UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

[X] QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended **December 31, 2013**

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

Commission file number **000-55096**

THE ALKALINE WATER COMPANY INC.

(Exact name of registrant as specified in its charter)

Nevada	**98-0367049**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
7730 E Greenway Road, Suite 203, Scottsdale, AZ	**85260**
(Address of principal executive offices)	(Zip Code)

(480) 656-2423
(Registrant s telephone number, including area code)

Not Applicable
(Former name, former address and former fiscal year, if changed since last report)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes [X] No [ ]

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Website, 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 [X] 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 Ruble 12b-2 of the Exchange Act.

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

Indicate the number of shares outstanding of each of the issuer s classes of common stock, as of the latest practicable date. 81,602,175 shares of common stock issued and outstanding as of February 14, 2014.

THE ALKALINE WATER COMPANY INC.
QUARTERLY PERIOD ENDED DECEMBER 31, 2013

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PART I FINANCIAL INFORMATION

Item 1. Financial Statements

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THE ALKALINE WATER COMPANY, INC.
FORMERLY GLOBAL LINES, INC.
CONSOLIDATED BALANCE SHEETS
(unaudited)

		December 31, 2013		March 31, 2013
ASSETS				
Current assets:				
Cash	$	22,465	$	64,607
Accounts receivable		99,266		15,110
Inventory		87,181		7,573
Prepaid Expenses and other current assets		2,669		-
Deferred financing cost		69,879		
Total current assets		281,460		87,290
Fixed assets, net		299,541		38,083
Equipment deposits - related party		201,900		15,000
Total assets	$	782,901	$	140,373
LIABILITIES AND STOCKHOLDERS' DEFICIT				
Current liabilities:				
Accounts payable	$	135,907	$	12,651
Accounts payable - related party		-		490
Accrued expenses		16,374		5,400
Accrued interest		7,500		1,315
Notes payable		-		150,000
Derivative liability		404,075		
Total current liabilities		563,856		169,856
Redeemable convertible Preferred stock		40,457		-
Stockholders' deficit:				
Preferred stock - $0.001 par value, 100,000,000 shares authorized. Series A issued 20,000,000		20,000		
Common stock, Class A, $0.001 par value, 1,125,000,000 shares authorized, 81,322,175 and 77,500,000 shares issued and outstanding as of December 31, 2013 and March 31, 2013, respectively		81,322		77,500

Additional paid in capital		3,426,810		176,405
Common stock issuable		-		-
Deficit accumulated during development stage		(3,349,544)		(283,388)
Total stockholders' deficit	$	178,588	$	(29,483)
Total liabilities and stockholders' deficit	$	782,901	$	140,373

See Accompanying Notes to Condensed Consolidated Financial Statements.

THE ALKALINE WATER COMPANY, INC.
FORMERLY GLOBAL LINES, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS
(unaudited)

	For the three months ended December 31, 2013	For the three months ended December 31, 2012	For the nine months ended December 31, 2013	Inception (June 19, 2012 to December 31, 2012	Inception (June 2012 to December 31, 2
Revenue	$ 171,137	$ -	$ 333,404	$ -	$ 348
Cost of goods sold	102,609	-	193,566	-	201
Gross profit	68,528	-	139,838	-	146
Operating expenses:					
Sales and marketing expenses	150,417	2,849	338,839	38,903	427
General and administrative	2,335,964	3,344	2,812,196	99,504	2,901
General and administrative - related party	3,286	46,682	65,378	46,682	170
Depreciation expense	16,534	-	25,872	-	27
Total operating expenses	2,506,201	52,875	3,242,285	185,089	3,526
Other Income (expenses):					
Interest expense	(7,501)		(11,056)	-	(12
Amortization of debt discount	(48,578)		(48,578)		(48
Other expenses	-		-		(4
Change in derivative liability	95,925		95,925		95
Total other expense	39,846	-	36,291	-	30
Net loss	$ (2,397,827)	$ (52,875)	$ (3,066,156)	$ (185,089)	$ (3,349

Weighted average number of common shares outstanding - basic		77,717,418				79,776,874		-
Net loss per share - basic	$	(0)	$	N/A	$	(0.04)	$	N/A

See Accompanying Notes to Condensed Consolidated Financial Statements.

