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

FORM 10-Q

(Mark One)

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

For the Quarterly Period Ended March 31, 2015

or

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

For the Transition Period from _________ to _________

Commission file number: 333-153381

BioCorRx, Inc.

(Exact name of registrant as specified in its charter)

Nevada	**26-1972677**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

601 North Parkcenter Drive, Suite 103
Santa Ana, California 92705
(Address of principal executive offices) (zip code)

(714) 462-4880
(Registrant's telephone number, including area code)

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 ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). 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 the definitions of "large accelerated filer," "accelerated filer," and "smaller reporting company" in Rule 12b-2 of the Exchange Act

Large accelerated filer	☐	Accelerated filer	☐
Non-accelerated filer	☐	Smaller reporting company	☒
(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 ☒

As of May 15, 2015, there were 152,734,501 shares of registrant's common stock outstanding.

BIOCORRX, INC.

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PART I – FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

BIOCORRX INC.
CONDENSED CONSOLIDATED BALANCE SHEETS

	March 31, 2015 (unaudited)	December 31, 2014
ASSETS		
Current assets:		
Cash	$ 21,387	$ 53,120
Accounts receivable, net	77,672	78,500
Prepaid expenses	78,411	81,745
Total current assets	177,470	213,365
Property and equipment, net	5,716	6,194
Other assets:		
Prepaid expenses, long term	106,057	95,054
Licensing agreement, net	3,672,782	3,705,870
Deposits, long term	62,738	62,738
Total other assets	3,841,577	3,863,662
Total assets	$ 4,024,763	$ 4,083,221
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable and accrued expenses, including related party payables of $430,216 and $403,357, respectively	$ 791,740	$ 776,253
Deferred revenue, short term	729,860	729,860
Settlement payable	165,000	220,000
Advances from lenders	100,000	-
Notes payable, short term portion	518,660	74,823
Notes payable, net of debt discount, related party	225,108	137,065
Total current liabilities	2,530,368	1,938,001
Long term debt:		
Deferred revenue, long term	1,007,201	1,187,166
Convertible notes payable, net of debt discount	4,063	-
Notes payable, long term portion	-	449,256
Notes payable, net of debt discount, related party	16,313	103,795
Warrant liability	121,354	98,702
Derivative liability	194,358	-
Total long term debt	1,343,289	1,838,919
Total liabilities	3,873,657	3,776,920
Stockholders' equity:		
Preferred stock, no par value; 80,000 designated; 80,000 shares issued and outstanding as of March 31, 2015 and December 31, 2014	16,000	16,000
Common stock, $0.001 par value; 200,000,000 shares authorized, 149,559,501 and 146,134,501 shares issued and outstanding as of March 31, 2015 and December 31, 2014, respectively	149,560	146,135
Common stock subscribed	100,000	100,000
Additional paid in capital	8,653,613	8,609,059
Accumulated deficit	(8,768,067)	(8,564,893)
Total stockholders' equity	151,106	306,301
Total liabilities and stockholders' equity	$ 4,024,763	$ 4,083,221

See the accompanying notes to the unaudited condensed consolidated financial statements

BIOCORRX INC.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(unaudited)

	Three months ended March 31,	
	2015	**2014**
Revenues, net	$ 275,465	$ 130,829
Operating expenses:		
Cost of implants and other costs	11,500	27,700
Selling, general and administrative	238,068	460,855
Depreciation and amortization	33,566	34,000
Total operating expenses	283,134	522,555
Net loss from operations	(7,669)	(391,726)
Other income (expenses):		
Interest expense, net	(99,849)	(73,177)
Gain (loss) on change in fair value of derivative liability	(95,656)	(611,282)
Loss before income taxes	(203,174)	(1,076,185)
Income taxes	-	-
Net loss	$ (203,174)	$ (1,076,185)
Net loss per common share, basic and diluted	$ (0.00)	$ (0.01)
Weighted average number of common shares outstanding, basic and diluted	149,134,223	128,815,723

See the accompanying notes to the unaudited condensed consolidated financial statements

BIOCORRX INC.
CONDENSED CONSOLIDATED STATEMENT OF STOCKHOLDERS' EQUITY
THREE MONTHS ENDED MARCH 31, 2015

	Preferred stock		Common stock		Common stock Subscribed	Additional Paid in Capital	Accumulated Deficit	Total
	Shares	Amount	Shares	Amount				
Balance, January 1, 2015	80,000	$ 16,000	146,134,501	$ 146,135	$ 100,000	$ 8,609,059	$ (8,564,893)	$ 306,301
Common stock issued for services rendered	-	-	3,425,000	3,425	-	33,460	-	36,885
Stock based compensation	-	-	-	-	-	9,838	-	9,838
Fair value of vested options	-	-	-	-	-	1,256	-	1,256
Net loss	-	-	-	-	-	-	(203,174)	(203,174)
Balance, March 31, 2015 (unaudited)	80,000	$ 16,000	149,559,501	$ 149,560	$ 100,000	$ 8,653,613	$ (8,768,067)	$ 151,106

See the accompanying notes to the unaudited condensed consolidated financial statements

BIOCORRX INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(unaudited)

