0.0001, which includes 4,000,000 shares of Series A Preferred Stock ("Series A"), already outstanding, and 66,667 shares of Series B Convertible Preferred Stock ("Series B"), already outstanding.

Under the Certificate of Designation, holders of Series A will participate on an equal basis per-share with holders of our common stock in any distribution upon winding up, dissolution, or liquidation. Holders of Series A are entitled to vote together with the holders of our common stock on all matters submitted to shareholders at a rate of three hundred (300) votes for each share held.

On January 5, 2016, pursuant to Article III of our Articles of Incorporation, the Company's Board of Directors voted to designate Series B, consisting of up 66,667 shares, par value $0.0001. Under the Certificate of Designation, holders of Series B participate on an equal basis per-share with holders of the Company's common stock and Series A in any distribution upon winding up, dissolution, or liquidation. Holders of Series B are not entitled to voting rights.

As of March 31, 2016 and December 31, 2015, 117,682,660 and 109,542,788 shares of common stock, 4,000,000 and 4,000,000 shares of Series A and 66,667 and 0 Series B, were issued and outstanding, respectively.

During the quarter ended March 31, 2016, the Company issued 66,667 shares of Series B with a fair value of $460,002 for a 49% interest in an Aspire Consulting, Inc.

During the quarter ended March 31, 2016, the Company issued 8,139,872 shares of common stock with a fair value of $45,494 for the partial conversion of convertible notes payable. The converted portion of the notes also had associated derivative liabilities with fair values on the date of conversion of $903,531. The conversion of the derivative liabilities has been recorded through additional paid-in capital.

NOTE 11 – SUBSEQUENT EVENTS

Subsequent to quarter end, the company issued a total of 2.3 million shares in partial settlement of convertible notes payable.

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

Forward-Looking Statements

Certain statements, other than purely historical information, including estimates, projections, statements relating to our business plans, objectives, and expected operating results, and the assumptions upon which those statements are based, are "forward-looking statements." These forward-looking statements generally are identified by the words "believes," "project," "expects," "anticipates," "estimates," "intends," "strategy," "plan," "may," "will," "would," "will be," "will continue," "will likely result," and similar expressions. Forward-looking statements are based on current expectations and assumptions that are subject to risks and uncertainties which may cause actual results to differ materially from the forward-looking statements. Our ability to predict results or the actual effect of future plans or strategies is inherently uncertain. Factors which could have a material adverse effect on our operations and future prospects on a consolidated basis include, but are not limited to: changes in economic conditions, legislative/regulatory changes, availability of capital, interest rates, competition, and generally accepted accounting principles. These risks and uncertainties should also be considered in evaluating forward-looking statements and undue reliance should not be placed on such statements.

Company Overview

We are a developing player in the mobile marketing and loyalty industry, providing cutting-edge mobile marketing solutions, rewards and loyalty to our clients. With a powerful yet intuitive suite of services, clients are able to reach more customers faster and reward them for repeat business. We help clients reach their marketing and revenue goals by educating clients with the most effective tools in mobile marketing, rewards, paperless redemption and loyalty.

For the past 4 years, we have grown to over 200 clients in the United States, Canada and Mexico. We have achieved this with an expanded focus on a variety of industries, including restaurants, retailers, entertainment venues and other partnership opportunities. We have decided to focus our energy on the gym, health and fitness club market.

More recently, we have also entered into the IT consulting business through our acquisition of a minority interest in Aspire Consulting, LLC. We plan to assist our controlling partner in the development of this consulting business in addition to improving the market position of our mobile marketing business.

Our principal executive office is located at 1940 Contra Costa Blvd. Pleasant Hill, CA 94523 and our telephone number is (925-777-2111).

Results of Operation for Three Months Ended March 31, 2016 and 2014

Revenues

For the three months ended March 31, 2016, we earned revenues in the amount of $88,410, as compared with revenues of $82,278 for the three months ended March 31, 2015.

The decrease is revenues for the three months ended March 31, 2016 is due to a change in our pricing model to become more competitive. We expect to achieve greater revenues in 2016.

Cost of Revenues

Cost of revenues was $17,676 for the three months ended March 31, 2016, as compared with $8,890 for the same period ended March 31, 2015.

Our cost of revenues increased for the three months ended March 31, 2016 compared with the same period ended March 31, 2015 and was mainly attributable to $12,786 spent in web hosting costs. We expect to continue paying similar web hosting costs and perhaps more as traffic to our website increases.

