

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-K

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

For the Fiscal Year Ended December 31, 2012

Commission File Number 333-153381

FRESH START PRIVATIVE MANAGEMENT, INC.
(Exact name of registrant as specified in its charter)

Nevada **26-1972677**
(State or other jurisdiction of incorporation
or organization)

(IRS Employer Identification No.)

720 N. Tustin Avenue, Suite 206
Santa Ana, California
(Address of principal executive office)

92705
(Zip Code)

(714) 541-6100
(Registrant's telephone number, Including area code)

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

Securities registered pursuant to Section 12(g) of the Act: None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined by Rule 405 of the Securities Act. Yes No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or 15(d) of the Act. Yes No

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes x 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 (§ 229.405 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 x No "

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K (§229.405 of this chapter) is not contained herein, and will not be contained, to the best of the registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. 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. See definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer

Accelerated filer

Non-accelerated filer

Smaller reporting company

(Do not check if a 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 No

The aggregate market value of the voting Common Stock held by non-affiliates (based upon the closing sale price of \$0.015 per share on the (Over the Counter Bulletin Board) of the registrant as of June 30, 2012: \$1,383,754.

As of April 15, 2012, there were 115,368,501 shares of registrant's common stock outstanding.

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PART I

ITEM 1 - BUSINESS

This Annual Report on Form 10-K (including the section regarding Management's Discussion and Analysis of Financial Condition and Results of Operations) contains forward-looking statements regarding our business, financial condition, results of operations and prospects. Words such as "expects," "anticipates," "intends," "plans," "believes," "seeks," "estimates" and similar expressions or variations of such words are intended to identify forward-looking statements, but are not deemed to represent an all-inclusive means of identifying forward-looking statements as denoted in this Annual Report on Form 10-K. Additionally, statements concerning future matters are forward-looking statements.

Although forward-looking statements in this Annual Report on Form 10-K reflect the good faith judgment of our Management, such statements can only be based on facts and factors currently known by us. Consequently, forward-looking statements are inherently subject to risks and uncertainties and actual results and outcomes may differ materially from the results and outcomes discussed in or anticipated by the forward-looking statements. Factors that could cause or contribute to such differences in results and outcomes include, without limitation, those specifically addressed under the heading "Risks Factors" below, as well as those discussed elsewhere in this Annual Report on Form 10-K. Readers are urged not to place undue reliance on these forward-looking statements, which speak only as of the date of this Annual Report on Form 10-K. We file reports with the Securities and Exchange Commission ("SEC"). You can read and copy any materials we file with the SEC at the SEC's Public Reference Room at 100 F Street, NE, Washington, DC 20549. You can obtain additional information about the operation of the Public Reference Room by calling the SEC at 1-800-SEC-0330. In addition, the SEC maintains an Internet site (www.sec.gov) that contains reports, proxy and information statements, and other information regarding issuers that file electronically with the SEC, including us.

We undertake no obligation to revise or update any forward-looking statements in order to reflect any event or circumstance that may arise after the date of this Annual Report on Form 10-K. Readers are urged to carefully review and consider the various disclosures made throughout the entirety of this annual Report, which attempt to advise interested parties of the risks and factors that may affect our business, financial condition, results of operations and prospects.

This Annual Report on Form 10-K includes the accounts of Fresh Start Private Management, Inc. ("Fresh Start") and its wholly-owned subsidiary, as follows, collectively referred to as "we", "us" or the "Company": Fresh Start Private, Inc., a Nevada corporation ("FSP").

Corporate Structure

We were incorporated as Cetrone Energy Company on January 28, 2008 in the State of Nevada. From inception until we completed our reverse acquisition of FSP, the principal business of the Company originally was to develop "green" renewable fuel sources for agricultural operations, specifically biodiesel. On July 26, 2010, we filed an amendment to our Articles of Incorporation changing our name to Fresh Start Private Management Inc. During that time, we had no revenue and our operations were limited to capital formation, organization, and development of our business plan and target customer market. As a result of the reverse acquisition of FSP, on October 31, 2011, we ceased our prior operations and we are now a holding company and our wholly owned subsidiary engages in alcoholism treatment.

On October 31, 2011, we completed a reverse acquisition transaction through a share exchange with FSP whereby we acquired all of the issued and outstanding shares of FSP in exchange for 37,000,000 shares of our common stock, which represented approximately 31.3% of our total shares outstanding immediately following the closing of the Share Exchange. As a result of the Share Exchange, FSP became our wholly-owned subsidiary.

The share exchange transaction with FSP was treated as a reverse acquisition, with FSP as the acquirer and the Company as the acquired party. Unless the context suggests otherwise, when we refer in this Report to business and financial information for periods prior to the consummation of the reverse acquisition, we are referring to the business and financial information of FSP.

Business Overview

Through our wholly owned subsidiary, we are an alcoholism rehabilitation and treatment center headquartered in Santa Ana, California. We were established in January 2010 and are currently operating in Santa Ana, California. Our alcoholism rehabilitation program consists of a Naltrexone implant that is placed under the skin in the lower abdomen coupled with life counseling sessions from specialized counselors.

We operate within the *Specialty Hospitals, Expert Psychiatric* industry, specifically within the industry subsets of *Alcoholism Rehabilitation Hospital*. We offer a unique treatment program and, to date, we have experienced a high rate of success with very few of our clients starting to drink during the first year after the implant is inserted. The Fresh Start program gives the alcoholic patient a 12 month window of sobriety. Statistics continue being compiled for after the 12 month period.

Service and Program

We have created an innovative alcoholism treatment program that empowers patients to succeed in their overall recovery. We offer a unique treatment philosophy that combines medical intervention, a singular focus and a comprehensive approach, and a focus on family and friends. We have been operating for approximately 36 months and have treated over 150 patients since we began operating. Currently, we are treating about 2 to 3 patients per week. This number fluctuates depending on current advertising. We, however, have the capacity to handle 2 to 3 patients per day in the Santa Ana location. The alcoholism treatment services cost an average of \$49,300 per patient and is typically covered by insurance. This amount varies due to many factors, the major ones being, type of insurance policy, patients out of network deductibles, in addition we have the service provider expenses, and surgery center costs (if not done in the office). We also will provide services to cash patients at discounted rates to create awareness in the treatment program. After starting a radio marketing campaign in January 2013, we had considerably more potential patients ready to go through the program and we are averaging treating 10-15 patients per month.

Treatment Philosophy

Our alcohol treatment program empowers patients to succeed. A detailed description of our treatment philosophy is as follows:

Medical Intervention: It is essential to significantly reduce a patient's cravings for alcohol in order to fully break the cycle of addiction. We have built our program around a state-of-the-art, minimally invasive, biodegradable implant of Naltrexone. Naltrexone is an FDA-approved pharmaceutical used for the treatment of alcoholism. We surgically insert a marble-sized pill under the skin in the lower abdomen. The pill is absorbed into the body and dissolves during the 12-months following the procedure.

Single Focus on Treatment: Unlike many other alcoholism treatment programs, we focus entirely on the treatment of alcohol addiction. It is our belief that alcohol addiction should be treated differently from addictions to other substances. For this reason, our program exclusively treats problems caused by alcohol addiction.

Comprehensive Approach: Alcoholism is a complex disease that needs a program specifically designed to treat the body, the mind, and the spirit of an alcoholic. We have created a comprehensive recovery program that includes state-of-the-art medical intervention, individually tailored coaching program sessions, rebuilding of the networks of family and friends, and post-treatment continuing care. Such an approach typically lasts for 12 months from the initial surgical procedure of inserting the Naltrexone pill. We believe that through our comprehensive treatment method, our clients will have the highest possible chances of full recovery from alcohol dependency.

Focus on Family and Friends: FSP believes attention from family and friends are the most important elements in the treatment of alcohol addiction. We have made family and friends an essential element of our patients' recovery and ask that they play an important role in both the initial treatment phase and in the long-term recovery process.

Program Description

We offer a comprehensive and highly effective alcohol addiction treatment program. Our proprietary program is designed to offer treatment and healing to both the body and the mind of an addict. Our alcohol rehabilitation program is a two-part program that includes: (i) the insertion of a Naltrexone Implant that is believed to reduce physical cravings of alcohol; and (ii) life counseling that focuses on the mental addiction of alcoholism. The following is a detailed description of our alcohol treatment program.

Naltrexone Implant: Our unique procedure has reduced physical cravings for numerous patients suffering from alcoholism. Our medical implantation procedure is believed to reduce cravings for alcohol for between 200 and 390 days, during which time we focus on addressing the mental dependence on alcohol. The implant device is a Naltrexone pill that is the size of a marble and inserted via an outpatient surgical procedure into the lower abdomen of the patient. The Naltrexone pill will be absorbed by the body over a 200 to 390 day period and will automatically dissolve and not need to be removed.

All procedures to place the Naltrexone tablet into our patients are conducted at our offices at 720 N. Tustin Avenue, Suite 206, Santa Ana, California 92705. The procedures are completed by doctors that are employed by Start Fresh Alcohol Recovery Clinic, Inc. Pursuant to our agreement for service dated June 1, 2011 (the "Service Agreement") with Fresh Start Alcohol Recovery Clinic, Inc. (the Service Provider") and Dr. Lucien Alexander ("Dr. Alexander"), The service Provider has agreed to provide us with consultation for insurance patients and assessment to determine if the patient is a candidate for receiving the Naltrexone implant and, if the patient qualifies, to insert the implant into the patients. As consideration for these services, the Service Provider will receive a payment of \$1,400 upon the completion of the procedure and an additional \$2,500 upon the insurance claim being processed and paid to us. See "Material Agreements"

A copy of the Service Agreement is incorporated herein by reference and is filed as Exhibit 10.2 to the Current Report on Form 8-K filed with the Securities and Exchange Commission on November 4, 2011. The description of the transaction contemplated by such agreement set forth herein does not purport to be complete and is qualified in its entirety by reference to the full text of the exhibit filed herewith and incorporated herein by reference.

The Naltrexone implant is manufactured by Trinity Rx Solutions, LLC. We entered into an exclusive license dated September 7, 2010 (the "License Agreement") with Trinity Rx Solutions, LLC ("Trinity Rx"). In accordance with the terms and provisions of the License Agreement, Trinity Rx shall provide to us the Naltrexone implant that has been designed for alcoholism. As consideration for the License Agreement, the Company has issued 5,672,350 shares of our common stock (which was equal to 7.5% of the total shares outstanding at the time of the execution of the agreement) and a payment of \$600 for each prescription requested by us.

A copy of the License Agreement with Trinity Rx is incorporated herein by reference and was filed as Exhibit 10.3 to the Current Report on Form 8-K filed with the Securities and Exchange Commission on November 4, 2011. The description of the transaction contemplated by such License Agreement set forth herein does not purport to be complete and is qualified in its entirety by reference to the full text of the exhibit filed therewith and incorporated herein by reference.

The Naltrexone implant is two small tablets that are inserted beneath the skin in the subcutaneous fat located in the lower abdomen. The implant procedure is an outpatient procedure that takes approximately 30 minutes. A local anesthetic is administered when the tablets are implanted and the patient is free to leave the clinic and return to normal activities within a few hours of the procedure. The tablets are biodegradable and will gradually dissolve in the human body. The tablets contain a drug called Naltrexone, which has been shown to block receptors in the brain that crave alcohol. Naltrexone is an FDA approved medication and all patients are required to obtain a prescription for the drug from a medical doctor. The doctors employed by Start Fresh Alcohol Recovery Clinic, Inc. are responsible for evaluating the patients, determining if the patient is a candidate and, if so, writing the prescription. The prescription is then presented to Trinity Rx which produces the tablet using Naltrexone as the core ingredient.

Once the tablet is implanted in the patient, they are free to return to work on the next business day and will be contacted by a life coach within the next 2 to 3 days to begin counseling.

Fresh Start Private Counseling: We provide a coaching program to assist our patients in treating their dependence on alcohol. Within one week of receiving the Naltrexone implant, each patient will be contacted by a life coach/ Licensed Therapist and will schedule an initial meeting. This life coach/Licensed Therapist will counsel the patient for the next 12 months following the implant to help them cope with and eliminate their dependence on alcohol. Each of our patients receives eight 1-hour sessions with a licensed therapist.

As part of the life counseling services, our life coach/psychologists focus on bringing family and friends into the recovery process. This provides emotional support for our patients and allows them to understand that they have people that care for them and want them to remain sober.

The final part of the life counseling is remaining in contact with our patients after the 12 month period of direct counseling is over. We remain in contact with our patients after the procedure and life coaching is completed to ensure that our clients maintain their sobriety and remain fully committed to sober living.

Marketing Strategy

We have and will continue to use a variety of advertising channels to increase our exposure and awareness to prospective patients. In addition to word of mouth patients, we are focusing advertising on the radio, television and via the internet.

On February 1, 2011, we entered into that certain advertising agreement (the "Advertising Agreement") with Clear Channel Broadcasting ("Clear Channel"). Pursuant to the terms and provisions of the Advertising Agreement, Clear Channel has agreed to promote our Fresh Start alcohol rehabilitation clinic by advertising through radio, internet and/or other suitable mediums. As consideration for this service, we have paid Clear Channel a fee of \$5,000 for costs and expenses and an additional \$3,000 for cash patients and \$6,000 for insured patients that they have successfully referred to our clinic through their advertisements. To date, we have paid Clear Channel a total of \$165,000 and they have referred us approximately 89 patients.

A copy of the Advertising Agreement is incorporated herein by reference and was is filed as Exhibit 10.5 to the Current Report on Form 8-K filed on November 4, 2011 with the Securities and Exchange Commission. The description of the transaction contemplated by such agreement set forth herein does not purport to be complete and is qualified in its entirety by reference to the full text of the exhibit filed herewith and incorporated herein by reference.

Competition

We offer a unique, proprietary treatment plan for alcoholics. However, there are many services and clinics that already provide support for alcoholics. There are rehabilitation and treatment centers within close proximity to our offices that provide alcohol addiction treatment and detoxification services. Some of these centers are also much cheaper and some offer free support for alcoholics. This puts us at a competitive disadvantage. We, however, hope to distinguish ourselves from our competition by proving that our product is successful and our success rate is much higher than our competitors.

The following is a detailed description of leading rehabilitation service providers in and around our current area of operations:

Passages: a treatment center for people with addiction problems. Located in Malibu, California, Passages is run by a father-son team of treatment specialists. It offers a unique philosophy and treatment method, utilizing one-on-one therapy sessions. Passages provides clients with over 100 hours of attention by the end of their month long stay. However, Passages has received scrutiny for its unconventional methods. Portions of Passages philosophy run counter to the majority of scientific research into addiction. These aspects of Passages' philosophy include denial of addiction as a disease, and an elimination of the 12-step method.

Cliffside: a personalized alcohol and drug rehabilitation provider located in Malibu, California. It employs a range of traditional and alternative treatments including personal, group, and family counseling, herbology, massage, yoga, and acupuncture. Cliffside offers treatment for alcohol, cocaine, heroin, pharmaceuticals, and methamphetamine addiction along with interventions, drug rehab, opiates detox, and treatment for depression and eating disorders. On the other hand, Cliffside is one of the "luxury" addiction treatment centers located in Malibu, and charges large fees for its services.

Growth Strategy

We have developed a procedure that we believe it helps patients battle their mental and physical addiction to alcohol. We are currently operating in Santa Ana, California and market in the surrounding Orange County area. We are currently considering other locations in the United States and expect to use proceeds from the sale of stock as well as operating income to expand to these locations once we deem them viable.

Intellectual Property

We do not own any intellectual property, patents or trademarks.

Government Regulation and Approvals

We are an outpatient service center and perform minor surgery to implant the Naltrexone pill. All procedures need to be completed by a physician or a company owned by a physician. Start Fresh Alcohol Recovery Clinic, Inc. is owned by Dr. Lucien Alexandre, M.D. and Start Fresh Alcohol Recovery Clinic, Inc. performs all the surgical procedures. See "Material Agreements".

The Naltrexone implant does not need any approval because Naltrexone is already an FDA approved medication. Once the physician writes a prescription for Naltrexone, a pharmacist can put it into a compounded form and then administer the medication.

Other than this, we are not aware of any other governmental regulations or approvals for any of our products.

Employees

As of the date hereof, we have approximately 3 full-time employees. All employees assist with scheduling patients and other administrative tasks. We also contract with 2 doctors who are independent contractors. It is their responsibility to perform the surgeries.