	Three months ended March 31, 2015	Three months ended March 31, 2014
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net loss	$ (203,174)	$ (1,076,185)
Adjustments to reconcile net loss to cash flows (used in) provided by operating activities:		
Depreciation and amortization	33,566	34,000
Non cash interest	71,354	-
Amortization of debt discount	4,624	31,216
Stock based compensation	41,695	84,286
Change in fair value of derivative liabilities	95,656	611,282
Changes in operating assets and liabilities:		
Accounts receivable	828	(3,896)
Prepaid expenses and other current assets	(1,385)	10,130
Accounts payable and accrued expenses	15,487	62,543
Settlement payable	(55,000)	-
Deferred revenue	(179,965)	246,768
Net cash (used in) provided by operating activities	(176,314)	144
CASH FLOWS FROM INVESTING ACTIVITIES:		
Payment of acquisition deposit	-	(13,654)
Purchase of equipment	-	(486)
Net cash used in investing activities	-	(14,140)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from notes payable	-	76,750
Proceeds from convertible notes payable	50,000	-
Proceeds from advances	100,000	-
Repayments of notes payable	(5,419)	(35,000)
Net repayments of notes payable, related party	-	(7,500)
Net cash provided by financing activities	144,581	34,250
Net (decrease) increase in cash	(31,733)	20,254
Cash, beginning of the period	53,120	108,566
Cash, end of period	$ 21,387	$ 128,820
Supplemental disclosures of cash flow information:		
Interest paid	$ 2,418	$ 119,648
Taxes paid	$ -	$ -
Non cash financing activities:		
Common stock issued for exercise of options paid by amounts due to the option holders of the Company	$ -	$ 37,500
Fair value of warrants issued for licensing fees	$ -	$ 24,558
Common stock issued for licensing fees	$ -	$ 89,500

See the accompanying notes to the unaudited condensed consolidated financial statements

NOTE 1 – BUSINESS

BioCorRx Inc., through its wholly owned subsidiary Fresh Start Private, Inc., distributes and licenses the Start Fresh Program for alcoholism and opioid addiction treatment that empowers patients to succeed in their overall recovery. We offer a unique treatment philosophy that combines medical intervention and a counseling program from specialized life coaches and/or counselors.

On January 7, 2014, the Company changed its name from Fresh Start Private Management, Inc. to BioCorRx Inc. In addition, effective February 20, 2014, the Company's quotation symbol on the Over-the-Counter Bulletin Board was changed from CEYY to BICX.

NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES

Interim Financial Statements

The following (a) condensed consolidated balance sheet as of December 31, 2014, which has been derived from audited financial statements, and (b) the unaudited condensed consolidated interim financial statements of the Company have been prepared in accordance with accounting principles generally accepted in the United States ("GAAP") for interim financial information and the instructions to Form 10-Q and Rule 8-03 of Regulation S-X. Accordingly, they do not include all of the information and footnotes required by GAAP for complete financial statements. In the opinion of management, all adjustments (consisting of normal recurring accruals) considered necessary for a fair presentation have been included. Operating results for the three months ended March 31, 2015 are not necessarily indicative of results that may be expected for the year ending December 31, 2015. These condensed consolidated financial statements should be read in conjunction with the audited consolidated financial statements and notes thereto for the year ended December 31, 2014 included in the Company's Annual Report on Form 10-K, filed with the Securities and Exchange Commission ("SEC") on March 31, 2015.

Basis of Presentation:

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

Revenue Recognition

The Company generates revenue from services and product sales. 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.

The Company licenses technology to customers under licensing agreements that allow those customers to utilize the technology in services they provide to their customers. The timing and amount of revenue recognized from license agreements depends upon a variety of factors, including the specific terms of each agreement. Such agreements are reviewed for multiple elements. Multiple elements can include amounts related to initial non-refundable license fees for the use of the Company's patented and additional royalties on covered services.

Revenue is only recognized after all of the following criteria are met: (1) written agreements have been executed; (2) delivery of technology or intellectual property rights has occurred; (3) fees are fixed or determinable; and (4) collectability of fees is reasonably assured.

Under these license agreements, the Company receives an initial non-refundable license fee and in some cases, additional running royalties. Generally, the Company defers recognition of non-refundable upfront fees if it has continuing performance obligations without which the technology, right, product or service conveyed in conjunction with the non-refundable fee has no utility to the licensee that is separate and independent of its performance under the other elements of the arrangement. License fees collected from Licensees but not yet recognized as income are recorded as deferred revenue and amortized as income earned over the expected economic life of the related contract.

Use of Estimates

The preparation of the condensed 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 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. Significant estimates include assumptions used in the fair value of stock-based compensation, derivative and warrant liabilities, the fair value of other equity and debt instruments and allowance for doubtful accounts.

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 $109,500 as of March 31, 2015 and December 31, 2014.

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, 2014 and 2013. The respective carrying value of certain financial instruments approximated their fair values. These financial instruments include cash, stock based compensation and notes payable. The fair value of the Company's convertible securities is based on management estimates and reasonably approximates their book value.

See Footnote 10 and 12 for derivative liabilities and Footnote 13 and 14 for stock based compensation and other equity instruments.

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.

Net Income (loss) Per Share

The Company accounts for net income (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 income (loss) per share is computed by dividing net income (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, 2014, potentially dilutive shares issuances were comprised of warrants and stock options. As of December 31, 2013, potentially dilutive shares issuances were comprised of convertible notes payable, warrants and vested stock options.

The following potentially dilutive securities have been excluded from the computations of weighted average shares outstanding as of March 31, 2015 and 2014, as they would be anti-dilutive:

	March 31,	
	2015	**2014**
Shares underlying options outstanding	15,350,000	9,250,000
Shares underlying warrants outstanding	2,630,000	2,630,000
Shares underlying convertible notes outstanding	1,833,333	8,707,865
	19,813,333	20,587,865

Advertising

The Company follows the policy of charging the costs of advertising to expense as incurred. The Company charged to operations $43,358 and $138,970 as advertising costs for the three months ended March 31, 2015 and 2014, respectively.