Operating Expenses

Our operating expenses were $193,475 for the three months ended March 31, 2016, as compared with $97,859 for the three months ended March 31, 2015.

Our operating expenses for the three months ended March 31, 2016 mainly consisted of contract labor expense of $38,000, management compensation of $40,599, professional fees of $24,110, and legal fees of $24,721. Our operating expenses for the three months ended March 31, 2015 mainly consisted of consulting fees of $22,145, contract labor of $20,620, legal fees of $10,570, rent expenses of $6,800, meals and entertainment of $6,309 and accounting fees of $5,875

The major reason for the increase in operating expenses in 2016 over 2015 was a result of increased management compensation, professional fees and contract labor.

Other Expenses

We had other expenses of $1,112,797 for the three months ended March 31, 2016, as compared with $16,001 for the same period ended March 31, 2015. Other expenses for the three months ended March 31, 2016 consisted of $918,770 due to the loss on change of derivative liabilities, $127,348 in amortization of debt discount and $66,679 in interest expenses. Other expenses for the three months ended March 31, 2015 consisted of $9,542 in amortization of debt discount and $6,459 in interest expenses.

The major reason for the increase in other expenses in 2016 over 2015 was the loss on change in derivative liabilities associated with convertible promissory notes.

Income from Investment in equity method investee

On January 5, 2016 we entered into a Share Exchange Agreement with Aspire Consulting Group, LLC, a Virginia limited liability company and certain members of Aspire. We agreed to acquire 49% of all the issued and outstanding membership units of Aspire in exchange for 66,667 shares of our newly created Series B Convertible Preferred Stock to the members valued at $460,002.

We have concluded that we have the ability to exercise significant influence, but not control over Aspire and have therefore accounted for the acquisition of the interest under the equity method.

During the three month period, we received $10,149 in distributions from Aspire. Aspire has a policy to distribute cash to shareholders after deducting direct cost of sales. The other expenses of Aspire are paid for from the Aspire portion of the distribution. The excess of the distribution over our portion of net income was used to decrease the cost of our investment in Aspire.

Aspire had billings in the first quarter of approximately $250,000. We anticipate these billings and payments to increase over the remainder of the year.

Net Loss

We had a net loss of $1,229,923 for the three months ended March 31, 2016, as compared with net loss of $40,472 for the three months ended March 31, 2015.

Liquidity and Capital Resources

As of March 31, 2016, we had total current assets of $41,431. Our total current liabilities as of March 31, 2016 were $1,419,565. We had a working capital deficit of $1,378,134 as of March 31, 2016.

Cash Flows from Operating Activities

Operating activities used $103,357 in cash the three months ended March 31, 2016, compared with $47,059 for the three months ended March 31, 2015. Our net loss of $1,229,923 was the main component of our negative operating cash flow, offset mainly by the loss on derivative liabilities of $918,770 and amortization of debt discount of $127,348.

Cash Flows from Investing Activities

Investing activities provided $10,149 in cash the three months ended March 31, 2016, compared with $0 for the three months ended March 31, 2015. Our positive investing cash flow was entirely attributable to cash we received in distributions from Aspire.

Cash Flows from Financing Activities

Cash flows provided by financing activities during the three months ended March 31, 2016 amounted to $69,656, compared with $54,935 for the three months ended March 31, 2015. Our cash flows for the three months ended March 31, 2016 consisted mostly of proceeds from the sale of convertible promissory notes, offset by payments on loans payable.

On February 17, 2016, we entered into a convertible promissory note pursuant to which we borrowed $100,000. Interest under the convertible promissory note is 12% per annum, and the principal and all accrued but unpaid interest is due on November 17, 2016. The note is convertible at any date after the issuance date at noteholders option into shares of our common stock at a variable conversion price of 50% of the lowest day market price of our common stock during the previous 20 days to the date of the notice of conversion or the date the note was executed.

Our optimum level of growth for success will be achieved if we are able to raise $250,000 in the next twelve months. However, funds are difficult to raise in today’s economic environment. If we are unable to raise $250,000 our ability to implement our business plan and achieve our goals will be significantly diminished.

We have experienced a history of losses. With our revenues increasing, however, we are less reliant on outside capital as we have been in the past. We will need at a minimum $120,000 in capital to operate in the next 12 months.

We are dependent on investment capital to continue our survival. We have raised money through convertible debt, almost always on unfavorable terms. There is no guarantee that these small convertible loans will be available to us in the future or on terms acceptable to us.