MATERIAL AGREEMENT

On June 1, 2011, we entered into the Service Agreement") with Fresh Start Recovery Clinic (the "Service Provider") and Dr. Lucien Alexander ("Dr. Alexander"). In accordance with the terms and provisions of the Service Agreement: (i) we engaged the Service Provider to provide us with services in our Santa Ana Clinic consisting of providing consultation of insurance patients health and physical reports; (ii) assessment to determine if the patient is a candidate for receiving a Naltrexone Implant; (iii) if the patient qualified for receipt of a Naltrexone Implant, implant services for the Naltrexone Implant would be provided together with postoperative care; (iv) teach other doctors that may be contracted by the Service Provider how to do the implant procedure; and (v) to be a strong advocate for the Fresh Start Private Management program.

In February of 2013, a dispute arose between us and the Service Provider, in particular Dr. Alexander, regarding matters relating to accounting and compensatory funds due and owing us under the terms and provisions of the Service Agreement. We retained counsel and the issuers were fully addressed. It was determined that certain errors had been made and constituted a breach of the Service Agreement.

Therefore, on April 13, 2013, we entered into a settlement agreement with Dr. Alexander (the "Settlement Agreement"). In accordance with the terms and provisions of the Settlement Agreement: (i) the Service Agreement involving Dr. Alexander was terminated; (ii) a new service provider would assume the responsibilities of Dr. Alexander pursuant to which Dr. Alexander would transfer all of his right, title and interest in and to ownership of the Fresh Start Clinic to California licensed Dr. George Fallieras for a payment of \$10,000.00 and provide tail coverage on the existing policy for two years; (iii) Dr. Alexander would agree to waive any and all now or hereinafter contractual claims to monies he would have been owed from all pending insurance payments and as his role as medical director and that such funds shall be retained by us.

RISK FACTORS

You should carefully consider the risks described below together with all of the other information included in this Report before making an investment decision with regard to our securities. The statements contained in or incorporated herein that are not historic facts are forward-looking statements that are subject to risks and uncertainties that could cause actual results to differ materially from those set forth in or implied by forward-looking statements. If any of the following risks actually occurs, our business, financial condition or results of operations could be harmed. In that case, you may lose all or part of your investment.

Risks Relating to the Company's Business

The effects of the recent global economic slowdown may continue to have a negative impact on our business, results of operations or financial condition.

The recent global economic slowdown has caused disruptions and extreme volatility in global financial markets, increased rates of default and bankruptcy, and declining consumer and business confidence, which has led to decreased levels of consumer spending. These macroeconomic developments have and could continue to negatively impact our business, which depends on the general economic environment and levels of consumer spending. As a result, we may not be able to maintain our existing customers or attract new customers, or we may be forced to reduce our service fees. If the global economic slowdown continues for a significant period or continues to worsen, our results of operations, financial condition, and cash flows could be materially adversely affected.

We cannot assure you that our growth strategy will be successful which may result in a negative impact on our growth, financial condition, results of operations and cash flow.

One of our strategies is to open more clinical treatment centers and use a variety of advertising channels to increase our exposure among prospective patients. We cannot assure you that we will be able to successfully overcome the obstacles and successfully open more treatment centers. Our inability to implement these growth strategies successfully may have a negative impact on our growth, future financial condition, results of operations or cash flows.

If we need additional capital to fund our growing operations, we may not be able to obtain sufficient capital and may be forced to limit the scope of our operations.

If adequate additional financing is not available on reasonable terms, we may not be able to expand our services to new locations and would have to modify our business plans accordingly. There is no assurance that additional financing will be available to us.

In connection with our growth strategies, we may experience increased capital needs and accordingly, we may not have sufficient capital to fund our future operations without additional capital investments. Our capital needs will depend on numerous factors, including (i) our profitability; (ii) the release of competitive products by our competition; (iii) the level of our investment in research and development; and (iv) the amount of our capital expenditures, including acquisitions. We cannot assure you that we will be able to obtain capital in the future to meet our needs.

In recent years, the securities markets in the United States have experienced a high level of price and volume volatility, and the market price of securities of many companies have experienced wide fluctuations that have not necessarily been related to the operations, performances, underlying asset values or prospects of such companies. For these reasons, our securities can also be expected to be subject to volatility resulting from purely market forces over which we will have no control. If we need additional funding we will, most likely, seek such funding in the United States (although we may be able to obtain funding overseas, primarily from Australia, where officers have performed services in the past) and the market fluctuations effect on our stock price could limit our ability to obtain equity financing.

If we cannot obtain additional funding, we may be required to: (i) limit our expansion; (ii) limit our marketing efforts; and (iii) decrease or eliminate capital expenditures. Such reductions could materially adversely affect our business and our ability to compete.

Even if we do find a source of additional capital, we may not be able to negotiate terms and conditions for receiving the additional capital that are favorable to us. Any future capital investments could dilute or otherwise materially and adversely affect the holdings or rights of our existing shareholders. In addition, new equity or convertible debt securities issued by us to obtain financing could have rights, preferences and privileges senior to the units. We cannot give you any assurance that any additional financing will be available to us, or if available, will be on terms favorable to us.

We purchase the Naltrexone implant from a single source and our business and operating results could be harmed if our supplies were delayed or constrained or if our contractual relationship with Trinity Rx was harmed.

We are dependent on Trinity Rx for the key component of our treatment program involving the Naltrexone implant. In the event our contractual relationship with Naltrexone is harmed or if for some reason the supply of Naltrexone becomes limited or unavailable through Trinity Rx, our operations would be substantially impacted. This would harm our business, financial condition and operating results. Moreover, if the supply of the Naltrexone

implant were to be delayed or constrained, we may be unable to find a new supplier on acceptable terms or at all and delivery of the Naltrexone implant could be substantially delayed.

Need for additional employees.

Our future success also depends upon our continuing ability to attract and retain highly qualified personnel. Expansion of our business and the management and operation will require additional managers and employees with industry experience, and our success will be highly dependent on our ability to attract and retain skilled management personnel and other employees. There can be no assurance that we will be able to attract or retain highly qualified personnel. Competition for skilled personnel in our industries is significant. This competition may make it more difficult and expensive to attract, hire and retain qualified managers and employees.

Our future success is dependent, in part, on the performance and continued service of Dr. Jorge Andrade Jr., our Chief Executive Officer and Director, Neil Muller, our President and Director, Lourdes Felix, our Chief Financial Officer and Director, and Brady Granier, our Director. Without their continued service, we may be forced to interrupt or eventually cease our operations.

Our success depends to a significant degree on the services rendered to us by our key employees. If we fail to attract, train and retain sufficient numbers of these qualified people, our prospects, business, financial condition and results of operations will be materially and adversely affected. In particular, we are heavily dependent on the continued services of Dr. Jorge Andrade Jr., our Chief Executive Officer and director, and Neil Muller, our President and director, and Lourdes Felix, our Chief Financial Officer. Without their continued service, we may be forced to interrupt or eventually cease our operations. The loss of any key employees, including members of our senior management team, and our inability to attract highly skilled personnel with sufficient experience in our industry could harm our business.

We may incur significant costs to be a public company to ensure compliance with U.S corporate governance and accounting requirements and we may not be able to absorb such costs.

We may incur significant costs associated with our public company reporting requirements, costs associated with newly applicable corporate governance requirements, including requirements under the Sarbanes-Oxley Act of 2002 and other rules implemented by the Securities and Exchange Commission. We expect all of these applicable rules and regulations to significantly increase our legal and financial compliance costs and to make some activities more time consuming and costly. We also expect that these applicable rules and regulations may make it more difficult and more expensive for us to obtain director and officer liability insurance and we may be required to accept reduced policy limits and coverage or incur substantially higher costs to obtain the same or similar coverage. As a result, it may be more difficult for us to attract and retain qualified individuals to serve on our board of directors or as executive officers. We are currently evaluating and monitoring developments with respect to these newly applicable rules, and we cannot predict or estimate the amount of additional costs we may incur or the timing of such costs. In addition, we may not be able to absorb these costs of being a public company which will negatively affect our business operations.

We may not be able to meet the internal control reporting requirements imposed by the SEC resulting in a possible decline in the price of our common stock and our inability to obtain future financing.

As directed by Section 404 of the Sarbanes-Oxley Act, the SEC adopted rules requiring each public company to include a report of management on the company's internal controls over financial reporting in its annual reports. Although the Dodd-Frank Wall Street Reform and Consumer Protection Act exempts companies with a public float of less than \$75 million from the requirement that our independent registered public accounting firm attest to our financial controls, this exemption does not affect the requirement that we include a report of management on our internal control over financial reporting and does not affect the requirement to include the independent registered public accounting firm's attestation if our public float exceeds \$75 million.

While we expect to expend significant resources in developing the necessary documentation and testing procedures required by Section 404 of the Sarbanes-Oxley Act, there is a risk that we may not be able to comply timely with all of the requirements imposed by this rule. Regardless of whether we are required to receive a positive attestation from our independent registered public accounting firm with respect to our internal controls, if we are unable to do so, investors and others may lose confidence in the reliability of our financial statements and our stock price and ability to obtain equity or debt financing as needed could suffer.

In addition, in the event that our independent registered public accounting firm is unable to rely on our internal controls in connection with its audit of our financial statements, and in the further event that it is unable to devise alternative procedures in order to satisfy itself as to the material accuracy of our financial statements and related disclosures, it is possible that we would be unable to file our Annual Report on Form 10-K with the SEC, which could also adversely affect the market for and the market price of our common stock and our ability to secure additional financing as needed.

The lack of public company experience of our management team could adversely impact our ability to comply with the reporting requirements of U.S. Securities Laws.

Our management team lacks public company experience, which could impair our ability to comply with legal and regulatory requirements such as those imposed by Sarbanes-Oxley Act of 2002. Our senior management has little experience in managing a publicly traded company. Such responsibilities include complying with federal securities laws and making required disclosures on a timely basis. Our senior management may not be able to implement programs and policies in an effective and timely manner that adequately respond to such increased legal, regulatory compliance and reporting requirements, including the establishing and maintaining of internal controls over financial reporting. Any such deficiencies, weaknesses or lack of compliance could have a materially adverse effect on our ability to comply with the reporting requirements of the Securities Exchange Act of 1934 which is necessary to maintain our public company status. If we were to fail to fulfill those obligations, our ability to continue as a U.S. public company would be in jeopardy in which event you could lose your entire investment in our company.

Our officers and directors have significant control over shareholder matters and the minority shareholders will have little or no control over our affairs.

Our officers and directors currently own approximately 20.7% of our outstanding common stock and has significant control over shareholder matters, such as election of directors, amendments to its Articles of Incorporation, and approval of significant corporate transactions; as a result, the Company's minority shareholders will have little or no control over its affairs.

Risks Relating to Our Securities

In order to raise sufficient funds to expand our operations, we may have to issue additional securities at prices which may result in substantial dilution to our shareholders.

If we raise additional funds through the sale of equity or convertible debt, our current stockholders' percentage ownership will be reduced. In addition, these transactions may dilute the value of ordinary shares outstanding. We may have to issue securities that may have rights, preferences and privileges senior to our ordinary shares. We cannot provide assurance that we will be able to raise additional funds on terms acceptable to us, if at all. If future financing is not available or is not available on acceptable terms, we may not be able to fund our future needs, which would have a material adverse effect on our business plans, prospects, results of operations and financial condition.

We have never declared or paid any cash dividends or distributions on our capital stock. And we do not anticipate paying any cash dividends on our common stock in the foreseeable future.

We have never declared or paid any cash dividends or distributions on our capital stock. We currently intend to retain our future earnings, if any, to support operations and to finance expansion and therefore we do not anticipate paying any cash dividends on our common stock in the foreseeable future.

The declaration, payment and amount of any future dividends will be made at the discretion of the board of directors, and will depend upon, among other things, the results of our operations, cash flows and financial condition, operating and capital requirements, and other factors as the board of directors considers relevant. There is no assurance that future dividends will be paid, and, if dividends are paid, there is no assurance with respect to the amount of any such dividend.

Our shares of common stock are very thinly traded, and the price may not reflect our value and there can be no assurance that there will be an active market for our shares of common stock either now or in the future.

Although our common stock is quoted on the OTC BB, our shares of common stock are very thinly traded, and the price of our common stock, if traded, may not reflect our value. There can be no assurance that there will be an active market for our shares of common stock either now or in the future. Market liquidity will depend on the perception of our operating business and any steps that our management might take to bring us to the awareness of investors. There can be no assurance given that there will be any awareness generated. Consequently, investors may not be able to liquidate their investment or liquidate it at a price that reflects the value of the business. As a result holders of our securities may not find purchasers our securities should they to sell securities held by them. Consequently, our securities should be purchased only by investors having no need for liquidity in their investment and who can hold our securities for an indefinite period of time.

If a more active market should develop, the price of our shares of common stock may be highly volatile. Because there may be a low price for our shares of common stock, many brokerage firms may not be willing to effect transactions in our securities. Even if an investor finds a broker willing to effect a transaction in the shares of our common stock, the combination of brokerage commissions, transfer fees, taxes, if any, and any other selling costs may exceed the selling price. Further, many lending institutions will not permit the use of such shares of common stock as collateral for any loans.

We expect to apply for listing of our common stock on a senior exchange, however, there can be no guarantee that such listing shall be achieved at any time.

We may be subject to the penny stock rules which will make shares of our common stock more difficult to sell.

We may be subject now and in the future to the Commission's "penny stock" rules if our shares of common stock sell below \$5.00 per share. Penny stocks generally are equity securities with a price of less than \$5.00. The penny stock rules require broker-dealers to deliver a standardized risk disclosure document prepared by the Commission which provides information about penny stocks and the nature and level of risks in the penny stock market. The broker-dealer must also provide the customer with current bid and offer quotations for the penny stock, the compensation of the broker-dealer and its salesperson, and monthly account statements showing the market value of each penny stock held in the customer's account. The bid and offer quotations, and the broker-dealer and salesperson compensation information must be given to the customer orally or in writing prior to completing the transaction and must be given to the customer in writing before or with the customer's confirmation.

In addition, the penny stock rules require that prior to a transaction; the broker dealer must make a special written determination that the penny stock is a suitable investment for the purchaser and receive the purchaser's written agreement to the transaction. The penny stock rules are burdensome and may reduce purchases of any offerings and reduce the trading activity for shares of our common stock. As long as our shares of common stock are subject to the penny stock rules, the holders of such shares of common stock may find it more difficult to sell their securities.

ITEM 1B – UNRESOLVED STAFF COMMENTS

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

ITEM 2 – PROPERTIES

We do not own any real estate or other physical properties material to our operations. We operate from leased space. Our executive offices are located at 720 North Tustin Avenue, Suite 206, Santa Ana, California 92705, and our telephone number is (714) 541-6100. We lease this property. Our lease commenced effective September 1, 2012 for a term of three years, with an option to extend the lease for 36 months. The base rent is \$4,309 per month.

ITEM 3 - LEGAL PROCEEDINGS

From time to time, we may become involved in various lawsuits and legal proceedings which arise in the ordinary course of business. However, litigation is subject to inherent uncertainties, and an adverse result in these or other matters may arise from time to time that may harm our business. We are currently not aware of any such legal proceedings or claims that we believe will have, individually or in the aggregate, a material adverse effect on our business, financial condition or operating results.

ITEM 4 – MINE SAFETY DISCLOSURES

Not applicable.

PART II

ITEM 5 - MARKET FOR REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES

Our common stock has been approved for quotation on The OTC Bulletin Board under the symbol "CEYY." The Company stock began trading on August 30, 2010. The table below sets forth the high and low bid prices for our common stock for the period indicated as reported on the OTCBB website.

Financial Quarter Ended	Common Stock Market Price	
	High (\$)	Low (\$)
December 31, 2012	0.012	0.012
September 30, 2012	0.018	0.017
June 30, 2012	0.02	0.015
March 31, 2012	0.034	0.025
December 31, 2011	0.058	0.01
September 30, 2011	0.12	0.031
June 30, 2011	0.49	0.055
March 31, 2011	0.365	0.149

As of April 15, 2013, 115,368,501 shares of our common stock were issued and outstanding.

Holders

As of April 15, 2013, there were approximately 54 holders of record of our common stock. This number does not include shares held by brokerage clearing houses, depositories or others in unregistered form.

Dividend Policy

We have never paid any cash dividends on our capital stock and do not anticipate paying any cash dividends on our common stock in the foreseeable future. We intend to retain future earnings to fund ongoing operations and future capital requirements of our business. Any future determination to pay cash dividends will be at the discretion of the Board and will be dependent upon our financial condition, results of operations, capital requirements and such other factors as the Board deems relevant.