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THE ALKALINE WATER COMPANY INC.
FORMERLY GLOBAL LINES INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(unaudited)

	For the nine months ended December 31, 2013	Inception (June 19, 2012) to December 31, 2012	Inception (June 19, 2012 to December 31, 2013
CASH FLOWS FROM OPERATING ACTIVITIES			
Net loss	$ (3,066,156)	$ (185,089)	(3,349,544)
Adjustments to reconcile net income			
to net cash used in operating activities:			
Depreciation expense	25,872	-	27,686
Interest expense converted to common stock	3,555	-	3,555
Shares issued for services	2,019,357	-	2,019,357
Amortization of debt discount	48,578		48,578
Change in derivative liabilities	(95,925)		(95,925)
Changes in operating assets and liabilities:			
Accounts receivable	(84,156)	-	(99,266)
Inventory	(79,608)	(9,932)	(87,181)
Prepaid expenses and other current assets	(2,669)	-	(2,669)
Accounts payable	123,256	43,077	136,397
Accounts payable - related party	(490)	7,900	(490)
Accrued expenses	18,474	-	25,189
Net cash used in operating activities	(1,089,912)	(144,044)	(1,374,313)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of fixed assets	(264,230)	(66,524)	(304,127)
Deposits	(210,000)	-	(225,000)
Net cash used in investing activities	(474,230)	(66,524)	(529,127)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from notes payable	75,000	-	225,000
Proceeds from sale of common stock	1,025,000	-	1,025,000

Proceeds from sale of manadatory redeemable preferred stock, net		422,000		-		422,000
Shareholder contribution		-		217,738		264,575
Shareholder distribution		-		(7,170)		(10,670)
Net cash provided by financing activities		1,522,000		210,568		1,925,905
NET CHANGE IN CASH		(42,142)		(0)		22,465
CASH AT BEGINNING OF PERIOD		64,607		-		-
CASH AT END OF PERIOD	$	22,465	$	(0)	$	22,465
SUPPLEMENTAL INFORMATION:						
Interest paid	$	-	$	-		
Income taxes paid	$	-	$	-		
NON-CASH INVESTING AND FINANCING ACTIVITIES:						
Debt converted to common stock	$	229,870	$	-		

See Accompanying Notes to Condensed Consolidated Financial Statements.

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THE ALKALINE WATER COMPANY INC.
(FORMERLY GLOBAL LINES INC.)
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED)

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

The interim consolidated financial statements included herein, presented in accordance with United States generally accepted accounting principles and stated in U.S. dollars, have been prepared by the Company, without audit, pursuant to the rules and regulations of the Securities and Exchange Commission. Certain information and footnote disclosures normally included in financial statements prepared in accordance with generally accepted accounting principles have been condensed or omitted pursuant to such rules and regulations, although the Company believes that the disclosures are adequate to make the information presented not misleading.

These statements reflect all adjustments, consisting of normal recurring adjustments, which in the opinion of management, are necessary for fair presentation of the information contained therein. It is suggested that these condensed interim consolidated financial statements be read in conjunction with the financial statements of the Company for the period of inception (June 19, 2012) to March 31, 2013 and notes thereto included in the Company s 8-K current report and all amendments. The Company follows the same accounting policies in the preparation of interim reports.

Results of operations for the interim period are not indicative of annual results.

Principles of consolidation

For the period from June 19, 2012 to March 31, 2013, the consolidated financial statements include the accounts of Alkaline Water Corp. (an Arizona Corporation) and Alkaline 88 LLC (formerly Alkaline 84, LLC) (an Arizona Limited Liability Company). For the period from April 1, 2013 to December 31, 2013, the consolidated financial statements include the accounts of The Alkaline Water Company Inc. (a Nevada Corporation), Alkaline Water Corp. (an Arizona Corporation) and Alkaline 84, LLC (an Arizona Limited Liability Company).

