Quasar Aerospace Industries & Consolidated Subsidiaries
Statement of Operations
Six Month Periods Ended June 30, 2015
Unaudited

		2015		2014
		$170,427	$	$307,199
Revenue	Total revenue	$170,427		$307,199
Expenses	Aircraft fuel, supplies & maint.	$20,296		$27,661
	Attorney, legal and accounting fees	$4,950		$850
	Bank and credit card services	$3,788		$6,116
	Communications	$5,837		$10,543
	Depreciation and amortization	$15,487		$15,487
	Facilities rent & office expense	$25,664		$38,828
	Insurance	$10,925		$20,055
	Interest	$0		$11
	Leased and rented equipment	$0		$6,589
	License and permits	$274		$1,848
	Office expenses	$2,288		$2,674
	Other expenses	$13,085		$5,651
	Payroll and related	$27,068		$58,319
	Professional fees	$46,947		$112,684
	Shareholder related expenses	$500		$24,723
	State and local taxes	$180		-
	Travel and entertainment	$4,612		$10,300
	Utilities	$1,734		$1,117
	Dues, Fees and Subscriptions	$5,351		
	Total Expenses	$188,985		$343,456
	Net Loss	($18,557.96)		($36,257.00)
	Weighted average common	2,553,239,952		1,918,266,496
Net Loss Per	shares outstanding			

See accompanying notes to financial statements

Quarterly Report
Quasar Aerospace Industries Inc. & Consolidated Subsidiaries
Consolidated Balance Sheet
Periods Ended June 30, 2015 and December 31, 2014
Unaudited

	June 30, 2015	December 31, 2014
Assets		
Cash	32,360	41,527
Accounts receivable	11,659	66,072
Inventory	131,417	0
Short Term Loans and notes receivable	309,636	444,587
Total current assets	485,073	552,186
Fixed Assets		
Equipment	224,824	224,824
Accumulated depreciation	(215,061)	(215,061)
Fixed assets, net	9,763	9,763
Other assets		
Goodwill, net of amortization	17,799	17,799
Investment in subsidiaries	981,758	1,005,026
Other assets	27	27
Total other assets	999,584	1,022,852
Total assets	1,494,420	1,584,801
Liabilities and capital		
Accounts payable	17,598	79,224
Payroll liabilities	66,475	66,475
Prepaid revenue	0	(4,417)
Other current liabilities	370,730	370,730
Total current liabilities	454,803	512,012
Long term liabilities		
Notes payable third parties	435,781	558,785
Deferred compensation	242,655	300,405
Notes payable to officers	100,000	0
Amounts due related parties	431,920	370,971
Total long term liabilities	1,210,357	1,230,161
Total liabilities	1,665,160	1,742,173
Equity		
Common stock, Par value $.00001, Authorized 9,500,000,000 shares, 5,106,479,903 issued and outstanding respectively.	51,065	38,366
Preferred stock - par value $.001	19	29
Series A Authorized 1,000,000 shares, 1,875 issued and outstanding respectively.		
Series B Authorized 150,000 shares, 129,50 outstanding respectively.	1,295	1,295
Series C Authorized 1,000,000 shares, no sh	-	-
Paid in capital	4,101,850	4,109,350
Accumulated deficit	(4,324,970)	(4,306,412)
Total shareholders (deficit)equity	(170,740)	(157,372)
Total liabilities and capital	1,494,420	1,584,801

Quasar Aerospace Industries Inc. & Consolidated Subsidiaries
Statements of Cashflows
Six Month Periods Ended June 30, 2015
Unaudited

	2015	2014
OPERATING ACTIVITIES		
Net loss	$ (18,558)	(36,257)
Depreciation & Amortization	9,763	15,030
Changes in working capital items		
Accounts payable	(17,598)	(5,253)
Accounts receivable third parties	(11,659)	(61,995)
Other current liabilities	370,730	62,258
Payroll liabilities	66,475	23,783
Deferred compensation	89,500	92,834
Reduction in inventory		1,587
Adjustment in Accum. Depreciation due to asset disposal		
Prepaid services		5,671
Cashflow from operating activities	488,653	97,658
INVESTING ACTIVITIES		
(Additions) and Disposal of equipment		6,587
Investment in subsidiaries	56,834	237,842
Disposal of (increases in) other assets	(27)	(27)
Cashflow from Investing	56,807	244,402
FINANCING ACTIVITIES		
Short term notes receivable	(309,636)	(390,987)
Advances from related parties		
Convertible notes due related parties	431,920	297,453
Notes payable to officers	(100,000)	
Common stock issued	51,065	29,962
Adjustment to paid in capital and accumulated deficit for prior periods	(170,740)	(35,598)
Convertible notes due third parties	(435,781)	(259,741)
Cashflow from financing	(533,172)	(358,911)
Net change in cash	12,288	(16,851)
Beginning cash	25,072	58,378
Ending Cash	$ 37,360	$ 41,527

See accompanying notes to financial statements

Quasar Aerospace Industries Inc.
Statement of Changes In Shareholders Equity (Deficit)
Unaudited

	Common Stock		Preferred A Stock		Preferred B Stock		Treasury	Paid In Capital	Accumulated	Shareholders'
	Shares	Amount	Shares	Amount	Shares	Amount	Stock		(Deficit)	Equity
Balance December 31, 2014	3,836,532,992	$ 38,366	1,975	$ 19	$ 129,508	$ 1,295	$ 0	$ 4,109,350	$ (4,306,412)	$ (157,382)
Shares issued for new equity		0								0
Shares issued for debt conversions	187,500,000	1,875						(7,500)		(5,625)
Shares issued for share conversions	1,082,446,911	10,824	(82)							10,742
Impair lost shares										0
Net loss									(18,558)	(18,558)
Balance June 30, 2015	5,106,479,903	$ 51,065	1,893	$ 19	$ 129,508	$ 1,295	$ 0	$ 4,101,850	$ (4,324,970)	$ (170,740)

See accompanying notes to financial statements