Securities Authorized for Issuance Under Equity Compensation Plans

We have one equity compensation plan, the Fresh Start Private Management Inc. 2012 Stock Option Plan (the "Plan"). The table set forth below presents information relating to our equity compensation plans as of the date of this Annual Report:

Equity Compensation Plan Information

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights	Weighted-average exercise price of outstanding options, warrants and rights	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a))
Equity compensation plans approved by security holders			
Equity compensation plans not approved by security holders	25,000,000	-	25,000,000
Total	25,000,000	-	25,000,000

2012 Stock Option Plan

On November 30, 2012, our Board of Directors authorized and approved the adoption of the Plan effective November 30, 2012 under which an aggregate of 25,000,000 of our shares may be issued.

During fiscal year ended December 31, 2012, we granted an aggregate 9,000,000 Stock Options to our officers and directors and certain consultants.

The purpose of the Plan is to enhance our long-term stockholder value by offering opportunities to our directors, officers, employees and eligible consultants to acquire and maintain stock ownership in order to give these persons the opportunity to participate in our growth and success, and to encourage them to remain in our service.

The Plan is to be administered by our Board of Directors or a committee appointed by and consisting of one or more members of the Board of Directors, which shall determine (i) the persons to be granted Stock Options under the Plan; (ii) the number of shares subject to each option, the exercise price of each Stock Option; and (iii) whether the Stock Option shall be exercisable at any time during the option period up to ten (10) years or whether the Stock Option shall be exercisable in installments or by vesting only. The Plan provides authorization to the Board of Directors to grant Stock Options to purchase a total number of shares of Common Stock of the Company, not to exceed 20,000,000 shares as at the date of adoption by the Board of Directors of the Plan. At the time a Stock Option is granted under the Plan, the Board of Directors shall fix and determine the exercise price at which shares of our common stock may be acquired.

In the event an optionee ceases to be employed by or to provide services to us for reasons other than cause, retirement, disability or death, any Stock Option that is vested and held by such optionee generally may be exercisable within up to ninety (90) calendar days after the effective date that his position ceases, and after such 90-day period any unexercised Stock Option shall expire. In the event an optionee ceases to be employed by or to provide services to us for reasons of retirement, disability or death, any Stock Option that is vested and held by such optionee generally may be exercisable within up to one-year after the effective date that his position ceases, and after such one-year period, any unexercised Stock Option shall expire.

No Stock Options granted under the Stock Option Plan will be transferable by the optionee, and each Stock Option will be exercisable during the lifetime of the optionee subject to the option period up to ten (10) years or the limitations described above. Any Stock Option held by an optionee at the time of his death may be exercised by his estate within one (1) year of his death or such longer period as the Board of Directors may determine.

The exercise price of a Stock Option granted pursuant to the Plan shall be paid in full to us by delivery of consideration equal to the product of the Stock Option in accordance with the requirements of the Nevada Revised Statutes. Any Stock Option settlement, including payment deferrals or payments deemed made by way of settlement

of pre-existing indebtedness, may be subject to such conditions, restrictions and contingencies as may be determined.

Incentive Stock Options

The Plan further provides that, subject to the provisions of the Stock Option Plan and prior shareholder approval, the Board of Directors may grant to any key individuals who are our employees eligible to receive options, one or more incentive stock options to purchase the number of shares of common stock allotted by the Board of Directors (the "Incentive Stock Options"). The option price per share of common stock deliverable upon the exercise of an Incentive Stock Option shall be at least 100% of the fair market value of our common shares, and in the case of an Incentive Stock Option granted to an optionee who owns more than 10% of the total combined voting power of all classes of our stock, shall not be less than 100% of the fair market value of our common shares. The option term of each Incentive Stock Option shall be determined by the Board of Directors, which shall not commence sooner than from the date of grant and shall terminate no later than ten (10) years from the date of grant of the Incentive Stock Option, subject to possible early termination as described above.

As of the date of this Annual Report, no Stock Options have been exercised.

Registration Statement

We filed a registration statement on Form S-8 dated November 14, 2012 (the "Registration Statement") registering an aggregate of 25,000,000 shares of our common stock underlying the Stock Options. We granted an aggregate of 9,000,000 Stock Option as registered under the Registration Statement.

Recent Sales of Unregistered Securities

None

ITEM 6 – SELECTED FINANCIAL DATA

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

ITEM 7 - MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

This Management's Discussion and Analysis of Financial Condition and Results of Operations includes a number of forward-looking statements that reflect Management's current views with respect to future events and financial performance. You can identify these statements by forward-looking words such as "may" "will," "expect," "anticipate," "believe," "estimate" and "continue," or similar words. Those statements include statements regarding the intent, belief or current expectations of us and members of its management team as well as the assumptions on which such statements are based. Prospective investors are cautioned that any such forward-looking statements are not guarantees of future performance and involve risk and uncertainties, and that actual results may differ materially from those contemplated by such forward-looking statements.

Readers are urged to carefully review and consider the various disclosures made by us in this report and in our other reports filed with the Securities and Exchange Commission. Important factors currently known to us could cause actual results to differ materially from those in forward-looking statements. We undertake no obligation to update or revise forward-looking statements to reflect changed assumptions, the occurrence of unanticipated events or changes in the future operating results over time. We believe that its assumptions are based upon reasonable data derived from and known about our business and operations and the business and operations of the Company. No assurances are made that actual results of operations or the results of our future activities will not differ materially from its assumptions. Factors that could cause differences include, but are not limited to, expected market demand for the Company's services, fluctuations in pricing for materials, and competition.

Business Overview

Through our wholly owned subsidiary, we are an alcoholism rehabilitation and treatment center headquartered in Santa Ana, California. We were established in January 2010 and currently operating in Santa Ana, California. Our alcohol rehabilitation program consists of a Naltrexone implant that is placed under the skin in the lower abdomen coupled with life counseling sessions from specialized counselors.

We operate within the *Specialty Hospitals, Expert Psychiatric* industry, specifically within the industry subsets of *Alcoholism Rehabilitation Hospital*. We offer a unique treatment program and, to date, we have experienced a high rate of success with very few of our clinics starting to drink during the first year after the implant is inserted. The Fresh Start program gives the alcoholic a 12 month window of sobriety. Statistics are still being compiled for after the 12 month period, as the program has been in place barely over one year.

Recent Developments

Reverse Acquisition of FSP

On October 31, 2011, we completed a reverse acquisition transaction through a share exchange with the shareholders of FSP whereby we acquired all of the issued and outstanding shares of FSP in exchange for 37,000,000 shares of our common stock, which represented approximately 31.3% of our total shares outstanding immediately following the closing of the transaction. As a result of the reverse acquisition, FSP became our wholly owned subsidiary and the former shareholders of FSP became our controlling stockholders. The share exchange transaction with FSP was treated as a reverse acquisition, with FSP as the acquirer and the Company as the acquired party.



FSP was incorporated under the laws of the State of Nevada on July 8, 2009. FSP is an existing alcohol treatment center headquartered in Santa Ana, California, with clinical operations in California. It was established in January 2010, and is currently seeking funding in order to begin expansion to locations across the United States. Future locations are yet unidentified and costs of expansion will vary as the cost of facilities, licensing, and qualified personnel vary greatly in areas outside of California. The current focus of the Company is on the California clinic and expansion. Costs of expansion will be reviewed in detail once that process is complete.

FSP has developed a unique alcohol treatment philosophy that provides alcoholics with the comprehensive treatment and rehabilitation they need. FSP is committed to continuing to provide excellent rehabilitation services to clients nationwide as it expands its network of clinics.

Results of Operations

The following table summarizes changes in selected operating indicators of the Company, illustrating the relationship of various income and expense items to net sales for the respective periods presented (components may not add or subtract to totals due to rounding):

	2012	2011
Net Sales	\$ 868,161	\$ 771,762
Cost of Sales	402,482	400,414
Gross Profit (Loss)	465,679	371,348
Total Operating Expenses	(1,086,383)	(714,874)
Net Interest Expense	(260,246)	(65,440)
Loss on change in derivative liability	(1,269)	-
Income taxes	(1,600)	
Net Loss	<u>\$ (885,807)</u>	<u>\$ (408,967)</u>

Year Ended December 31, 2012 Compared with Year Ended December 31, 2011

Sales

Sales for the year ended December 31, 2012 were \$868,161, compared with \$771,762 for the year ended December 31, 2011, reflecting an increase of 12%. Advertising promoting the services of the Company for the year ended December 31, 2012 and 2011 were \$100,624 and \$270,820, respectively, reflecting a decrease of 62% which directly impacts the growth of our revenues.

The decrease in revenues is directly related to an advertising contract in 2011 that resulted in a significant increase in patients. Under the agreement, the contractor is compensated per patient enrollment, directly increasing revenues.

Cost of Sales

Cost of sales for the year ended December 31, 2012 were \$402,482 compared with \$400,414 for the year ended December 31, 2011, reflecting an increase of 0.5%. The cost of sales in 2012 were impacted by the related to our sales .

Gross Profit

Gross profit percentage for the year ended December 31, 2012 was 53.6% compared to 48.1% for the year ended December 31, 2011. The gross profit percentage increase reflects the shift from cash paying customers that were given discounts to promote the Company to insured patients acquired through the advertising contract that have a higher patient fee while incurring the same medical and therapist costs.

Total Operating Expenses

Total operating expenses for the year ended December 31, 2012 and 2011 were \$1,086,383 and \$714,874 reflecting an increase of 52%. Specifically, comparing the year ended December 31, 2012 to December 31, 2011, consulting fees increased from \$146,257 to \$516,975, accounting fees decreased from \$49,473 to \$45,123, advertising decreased from \$270,820 to \$100,629, and rent increased from \$36,859 to \$44,899. In addition, we incurred \$259,148 as stock based compensation in 2012 compared to nil in 2011. As mentioned above, the advertising increase in 2011 was from the execution of the advertising contract that directly resulted in additional patients being serviced by the Company.

Interest Expenses

Interest expense for the year ended December 31, 2012 and 2011 were \$260,246 and \$65,440, respectively, reflecting additional costs incurred from our 2012 borrowings.

Income taxes

Income taxes for the year ended December 31, 2012 and 2011 were \$1,600 and \$-0-, respectively.

The components of the income tax provisions for 2012 and 2011 are as follows:

	<u>2012</u>	<u>2011</u>
Current provision:		
Federal	\$ -	\$ -
State	1,600	-
	<u>1,600</u>	<u>-</u>
Deferred benefit:		
Federal	(290,248)	(139,049)
State	(75,465)	(36,153)
	<u>(365,713)</u>	<u>(175,201)</u>
Change in valuation allowance	<u>365,713</u>	<u>175,201</u>
Total provision	<u>\$ 1,600</u>	<u>\$ -</u>

The difference between the income tax provision and income taxes computed using a U.S. federal income tax rate of 34% consisted of the following:

	<u>2012</u>	<u>2011</u>
Provision at statutory rate	34.0%	34.0%
State taxes, net of federal benefit	5.8%	5.8%
Other	1.3%	0.0%
Change in valuation allowance	<u>-41.4%</u>	<u>-39.8%</u>
Total	<u>-0.2%</u>	<u>0.0%</u>

Deferred income taxes reflect the net tax effect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes. Significant components of the Company's deferred taxes as of December 31, 2012 and 2011 are as follows (in thousands):

	<u>2012</u>	<u>2011</u>
Deferred tax assets:		
Net operating loss carryforwards	\$ 818,573	\$ 255,867
Share-based compensation	62,039	-

Other	11,298	42,740
Total deferred tax assets	891,910	298,607
Valuation Allowance	(664,320)	(298,607)
	227,590	-
Deferred tax liabilities:		
Tax deductible licensing agreement	(132,300)	-
Accrual to cash	(94,516)	-
Other	(774)	-
Total deferred tax liabilities	(227,590)	-
Net deferred tax assets(liabilities)	\$ -	\$ -

A full valuation allowance has been provided against the Company's deferred tax assets at December 31, 2012, as the Company believes it is more likely than not that sufficient taxable income will not be generated to realize these temporary differences.

The Company has federal and California net operating losses (NOLs) of approximately \$1,910,769 and \$1,910,769, respectively, which begin to expire in the years beginning in 2029 and 2029 for federal and state purposes, respectively. Pursuant to Section 382 of the Internal Revenue Code, use of the Company's NOLs and credit carryforwards may be limited if the Company experiences a cumulative change in ownership of greater than 50% in a moving three-year period.

The Company also has federal credits that begin to expire 2027 and state tax credits that may be carried forward indefinitely.

The Company provides for uncertain tax positions when such tax positions do not meet the recognition thresholds or measurement standards as set forth in ASC Topic 740, *Income Taxes*, regarding accounting for uncertainty in income taxes. Amounts for uncertain tax positions are adjusted in periods when new information becomes available or when positions are effectively settled. There are no unrecognized benefits related to uncertain tax positions as of December 31, 2012. The Company does not anticipate that there will be material change in the liability for unrecognized tax benefits within the next 12 months.

Interest and penalties associated with unrecognized tax benefits are recorded in nonoperating income and expenses and selling, general and administrative expenses, respectively. As of December 31, 2012, the Company did not have any accrued interest or penalties associated with any unrecognized tax benefits. As of December 31, 2012, the Company's federal tax returns are open to audit under the statute of limitations for the years 2009 and later, and the Company's state tax returns generally are open to audit under statutes of limitations for the years 2009 and later. However, if NOLs that originated in earlier tax years are utilized in the future, the amount of such NOLs from those earlier years remain subject to review by tax authorities.

Net Loss

For the year ended December 31, 2012, the Company experienced a loss of \$885,807 compared with a net loss of \$408,967 for the year ended December 31, 2011.

Liquidity and Capital Resources

As of December 31, 2012, we had cash of approximately \$6,002. The following table provides a summary of our net cash flows from operating, investing, and financing activities.

Net cash used in operating activities	\$ (927,758)	\$ (129,290)
Net cash used in investing activities	(75,820)	(4,169)
Net cash provided by financing activities	<u>1,007,923</u>	<u>127,988</u>
Net increase (decrease) in cash	4,345	(5,471)
Cash and cash equivalents, beginning of period	<u>1,657</u>	<u>7,128</u>
Cash, end of period	<u>\$ 6,002</u>	<u>\$ 1,657</u>

Currently we have no material commitments for capital expenditures as of the end of the year ending December 31, 2012. We historically sought and continue to seek financing from private sources to move our business plan forward. In order to satisfy the financial commitments, we had relied upon private party financing that has inherent risks in terms of availability and adequacy of funding.

For the next twelve months, we anticipate that we will need to supplement our revenues with additional capital investment or debt to ensure that we will have adequate cash to provide the minimum operating cash requirements to continue as a going concern. In 2011, the company started accepting insurance payments for patient services. To accelerate cash flows, we have initially factored some receivables as collection from insurance can take extended periods of time. We believe that by factoring the receivables from the insurance companies and by raising additional capital that sufficient cash flows can be maintained while the Company grows its revenue base.

We may require additional capital investments or borrowed funds to meet cash flow projections and carry forward our business objectives. There can be no guarantee or assurance that we can raise adequate capital from outside sources. If we are unable to raise funds when required or on acceptable terms, we may have to significantly scale back, or discontinue, our operations.

Net Cash Flow From Operating Activities

Net Cash used in operating activities increased by \$799,368 for the year ended December 31, 2012 compared to 2011 primarily due to the Company's increase in loss incurred as compared to the prior year.

Net Cash Flow From Investing Activities

Net cash used in investing activities increased by \$70,751 for the year ended December 31, 2012 compared to of 2011 primarily by the acquisition of treasury shares of \$75,000, net with a reduction in purchase of fixed assets.

Net Cash Flow From Financing Activities

Net cash provided by financing activities increased by \$879,935 for the year ended December 31, 2012 compared to 2011 due to increased proceeds from lender advances, convertible and other notes payable, net offset by short-term loan repayments to related parties.

Going Concern

The Company's financial statements are prepared in accordance with generally accepted accounting principles applicable to a going concern. This contemplates the realization of assets and the liquidation of liabilities in the normal course of business. As of December 31, 2012 and December 31, 2011, the Company has a working capital deficit of \$1,141,259 and \$499,688, and an accumulated deficit of \$1,598,591 and \$712,784. The Company's revenues have decreased from 2011 to 2012. We will be dependent upon the raising of additional capital through placement of our common stock in order to implement its business plan or by using outside financing. There can be no assurance that the Company will be successful in these situations in order to continue as a going concern. The Company is funding its operations by additional borrowings and some shareholder advances.