Derivative Instrument Liability

The Company accounts for derivative instruments in accordance with ASC 815, which establishes accounting and reporting standards for derivative instruments and hedging activities, including certain derivative instruments embedded in other financial instruments or contracts and requires recognition of all derivatives on the balance sheet at fair value, regardless of hedging relationship designation. Accounting for changes in fair value of the derivative instruments depends on whether the derivatives qualify as hedge relationships and the types of relationships designated are based on the exposures hedged. At March 31, 2015 and December 31, 2014, the Company did not have any derivative instruments that were designated as hedges.

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 March 31, 2015, there were 15,000,000 employee and 350,000 non-employee stock options were outstanding with 15,000,000 and 350,000 options vested and exercisable, respectively. As of March 31, 2014, 9,000,000 employee stock options were outstanding with 9,000,000 shares vested and exercisable and 250,000 non-employee stock options were outstanding with 180,000 shares vested and exercisable, respectively.

Income Taxes

Income tax provisions or benefits for interim periods are computed based on the Company's estimated annual effective tax rate. Based on the Company's historical losses and its expectation of continuation of losses for the foreseeable future, the Company has determined that it is not more likely than not that deferred tax assets will be realized and, accordingly, has provided a full valuation allowance. As the Company anticipates or anticipated that its net deferred tax assets at December 31, 2015 and 2014 would be fully offset by a valuation allowance, there is no federal or state income tax benefit for the three months ended March 31, 2015 and 2014 related to losses incurred during such periods.

Recent Accounting Pronouncements

In April 2015, the FASB issued ASU 2015-03, *"Simplifying the Presentation of Debt Issuance Costs"* this Update as part of its initiative to reduce complexity in accounting standards (the Simplification Initiative). The Board received feedback that having different balance sheet presentation requirements for debt issuance costs and debt discount and premium creates unnecessary complexity. Recognizing debt issuance costs as a deferred charge (that is, an asset) also is different from the guidance in International Financial Reporting Standards (IFRS), which requires that transaction costs be deducted from the carrying value of the financial liability and not recorded as separate assets. Additionally, the requirement to recognize debt issuance costs as deferred charges conflicts with the guidance in FASB Concepts Statement No. 6, Elements of Financial Statements, which states that debt issuance costs are similar to debt discounts and in effect reduce the proceeds of borrowing, thereby increasing the effective interest rate. Concepts Statement 6 further states that debt issuance costs cannot be an asset because they provide no future economic benefit. To simplify presentation of debt issuance costs, the amendments in this Update require that debt issuance costs related to a recognized debt liability be presented in the balance sheet as a direct deduction from the carrying amount of that debt liability, consistent with debt discounts. The recognition and measurement guidance for debt issuance costs are not affected by the amendments in this Update. For public business entities, the amendments in this Update are effective for financial statements issued for fiscal years beginning after December 15, 2015, and interim periods within those fiscal years. For all other entities, the amendments in this Update are effective for financial statements issued for fiscal years beginning after December 15, 2015, and interim periods within fiscal years beginning after December 15, 2016. The Company is currently evaluating the effects of adopting this ASU, if it is deemed to be applicable.

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

NOTE 3 – GOING CONCERN MATTERS

The Company's condensed 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 $8,768,067 and working capital deficiency of $2,352,898 at March 31, 2015 and loss from operations of $203,174 for the three months ended March 31, 2015 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 condensed 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.

NOTE 4 – PROPERTY AND EQUIPMENT

The Company's property and equipment at March 31, 2015 and December 31, 2014:

	March 31, 2015	December 31, 2014
Office equipment	$ 15,137	$ 15,137
Computer equipment	2,574	2,574
Leasehold improvements	20,014	20,014
	37,725	37,725
Less accumulated depreciation	(32,009)	(31,531)
	$ 5,716	$ 6,194

Depreciation expense charged to operations amounted to $478 and $912, respectively, for the three months ended March 31, 2015 and 2014.

NOTE 5 – LICENSING RIGHTS

On October 28, 2010, prior to the recapitalization of the Company, 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.

During the year ended December 31, 2013, the Company determined that its licensing rights had a definite life based on various economic factors. The Company estimated a useful life of 30 years. Amortization for the three months ended March 31, 2015 and 2014 was $33,088 and $33,088, respectively.

The Company follows Accounting Standards Codification subtopic 360-10, Property, Plant and Equipment ("ASC 360-10"). ASC 360-10 requires that long-lived assets and certain identifiable intangibles held and used by the Company be reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Events relating to recoverability may include significant unfavorable changes in business conditions, recurring losses, or a forecasted inability to achieve break-even operating results over an extended period. The Company evaluates the recoverability of long-lived assets based upon forecasted undiscounted cash flows. Should impairment in value be indicated, the carrying value of intangible assets will be adjusted, based on estimates of future discounted cash flows resulting from the use and ultimate disposition of the asset. ASC 360-10 also requires assets to be disposed of is reported at the lower of the carrying amount or the fair value less costs to sell.

At December 31, 2014, the Company's management performed an evaluation of its intangible assets (licensing rights) for purposes of determining the implied fair value of the assets at December 31, 2014. The test indicated that the recorded book value of its licensing rights did not exceed its fair value for the year ended December 31, 2014 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.