All significant intercompany balances and transactions have been eliminated. The Alkaline Water Company Inc. (a Nevada Corporation), Alkaline Water Corp. (an Arizona Corporation) and Alkaline 88, LLC (an Arizona Limited Liability Company) will be collectively referred herein to as the Company . Any reference herein to The Alkaline Water Company Inc. , the Company , we , our or us is intended to mean The Alkaline Water Company Inc., inclu the subsidiaries indicated above, unless otherwise indicated.

Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ significantly from those estimates.

Cash and cash equivalents

For the purpose of the statements of cash flows, all highly liquid investments with an original maturity of three months or less are considered to be cash equivalents. The carrying value of these investments approximates fair value.

Fixed assets

The Company records all property and equipment at cost less accumulated depreciation. Improvements are capitalized while repairs and maintenance costs are expensed as incurred. Depreciation is calculated using the straight-line method over the estimated useful life of the assets or the lease term, whichever is shorter. Depreciation periods are as follows for the relevant fixed assets:

Equipment	5 years

Revenue recognition

The Company recognizes revenue when all of the following conditions are satisfied: (1) there is persuasive evidence of an arrangement; (2) the product or service has been provided to the customer; (3) the amount to be paid by the customer is fixed or determinable; and (4) the collection of such amount is probable.

The Company records revenue when it is realizable and earned upon shipment of the finished products.

The Company does not accept returns due to the nature of the product. However, we will provide credit to our customers for damaged goods.

Fair Value Measurements

The valuation of our embedded derivatives and warrant derivatives are determined primarily by the multinomial distribution (Lattice) model. An embedded derivative is a derivative instrument that is embedded within another contract, which under the convertible note (the host contract) includes the right to convert the note by the holder, certain default redemption right premiums and a change of control premium (payable in cash if a fundamental change occurs). In accordance with Accounting Standards Codification ("ASC") 815 *Accounting for Derivative Instruments and Hedging Activities* , as amended, these embedded derivatives are marked-to-market each reporting period, with a corresponding non-cash gain or loss charged to the current period. A warrant derivative liability is also determined in accordance with ASC 815. Based on ASC 815, warrants which are determined to be classified as derivative liabilities are marked-to-market each reporting period, with a corresponding non-cash gain or loss charged to the current period. The practical effect of this has been that when our stock price increases so does our derivative liability resulting in a non-cash loss charge that reduces our earnings and earnings per share. When our stock price declines, we record a non-cash gain, increasing our earnings and earnings per share. As such, fair value is a market-based measurement that should be determined based on assumptions that market participants would use in pricing an asset or liability. As a basis for considering such assumptions, there exists a three-tier fair value hierarchy, which prioritizes the inputs used in measuring fair value as follows:

Level 1 unadjusted quoted prices in active markets for identical assets or liabilities that the Company has the ability to access as of the measurement date.

Level 2 inputs other than quoted prices included within Level 1 that are directly observable for the asset or liability or indirectly observable through corroboration with observable market data.

Level 3 unobservable inputs for the asset or liability only used when there is little, if any, market activity for the asset or liability at the measurement date.

This hierarchy requires the Company to use observable market data, when available, and to minimize the use of unobservable inputs when determining fair value.

To determine the fair value of our embedded derivatives, management evaluates assumptions regarding the probability of certain future events. Other factors used to determine fair value include our period end stock price, historical stock volatility, risk free interest rate and derivative term. The fair value recorded for the derivative liability varies from period to period. This variability may result in the actual derivative liability for a period either above or below the estimates recorded on our consolidated financial statements, resulting in significant fluctuations in other income (expense) because of the corresponding non-cash gain or loss recorded.

The following table sets forth the fair value hierarchy within our financial assets and liabilities by level that were accounted for at fair value on a recurring basis as of December 31, 2013.

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	Carrying Value at December 31, 2013	Fair Value Measurement at December 31, 2013 Level 1	Level 2	Level 3
Liabilities				
Derivative convertible debt liability	$ 180.033	$ -	$ -	$ 180.033
Derivative warrant liability	$ 224,042	$ -	$ -	$ 224,042
Total derivative liability	$ 404,075	$ -	$ -	$ 404,075

Concentration

The Company has 3 major customers that together account for 51% (25%, 14% and 12%, respectively) of accounts receivable at December 31, 2013, and 2 customers that together account for 28% (18% and 10%, respectively) of the total revenues earned for the nine month period ended December 31, 2013.