Off Balance Sheet Arrangements

We do not have any off balance sheet arrangements that have or are reasonably likely to have a current or future effect on our financial condition, changes in financial condition, sales or expenses, results of operations, liquidity or capital expenditures, or capital resources that are material to an investment in our securities.

Critical Accounting Policies

Use of Estimates and Assumptions

Preparation of the financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Revenue Recognition

The Company generates revenue from services. Revenue is recognized in accordance with Accounting Standards Codification subtopic 605-10, Revenue Recognition ("ASC 605-10") which requires that four basic criteria must be met before revenue can be recognized: (1) persuasive evidence of an arrangement exists; (2) delivery has occurred or services have been rendered; (3) the selling price is fixed and determinable; and (4) collectability is reasonably assured. Determination of criteria (3) and (4) are based on management's judgments regarding the fixed nature of the selling prices of the services delivered and the collectability of those amounts. Provisions for discounts and rebates to customers, estimated returns and allowances, and other adjustments are provided for in the same period the related revenue are recorded. The Company defers any revenue for which the

services has not been performed or is subject to refund until such time that the Company and the customer jointly determine that the services has been performed or no refund will be required.

Advertising

Advertising costs are expensed as incurred. As of December 31, 2012 and 2011, \$100,629 and \$270,820 advertising costs have been incurred.

Cash and Cash Equivalents

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

Equipment

Equipment, leasehold improvements, and additions thereto are carried at cost. Depreciation is computed using the straight-line method over the estimated useful lives of the depreciable property generally five to seven years for assets purchased new and two to three years for assets purchased used. Leasehold improvements are amortized over the shorter of the lease term or the estimated lives. Management evaluates useful lives regularly in order to determine recoverability taking into consideration current technological conditions. Maintenance and repairs are charged to expense as incurred; additions and betterments are capitalized. Fully depreciated assets are retained in equipment and accumulated depreciation accounts until retirement or disposal. Upon retirement or disposal of an asset, the cost and related accumulated depreciation are removed, and any resulting gain or loss, net of proceeds, is credited or charged to operations.

Income Taxes

The Company accounts for income taxes under FASB ASC 740 "*Income Taxes*." Under the asset and liability method of FASB ASC 740, deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statements carrying amounts of existing assets and liabilities and their respective tax bases. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. Under FASB ASC 740, the effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period the enactment occurs. A valuation allowance is provided for certain deferred tax assets if it is more likely than not that the Company will not realize tax assets through future operations.

Stock-Based Compensation

FASB ASC 718 "*Compensation - Stock Compensation*" prescribes accounting and reporting standards for all stock-based payments award to employees, including employee stock options, restricted stock, employee stock purchase plans and stock appreciation rights, may be classified as either equity or liabilities. The Company determines if a present obligation to settle the share-based payment transaction in cash or other assets exists. A present obligation to settle in cash or other assets exists if: (a) the option to settle by issuing equity instruments lacks commercial substance or (b) the present obligation is implied because of an entity's past practices or stated policies. If a present obligation exists, the transaction should be recognized as a liability; otherwise, the transaction should be recognized as equity. The Company accounts for stock-based compensation issued to non-employees and consultants in accordance with the provisions of FASB ASC 505-50 "*Equity - Based Payments to Non-Employees*." Measurement of share-based payment transactions with non-employees is based on the fair value of whichever is more reliably measurable: (a) the goods or services received; or (b) the equity instruments issued. The fair value of the share-based payment transaction is determined at the earlier of performance commitment date or performance completion date.

Derivative Financial Instruments

Accounting Standards Codification subtopic 815-40, Derivatives and Hedging, Contracts in Entity's own Equity ("ASC 815-40") became effective for the Company on October 1, 2009. The Company's convertible debt has variable conversion rates to the exercise price, which prohibit the Company from determining the number of shares needed to settle the conversion of the debt.

Recent Accounting Pronouncements

There were various updates recently issued, most of which represented technical corrections to the accounting literature or application to specific industries and are not expected to have a material impact on the Company's consolidated financial position, results of operations or cash flows.

ITEM 7A – QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

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

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ITEM 8 - FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

FRESH START PRIVATE MANAGEMENT INC.

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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

Report of Independent Registered Public Accounting Firm

Board of Directors and Stockholders
Fresh Start Private Management, Inc.

We have audited the accompanying consolidated balance sheet of Fresh Start Private Management, Inc. (the "Company") as of December 31, 2012, and the related consolidated statement of operations, stockholders' equity (deficit), and cash flows for the year then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Fresh Start Private Management, Inc. as of December 31, 2012, and the results of its operations and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

The accompanying consolidated financial statements have been prepared assuming that the Company will continue as a going concern. As discussed in Note 3 to the financial statements, the Company has suffered recurring losses from operations and has a net capital deficiency that raises substantial doubt about its ability to continue as a going concern. Management's plans in regard to these matters are also described in Note 3. The consolidated financial statements do not include any adjustments that might result from the outcome of this uncertainty.

/s/ Kling & Pathak LLP

Cerritos, California

April 15, 2013

FRESH START PRIVATE MANAGEMENT, INC.
CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2012 AND 2011

ASSETS	<u>2012</u>	<u>2011</u>
Current assets:		
Cash	\$ 6,002	\$ 1,657
Accounts receivable, net	1,074,552	528,769
Prepaid expenses	<u>24,317</u>	<u>4,195</u>
Total current assets	1,104,871	534,621
Property and equipment, net	5,342	6,510
Other assets:		
Licensing agreement	3,970,575	3,970,575
Deposits	<u>2,278</u>	<u>2,278</u>
Total assets	<u>\$ 5,083,066</u>	<u>\$ 4,513,984</u>
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable and accrued expenses	\$ 615,304	\$ 631,461
Due to factor	154,990	200,956
Income taxes payable	1,600	-
Deferred revenue	262,938	-
Advances from lenders	885,000	-
Convertible note payable, net of debt discount	5,708	-
Notes payable, net of debt discount	95,736	-
Notes payable, related party	144,815	191,892
Derivative liability	<u>80,039</u>	<u>-</u>
Total current liabilities	2,246,130	1,024,309
Stockholders' equity:		
Common stock, \$0.001 par value; 200,000,000 shares authorized, 100,768,501 and 118,141,938 shares issued and outstanding as of December 31, 2012 and 2011, respectively	100,769	118,142
Common stock subscribed	100,000	100,000
Additional paid in capital	4,234,758	3,984,317
Deficit	<u>(1,598,591)</u>	<u>(712,784)</u>
Total stockholders' equity	2,836,936	3,489,675
Total liabilities and stockholders' equity	<u>\$ 5,083,066</u>	<u>\$ 4,513,984</u>

See the accompanying notes to the consolidated financial statements

F-3

FRESH START PRIVATE MANAGEMENT, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS

	Year ended December 31,	
	<u>2012</u>	<u>2011</u>
Sales, net	\$ 868,161	\$ 771,762
Cost of sales	<u>402,482</u>	<u>400,414</u>
Gross profit	465,679	371,348
Operating expenses:		
Selling, general and administrative	1,086,383	712,683
Depreciation and amortization	<u>1,988</u>	<u>2,191</u>
Total operating expenses	1,088,371	714,874
Net loss from operations	(622,692)	(343,527)
Other income (expenses):		

Interest expense	(260,246)	(65,440)
Loss on change in fair value of derivative liability	(1,269)	-
Net loss before income taxes	(884,207)	(408,967)
Income taxes (benefit)	1,600	-
Net loss	<u>\$ (885,807)</u>	<u>\$ (408,967)</u>
Net loss per common share, basic and diluted	<u>\$ (0.01)</u>	<u>\$ (0.01)</u>
Weighted average number of common shares outstanding, basic and diluted	<u>106,153,613</u>	<u>50,556,418</u>

See the accompanying notes to the consolidated financial statements

F-4

FRESH START PRIVATE MANAGEMENT, INC.
CONSOLIDATED STATEMENT OF STOCKHOLDERS' EQUITY (DEFICIT)
FOR THE YEARS ENDED DECEMBER 31, 2012 AND 2011

	Common stock		Common stock	Additional	Retained earnings	
	Shares	Amount	Subscribed	Paid in	(deficit)	Total
Balance, December 31, 2010	37,000,000	\$ 37,000	\$ -	\$ -	\$ (209,714)	\$ (172,714)
Common stock issued in connection with the share exchange transaction and effect of recapitalization	75,469,688	75,470	100,000	-	(94,103)	81,367
Common stock issued in settlement of acquired license	5,672,250	5,672	-	3,964,903	-	3,970,575
Donated capital	-	-	-	19,414	-	19,414
Net loss	-	-	-	-	(408,967)	(408,967)
Balance, December 31, 2011	118,141,938	118,142	100,000	3,984,317	(712,784)	3,489,675
Common stock re-acquired and canceled, net with fees and related costs	(24,000,000)	(24,000)	-	(51,000)	-	(75,000)
Common stock issued in connection with notes payable	1,400,000	1,400	-	35,700	-	37,100
Common stock issued for services rendered	4,506,563	4,507	-	109,825	-	114,332
Stock based compensation	-	-	-	37,228	-	37,228
Fair value of vested employee options	-	-	-	107,588	-	107,588
Common stock issued in settlement of interest	720,000	720	-	11,100	-	11,820
Net loss	-	-	-	-	(885,807)	(885,807)
Balance, December 31, 2012	<u>100,768,501</u>	<u>\$ 100,769</u>	<u>\$ 100,000</u>	<u>\$ 4,234,758</u>	<u>\$ (1,598,591)</u>	<u>\$ 2,836,936</u>

See the accompanying notes to the consolidated financial statements

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FRESH START PRIVATE MANAGEMENT, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS

	Year ended December 31,	
	2012	2011
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net loss	\$ (885,807)	\$ (408,967)

Adjustments to reconcile net income (loss) to cash flows used in operating activities:

Depreciation and amortization	1,988	2,191
Amortization of debt discount	26,544	-
Provision for doubtful accounts	380,030	-
Non cash interest	20,770	-
Stock based compensation	259,148	-
Common stock issued in settlement of interest	11,820	-
Contributed capital		19,414
Loss on change of fair value of derivative liability	1,269	-
Changes in operating assets and liabilities:		
Accounts receivable	(925,813)	(528,769)
Prepaid expenses	(20,122)	(4,195)
Accounts payable and accrued expenses	(16,157)	597,480
Due to factor	(45,966)	200,956
Income taxes payable	1,600	-
Deferred revenue	<u>262,938</u>	<u>(6,500)</u>
Net cash used in operating activities	(927,758)	(128,390)

CASH FLOWS FROM INVESTING ACTIVITIES:

Acquisition and cancellation of treasury shares	(75,000)	-
Cash acquired with acquisition	-	1,116
Purchase of equipment	(820)	(3,907)
Payment of long term deposit	<u>-</u>	<u>(2,278)</u>
Net cash used in investing activities	(75,820)	(5,069)

CASH FLOWS FROM FINANCING ACTIVITIES:

Net proceeds from notes payable	112,000	-
Net proceeds from convertible notes payable	58,000	-
Net proceeds from notes payable, related party	-	127,988
Net proceeds from lender advances	885,000	-
Net repayments of notes payable, related party	<u>(47,077)</u>	<u>-</u>
Net cash provided by financing activities	1,007,923	127,988

Net increase (decrease) in cash	4,345	(5,471)
Cash, beginning of the period	<u>1,657</u>	<u>7,128</u>
Cash, end of period	<u>\$ 6,002</u>	<u>\$ 1,657</u>

Supplemental disclosures of cash flow information:

Interest paid	<u>\$ -</u>	<u>\$ -</u>
Taxes paid	<u>\$ -</u>	<u>\$ -</u>

Non cash financing activities:

Common stock issued in in settlement of convertible notes payable	<u>\$ 37,100</u>	<u>\$ -</u>
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See the accompanying notes to the consolidated financial statements

FRESH START PRIVATE MANAGEMENT, INC
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2012 AND 2011

NOTE 1 –BUSINESS AND RECAPITALIZATION

Fresh Start Private Management, Inc. through its wholly owned subsidiary Fresh Start Private, Inc. provides an innovative alcoholism treatment program that empowers patients to succeed in their overall recovery. We offer a unique treatment philosophy that combines medical intervention, a singular focus and a comprehensive approach, and a focus on family and friends.

On October 31, 2011 (the “Closing Date”), the Company entered into a Share Exchange Agreement (the “Exchange Agreement”) by and among (i) Fresh Start Private Management, Inc. (the “Company”), (ii) our former principal stockholder, (iii) Fresh Start Private, Inc. (“FSP”), and (iv) the former shareholders of FSP. Pursuant to the terms of the Exchange Agreement, each of the former shareholders of FSP transferred to us all of their shares of FSP in exchange for the issuance of 37,000,000 shares of our common stock, which represented approximately 31.3% of our total shares outstanding immediately following the closing of the transaction (such transaction, the “Share Exchange”). As a result of the Share Exchange, FSP became our wholly-owned subsidiary. We are now a holding company, which through FSP, is now engaged in alcohol treatment. Upon completion of the Share Exchange, Fresh Start Private, Inc. became Fresh Start Private Management Inc.'s wholly-owned subsidiary. As the owners and management of Fresh Start Private, Inc. obtained voting and operating control of Fresh Start Private Management, Inc. after the Share Exchange and Fresh Start Private Management Inc. was non-operating, had no assets or liabilities and did not meet the definition of a business, the transaction has been accounted for as a recapitalization of Fresh Start Private, Inc., accompanied by the issuance of its common stock for outstanding common stock of Fresh Start Management Inc., which was recorded at a nominal value. The accompanying financial statements and related notes give retroactive effect to the recapitalization as if it had occurred on July 8, 2009 (inception date) and accordingly all share and per share amounts have been adjusted.

NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

The consolidated financial statements include the accounts of Fresh Start Private Management, Inc. and its wholly owned subsidiary, Fresh Start Private, Inc. (hereafter referred to as the “Company” or “Fresh Start”). All significant intercompany balances and transactions have been eliminated in consolidation.

Reclassifications

Certain reclassifications have been made in the prior year’s financial statements to conform to classifications used in the current year.

Revenue Recognition

The Company generates revenue from services. Revenue is recognized in accordance with Accounting Standards Codification subtopic 605-10, Revenue Recognition (“ASC 605-10”) which requires that four basic criteria must be met before revenue can be recognized: (1) persuasive evidence of an arrangement exists; (2) delivery has occurred or services have been rendered; (3) the selling price is fixed and determinable; and (4) collectability is reasonably assured. Determination of criteria (3) and (4) are based on management's judgments regarding the fixed nature of the selling prices of the services delivered and the collectability of those amounts. Provisions for discounts and rebates to customers, estimated returns and allowances, and other adjustments are provided for in the same period the related revenue are recorded. The Company defers any revenue for which the services has not been performed or is subject to refund until such time that the Company and the customer jointly determine that the services has been performed or no refund will be required.

Use of Estimates

The preparation of consolidated 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

FRESH START PRIVATE MANAGEMENT, INC
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2012 AND 2011

and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Accounts Receivable

Accounts receivable are recorded at original invoice amount less an allowance for uncollectible accounts that management believes will be adequate to absorb estimated losses on existing balances. Management estimates the allowance based on collectability of accounts receivable and prior bad debt experience. Accounts receivable balances are written off upon management's determination that such accounts are uncollectible. Recoveries of accounts receivable previously written off are recorded when received. Management believes that credit risks on accounts receivable will not be material to the financial position of the Company or results of operations. The allowance for doubtful accounts was \$866,315 and \$486,285 as of December 31, 2012 and 2011, respectively.

Fair Value Of Financial Instruments

Fair value estimates discussed herein are based upon certain market assumptions and pertinent information available to management as of December 31, 2012 and 2011. The respective carrying value of certain on-balance-sheet financial instruments approximated their fair values. These financial instruments include cash and accounts payable. Fair values were assumed to approximate carrying values for cash and payables because they are short term in nature and their carrying amounts approximate fair values or they are payable on demand. See Footnote 17 for derivative liabilities.

Segment Information

Accounting Standards Codification subtopic Segment Reporting 280-10 ("ASC 280-10") establishes standards for reporting information regarding operating segments in annual financial statements and requires selected information for those segments to be presented in interim financial reports issued to stockholders. ASC 280-10 also establishes standards for related disclosures about products and services and geographic areas. Operating segments are identified as components of an enterprise about which separate discrete financial information is available for evaluation by the chief operating decision maker, or decision-making group, in making decisions how to allocate resources and assess performance. The information disclosed herein materially represents all of the financial information related to the Company's principal operating segment.