Estimated future amortization expense as of March 31, 2015 is as follows:

Nine months ended December 31, 2015	$ 99,265
2016	132,353
2017	132,353
2018	132,353
2019 and thereafter	3,176,458
Total	$3,672,782

NOTE 6 – DEFERRED REVENUE

In 2013 and 2014, the company has granted license and sub-license agreements ("Agreements") for various regions or States in the United States allowing the licensee to market, distribute and sell solely in the defined license territory, as defined, the products provided by the Company. The agreements are granted for a defined period or perpetual and are effective as long as annual milestones are achieved.

Terms for payments for licensee agreements vary from full cash payment to defined terms. In cases where license or sub-license fees are uncollected or deferred; the Company nets those uncollected fees with the deferred revenue for balance sheet presentation.

The Company amortizes license fees over the shorter of the economic life of the related contract life or contract terms for each licensee. The remaining unamortized aggregate balance of deferred revenue as of March 31, 2015 and December 31, 2014 was $1,737,061 and $1,917,026, respectively.

NOTE 7 – ADVANCE FROM LENDERS

During the three months ended March 31, 2015, the Company received $100,000 of net proceeds in connection with the expected issuance of a promissory note. As of March 31, 2015, the note has yet to be executed and finalized or refunded. During the three months ended March 31, 2015, the Company accrued $1,052 estimated interest due upon note finalization.

NOTE 8 – SETTLEMENT PAYABLE

On June 13, 2013, Fresh Start Private Florida, LLC ("FSPF") filed a complaint against the Company alleging breach of a License Agreement whereby FSPF was to receive, implant, use, sell and otherwise commercialize the Naltrexone implant product and the Fresh Start Alcohol Rehabilitation Program throughout the state of Florida. The complaint alleged that the Company made certain misrepresentations and failed to provide certain operational documentation pursuant to the License Agreement. (Fresh Start Private Florida, LLC v. Fresh Start Private Management, Inc., Case No. 13-CA 1850, Circuit Court of the Twentieth Judicial Circuit in and for Collier County, Florida).

On June 3, 2014, the Company entered into a settlement agreement to pay the plaintiff in increments through October 31, 2015 in exchange for dismissal of all pending litigation and termination of all prior and current agreements. Under the confidentiality clause of the settlement agreement the parties are prohibited from disclosing settlement amounts.

NOTE 9 – NOTES PAYABLE

On July 7, 2014, the Company issued unsecured promissory notes in aggregate of $545,218 in settlement of previously issued convertible debentures dated April 3, 2013(See Note 10) and related accrued interest. The promissory notes include monthly payments of principal and interest, at 12% per annum, of $10,658 beginning August 15, 2014 through July 15, 2016 with the remaining unpaid balance due on or before July 15, 2016. The balance as of March 31, 2015 was $518,660. The notes are currently in default.

NOTE 10 – CONVERTIBLE NOTES PAYABLE AND DERIVATIVE LIABILITIES

On February 3, 2015**,** the Company sold to JMJ Financial a $250,000 Convertible Promissory Note. The JMJ note provides up to an aggregate of $225,000 in gross proceeds after taking into consideration an Original Issue Discount ("OID") of $25,000. The maturity date is two years from the effective date of each payment paid under the promissory note.

The Company, at its sole discretion, has an option to repay all consideration received pursuant to the JMJ note within 120 days of the effective date, there will be zero percent interest charged under the JMJ Note. Otherwise, there will be a one-time interest charge of 12% for all consideration received by the Company pursuant to the JMJ Note.

The Notes earn an interest rate of 12% per annum after four months of each advance and are convertible six months after the issuance date of the each advance at a conversion price equal to 60% discount to the lowest trading price of the common stock for the 25 trading days immediately prior the conversion date.

In the event of default, the Purchaser has the right to require the Company to repay in cash all or a portion of the Note at a price equal to 125% of the aggregate principal amount of the Note plus all accrued but unpaid interest.

The first tranche of the note has been funded to the Company by the purchaser upon execution of the Purchase Agreement, in the principal amount of $55,000, consisting of the aggregate principal sum of $50,000 advanced by the holder and $5,000 in OID.

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

At the inception of the JMJ note, the Company determined the aggregate fair value of $121,354 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 172.85%, (3) weighted average risk-free interest rate of 0.52%, (4) expected life of 2.00 years, and (5) estimated fair value of the Company's common stock of $0.093 per share.

The determined fair value of the debt derivatives of $121,354 was charged as a debt discount up to the net proceeds of the note with the remainder of $71,354 charged to current period operations as non-cash interest expense.

At March 31, 2015, the Company marked to market the fair value of the debt derivatives and determined a fair value of $194,358. The Company recorded a loss from change in fair value of debt derivatives of $73,004 for the three months ended March 31, 2015. 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 164.63%, (3) weighted average risk-free interest rate of 0.56%, (4) expected life of 1.85 years, and (5) estimated fair value of the Company's common stock of $0.12 per share.

The charge of the amortization of debt discounts and costs for the three months ended March 31, 2015 was $4,063 which was accounted for as interest expense.

NOTE 11 – NOTES PAYABLE-RELATED PARTY

As of March 31, 2015 and December 31, 2014, the Company received advances from Jorge Andrade, director, Scott Carley, and Neil Muller, President as loans from related parties. The loans are payable on demand and without interest.

On January 22, 2013, the Company issued a unsecured promissory note payable for $200,000 due January 1, 2018, with a stated interest rate of 12% per annum beginning three months from issuance; payable monthly. Principal payments are due starting February 1, 2015 at $6,650 per month. The lender has an option to convert the note to licensing rights for the State of Oregon. The Company currently is in default of the required interest payments initially due starting April 22, 2013. During the year ended December 31, 2014, the Company has paid $36,390 principal and accrued interest towards the promissory note.