We do not have any formal commitments or arrangements for the sales of stock or the advancement or loan of funds at this time. There can be no assurance that such additional financing will be available to us on acceptable terms, or at all.

Going Concern

As of March 31, 2016, we have an accumulated deficit of $5,407,017. Our ability to continue as a going concern is contingent upon the successful completion of additional financing arrangements and our ability to achieve and maintain profitable operations. While we are expanding our best efforts to achieve the above plans, there is no assurance that any such activity will generate funds that will be available for operations. These conditions raise substantial doubt about our ability to continue as a going concern. These financial statements do not include any adjustments that might arise from this uncertainty.

Off Balance Sheet Arrangements

As of March 31, 2016, there were no off balance sheet arrangements **.**

Critical Accounting Policies

In December 2001, the SEC requested that all registrants list their most “critical accounting polices” in the Management Discussion and Analysis. The SEC indicated that a “critical accounting policy” is one which is both important to the portrayal of a company’s financial condition and results, and requires management’s most difficult, subjective or complex judgments, often as a result of the need to make estimates about the effect of matters that are inherently uncertain. We do not believe that any accounting policies currently fit this definition.

Recently Issued Accounting Pronouncements

Our critical accounting policies are disclosed in Note 2 of our audited financial statements included in the Form 10-K filed with the Securities and Exchange Commission.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

A smaller reporting company is not required to provide the information required by this Item.

Item 4. Controls and Procedures

Disclosure Controls and Procedures

We conducted an evaluation, with the participation of our Chief Executive Officer and Chief Financial Officer, of the effectiveness of the design and operation of our disclosure controls and procedures, as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended, or the Exchange Act, as of March 31, 2016, to ensure that information required to be disclosed by us in the reports filed or submitted by us under the Exchange Act is recorded, processed, summarized and reported, within the time periods specified in the Securities Exchange Commission's rules and forms, including to ensure that information required to be disclosed by us in the reports filed or submitted by us under the Exchange Act is accumulated and communicated to our management, including our principal executive and principal financial officer, or persons performing similar functions, as appropriate to allow timely decisions regarding required disclosure. Based on that evaluation, our Chief Executive Officer and Chief Financial Officer have concluded that as of March 31, 2016, our disclosure controls and procedures were not effective at the reasonable assurance level due to the material weaknesses identified and described below.

Our principal executive officers do not expect that our disclosure controls or internal controls will prevent all error and all fraud. Although our disclosure controls and procedures were designed to provide reasonable assurance of achieving their objectives and our principal executive officers have determined that our disclosure controls and procedures are effective at doing so, a control system, no matter how well conceived and operated, can provide only reasonable, not absolute assurance that the objectives of the system are met. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, within the Company have been detected. These inherent limitations include the realities that judgments in decision-making can be faulty, and that breakdowns can occur because of simple error or mistake. Additionally, controls can be circumvented if there exists in an individual a desire to do so. There can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions.

Remediation Plan to Address the Material Weaknesses in Internal Control over Financial Reporting

A material weakness is a deficiency, or a combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of our annual or interim financial statements will not be prevented or detected on a timely basis. Management identified the following three material weaknesses that have caused management to conclude that, as of March 31, 2016, our disclosure controls and procedures, and our internal control over financial reporting, were not effective at the reasonable assurance level:

1. We do not have written documentation of our internal control policies and procedures. Written documentation of key internal controls over financial reporting is a requirement of Section 404 of the Sarbanes-Oxley Act as of the period ending March 31, 2016. Management evaluated the impact of our failure to have written documentation of our internal controls and procedures on our assessment of our disclosure controls and procedures and has concluded that the control deficiency that resulted represented a material weakness.

2. We do not have sufficient segregation of duties within accounting functions, which is a basic internal control. Due to our size and nature, segregation of all conflicting duties may not always be possible and may not be economically feasible. However, to the extent possible, the initiation of transactions, the custody of assets and the recording of transactions should be performed by separate individuals. Management evaluated the impact of our failure to have segregation of duties on our assessment of our disclosure controls and procedures and has concluded that the control deficiency that resulted represented a material weakness.