The Company has 4 vendors that accounted for 80% (37%, 20%, 13% and 10%, respectively) of purchases for the nine month period ended December 31, 2013.

Earnings per share

The Company follows ASC Topic 260 to account for the earnings per share. Basic earnings per common share (EPS) calculations are determined by dividing net income by the weighted average number of shares of common stock outstanding during the year. Diluted earnings per common share calculations are determined by dividing net income by the weighted average number of common shares and dilutive common share equivalents outstanding. During periods when common stock equivalents, if any, are anti-dilutive they are not considered in the computation.

Recent pronouncements

The Company has evaluated all the recent accounting pronouncements through January 2014 and believes that none of them will have a material effect on our financial statements.

NOTE 2 GOING CONCERN

The accompanying financial statements have been prepared assuming that the Company will continue as a going concern, which contemplates the recoverability and/or acquisition and sale of assets and the satisfaction of liabilities in the normal course of business. The Company has limited operating history and, accordingly, has generated minimal revenues from operations. Since its inception, the Company has been engaged substantially in financing activities and developing its business plan and incurring startup costs and expenses. As a result, the Company incurred accumulated net losses from Inception (June 19, 2012) through the period ended December 31, 2013 of $(3,349,544). In addition, the Company s development activities since inception have been financially sustained through debt and equity financing.

The ability of the Company to continue as a going concern is dependent upon its ability to raise additional capital from the sale of common stock and, ultimately, the achievement of significant operating revenues. These financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts, or amounts and classification of liabilities that might result from this uncertainty.

NOTE 3 INVENTORY

Inventories consist of the following at:

	December 31, 2013	March 31, 2013
Raw materials	$ 25,705	$ 5,125
Finished goods	61,476	2,448
Totals	$ 87,181	$ 7,573

NOTE 4 FIXED ASSETS

Fixed assets consisted of the following at:

	December 31, 2013	March 31, 2013
Equipment	$ 327,228	$ 39,897
Less: accumulated depreciation	(27,687)	(1,814)
Fixed assets, net	$ 299,541	$ 38,083

Depreciation expense for the three and nine months ended December 31, 2013 was $16,534 and $25,872, respectively.

NOTE 5 EQUIPMENT DEPOSITS RELATED PARTY

On February 27, 2013, we paid a $15,000 deposit on equipment that we are purchasing for approximately $146,000. During the nine months ended December 31, 2013, we paid an additional $131,000 for equipment that was completed, and applied the $146,000 of deposits to the purchase price. We also paid an additional $201,900 for more equipment. As of December 31, 2013, the total amount of deposits for equipment is $201,900. The equipment was manufactured by and purchased under an exclusive manufacturing contract from Water Engineering Solutions, LLC, an entity that is controlled and majority owned by Steven P. Nickolas and Richard A. Wright, for the production of our alkaline water.

NOTE 6 DERIVATIVE LIABILITY

On November 7, 2013, we sold to certain institutional investors 10% Series B Convertible Preferred Shares which are subject to mandatory redemption and include down-round provisions that reduce the exercise price of a warrant and convertible instrument as required by ASC 815 Derivatives and Hedging if the Company either issues equity shares for a price that is lower than the exercise price of those instruments or issues new warrants or convertible instruments that have a lower exercise price. The Company evaluated whether its warrants and convertible debt instruments contain provisions that protect holders from declines in its stock price or otherwise could result in modification of either the exercise price or the shares to be issued under the respective warrant agreements. The Company determined that a portion of its outstanding warrants and conversion instruments contained such provisions thereby concluding they were not indexed to the Company s own stock and therefore a derivative instrument.

The range of significant assumptions which the Company used to measure the fair value of warrant liabilities (a level 3 input) at December 31, 2013 is as follows:

	Warrant	Conversion feature
Stock price	$ 0.26	$ 0.26
Term (Years)		