In connection with the issuance of the above described promissory note, the Company issued 950,000 (as amended) of its common stock on March 31, 2014.

The Company recorded a debt discount of $11,250 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. The note holder subsequently became an officer of the Company. The balance outstanding as of March 31, 2015 is $163,610 with unamortized debt discount of $4,824.

NOTE 12 – WARRANT LIABILITY

The Company issued warrants in conjunction with the issuance of certain convertible debentures. These warrants contain certain reset provisions. Therefore, in accordance with ASC 815-40, the Company reclassified the fair value of the warrant from equity to a liability at the date of issuance. Subsequent to the initial issuance date, the Company is required to adjust to fair value the warrant as an adjustment to current period operations.

At March 31, 2015, the fair value of the 1,155,000 warrants containing certain reset provisions were determined using the Binomial Option Pricing Model based on the following assumptions: (1) dividend yield of 0%, (2) expected volatility of 206.84%, (3) weighted average risk-free interest rate of 0.89%, (4) expected life of 3.02 years, and (5) estimated fair value of the Company's common stock of $0.12 per share.

The Company recorded a loss from change in fair value of warrant liability of debt derivatives of $22,652 for the three months ended March 31, 2015.

At March 31, 2015, the warrant liability valued at $121,354, the Company believes an event under the contract that would create an obligation to settle in cash or other current assets is remote and has classified the obligation as a long term liability.

NOTE 13 – STOCKHOLDERS' EQUITY

Preferred stock

The Company is authorized to issue 80,000 shares of preferred stock with no par value. As of March 31, 2015 and December 31, 2014, the Company had 80,000 shares of preferred stock issued and outstanding.

Common stock

The Company is authorized to issue 200,000,000 shares of common stock with par value $.001 per share. As of March 31, 2015 and December 31, 2014, the Company had 149,559,501 shares and 146,134,501 shares of common stock issued and outstanding.

In January 2015, the Company issued 3,000,000 shares of its common stock for services rendered and accrued in 2014. The common shares were valued at $300,000 based on the underlying market value of the common stock at the date of service provided.

In March 2015, the Company issued an aggregate of 425,000 shares of its common stock for services rendered valued at $36,885 based on the underlying market value of the common stock at the date of issuance.

NOTE 14 – STOCK OPTIONS AND WARRANTS

Employee Options

The following table summarizes the changes in employee options outstanding and the related prices for the shares of the Company's common stock issued to non-employees of the Company under the 2014 Stock Option Plan:

Options Outstanding			Options Exercisable		
Exercise Prices	Number Outstanding	Weighted Average Remaining Contractual Life (Years)	Weighted Average Exercise Price	Number Exercisable	Weighted Average Exercise Price
$ 0.10	15,000,000	4.63	$ 0.10	15,000,000	$ 0.10

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

	Number of Shares	Weighted Average Exercise Price Per Share
Outstanding at December 31, 2013	9,000,000	$ 0.015
Granted	15,000,000	0.100
Exercised	(9,000,000)	0.015
Expired		
Outstanding at December 31, 2014	15,000,000	$ 0.100
Granted	-	
Exercised	-	
Expired	-	-
Outstanding at March 31, 2015	15,000,000	$ 0.100

The intrinsic value of the vested employee stock options as of March 31, 2015 was $300,000 based on the Company's stock price of $0.12 per share at March 31, 2015.

Non-employee options

The following table summarizes the changes in non-employee options outstanding and the related prices for the shares of the Company's common stock issued to non-employees of the Company under the 2013 Stock Option Plan:

Options Outstanding				Options Exercisable	
Exercise Prices	Number Outstanding	Weighted Average Remaining Contractual Life (Years)	Weighted Average Exercise Price	Number Exercisable	Weighted Average Exercise Price
$ 0.10	200,000	3.52	$ 0.10	200,000	$ 0.10
0.20	150,000	3.94	0.20	150,000	0.20
	350,000	3.70	0.14	350,000	

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

	Number of Shares	Weighted Average Exercise Price Per Share
Outstanding at December 31, 2013	2,750,000	$ 0.015
Granted	150,000	0.200
Exercised	(2,550,000)	0.017
Expired	-	-
Outstanding at December 31, 2014	350,000	0.0140
Granted	-	-
Exercised	-	-
Expired	-	-
Outstanding at March 31, 2015	350,000	$ 0.14

The assumptions used in the valuation of stock options vesting during the three months ended March 31, 2015 and 2014 were as follows:

	2015	2014
Risk-free interest rate	0.89%	1.73%
Expected term of option	3.95 years	4.56 years
Expected stock price volatility	164.63%	226.04%
Expected dividend yield	0.0%	0.0%

The risk-free interest rate is based on the yield of Daily U.S. Treasury Yield Curve Rates with terms equal to the expected term of the options as of the grant date.

The intrinsic value of the vested non- employee stock options as of March 31, 2015 was $4,000 based on the Company's stock price of $0.12 per share at March 31, 2015.

NOTE 15 – RELATED PARTY TRANSACTIONS

The Company has an arrangement with Premier Aftercare Recovery Service, ("PARS"). PARS is a Company controlled by Neil Muller, a shareholder of the Company, that provides consulting services to the Company. There is no formal agreement between the parties and the amount of remuneration is $14,583 per month. During the three months ended March 31, 2015 and 2014, the Company incurred $27,083 and $12,500, respectively, as consulting fees and expense reimbursements. As of March 31, 2015 and December 31, 2014, there was an unpaid balance of $69,628 and $60,675, respectively.