3. Effective controls over the control environment were not maintained. Specifically, a formally adopted written code of business conduct and ethics that governs our employees, officers, and directors was not in place. Additionally, management has not developed and effectively communicated to employees its accounting policies and procedures. This has resulted in inconsistent practices. Further, our Board of Directors does not currently have any independent members and no director qualifies as an audit committee financial expert as defined in Item 407(d)(5)(ii) of Regulation S-K. Since these entity level programs have a pervasive effect across the organization, management has determined that these circumstances constitute a material weakness.

To address these material weaknesses, management performed additional analyses and other procedures to ensure that the financial statements included herein fairly present, in all material respects, our financial position, results of operations and cash flows for the periods presented. Accordingly, we believe that the financial statements included in this report fairly present, in all material respects, our financial condition, results of operations and cash flows for the periods presented.

To remediate the material weakness in our documentation, evaluation and testing of internal controls we plan to engage a third-party firm to assist us in remedying this material weakness once resources become available.

We intend to remedy our material weakness with regard to insufficient segregation of duties by hiring additional employees in order to segregate duties in a manner that establishes effective internal controls once resources become available.

Changes in Internal Control over Financial Reporting

No change in our system of internal control over financial reporting occurred during the period covered by this report, the period ended March 31, 2016, 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

We are not a party to any pending legal proceeding. We are not aware of any pending legal proceeding to which any of our officers, directors, or any beneficial holders of 5% or more of our voting securities are adverse to us or have a material interest adverse to us.

Item 1A: Risk Factors

See risk factors included in our Annual Report on Form 10-K for the year ended December 31, 2014 filed on April 15, 2016, as well as our Current Report on Form 8-K filed on January 6, 2016.

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

During the quarter ended March 31, 2016, the Company issued 66,667 shares of Series B preferred stock with a fair value of $460,002 for a 49% interest in an Aspire Consulting, Inc.

During the quarter ended March 31, 2016, the Company issued 8,139,872 shares of common stock with a fair value of $45,494 for the partial conversion of convertible notes payable.

Subsequent to quarter end, we issued a total of 2,300,000 shares in partial settlement of convertible notes payable.

These securities were issued pursuant to Section 4(2) of the Securities Act and/or Rule 506 promulgated thereunder. The holders represented their intention to acquire the securities for investment only and not with a view towards distribution. The investors were given adequate information about us to make an informed investment decision. We did not engage in any general solicitation or advertising. We directed our transfer agent to issue the stock certificates with the appropriate restrictive legend affixed to the restricted stock.

Item 3. Defaults upon Senior Securities

None

Item 4. Mine Safety Disclosures

N/A

Item 5. Other Information

None

Item 6. Exhibits

Exhibit Number	Description of Exhibit
31.1	Certification of Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
31.2	Certification of Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
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

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Textmunication Holdings, Inc.

Date: June 16, 2016

By: */s/ Wais Asefi*

Wais Asefi

Title: President, Chief Executive Officer, and Director

CERTIFICATIONS

I, Wais Asefi, certify that;

1. I have reviewed this quarterly report on Form 10-Q for the quarter ended March 31, 2016 of Textmunication Holdings, Inc. (the “registrant”);

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant’s other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

    a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, 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;

    c. Evaluated the effectiveness of the registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    d. Disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and

5. The registrant’s other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant’s auditors and the audit committee of the registrant’s board of directors (or persons performing the equivalent functions):

    a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant’s ability to record, process, summarize and report financial information; and

    b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant’s internal control over financial reporting.

Date: June 16, 2016

By: */s/ Wais Asefi*
Wais Asefi
Title: Chief Executive Officer

CERTIFICATIONS

I, Wais Asefi, certify that;

1. I have reviewed this quarterly report on Form 10-Q for the quarter ended March 31, 2016 of Textmunication Holdings, Inc. (the "registrant");

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, 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;

   c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: June 16, 2016

By: */s/ Wais Asefi*
Wais Asefi
Title: Chief Executive Officer

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

In connection with the quarterly Report of Textmunication Holdings, Inc. (the "Company") on Form 10-Q for the quarter ended March 31, 2016 filed with the Securities and Exchange Commission (the "Report"), I, Wais Asefi, Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

1. The Report fully complies with the requirements of Section 13(a) of the Securities Exchange Act of 1934; and

2. The information contained in the Report fairly presents, in all material respects, the consolidated financial condition of the Company as of the dates presented and the consolidated result of operations of the Company for the periods presented.

By: */s/ Wais Asefi*
Name: Wais Asefi
Title: Chief Executive Officer
Date: June 16, 2016

This certification has been furnished solely pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.