Long-Lived Assets

The Company follows FASB ASC 360-10-15-3, "Impairment or Disposal of Long-lived Assets," which established a "primary asset" approach to determine the cash flow estimation period for a group of assets and liabilities that represents the unit of accounting for a long-lived asset to be held and used. Long-lived assets to be held and used are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. The carrying amount of a long-lived asset is not recoverable if it exceeds the sum of the undiscounted cash flows expected to result from the use and eventual disposition of the asset. Long-lived assets to be disposed of are reported at the lower of carrying amount or fair value less cost to sell.

Property and Equipment

Property and equipment are stated at cost, less accumulated depreciation. Depreciation is calculated using the straight-line method over the asset's estimated useful life, which is five years for furniture and all other equipment. Expenditures for maintenance and repairs are expensed as incurred.

FRESH START PRIVATE MANAGEMENT, INC
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2012 AND 2011

Net Loss Per Share

The Company accounts for net loss per share in accordance with Accounting Standards Codification subtopic 260-10, Earnings Per Share (“ASC 260-10”), which requires presentation of basic and diluted earnings per share (“EPS”) on the face of the statement of operations for all entities with complex capital structures and requires a reconciliation of the numerator and denominator of the basic EPS computation to the numerator and denominator of the diluted EPS.

Basic net loss per share is computed by dividing net loss by the weighted average number of shares of common stock outstanding during each period. It excludes the dilutive effects of any potentially issuable common shares. Diluted net loss share is calculated by including any potentially dilutive share issuances in the denominator. As of December 31, 2012, potentially dilutive shares issuances were comprised of convertible notes payable and vested employee stock options. As of December 31, 2011, the Company did not have any potentially issuable common shares.

Stock Based Compensation

Share-based compensation issued to employees is measured at the grant date, based on the fair value of the award, and is recognized as an expense over the requisite service period. The Company measures the fair value of the share-based compensation issued to non-employees using the stock price observed in the arms-length private placement transaction nearest the measurement date (for stock transactions) or the fair value of the award (for non-stock transactions), which were considered to be more reliably determinable measures of fair value than the value of the services being rendered. The measurement date is the earlier of (1) the date at which commitment for performance by the counterparty to earn the equity instruments is reached, or (2) the date at which the counterparty’s performance is complete.

As of December 31, 2012, 9,000,000 employee stock options were outstanding with 9,000,000 shares vested and exercisable, nil as of December 31, 2011.

Concentrations of Credit Risk

The Company’s financial instrument that is exposed to a concentration of credit risk is cash and cash equivalents. Effective December 31, 2010 and extending through December 31, 2012, all non-interest-bearing transaction accounts are fully insured by the Federal Deposit Insurance Corporation (FDIC), regardless of the balance of the account. Generally, the Company’s cash in interest-bearing accounts does not exceed FDIC insurance limits. The financial stability of these institutions is periodically reviewed by senior management.

Derivative Financial Instruments

Accounting Standards Codification subtopic 815-40, Derivatives and Hedging, Contracts in Entity’s own Equity (“ASC 815-40”) became effective for the Company on October 1, 2009. The Company’s convertible debt has

FRESH START PRIVATE MANAGEMENT, INC
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2012 AND 2011

variable conversion rates to the exercise price, which prohibit the Company from determining the number of shares needed to settle the conversion of the debt.

Income Taxes

Deferred income tax assets and liabilities are determined based on the estimated future tax effects of net operating loss and credit carry forwards and temporary differences between the tax basis of assets and liabilities and their respective financial reporting amounts measured at the current enacted tax rates. The Company records an estimated valuation allowance on its deferred income tax assets if it is not more likely than not that these deferred income tax assets will be realized.

The Company recognizes a 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 taxing authorities, based on the technical merits of the position. The tax benefits recognized in the consolidated financial statements from such a position are measured based on the largest benefit that has a greater than 50% likelihood of being realized upon ultimate settlement. As of December 31, 2012 and 2011, the Company has not recorded any unrecognized tax benefits.

Advertising

The Company follows the policy of charging the costs of advertising to expense as incurred. The Company charged to operations \$100,629 and \$270,820 as advertising costs for the years ended December 31, 2012 and 2011, respectively.

Recent Accounting Pronouncements

There were various updates recently issued, most of which represented technical corrections to the accounting literature or application to specific industries and are not expected to have a material impact on the Company's consolidated financial position, results of operations or cash flows.

NOTE 3 - GOING CONCERN MATTERS

The Company's consolidated financial statements are prepared using generally accepted accounting principles applicable to a going concern which contemplates the realization of assets and liquidation of liabilities in the normal course of business. The Company has incurred significant recurring losses which have resulted in an accumulated deficit of \$1,598,591 working capital deficiency of \$1,141,259 and negative cash flow from operations of \$927,758 at December 31, 2012 which raises substantial doubt about the Company's ability to continue as a going concern.

Continuation as a going concern is dependent upon obtaining additional capital and upon the Company's attaining profitable operations. The Company will require a substantial amount of additional funds to build a sales and marketing organization, and to fund additional losses which the Company expects to incur over the next few years.

The Company recognizes that, if it is unable to raise additional capital, it may find it necessary to substantially reduce or cease operations. The accompanying consolidated financial statements do not include any adjustments relating to the recoverability and classification of asset carrying amounts or the amount and classification of liabilities that might result from the outcome of this uncertainty.

FRESH START PRIVATE MANAGEMENT, INC
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2012 AND 2011

NOTE 4 - PROPERTY AND EQUIPMENT

The Company's property and equipment at December 31, 2012 and 2011:

	2012	2011
Office equipment	\$ 10,049	\$ 9,229
Computer equipment	509	509
Leasehold improvements	20,014	20,014
	30,572	29,752
Less accumulated depreciation	(25,230)	(23,242)
	\$ 5,342	\$ 6,510

Depreciation expense charged to operations amounted to approximately \$1,988 and \$2,191, respectively, for the years ended December 31, 2012 and 2011.

NOTE 5- LICENSING RIGHTS

On October 28, 2010, the Company acquired an exclusive product license, which included the right to use the Naltrexone Implant and any procedures related to the licensed product. The Company paid a onetime license fee of 7.5% of the total common shares outstanding on the date of the agreement, or 5,672,250 common shares at the market value of \$0.70 per share as of the date of the agreement. Total value of the license is recorded as \$3,970,575. Additionally, the Company will pay \$600 for each prescription request of the licensed product. The agreement will remain in force for so long as the Company continues to use the Licensed Product.

For the purposes of the Asset Purchase Agreement, "Assets" shall mean those assets that are related to the Trademark and the Intellectual Property that are or were used or created by Licensor in its conduct of business, including all assets, rights, interests, and properties of Licensor of whatever nature, tangible or intangible, real or personal, fixed or contingent, except for the Trademark and the Intellectual Property. For all assets received, the Company paid \$10 in cash.

At December 31, 2012 and 2011 the Company management performed an evaluation of its intangible assets (licensing rights) for purposes of determining the implied fair value of the assets at December 31, 2012 and 2011. The tests indicated that the recorded book value of its licensing rights did not exceed its fair value for the years ended December 31, 2012 and 2011, as determined by discounted future cash flows. Considerable management judgment is necessary to estimate the fair value. Accordingly, actual results could vary significantly from management's estimates.

NOTE 6- DEFERRED REVENUE

On January 27, 2012, the Company granted licensing rights for five years in the state of Florida for \$300,000 payable as the licensee performs procedures. The licensing fees are amortized to income over the term on the license agreement.

NOTE 7- ADVANCE FROM LENDERS

During the year ended December 31, 2012, the Company received an aggregate of \$885,000 net proceeds in connection with the expected issuance of convertible debt. As of December 31, 2012, the notes have yet to be executed and finalized, however, the Company accrued \$66,916 as estimated interest as of December 31, 2012.

NOTE 8- CONVERTIBLE NOTE PAYABLE

On December 11, 2012, the Company entered into a Securities Purchase Agreement with Asher Enterprises, Inc. ("Asher"), for the sale of an 8% convertible note in the principal amount of \$58,000 (the "Note"). The financing closed on December 11, 2012.

FRESH START PRIVATE MANAGEMENT, INC
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2012 AND 2011

The Note bears interest at the rate of 8% per annum. All interest and principal must be repaid on September 13, 2013. The Note is convertible into common stock, at Asher's option, at a 42% discount to the average of the three lowest closing bid prices of the common stock during the 10 trading day period prior to conversion. In the event the Company prepays the Note in full, the Company is required to pay off all principal, interest and any other amounts owing multiplied by (i) 115% if prepaid during the period commencing on the closing date through 30 days thereafter, (ii) 120% if prepaid 31 days following the closing through 60 days following the closing, (iii) 125% if prepaid 61 days following the closing through 90 days following the closing and (iv) 130% if prepaid 91 days following the closing through 120 days following the closing. (v) 135% if prepaid 121 days following the closing through 150 days following the closing, (vi) 150% if prepaid 151 days following the closing through 180 days following the closing. After the expiration of 180 days following the date of the Note, the Company has no right of prepayment.

The Company has identified the embedded derivatives related to the above described Note. This embedded derivative included variable conversion features. The accounting treatment of derivative financial instruments requires that the Company record fair value of the derivative as of the inception date of the Note and to fair value as of each subsequent reporting date.

At the inception of the Note, the Company determined the aggregate fair value of \$78,770 of embedded derivatives. The fair value of the embedded derivatives was determined using the Binomial Option Pricing Model based on the following assumptions: (1) dividend yield of 0%; (2) expected volatility of 258.65%, (3) weighted average risk-free interest rate of 0.16%, (4) expected life of 0.76 years, and (5) estimated fair value of the Company's common stock of \$0.011 per share.

The determined fair value of the embedded derivative of \$78,770 was charged as a debt discount up to the net proceeds of the note with the remainder, \$20,770, charged to current period operations as non-cash interest expense.

At December 31, 2012, the Company marked to market the fair value of the embedded derivative and determined a fair value of \$80,039. The Company recorded a loss from change in fair value of derivative liability of \$1,269 for the year ended December 31, 2012. The fair value of the embedded derivatives was determined using Binomial Option Pricing Model based on the following assumptions: (1) dividend yield of 0%, (2) expected volatility of 258.86%, (3) weighted average risk-free interest rate of 0.11%, (4) expected life of 0.71 years, and (5) estimated fair value of the Company's common stock of \$0.012 per share.

The charge of the amortization of debt discounts and costs for the year ended December 31, 2012 was \$5,708, which was accounted for as interest expense.

NOTE 9- NOTES PAYABLE

On March 5, 2012, the Company issued an aggregate of four unsecured promissory notes payable for \$11,325 each (aggregate of \$45,300 due June 5, 2012 with a stated interest rate of 20% per annum, with fixed interest of \$2,265 due upon maturity. In connection with the issuance of the above described promissory notes, the Company issued 100,000 of its common stock per note (total of 400,000).

The Company recorded a debt discount of \$3,000 per note based on the fair value of the Company's common stock at the issuance date of the promissory notes. The discount is amortized ratably over the term on the notes. As of December 31, 2012, all four promissory notes were paid in full.

On April 3, 2012, the Company issued a unsecured promissory note payable for \$150,000 due April 3, 2013 with a stated interest rate of 20% per annum, which will result in a fixed interest payment of \$30,000 due upon maturity.

In connection with the issuance of the above described promissory note, the Company issued 1,000,000 of its common stock. During the year ended December 31, 2012, the Company repaid \$50,000 of the unsecured promissory note.

FRESH START PRIVATE MANAGEMENT, INC
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2012 AND 2011

The Company recorded a debt discount of \$25,100 based on the fair value of the Company's common stock at the issuance date of the promissory note. The discount is amortized ratably over the term on the notes.

NOTE 10– NOTES PAYABLE-RELATED PARTY

As of December 31, 2012 and 2011, we have received an advance from Jorge Andrade, President, and Neil Muller, director as loans from related parties. The loans are payable on demand and without interest

NOTE 11– STOCKHOLDERS' EQUITY

Common stock

The Company is authorized to issue 200,000,000 shares of common stock with par value \$.001 per share. As of December 31, 2012 and 2011, the Company had 100,768,501 shares and 118,141,938 shares of common stock issued and outstanding.

On November 2, 2011, the Company issued 5,672,250 shares of its common stock to acquire licensing rights. See note 5 above.

On May 7, 2012, the Company re-purchased and canceled 27,000,000 shares of its common stock from a shareholder for \$75,000. In connection with the repurchase, the Company issued 3,000,000 shares of its common stock for services related to the re-purchase.

In May 2012, the Company issued an aggregate of 4,500,000 shares of its common stock for services rendered valued at \$114,200.

During the months of May and June 2012, the Company issued an aggregate of 720,000 shares of its common stock in settlement of interest valued at \$11,820.

In August 2012, the Company issued 6,563 shares of its common stock for services rendered valued at \$131 based on the underlying market value of the common stock at the date of issuance.

During the year ended December 31, 2012, the Company entered into consulting contracts obligating the Company to issue shares of its common stock. As of December 31, 2012, the common shares had not been issued. The Company accretes the fair value of the stock based obligation, determined at the inception of the agreements, over the requisite service period. During the year ended December 31, 2012, the Company recorded \$37,228 as stock based compensation. At December 31, 2012, the Company has \$179,137 remaining unrecognized compensation.

NOTE 12– STOCK OPTIONS

On December 13, 2012, the Company ratified, confirmed and approved the granting of 2012 stock options in aggregate of 9,000,000 to Jorge Andrade, Neil Muller and Lourdes Felix, officers and directors of the Company under the Company's 2012 Stock Option Plan. The issued options are exercisable immediately at \$0.015 per share for five years.

The following table summarizes the changes in options outstanding and the related prices for the shares of the Company's common stock issued to employees of the Company under the 2012 Stock Option Plan:

FRESH START PRIVATE MANAGEMENT, INC
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2012 AND 2011

Options Outstanding			Options Exercisable		
Exercise Prices	Number Outstanding	Weighted Average Remaining Contractual Life (Years)	Weighted Average Exercise Price	Number Exercisable	Weighted Average Exercise Price
\$ 0.015	9,000,000	4.99	\$ 0.015	9,000,000	\$ 0.015

Transactions involving stock options issued to employees are summarized as follows:

	Number of Shares	Weighted Average Exercise Price Per Share
Outstanding at January 1, 2011	-	\$ -
Granted	-	-
Exercised	-	-
Cancelled or expired	-	-
Outstanding at December 31, 2011	-	\$ -
Granted	9,000,000	0.015
Exercised	-	-
Expired	-	-
Outstanding at December 31, 2012	9,000,000	\$ 0.015

On November 29, 2012, the Company granted an aggregate of 9,000,000 options to purchase the Company's common stock at an exercise price of \$0.015 per share for five years to officers and directors with immediate vesting. The fair value of options was determined using the Black Scholes Option Pricing Model with the following assumptions: dividend yield \$-0-, volatility of 261.40% and risk free rate of 0.63%.

The Company recorded \$107,588 and nil as stock compensation expense for the years ended December 31, 2012 and 2011, respectively.

NOTE 13- RELATED PARTY TRANSACTIONS

The Company has a consulting agreement with Terranautical Global Investments ("TGI"). TGI is a company controlled by Jorge Andrade that provides consulting services to the Company. There is no formal agreement between the parties and is on a month to month basis. The remuneration ranges between \$5,000 and \$10,000 per month depending on the services provided. As of December 31, 2012 and December 31, 2011, TGI was paid \$52,500 and \$33,500 as consulting fees. As of December 31, 2012 and 2011, there was an unpaid balance of \$62,225 and \$54,725, respectively.

The Company has a consulting agreement with Premier Aftercare Recovery Service, ("PARS"). PARS is a Company controlled by Neil Muller that provides consulting services to the Company. There is no formal agreement between the parties and the amount of remuneration depends on the services provided and ranges between \$5,000 and \$10,000 per month. As of December 31, 2012, \$77,794 in consulting fees and \$6,379 in reimbursement of expenses were paid and for December 31, 2011, \$50,600 in consulting fees and \$10,298 in reimbursement of expenses were paid. As of December 31, 2012 and 2011, there was an unpaid balance of \$65,774 and \$51,418, respectively.

West Coast Health Consulting, Inc. is a company controlled by Neil Muller that previously provided consulting services to the Company. As of December 31, 2012 and December 31, 2011, \$2,026 and \$4,000 were paid in consulting fees.

FRESH START PRIVATE MANAGEMENT, INC
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
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NOTE 14 - COMMITMENTS AND CONTINGENCIES

Operating lease

The Company's lease commenced effective September 1, 2012 for a term of three years, with an option to extend the lease for 36 months. The base rent is \$4,309 per month.