The Company has an arrangement with Felix Financial Enterprises ("FFE"). FFE is a Company controlled by Lourdes Felix, an officer of the Company, that provides consulting services to the Company. There is no formal agreement between the parties and the amount of remuneration is $14,583 per month. During the three months ended March 31, 2015 and 2014, the Company incurred $27,083 and $12,500 as consulting fees, respectively. As of March 31, 2015 and December 31, 2014, there was an unpaid balance of $109,213 and $100,260, respectively.

The Company has an arrangement with Brady Granier, an officer of the Company. There is no formal agreement between the parties and the amount of remuneration is $14,583 per month. For the three months ended March 31, 2015 and 2014, $27,083 and $18,750 in consulting fees were incurred, respectively. As of March 31, 2015 and December 31, 2014, there was an unpaid balance of $54,149 and $45,196, respectively.

The Company has an arrangement with Kent Emry, a shareholder and prior officer of the Company. There is no formal agreement between the parties and the amount of remuneration is $6,250 per month. For three months ended March 31, 2015 and 2014, $-0- and $18,750 in consulting fees were incurred, respectively. As of March 31, 2015 and December 31, 2014, there was an unpaid balance of $28,125 and $28,125, respectively.

The above related parties are compensated as independent contractors and are subject to the Internal Revenue Service regulations and applicable state law guidelines regarding independent contractor classification. These regulations and guidelines are subject to judicial and agency interpretation, and it could be determined that the independent contractor classification is inapplicable.

NOTE 16 – COMMITMENTS AND CONTINGENCIES

Potential Acquisitions

The Board of Directors of the Company authorized the execution of a letter of understanding dated December 30, 2013 (the "Letter of Understanding") with Trinity Rx Solutions LLC ("Trinity Rx") and Sal Amodeo, the sole member of Trinity Rx ("Amodeo").

The Company is involved in establishing alcohol rehabilitation and treatment centers and has created certain alcohol therapeutic and rehabilitation programs (the "Counseling Programs") consisting of a Naltrexone implant that is placed under the skin in the lower abdomen coupled with life counseling sessions. The Naltrexone implant formula is owned by Trinity Rx. The Company entered into an exclusive license dated September 7, 2010 (the '"License Agreement") with Trinity Rx. In accordance with the terms and provisions of the License Agreement, Trinity Rx provides to the Company the Naltrexone Implant that has been designed for alcoholism.

As of March 31, 2015, the above described acquisition has not closed. The total aggregate payments of the $57,404 in refundable deposits is reflected in the Company's balance sheet as short term deposits as of March 31, 2015 and December 31, 2014.

NOTE 17 – CONCENTRATIONS

Financial instruments and related items, which potentially subject the Company to concentrations of credit risk, consist primarily of cash, cash equivalents and trade receivables. The Company places its cash and temporary cash investments with high credit quality institutions. At times, such investments may be in excess of the FDIC insurance limit.

The Company's revenues earned from sale of products and services for the three months ended March 31, 2015 included 38%, 15% and 18% (aggregate of 71%) from three customers of the Company's total revenues.

The Company's revenues earned from sale of products and services for the three months ended March 31, 2014 included an aggregate of 85% from one customer of the Company's total revenues.

Two customers accounted for 61% and 18% of the Company's total accounts receivable at March 31, 2015 and three customers accounted for 65%, 16% and 10% of the Company's total accounts receivable at December 31, 2014.

The Company relies on Trinity Rx as its sole supplier of its Naltrexone implant.

NOTE 18 – FAIR VALUE MEASUREMENTS

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 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.

Items recorded or measured at fair value on a recurring basis in the accompanying consolidated financial statements consisted of the following items as of March 31, 2015:

	Level 1	Level 2	Level 3	Total
Debt derivative liability	$ -	$ -	$ 194,358	194,358
Warrant liability	$	$ -	$ 121,354	121,354
Total	$ -	$ -	$ 315,712	$ 315,712

Items recorded or measured at fair value on a recurring basis in the accompanying consolidated financial statements consisted of the following items as of December 31, 2014:

	Level 1	Level 2	Level 3	Total
Warrant liability	$ -	$ -	$ 98,702	$ 98,702
Total	$ -	$ -	$ 98,702	$ 98,702

The table below sets forth a summary of changes in the fair value of the Company's Level 3 financial liabilities from December 31, 2013 through March 31, 2015:

	Debt Derivative Liability	Warrant Liability
Balance, December 31, 2013	$1,019,103	287,731
Transfers in (out):		
Fair value of debt derivative at note extinguishment transferred to equity	(800,987)	
Fair value of warrant liability at date of cancellation transferred to equity		(129,551)
Mark-to-market at December 31, 2014:		
Embedded derivative	(218,116)	(59,478)
Balance, December 31, 2014	-	98,702
Transfers in (out):		
Initial fair value of debt derivative at note issuance	121,354	
Mark-to-market at March 31, 2015:		
Embedded derivative	73,004	22,652
Balance, March 31, 2015	$ 194,358	$ 121,354

NOTE 19 – SUBSEQUENT EVENTS

In February 2015, the Company issued an aggregate of 1,075,000 shares of common stock for services rendered.

On April 28, 2015, the Company issued an aggregate of $3,175,000 shares of common stock for services rendered.

ITEM 2 – 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

We are an addiction rehabilitation company and developer of the Start Fresh Program headquartered in Santa Ana, California. We were established in January 2010 and currently operating in Santa Ana, California. The Company’s current treatment program is called the Start Fresh Program. On January 7, 2014 we changed our name to BioCorRx Inc. to take advantage of unique branding of our Start Fresh Program and to look to acquire other addiction programs and healthcare related products and services. We operate within the *Specialty Hospitals, Expert Psychiatric* industry, specifically within the industry subsets of *Alcoholism Rehabilitation Hospital*.

The Start Fresh Program is an alcoholism treatment program comprised of two parts: (1) an implant, administered by a licensed physician, of a proprietary compounded formulation of the drug, Naltrexone (implanted under the skin) (the “Implant”) which reduces alcohol and opioid cravings over a period of time which typically is longer than other formulations or means of injection of the drug Naltrexone; and (2) uniquely and specifically structured, intensive one on one substance abuse addiction life coaching/counseling program developed by BioCorRx, Inc. (the “Coaching Program”).

BioCorRx, Inc. has been granted an exclusive license to the proprietary implant by its developer. The license allows BioCorRx to license to physicians and medical groups experienced in treating alcoholism and opioid addiction dependency the right to order the proprietary implant from the compounding pharmacies that have been licensed and trained to make the implant by its developer. It also allows BioCorRx to sub-license the implant access to territories in the U.S. and abroad.

BioCorRx is not a licensed health care provider and does not provide health care services to patients. BioCorRx does not operate substance abuse clinics and does not employ substance abuse counselors or coaches at this time. BioCorRx makes the Start Fresh Program available to health care providers to utilize when the health care provider determines it is medically appropriate and indicated for his or her patients. Any physician or licensed alcohol addiction treatment provider is solely responsible for treatment options prescribed or recommended to his or her patients. At all times, such providers retain complete and exclusive authority, responsibility, supervision and control over their medical practice, their patients, the treatment that their patients receive and any decision to prescribe the implant to any of the provider’s patients. BioCorRx does not condition its license to health care providers accessing the implant on their making available the Coaching Program to the providers’ patients – although BioCorRx certainly encourages that providers do so.

BioCorRx has issued several license agreements to several unrelated third parties involving the establishment of alcoholism and opioid addiction rehabilitation and treatment centers and creating certain addiction rehabilitation programs. The Company has substantially expanded its operations in 2013 through the licensing and distribution opportunities of its Start Fresh Program. The four new locations now offering the Start Fresh Program are Arizona, Northern California, Nebraska and Connecticut. The company's current focus will continue on expansion to more territories across the United States, branding of the Start Fresh Program and acquisition of healthcare related products and services. The Company is committed to continuing to provide excellent rehabilitation services to clients nationwide as it expands its network of licensed 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):

Three Months ended March 31, 2015 Compared with Three Months ended March 31, 2014

Three months ended March 31,

	2015	2014
Net Sales	$ 275,465	$ 130,829
Total Operating Expenses	(283,134)	(522,555)
Net Interest Expense	(99,849)	(73,177)
Gain (loss) on change in derivative liability	(95,656)	(611,282)
Net loss	$ (203,174)	$ (1,076,185)

Sales

Sales for the three months ended March 31, 2015 were $275,465 compared with $130,829 for the three months ended March 31, 2014, reflecting an increase of 111%.

The increase in sales revenue is directly related to the Company's focus on licensing and distribution efforts which will have the potential to create a stronger revenue stream going forward.

Total Operating Expenses

Total operating expenses for the three months ended March 31, 2015 and 2014 were $283,134 and $522,555 reflecting an decrease of 46%. Comparing the three months ended March 31, 2014 to March 31, 2015, consulting and investor relations fees decreased from $171,938 to $119,907, accounting and legal fees decreased from $86,485 to $10,619, advertising decreased from $138,970 to $43,358, and rent increased from $4,321 to $4,451. In addition, we incurred $40,310 as stock based compensation in 2015 compared to $84,286 in 2014.

Gain (loss) on change in Fair Value of Derivative Liability

As of March 31, 2015, we had outstanding convertible debt and warrants with variable conversion provisions that had the possibility of exceeding our common shares authorized when considering the number of possible shares that may be issuable to satisfy settlement provision of this note. As such, we are required to determine the fair value of this derivative and mark to market each reporting period. For the three months ended March 31, 2015, we incurred a $95,656 loss on change in fair value of our derivative liabilities compared to $611,282 loss the same period, last year.

Interest Expenses

Interest expense for the three months ended March 31, 2015 and 2014 were $99,849 and $73,177, respectively, the increase is due to a non-cash interest charge incurred in the current period in connection with an issued convertible note.

Net Loss

For the three months ended March 31, 2015, the Company experienced loss of $203,174 compared with a net loss of $1,076,185 for the three months ended March 31, 2014.

Liquidity and Capital Resources

As of March 31, 2015, we had cash of approximately $21,387. The following table provides a summary of our net cash flows from operating, investing, and financing activities.

Three months ended March 31,

	2015	2014
Net cash (used in) provided by operating activities	$ (176,314)	$ 144
Net cash used in investing activities	-	(14,140)
Net cash provided by financing activities	144,581	34,250
Net (decrease) increase in cash	(31,733)	20,254
Cash, beginning of period	53,120	108,566
Cash, end of period	$ 21,387	$ 128,820

Currently we have no material commitments for capital expenditures as of March 31, 2015. 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 2014, the company entered into five separate licensing and distribution agreements whereby the Company received up-front licensing fees which allowed for sufficient cash flow to maintain operations. We believe that providing licensing and distribution opportunities will create a steady revenue stream by which sufficient cash flows can be maintained while the Company continues its growth and expansion.