Guarantor-Factoring Agreement

August 1, 2011, Start Fresh Alcohol Recovery Clinic Inc. (the "Clinic") entered into an agreement with a factoring company to provide a debt facility secured against the approved insurance clients of the Company. The agreement is for one year, for a maximum facility of \$500,000. The facility bears a Funding fee equal to the greater of (i) the prime rate of interest plus 6.5% multiplied by the outstanding facility position, calculated monthly and (ii) \$4,500 and a Collateral Management Fee equal to 1% of the factored accounts receivable. If both fees are less than \$6,000 per month, then the combined fee is \$6,000. Up to October 31, 2011, the aforementioned fees are capped at 50% of the greater amount. Additionally the Company is responsible for monthly maintenance fees of \$350 per month and an origination fee of 3% of the facility cap or \$15,000. The Company is guarantor for this facility. The security for the facility has been provided by way of a security interest against the receivables of the Clinic, a general security assignment over all of the assets of the Clinic and the Company and personal guarantees of two of the Company's directors. As of December 31, 2012, the Clinic had drawn \$154,990 of the facility.

On February 26, 2013 Fresh Start Private Management, Inc. (The Company) entered into an agreement with the factoring company to repay the outstanding sum of \$140,000 no later than July 31, 2013.

Consulting agreements

On April 17, 2012, the Company entered into an agreement with James Wagenbach whereby Mr. Wagenbach is to be appointed as the senior insurance specialist for the Company. The remuneration for the services shall be (i) 750,000 shares of the Company's common stock; (ii) a fee of \$2,500 per month and (iii) the Company to pay 10% of the bonus pool (which percentage may fluctuate). The term of the agreement is an at will, open agreement. The Company charged the fair value of stock obligation of \$22,500 to operations in 2012.

On May 24, 2012, the Company entered into an agreement with Tom Welch whereby Mr. Welch is to be appointed as the senior sales/marketing and placement specialist for the Company. The remuneration for the services shall be (i) 450,000 shares of the Company's common stock upon the successful placement of two positions; (ii) 300,000 shares of the Company's common stock for assisting clinic operations; (iii) \$1,000 per month and bonus compensation per insurance claim and cash paid and (iv) 10% of the bonus pool (which percentage may fluctuate).

The term of the agreement is an at will, open agreement. The Company charged the fair value of stock obligation of \$9,960 to operations in 2012.

On November 5, 2012, the Company entered into an agreement with Jeffery Goddard whereby Mr. Goddard will provide certain consulting services relating to marketing. The remuneration for the services shall be 3,000,000 shares of the Company's common stock. The term of the agreement is for five years. The Company charged the fair value of earned portion of the stock obligation of \$1,196 to operations in 2012.

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On November 9, 2012, the Company entered into an agreement with Dr. Rudi Puana whereby Dr. Puana will provide certain consulting services relating to clinical analysis and studies, speak at conventions and other meetings on behalf of the Company. The remuneration for the services shall be (i) 500,000 shares of the Company's common stock; (ii) 250,000 shares of the Company's common stock upon written acceptance of the paper for publication in a journal; (iii) 1,000,000 shares of the Company's common stock upon publication of the paper in a journal; (iv) for subsequent papers, the Company shall compensate Dr. Puana in either cash or the Company's common stock; (v) for appearances as a consultant with multiple peers, the Company shall pay \$2,000; for appearances with individuals and radio or television interviews, the Company shall pay \$700 and (vi) effective January 1, 2013, 250,000 shares of the Company's common stock for general medical consulting services. The term of the agreement is five years. The Company charged the fair value of earned portion of the stock obligation of \$214 to operations in 2012.

On December 13, 2012, the Company entered into an agreement with Sal Amodeo whereby Mr. Amodeo will provide general consulting services on any aspects of the Naltorxone implant. The remuneration for the services shall be 1,000,000 shares of the Company's common stock. The term of the agreement is for one year. The Company charged the fair value of earned portion of the stock obligation of \$542 to operations in 2012.

On December 14, 2012, the Company entered into an agreement with Alexander Wilson whereby Mr. Wilson will provide legal advice and services for the Company. The remuneration for the services shall be 750,000 shares of the Company's common stock. The term of the agreement is for one year. The Company charged the fair value of earned portion of the stock obligation of \$416 to operations in 2012.

On December 18, 2012, the Company entered into an agreement with Timothy Jackoboice whereby Mr. Jackoboice will be designated as Chief Licensing Officer of the Company. The remuneration for the services shall be 4,000,000 shares of the Company's common stock. The term of the agreement is for one year. The Company charged the fair value of earned portion of the stock obligation of \$1,710 to operations in 2012.

On December 25, 2012, the Company entered into an agreement with John Carley whereby Mr. Carley will be designated as the Product and License Sales Manager of the Company. The remuneration for the services shall be 3,500,000 shares of the Company's common stock. The term of the agreement is for one year. The Company charged the fair value of earned portion of the stock obligation of \$690 to operations in 2012.

Settlement agreement

In February 2013 a dispute arose between the Company and one of its providers, Dr. Alexandre of Start Fresh Clinic. The dispute was related to matters of fees due Dr. Alexandre for implant procedures performed by Dr. Alexandre. The Company investigated the matter and it was determined by both parties that errors were made by Dr. Alexandre. On or about April 13, 2013, the parties entered into a settlement agreement. Under the terms of the settlement agreement, Dr. Alexandre would (i) transfer his ownership interest in Start Fresh Clinic to Dr. George Fallieras for \$10,000 (ii) Dr. Alexandre will provide tail coverage on the existing policy for two years and (iii) Dr. Alexandre agreed to waive any contractual claim to amounts due Dr. Alexandre from pending medical insurance payments and his role as Medical Director of Start Fresh Clinic. The funds in dispute shall be retained by Start Fresh Clinic. As a result of this settlement agreement, the Company recorded a charge of \$81,646 at December 31, 2012. This amount is included in the operating expenses in the accompanying statement of operations.

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NOTE 15 - LOSS PER COMMON SHARE

The following table presents the computation of basic and diluted loss per share for the years ended December 31, 2012 and 2011:

	2012	2011
Net loss available for common shareholders	\$ (885,807)	\$ (408,967)
Loss per share (basic and assuming dilution)	\$ (0.01)	\$ (0.01)
<u>Weighted average common shares outstanding</u>		
Basic	106,153,613	50,556,418
Fully diluted	106,153,613	50,556,418

Fully-diluted weighted-average common shares outstanding are not utilized in the calculation of loss per common share as the effect would be anti-dilutive, decreasing the reported loss per common share.

NOTE 16 - INCOME TAXES

The components of the income tax provisions for 2012 and 2011 are as follows:

	2012	2011
Current provision:		
Federal	\$ -	\$ -
State	1,600	-
	<u>1,600</u>	
Deferred benefit:		
Federal	(290,248)	(139,049)
State	(75,465)	(36,153)
	<u>(365,713)</u>	<u>(175,201)</u>
Change in valuation allowance	<u>365,713</u>	<u>175,201</u>
Total Provision	<u>\$ 1,600</u>	<u>\$ -</u>

The difference between the income tax provision and income taxes computed using the U. S. federal income tax rate of 34% consisted of the following:

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	2012	2011
Provision at statutory rate	34.0%	34.0%
State taxes, net of federal benefit	5.8%	5.8%
Other	1.3%	1.3%
Change in valuation allowance	(41.4%)	(39.8%)
Total	(0.2%)	0.0%

Deferred income taxes reflect the net tax effect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and amounts used for income tax purposes. Significant components of the Company's deferred taxes as of December 31, 2012 and 2011 are as follows:

	2012	2011
Deferred tax assets:		
Net operating loss carry forwards	\$ 818,573	\$ 255,867
Share-based compensation	62,039	-
Other	11,298	42,740
Total deferred tax assets	891,910	298,607
Valuation allowance	(664,320)	(298,607)
	227,590	-
Deferred tax liabilities:		
Tax deductible licensing agreement	(132,300)	-
Accrual to cash	(94,516)	-
Other	(774)	-
Total deferred tax assets (liabilities)	(227,590)	-
Net deferred tax assets (liabilities)	\$ -	\$ -

A full valuation allowance has been provided against the Company's deferred tax assets at December 31, 2012 as the Company believes it is more likely than not that sufficient taxable income will not be generated to realize these temporary differences.

The Company has federal and California net operating losses (NOLs) of approximately \$1,910,769 and \$1,910,769, respectively which begin to expire in the years beginning in 2029 and 2029 for federal and state purposes, respectively. Pursuant to Section 382 of the Internal Revenue Code, use of the Company's NOLs and credit carry forwards may be limited if the Company experiences a cumulative change in ownership of greater than 50% in a moving three-year period.

The Company also has federal credits that begin to expire 2027 and state tax credits that may be carried forward indefinitely.

The Company provides for uncertain tax positions when such tax positions do not meet the recognition thresholds or measurement standards as set forth in ASC Topic 740. Income Taxes, regarding accounting for uncertainty in income taxes. Amounts for uncertain tax positions are adjusted in periods when new information becomes available or when positions are effectively settled. There are no unrecognized benefits related to uncertain tax positions as of December 31, 2012. The Company does not anticipate that there will be material change in the liability for unrecognized tax benefits within the next 12 months.

Interest and penalties associated with the unrecognized tax benefits are recorded in nonoperating income and expenses and selling, general and administrative expenses, respectively. As of December 31, 2012, the Company did not have any accrued interest or penalties associated with any unrecognized tax benefits. As of December 31, 2012, the Company's federal tax returns are open to audit under the statute of limitations for the years 2009 and later, and the Company's state tax returns generally are upon to audit under statutes of limitations for the years 2009 and later. However, if NOLs that originated in earlier years are utilized in the future, the amount of such NOLs from those earlier years remain subject to review by tax authorities.

NOTE 17 - FAIR VALUE MEASUREMENT

The Company adopted the provisions of Accounting Standards Codification subtopic 825-10, Financial

Instruments (“ASC 825-10”) on January 1, 2008. ASC 825-10 defines fair value as the price that would be received from selling an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. When determining the fair value measurements for assets and liabilities required or permitted to be recorded at fair value, the Company considers the principal or most advantageous market in which it would transact and considers assumptions that market participants would use when pricing the asset or liability, such as inherent risk, transfer

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restrictions, and risk of nonperformance. ASC 825-10 establishes a fair value hierarchy that requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. ASC 825-10 establishes three levels of inputs that may be used to measure fair value:

Level 1 - Quoted prices in active markets for identical assets or liabilities.

Level 2 - Observable inputs other than Level 1 prices such as quoted prices for similar assets or liabilities; quoted prices in markets with insufficient volume or infrequent transactions (less active markets); or model-derived valuations in which all significant inputs are observable or can be derived principally from or corroborated by observable market data for substantially the full term of the assets or liabilities.

Level 3 - Unobservable inputs to the valuation methodology that are significant to the measurement of fair value of assets or liabilities.

To the extent that valuation is based on models or inputs that are less observable or unobservable in the market, the determination of fair value requires more judgment. In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, for disclosure purposes, the level in the fair value hierarchy within which the fair value measurement is disclosed and is determined based on the lowest level input that is significant to the fair value measurement.

Upon adoption of ASC 825-10, there was no cumulative effect adjustment to beginning retained earnings and no impact on the consolidated financial statements.

The carrying value of the Company's cash, accounts receivable, accounts payable, short-term borrowings (including convertible notes payable), and other current assets and liabilities approximate fair value because of their short-term maturity.

As of December 31, 2012, the Company had a convertible note payable with embedded derivatives that are required to be recorded or measured at fair value on a recurring basis in the accompanying consolidated financial statements.

The following table provides a summary of changes in fair value of the Company's Level 3 financial liabilities as of December 31, 2012:

	Derivative Liability
Balance, December 31, 2011	\$ -
Total (gains) losses	
Initial fair value of debt derivative at note issuance	78,770
Mark-to-market at December 31, 2012:	
Embedded debt derivative	1,269
Balance, December 31, 2012	\$ 80,039
Net Loss for the year included in earnings relating to the liabilities	\$ (1,269)

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NOTE 18 - SUBSEQUENT EVENTS

The Company has evaluated subsequent events from the balance sheet date through April 15, 2013, the date the financial statements were available to be issued, and has determined that there are no other events to disclose other than the following:

On January 7, 2013, the Company issued an aggregate of 14,500,000 shares of its common stock pursuant to 2012 consulting contracts (See note 14 above)

On January 31, 2013, the contract between Clear Channel and the Company terminated.

On February 20, 2013, the Company issued 100,000 shares of its common stock for services rendered.

On April 13, 2013, the Company entered into a settlement agreement with Dr. Lucien Alexandre – See Note 14.

ITEM 9 - CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURES.

On November 14, 2012, we dismissed Wilson Morgan LLP, as our independent registered public account firm. On the same date, the accounting firm of Kling & Pathak LLP was engaged as our new independent registered public accounting firm. The our Board of Directors and Audit Committee approved of the dismissal of Wilson Morgan LLP and the engagement of Kling & Pathak LLP as its independent auditor.

None of the reports of Wilson Morgan, LLP on the Company's financial statements for either of the past two years or subsequent interim period contained an adverse opinion or disclaimer of opinion, or was qualified or modified as to uncertainty, audit scope or accounting principles, except that the Registrant's audited financial statements contained in its Form 10-K for the fiscal year ended December 31, 2011 a going concern qualification in the registrant's audited financial statements. We have had no disagreements with Wilson Morgan, LLP, whether or not resolved, on any matter of accounting principles or practices, financial statement disclosure, or auditing scope or procedure, which, if not resolved to Wilson Morgan, LLP satisfaction, would have caused it to make reference to the subject matter of the disagreement in connection with its report on our financial statements.

ITEM 9A – CONTROLS AND PROCEDURES

(a) Evaluation of disclosure controls and procedures.

Our management, with the participation of our Chief Executive Officer and Chief Financial Officer, evaluated the effectiveness of our disclosure controls and procedures pursuant to Rule 13a-15 under the Exchange Act. In designing and evaluating the disclosure controls and procedures, management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives. In addition, the design of disclosure controls and procedures must reflect the fact that there are resource constraints and that management is required to apply its judgment in evaluating the benefits of possible controls and procedures relative to their costs.

Based on management's evaluation, our Chief Executive Officer and Chief Financial Officer concluded that, as a result of the material weaknesses described below, as of December 31, 2012, our disclosure controls and procedures are not designed at a reasonable assurance level and are ineffective to provide reasonable assurance that information we are required to disclose in reports that we file or submit under the Exchange Act is recorded, processed, summarized, and reported within the time periods specified in SEC rules and forms, and that such information is accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosure. The material weaknesses, which relate to internal control over financial reporting, that were identified are:

- a) We did not have sufficient personnel in our accounting and financial reporting functions. As a result we were not able to achieve adequate segregation of duties and were not able to provide for adequate reviewing of the financial statements. This control deficiency, which is pervasive in nature, results in a reasonable possibility that material misstatements of the financial statements will not be prevented or detected on a timely basis; and
- b) We did not maintain sufficient personnel with an appropriate level of technical accounting knowledge, experience, and training in the application of U.S. GAAP commensurate with our complexity and our financial accounting and reporting requirements. This control deficiency is pervasive in nature. Further, there is a reasonable possibility that material misstatements of the financial statements including disclosures will not be prevented or detected on a timely basis as a result.

We are committed to improving our accounting and financial reporting functions. As part of this commitment, we appointed Lourdes Felix as our Chief Financial Officer to appropriately address non-routine or complex accounting matters. In addition, we have engaged an outside accounting consultant to provide additional knowledgeable personnel with technical accounting expertise to further support the current accounting personnel at the Company.

Management believes that hiring additional knowledgeable personnel with technical accounting expertise will remedy the following material weaknesses: (A) lack of sufficient personnel in our accounting and financial reporting functions to achieve adequate segregation of duties; and (B) insufficient personnel with an appropriate level of technical accounting knowledge, experience, and training in the application of U.S. GAAP commensurate with our complexity and our financial accounting and reporting requirements.

Management believes that the hiring of additional personnel who have the technical expertise and knowledge with the non-routine or technical issues we have encountered in the past will result in both proper recording of these transactions and a much more knowledgeable finance department as a whole. Due to the fact that our accounting staff consists of a Chief Financial Officer and a bookkeeper, additional personnel will also ensure the proper segregation of duties and provide more checks and balances within the department. Additional personnel will also provide the cross training needed to support us if personnel turnover issues within the department occur. We believe this will eliminate or greatly decrease any control and procedure issues we may encounter in the future.