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 have to significantly scale back, or discontinue, our operations.

Net Cash Flow From Operating Activities

Net Cash used in operating activities was $176,314 for the three months ended March 31, 2015 compared to $144 provided by operating activities the three months ended March 31, 2014. The reduction was primarily due to the reduction in proceeds directly attributable to licensing and distribution agreements.

Net Cash Flow From Investing Activities

Net cash used in investing activities decreased by $14,140 for the three months ended March 31, 2015 compared to of three months ended March 31, 2014 primarily due to investments in acquisition deposits in 2014.

Net Cash Flow From Financing Activities

Net cash provided by financing activities increased by $110,331 for the three months ended March 31, 2015 compared to three months ended March 31, 2014 due to the increase in borrowings and reductions in payoffs of existing obligations.

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 March 31, 2015 and December 31, 2014, the Company has a working capital deficit of $1,853,901 and $1,724,636, and an accumulated deficit of $8,768,067 and $8,564,893. 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.

The Company licenses patented technology to customers under licensing agreements that allow those customers to utilize the technology in services they provide to their customers. The timing and amount of revenue recognized from license agreements depends upon a variety of factors, including the specific terms of each agreement. Such agreements are reviewed for multiple elements. Multiple elements can include amounts related to initial non-refundable license fees for the use of the Company's patented technology and additional royalties on covered services. Revenue is only recognized after all of the following criteria are met: (1) written agreements have been executed; (2) delivery of technology or intellectual property rights has occurred; (3) fees are fixed or determinable; and (4) collectability of fees is reasonably assured. Under these license agreements, the Company generally receives an initial non-refundable license fee and in some cases, additional running royalties. Revenue from royalties is recognized when earned and when amounts can be reasonably estimated.

Deferred Revenue

The Company from time to time collects initial license fees when license agreements are signed and become effective. License fees collected from Licensees but not yet recognized as income are recorded as deferred revenue and amortized as income earned over the economic life of the related contract.

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.

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.

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 a have a material impact on the Company's consolidated financial position, results of operations or cash flows. See disclosure in the notes for the period for disclosure of any adopted pronouncements.

ITEM 3 – QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

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

ITEM 4 – 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 March 31, 2015, 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.

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.

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, 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 March 31, 2015 that have materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

Item 1. Legal Proceedings

We are currently not a party to any material legal proceedings or claims not previously disclosed on Form 8-K.

Item 1A. Risk Factors

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

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

In January 2015, the Company issued 3,000,000 shares of its common stock for services rendered and accrued in 2014. The common shares were valued at $300,000 based on the underlying market value of the common stock at the date of service provided.

In March 2015, the Company issued an aggregate of 425,000 shares of its common stock for services rendered valued at $36,885 based on the underlying market value of the common stock at the date of service provided.

The above securities were issued to the individuals identified in connection with a transaction made in reliance upon exemptions from registration pursuant to Section 4(2) under the Securities Act of 1933, as amended (the “Securities Act”) and/or Rule 506 promulgated under the Securities Act. The investors are accredited investors as defined in Rule 501 of Regulation D promulgated under the Securities Act.

Item 3. Defaults Upon Senior Securities

None.

Item 4. Mine Safety Disclosures.

Not applicable.

Item 5. Other Information.

Not Applicable.

Item 6. Exhibits

31.01	Certification of Chief Executive Officer pursuant to Exchange Act Rules 13a-14(a) and 15d-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.02	Certification of Chief Financial Officer pursuant to Exchange Act Rules 13a-14(a) and 15d-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.01	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.
101 INS	XBRL Instance Document*
101 SCH	XBRL Schema Document*
101 CAL	XBRL Calculation Linkbase Document*
101 LAB	XBRL Labels Linkbase Document*
101 PRE	XBRL Presentation Linkbase Document*
101 DEF	XBRL Definition Linkbase Document*

* The XBRL related information in Exhibit 101 shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to liability of that section and shall not be incorporated by reference into any filing or other document pursuant to the Securities Act of 1933, as amended, except as shall be expressly set forth by specific reference in such filing or document.

SIGNATURES

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

	BIOCORRX, INC.
Date: May 15, 2015	By: */s/ Brady Granier*
	Brady Granier
	Interim Chief Executive Officer, Chief Operating Officer and Director
Date: May 15, 2015	By: */s/ Lourdes Felix*
	Lourdes Felix
	Chief Financial Officer and Director

EXHIBIT 31.01

CERTIFICATION

I, Brady Granier, certify that:

1. I have reviewed this quarterly report on Form 10-Q of BioCorRx 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: May 15, 2015

By: */s/ BRADY GRAINER*
Brady Grainer
Interim Chief Executive Officer

EXHIBIT 31.02

CERTIFICATION

I, Lourdes Felix, certify that:

1. I have reviewed this quarterly report on Form 10-Q of BioCorRx 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: May 15, 2015

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

EXHIBIT 32.01

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, Brady Grainer, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that the Quarterly Report of BioCorRx Inc. on Form 10-Q for the quarter ended March 31, 2015 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 Quarterly Report on Form 10-Q fairly presents in all material respects the financial condition and results of operations of BioCorRx Inc.

Date: May 15, 2015

By: */s/ BRADY GRAINER*
Brady Grainer
Interim Chief Executive Officer

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 Quarterly Report of BioCorRx Inc. on Form 10-Q for the quarter ended March 31, 2015 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 Quarterly Report on Form 10-Q fairly presents in all material respects the financial condition and results of operations of BioCorRx Inc.

Date: May 15, 2015

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