We will continue to monitor and evaluate the effectiveness of our disclosure controls and procedures and our internal controls over financial reporting on an ongoing basis and are committed to taking further action and implementing additional enhancements or improvements, as necessary and as funds allow.

(b) Changes in internal control over financial reporting.

There were no changes in our internal control over financial reporting identified in connection with the evaluation required by paragraph (d) of Rule 13a-15 or 15d-15 under the Exchange Act that occurred during the quarter ended December 31, 2012 that have materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

(c) Management's report on internal control over financial reporting.

Our management is responsible for establishing and maintaining adequate internal control over financial reporting, as defined in Exchange Act Rule 13a-15(f). Management conducted an evaluation of the effectiveness of our internal control over financial reporting based on the framework in Internal Control—Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission. Based on this evaluation, management concluded that our internal control over financial reporting was ineffective as of December 31, 2012 for the reasons discussed above.

This annual report does not include an attestation report by Kling & Pathak, LLP, our independent registered public accounting firm regarding internal control over financial reporting. As a smaller reporting company, our management's report was not subject to attestation by our registered public accounting firm pursuant to rules of the Securities and Exchange Commission that permit us to provide only management's report in this annual report.

ITEM 9B – OTHER INFORMATION

None.

PART III

ITEM 10 – DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE

The names of our executive officers and directors and their age, title, and biography as of April 15, 2013 are set forth below:

Name	Age	Positions
Dr. Jorge Andrade Jr. , CEO, Treasurer, Principal Executive Officer, Secretary since November 22, 2010; Chief Accounting officer from November 22, 2010 to October 1, 2012 CEO, CEO, President and Secretary of Fresh Start Private since July 9, 2009	41	Chief Executive Officer, Chief Financial Officer, Secretary, Treasurer and Director
Neil Muller President since November 22, 2010; Treasurer of Fresh Start Private since July 9, 2009	52	President and Director
Lourdes Felix, Chief Financial Officer since October 1, 2012	45	Chief Financial Officer
Brady J. Granier	40	Director

Dr. Jorge Andrade Jr., Chief Executive Officer, Secretary, Treasurer and Director

Dr. Jorge Andrade Jr. is founder, CEO and President of West Coast Consulting Inc. since 2004. Dr. Andrade is a Licensed Medical Interpreter, and co-founder of TM Cube Medical LLC. Dr. Andrade has exceptional knowledge of starting, building and managing small businesses.

He is a recognized specialist in implementing systems for small businesses day to day. Dr. Andrade is bilingual and fluent in both Spanish and English; he served on a Health Advisory Board for the Long Beach Head Start Program. As a President of West Consulting Inc., he supervises and manages the interpreting department for Core Medical Management Inc., Pro – Legal Services Inc., and manages the day to day operations of Colgate’s, BSBF. Dr. Andrade estimates that approximately 80% of his time is spent with Fresh Start Private, Inc, 10% with West Coast Consulting, Inc. and 10% with Terranautical Global Investments, a firm controlled by Dr. Andrade for marketing services.

Neil Muller, President and Director

Mr. Neil Muller has more than 20 years’ experience in the field of property development, commercial and residential sales and business management. Neil graduated with his bachelor degree in business management at Sydney University.

For the last 5 years Mr. Muller has been developing and working with Fresh Start Private Australia alcohol recovery program. Mr. Muller estimates that approximately 80% of his time is spent with Fresh Start Private, Inc. and 20% with Premier Aftercare Recovery Services, a firm controlled by Mr. Muller for care subsequent to completion of a recovery program.

Lourdes Felix, Chief Financial Officer, Director

Since October 1, 2012 , Ms. Felix is the Chief Financial Officer of the Company and as of March 7, 2013 appointed to the Board of Directors. Ms. Felix has been instrumental in assisting in capital procurement and implementing an audit committee. Ms. Felix is a corporate finance executive offering over fifteen years of combined experience in public accounting and in the private sector in building, leading, and advising corporations through complex restructurings. She is thoroughly experienced in guiding troubled companies to greater efficiency and profitability. Ms. Felix has acquired expertise in securities laws and knowledge of SOX requirements. She has worked with private and public SEC reporting companies.

Ms. Felix was previously the controller for a mid-size public accounting firm for over seven years and was responsible for the operations and financial management of regional offices. Her experience includes a wide variety of industries including advertising, marketing, non-profit organizations, medical practices, mortgage banking, manufacturing and SEC reporting companies. She has assisted companies with documented contributions leading to improved financial performance, heightened productivity, and enhanced internal controls.

Ms. Felix is very active in the Hispanic community and speaks fluent Spanish. Ms. Felix holds a Bachelor of Science degree in Business Management and Accounting from University of Phoenix.

Brady J. Granier, Director

During the prior twelve years, Mr. Granier has been involved in sales management, media sales and business development. As of the date of this Current Report, Mr. Granier is employed at Clear Channel Media & Entertainment (“CCME”), where he has served in several positions from Account Executive to Director of Business Development and Local Sales Manager. Mr. Granier has also served as the Healthcare Category Manager for the Los Angeles division of CCME, the largest media company in the United States. During his tenure at CCME and other media companies, Mr. Granier worked on marketing campaigns for local businesses and physicians, as well as for National brands such as Neutrogena, New Line Cinema, Paramount Pictures, Samsung, AT&T, Coke, Dr Pepper, Hansen’s, Honda, MGM, Universal Studios and more. He also managed endorsements on the radio for Ryan Seacrest. In 2006, Mr. Granier received the coveted Pinnacle Award from CCME for being the top sales executive in the Western region. While serving as Director of Business Development, Mr. Granier grew new business by 49% in his first year in that role. Mr. Granier currently acts as Local Sales Manager for 98.7 FM and KIIS FM in Los Angeles. KIIS FM is currently the highest billing local radio station in the United States.

Mr. Granier was born and raised in the heart of Cajun Country in Southeast Louisiana where he starting working at the age of eleven to help support his single mother and younger brother. After graduating with honors from high school, Mr. Granier attended college at Nicholls State University in Thibodaux, LA. Mr. Granier earned his Bachelor of Science Degree in Nursing in 1995 and was a member of Sigma Theta Tau Honor Society and Phi Kappa Theta. During his nursing career, Mr. Granier specialized in the critical care areas of ER/ICU/CCU and CICU. He also moonlighted as a home health nurse, critical care air transport nurse, and TV studio set medic. In 1996, Mr. Granier moved to California as a travel nurse and spent most of his remaining years in healthcare as the charge nurse in the emergency room at White Memorial Hospital in downtown Los Angeles. Mr. Granier continues to reside in the Los Angeles area with his family. Mr. Granier has also been a volunteer with Big Brothers of America.

Employment Agreements

We currently do not have employment agreement with any our directors and executive officers.

Family Relationships

There are no family relationships between any of our directors or executive officers and any other directors or executive officers.

Board Committees and Independence

We are not required to have any independent members of the Board of Directors. As we do not have any board committees, the board as a whole carries out the functions of audit, nominating and compensation committees, and such “independent director” determination has been made pursuant to the committee independence standards.

Involvement in Certain Legal Proceedings

Our Directors and Executive Officers have not been involved in any of the following events during the past ten years:

1. any bankruptcy petition filed by or against such person or any business of which such person was a general partner or executive officer either at the time of the bankruptcy or within two years prior to that time;
2. any conviction in a criminal proceeding or being subject to a pending criminal proceeding (excluding traffic violations and other minor offenses);
3. being subject to any order, judgment, or decree, not subsequently reversed, suspended or vacated, of any court of competent jurisdiction, permanently or temporarily enjoining him from or otherwise limiting his involvement in any type of business, securities or banking activities or to be associated with any person practicing in banking or securities activities;
4. being found by a court of competent jurisdiction in a civil action, the Securities and Exchange Commission or the Commodity Futures Trading Commission to have violated a federal or state securities or commodities law, and the judgment has not been reversed, suspended, or vacated;
5. being subject of, or a party to, any federal or state judicial or administrative order, judgment decree, or finding, not subsequently reversed, suspended or vacated, relating to an alleged violation of any federal or state securities or commodities law or regulation, any law or regulation respecting financial institutions or insurance companies, or any law or regulation prohibiting mail or wire fraud or fraud in connection with any business entity; or
6. being subject of or party to any sanction or order, not subsequently reversed, suspended, or vacated, of any self-regulatory organization, any registered entity or any equivalent exchange, association, entity or organization that has disciplinary authority over its members or persons associated with a member.

Section 16(a) Beneficial Owner Reporting Compliance

Since we are governed under Section 15(d) of the Exchange Act, we are not required to file reports of executive officers and directors and persons who own more than 10% of a registered class of our equity securities pursuant to Section 16(a) of the Exchange Act.

Code of Ethics

We have not adopted a Code of Ethics but expect to adopt a Code of Ethics and will require that each employee abide by the terms of such Code of Ethics.

ITEM 11 - EXECUTIVE COMPENSATION

Summary Compensation Table

The following table provides certain summary information concerning compensation awarded to, earned by or paid to our Chief Executive Officer, the two highest paid executive officers and up to two other highest paid individuals whose total annual salary and bonus exceeded \$100,000 for fiscal years 2012 and 2011.

Name and principal position	Fiscal Year	Salary (\$)	Bonus (\$)	Stock Awards (\$)(1)	Option Awards (\$)	Non-equity incentive plan compensation (\$)	Non-qualified deferred compensation (\$)	All other compensation (\$)	Total (\$)
Neil Muller, President since November 22, 2010;	2012	0	0	47,817	0	0	0	77,794	125,611
Treasurer of Fresh Start Private since July 9, 2009	2011	0	0	0	0	0	0	0	0
Dr. Jorge Andrade, CEO, Treasurer, Principal Executive Officer, Secretary since November 22, 2010	2012	0	0	47,817	0	0	0	52,500	100,317
CEO, CEO, President and Secretary of Fresh Start Private since July 9, 2009	2011	0	0	0	0	0	0	0	0

There has been no cash payment paid to the named executive officers for services rendered in all capacities to us for the period ended December 31, 2012.

- (1) On November 29, 2012, the Company granted 4,000,000 options to purchase the Company's common stock at \$0.015 per share, vesting immediately for five years to Mr. Muller and Mr. Andrade

Option/SAR Grants in Fiscal Year Ended December 31, 2012

Name	Grant Date	All Other Option Awards: Number of Securities Underlying Options (#)	Exercise or Base Price of Option Awards (\$/Share)	Grant Date Fair Value of Stock and Option Awards (\$)
Jorge Andrade	11/29/2012	4,000,000	\$ 0.015	\$ 47,817
Neil Muller	11/29/2012	4,000,000	\$ 0.015	\$ 47,817
Lourdes Felix	11/29/2012	1,000,000	\$ 0.015	\$ 11,954

Outstanding Equity Awards at Fiscal Year-End Table

The following table sets forth information for the named executive officers regarding the number of shares subject to both exercisable and unexercisable stock options, as well as the exercise prices and expiration dates thereof, as of December 31, 2012.

Name	Number of Securities underlying Unexercised Options (#) Exercisable	Number of Securities underlying Unexercised Options (#) Unexercisable	Option Exercise Price (\$/Sh)	Option Expiration Date
Jorge Andrade	4,000,000	-	\$ 0.015	11/29/2017
Neil Muller	4,000,000	-	\$ 0.015	11/29/2017
Lourdes Felix	1,000,000	-	\$ 0.015	11/29/2017

Option Exercises and Fiscal Year-End Option Value Table.

There were no stock options exercised during fiscal 2012 by the named executive officers.

Long-Term Incentive Plans and Awards

There were no awards made to a named executive officer in fiscal 2012 under any long-term incentive plan.

Employment Contracts, Termination of Employment, Change-in-Control Arrangements

On February 15, 2013, the Company adopted a Executive Management Bonus plan, which includes corporate revenue, license revenue and royalty revenue from which the bonus shall be calculated.

On February 28, 2013, we entered into one year Executive Service Agreement with TGI which is controlled by our Chief Executive Officer, Jorge Andrade pursuant to which the parties agreed to (i) Andrade to provide certain executive services commensurate with his position as Chief Executive Officer; (ii) the Company shall pay Andrade an annual salary of \$200,000 and grant 4,000,000 stock options and (iii) Andrade shall be eligible to participate in the Executive Management Bonus Plan as adopted by the Board of Directors effective February 15, 2013.

On February 28, 2013, we entered into one year Executive Service Agreement with Felix Financial Enterprise, LLC controlled by our Chief Financial Officer, Lourdes Felix pursuant to which the parties agreed to (i) Felix to provide certain executive services commensurate with his position as Chief Financial Officer; (ii) the Company shall pay Felix an annual salary of \$150,000 and grant 1,000,000 stock options and (iii) Felix shall be eligible to participate in the Executive Management Bonus Plan as adopted by the Board of Directors effective February 15, 2013.

On February 28, 2013, we entered into one year Executive Service Agreement with PARS controlled by our President, Neil Muller pursuant to which the parties agreed to (i) Muller to provide certain executive services commensurate with his position as President; (ii) the Company shall pay Muller annual salary of \$200,000 and grant 4,000,000 stock options and (iii) Muller shall be eligible to participate in the Executive Management Bonus Plan as adopted by the Board of Directors effective February 15, 2013.

Director Compensation

We have not compensated our Directors during fiscal 2012.

ITEM 12- SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS

The following table sets forth certain information as of the date hereof with respect to the holdings of: (1) each person known to us to be the beneficial owner of more than 5% of our common stock; (2) each of our directors, nominees for director and named executive officers; and (3) all directors and executive officers as a group. To the best of our knowledge, each of the persons named in the table below as beneficially owning the shares set forth therein has sole voting power and sole investment power with respect to such shares, unless otherwise indicated. Unless otherwise specified, the address of each of the persons set forth below is in care of the Company, at the address of: 720 North Tustin Avenue, Suite 206, Santa Ana, California 92705.

Title of Class	Name and Address of Beneficial Owner	Amount and Nature of Beneficial Ownership	Percent of Common Stock (1)
Common Stock	Dr. Jorge Andrade Jr.	10,500,000	9.1%
Common Stock	Neil Muller	9,000,000	7.8%
All directors and executive officers as a group (2 persons)		19,500,000	16.9%
Common Stock	Michael Cetrone 1001 Boundary Road Elk, Washington 99009	45,000,000	39.0%
Common Stock	Trinity Rx Solutions, LLC 217-21 Rockaway Point Blvd. Breezy Point, New York 11697	5,672,250	4.9%

(1) As of April 15, 2013, we have 115,368,501 shares of common stock outstanding.

ITEM 13 - CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE

On November 22, 2010, the Company entered into an intellectual property license and asset purchase agreement with Fresh Start Private, Inc. a Nevada corporation (the "Transaction") which has subsequently been terminated. In consideration of the license the Company agreed to issue 16,000,000 shares of common stock at the market value of \$0.77 per share as of the date of the agreement. Total value of the license is recorded as \$12,320,000. Dr. Jorge Andrade Jr., the Company's CEO and Director, and Mr. Neil Muller, the Company's President and Director are directors of and shareholders of Fresh Start Private, Inc. Mr. Muller owns 2,000,000 common shares of Fresh Start Private, Inc., therefore Mr. Muller's interest in the Transaction is approximately \$1,540,000. Dr. Andrade owns 1,000,000 common shares of Fresh Start Private, Inc. therefore Dr. Andrade's interest in the Transaction is approximately \$770,000. None of the 16,000,000 shares were issued. On October 31, 2011, we entered into the Termination Agreement pursuant to which such license agreement shall be deemed null and void.

As of December 31, 2012 and 2011, we have received an advance from Jorge Andrade, President, and Neil Muller, director as loans from related parties. The loans are payable on demand and without interest.

	2012	2011
Jorge Andrade	\$ 92,695	\$ 103,820
Neil Muller	35,807	71,759
	\$ 128,502	\$ 175,579

Consulting agreement with Terranautical Global Investments ("TGI").

The Company has a consulting agreement with Terranautical Global Investments ("TGI"). TGI is a company controlled by Jorge Andrade that provides consulting services to the Company. There is no formal agreement between the parties and is on a month to month basis. The remuneration ranges between \$5,000 and \$10,000 per month depending on the services provided. As of December 31, 2012 and December 31, 2011, TGI was paid

\$52,500 and \$33,500 as consulting fees. As of December 31, 2012 and 2011, there was an unpaid balance of \$62,225 and \$54,725, respectively.

Consulting agreement with Premier Aftercare Recovery Service, ("PARS").

The Company has a consulting agreement with Premier Aftercare Recovery Service, ("PARS"). PARS is a Company controlled by Neil Muller that provides consulting services to the Company. There is no formal agreement between the parties and the amount of remuneration depends on the services provided and ranges between \$5,000 and \$10,000 per month. As of December 31, 2012, \$77,794 in consulting fees and \$6,379 in reimbursement of expenses were paid and for December 31, 2011, \$50,600 in consulting fees and \$10,298 in reimbursement of expenses was paid. As of December 31, 2012 and 2011, there was an unpaid balance of \$65,774 and \$51,418, respectively.

Consulting agreement with West Coast Health Consulting, Inc.

West Coast Health Consulting, Inc. is a company controlled by Neil Muller that previously provided consulting services to the Company. As of December 31, 2012 and December 31, 2011, \$2,026 and \$4,000 were paid in consulting fees.

We do not believe there is a conflict of interest in the related entity transactions above, as those particular services are not anticipated to be provided by Fresh Start Private and will be outsourced to other entities in the future.

Jorge Andrade was paid a consulting fee of \$2,500 for the year ended December 31, 2011 for work on the merger of FSP and FSPM.

During Fiscal Year 2012, there were no other material transactions between the Company and any Officer, Director or related party and the Company other than as described herein. With the exception of the transactions with Dr. Andrade and Dr. Muller, no other of the following parties has, since the date of incorporation, had any material interest, direct or indirect, in any transaction with us or in any presently proposed transaction that has or will materially affect us:

- Any person proposed as a nominee for election as a director;
- Any person who beneficially owns, directly or indirectly, shares carrying more than 5% of the voting rights attached to the outstanding shares of common stock;
- Any relative or spouse of any of the foregoing persons who have the same house as such person.

ITEM 14 – PRINCIPAL ACCOUNTING FEES AND SERVICES

Audit Fees. The aggregate fees billed by our independent auditors, for professional services rendered for the audit of our annual financial statements for the year ended December 31, 2012, including review of our interim financial statements were \$39,000. Audit fees in respect of 2011 financial statements were \$39,000.

Audit Related Fees. We incurred fees to our independent auditors of \$0 for audit related fees during the fiscal years ended December 31, 2012, which relates to filings with the SEC related to our recent reverse merger, and \$-0- for 2011.

Tax and Other Fees. We incurred fees to our independent auditors of \$-0- for tax and fees during the fiscal years ended December 31, 2012 and 2011.

The Audit Committee pre-approves all auditing services and all permitted non-auditing services (including the fees and terms thereof) to be performed by our independent registered public accounting firm.

ITEM 15 – EXHIBITS, FINANCIAL STATEMENT SCHEDULES

Exhibit

No.	Description
<u>2.1</u>	Share Exchange Agreement, dated October 31, 2011, by and among the Company, the Company's former principal stockholder, FSP and the former principal shareholders of FSP.(1)
3.1	Articles of Incorporation. (2)
<u>3.2</u>	Certificate of Amendment to Articles of Incorporation. (2)
3.3	By Laws. (2)
<u>10.1</u>	Termination Agreement, dated October 31, 2011, by and among the Company, FSP and Muller.(1)
<u>10.2</u>	Agreement for Service, dated June 1, 2011, by and between FSP and Start Fresh Alcohol Recovery Clinic, Inc.(1)
<u>10.3</u>	License Agreement, dated September 7, 2010, by and between FSP and Trinity Rx Solutions, LLC. (1)
<u>10.4</u>	Agreement for Service, dated January 1, 2010, by and between FSP and New Ways, Inc. (1)
<u>10.5</u>	Advertising Agreement, dated February 1, 2011, by and between FSP and Clear Channel Broadcasting. (1)
10.6	Promissory Note dated August 5, 2010 (1)
10.7	Purchase Agreement, dated August 1, 2011 between FSP and Harborcove Fund I, LP (1)
10.8	Asher Note Payable dated December 11, 2013, incorporated herein

(1) Incorporated herein by reference to the Company's Form 8K/A filed on February 9, 2012

(1) Incorporated herein by reference to the Company's Registration Statement on Form S-1 filed with the Commission on September 9, 2008.

The following exhibits are included herein or incorporated by reference:

Exhibit Description

10.9	Settlement Agreement Dr. Alexandre
23.1	Consent of Wilson Morgan LLP
31.1	Certification Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 of Dr. Jorge Andrade
31.2	Certification Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 of Lourdes Felix
32.1	Certification of Dr. Jorge Andrade pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
32.2	Certification of Lourdes Felix pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

SIGNATURES

report to be signed on its behalf by the undersigned hereunto duly authorized.

FRESH START PRIVATE MANAGEMENT, INC.

Date: April 15, 2013

By: /s/ Dr. Jorge Andrade
Dr. Jorge Andrade
Chief Executive Officer, Secretary
and Director

Date: April 15, 2013

By: /s/ Lourdes Felix
Lourdes Felix
Chief Financial Officer and
Director

SETTLEMENT AGREEMENT AND MUTUAL RELEASE

This SETTLEMENT AGREEMENT AND MUTUAL RELEASE (hereinafter the "Agreement") dated April ____, 2013, is entered into by and between START FRESH ALCOHOL RECOVERY CLINIC, INC., a California corporation (hereinafter "START") and FRESH START PRIVATE INC., a California corporation (hereinafter "FRESH").

RECITALS

On or about June 1, 2011, START entered into an agreement for services with FRESH. Now, START alleges that FRESH breached the terms of the agreement for services and failed to provide proper accounting and payment to START. Similarly, FRESH alleges that START breached the terms of the agreement for services and failed to provide accounting of patients and payments to FRESH.

Without any admission of liability and for due consideration, the parties wish to resolve any claims they may have against each other and enter into the following Settlement Agreement.

AGREEMENT

Section 1.0 Settlement:

It is now the desire of each of the parties to fully and finally settle and resolve any and all disputes and differences which now exist between them, without limitations of the disputes set forth above. Pursuant to this desire and in consideration of the actions delineated below and the mutual promises contained herein, the parties hereby agree as follows:

1. The agreement for services between START and FRESH shall terminate immediately and neither party is responsible for any services or payment to each other unless specified herein.
2. FRESH and its officers shall indemnify Dr. Lucien Alexandre (hereinafter "Dr. Alexandre") of START for a period of two years from the execution of Agreement against any claims of medical malpractice that may be brought solely by any patients that received an implant from Dr. Aelxandre while he was the owner of START and a service provider to FRESH.
3. The shareholder(s) of START shall sell and transfer all of its shares to a California licensed physician identified by FRESH for Ten Thousand Dollars (\$10,000.00). The new service provider physician has agreed to continue all necessary medical care, treatment, management for all patients previously seen by Dr. Alexandre. A separate purchase agreement for the corporation shall be signed concurrently or as soon as reasonably possible.
4. FRESH agrees to secure the services of a licensed physician in California to provide continuing patient care for patients previously under the care of Dr. Alexandre. A separate transfer agreement with this provision shall be signed concurrently or as soon thereafter as possible. The execution of the transfer agreement is a material condition precedent to initiating all obligations contained in this Agreement.
5. Each party shall be responsible for their own attorney 's fee and costs.

Section 2.0 Medical Records and Other Records:

START shall transfer to George Fallieras, M.D., or in the alternative, any California licensed doctor identified by FRESH as the successor in interest to Dr. Alexandre, all documents including but not limited to medical records, business records, billing records, and accounting records, related to all patients seen and/or treated by START and/or Dr. Alexandre. FRESH shall assist Dr. Alexandre's successor in START in whatever manner reasonably necessary to ensure as smooth a transition as possible and appropriate custody transfer of all relevant documents and/or records. FRESH has agreed to advise Dr. Alexandre's successor in START of his obligation to assume control, custody, and possession of all records, and that he shall retain such records in accordance with applicable California and federal laws (at least ten (10) years for medical records as recommended by the California Medical Association). FRESH recognizes that the medical records subject to this agreement are confidential under applicable California and federal laws, and may not be released to any third party except as provided by law. FRESH agrees to advise Dr. Alexandre's successor in START to honor lawful requests (signed release from patients or properly executed subpoena or court order) for release of medical records or information contained in those records in accordance with California law, and that he may charge a reasonable fee in accordance with applicable laws. FRESH shall not prevent Dr. Alexandre, during normal business hours, from having reasonable access to, and to examine and, free of charge, make copies of medical records of patients treated by Dr. Alexandre which relate to events, occurring during the contractual relationship, required for insurance audits or defense of any potential medical malpractice claim or medical board proceedings. In the event FRESH relocates, goes out of business, or changes any contact information, Dr. Alexandre must be notified immediately at **1788 S. San Gabriel Blvd., #201, San Gabriel, CA 91776** and "**lucien alexandre**" feluci51@sbcglobal.net.

Section 3.0 Insurance Overpayment:

If there should be any insurance claim audit and a final determination of an overpayment pertaining to the billings submitted by FRESH on behalf of START for services rendered to insurance patients, then both FRESH and START shall be responsible for their respective portion of the amount disbursed to them when they initially received insurance payment for that specific claim.

Section 4.0 Indemnification:

FRESH and its shareholders agree to indemnify, defend and hold harmless START, its shareholders, officers, directors, agents, contractors, representatives and employees, from and against any and all liability, loss, damages, claims, insurance audits, causes of action, and expenses associated therewith (including without limitation attorneys fees" caused or asserted to have been caused, directly or indirectly, by or as a result of any acts, errors or omissions hereunder of FRESH, its contractors, shareholders, employees or agents (including without limitation, all FRESH Personnel) during the period of their contractual relationship. FRESH and its officers has also agreed for a period of two years from the execution of Agreement to indemnify START and Dr. Lucien Alexandre against any medical malpractice claims related to the insertion of the implant that may be brought by all patients seen during the contractual relationship.

START and its shareholders agrees to indemnify, defend and hold harmless FRESH, its

shareholders, officers, directors, agents, contractors, representatives and employees, from and against any and all liability, loss, damages, claims, causes of action, and expenses associated therewith (including without limitation attorneys fees" caused or asserted to have been caused, directly or indirectly, by or as a result of any acts, errors or omissions hereunder of START, its contractors, shareholders, employees or agents (including without limitation, all START Personnel) during the period of their contractual relationship.

Section 5.0 Confidentiality:

To the extent permitted by applicable law, both parties agree that the terms of this Agreement shall remain confidential and shall not be disclosed to anyone not a signatory or party to this Agreement. As an exception to this provision the successor in interest of START shall be allowed to review this Agreement with counsel. Moreover, all settlement communications, verbal or written, made during the negotiations shall also be kept confidential between the parties and not be admissible as evidence in any lawsuits or other legal proceedings such as administrative, regulatory, or judicial hearings.

Section 6.0 Releases:

It is the intention of each of the parties that this Agreement shall be the full and final accord and satisfaction and release of any and all dealings and accounts of any kind or nature between the parties for the Lawsuit. Each party does hereby for himself, herself, or itself and for each and all of their agents and successors in interest, release and absolutely forever discharge the other and their agents and successors in interest of and from any and all claims, damages, liabilities, suits, costs, and causes of action of every kind and nature whatsoever, whether now known or unknown, which the parties may have against the other arising from the Lawsuit through the date of this Agreement.

The released matters shall include any and all claims known and unknown related to or arising from the Lawsuit or as referenced in this Agreement. Without in any way limiting the generality of the general releases contained in the foregoing paragraph, each of the parties does hereby for himself or herself and his, her, or its heirs, agents, and assigns hereby releases and absolutely and forever discharges each of the others from any and all matters arising out of or in connection with the allegations set forth in this Agreement.

It is the intention of each of the parties executing this Agreement and in payment and/or accepting the consideration referred to herein, that this instrument shall be effective as a full and final accord and satisfaction and release of each and every claim described in this agreement. In furtherance of this intention, each party acknowledges that he, she or it has been informed by his, her or its attorney(s) of and that he, she, or it is familiar with Section 1542 of the Civil Code of the State of California which provides as follows:

"A general release does not extend to claims which the creditor does not know or suspect to exist in his, her, or its favor at the time of executing the release, which if known by him, her or it must have materially affected his, her, or its settlement with debtor."

Each party expressly waives and relinquishes (on his, her, or its own behalf and on behalf of

their Affiliated Parties) any and all rights and benefits which they have or may have under Section 1542 of the Civil Code of the State of California to the full extent that they have lawfully waived all such rights and benefits. Each party hereby acknowledges that they are aware that they may hereafter discover facts in addition to or different from those which they now know or believe to be true with respect to the subject matter of this instrument but that it is their intention hereby, finally and forever, to settle and release any and all Released Matters, disputes, and differences, known and unknown, suspected and unsuspected, which do now exist, may hereafter exist, or may have existed between the parties or any Affiliated parties, and that in furtherance of such intention, the release herein given shall be and remain in effect or existence in light of any such additional different facts.

The execution of this Agreement and the obligations specified herein affect the settlement of claims which are contested and denied. It is understood and agreed that neither this Agreement nor the consideration granted by either party hereunder nor anything else contained or implied herein shall constitute or be deemed or construed so as to constitute an admission of liability of any party of any claim, demand or cause of action hereby released. Each of the parties acknowledges that each of the other parties expressly denies that they are in any way liable or obligated to each other.

Section 7.0 Attorney's Fee and Cost:

In the event that either party brings any action, suit, or proceeding against the other party arising out of or in any way connected with the Agreement, including any actual or asserted right or obligation released or claimed to be released, the prevailing party in any such action, suit or proceeding, shall, in addition to such relief as may be awarded, recover reasonable attorneys' fees and costs incurred.

Section 8.0 Counterparts:

This Agreement may be executed in multiple counterparts or copies, each of which shall be deemed an original.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first above indicated.

By: _____
Neil Muller, President of FRESH START PRIVATE INC.

By: _____
Jorge Andrade, Jr. CEO of FRESH START PRIVATE INC.

By: _____
Dr. Lucien Alexandre, for START FRESH ALCOHOL RECOVERY CLINIC, INC.

APPROVED TO FORM AND CONTENT:

By: _____
William Ferguson, II Esq., Attorney for FRESH START PRIVATE INC.

APPROVED AS TO FORM AND CONTENT:

By: _____
John S. Chou, Esq., attorney for START FRESH ALCOHOL RECOVERY CLINIC, INC.

WILSONMORGAN LLP

*Certified Public Accountants / Business Consultants
Registered Firm PCAOB*

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Stockholders'
of Fresh Start Private Management, Inc.

We have audited the accompanying consolidated balance sheet of Fresh Start Private Management, Inc. (a Nevada corporation) and subsidiaries as of December 31, 2011, and the related statement of operations, stockholders' equity, and cash flows for the year then ended. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audit included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control amounts and disclosures in the consolidated financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall consolidated financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Fresh Start Private Management, Inc. and subsidiaries as of December 31, 2011, and the results of their operations and their cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

The financial statements have been prepared assuming that the Company will continue as a going concern. As discussed in Note 3 to the financial statements, the Company's losses from operations raise substantial doubt about its ability to continue as a going concern. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

Wilson Morgan LLP



Irvine, California
May 17, 2012

CERTIFICATION

I, Jorge Andrade, certify that:

1. I have reviewed this annual report on Form 10-K of Fresh Start Private Management, Inc.;
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 reasonable 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 controls over financial reporting.

Date: April 15, 2013

/s/ JORGE ANDRADE

Jorge Andrade

Chief Executive Officer, Secretary, Director

CERTIFICATION

I, Lourdes Felix, certify that:

1. I have reviewed this annual report on Form 10-K of Fresh Start Private Management, Inc.;
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 reasonable 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 controls over financial reporting.

Date: April 15, 2013

/s/ LOURDES FELIX

Lourdes Felix
Chief Financial Officer and Director



**CERTIFICATIONS 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**

I, Jorge Andrade, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that the Annual Report of Fresh Start Private Management, Inc. on Form 10-K for the fiscal year ended December 31, 2012 fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 and that information contained in this Annual Report on Form 10-K fairly presents in all material respects the financial condition and results of operations of Fresh Start Private Management, Inc.

Date: April 15, 2013

By: /s/ JORGE ANDRADE
Name: Jorge Andrade
Title: *Chief Executive Officer, Secretary and
Director*

**CERTIFICATIONS 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**

I, Lourdes Felix, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that the Annual Report of Fresh Start Private Management, Inc. on Form 10-K for the fiscal year ended December 31, 2012 fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 and that information contained in this Annual Report on Form 10-K fairly presents in all material respects the financial condition and results of operations of Fresh Start Private Management, Inc.

Date: April 15, 2013

By: /s/ LOURDES FELIX
Name: Lourdes Felix
Title: *Chief Financial Officer and Director*