

International Sustainability Group, Inc.

2ND QTR BALANCE SHEET

	Ending JUNE 30 2016
ASSETS	
CURRENT ASSETS:	
Cash	\$9,315
Total Current Assets	\$9,315
Property and equipment, net	\$1,110,154
Other assets	\$8,121
TOTAL ASSETS	\$1,127,590
LIABILITIES AND STOCKHOLDERS' DEFICIENCY	
CURRENT LIABILITIES:	
Accounts payable*	\$50,000
Accrued Expense**	\$345,701
Notes payable)***	\$149,272
Due to related parties	\$4,701
Total Current Liabilities	\$549,674
TOTAL LIABILITIES	\$549,674
Commitments and Contingencies	\$611,234
STOCKHOLDERS' DEFICIENCY	
Preferred Series A stock, \$0.001 par value, 50,000,000 shares authorized; 5,000,000 shares issued and outstanding	\$5,000
Common stock, \$0.001 par value, 950,000,000 shares authorized; 767,381,564 shares issued and outstanding	\$451,498
Additional paid-in capital	\$0
Accumulated deficit****	-\$489,816
TOTAL STOCKHOLDERS' DEFICIENCY	-\$33,318
TOTAL LIABILITIES AND STOCKHOLDERS' DEFICIENCY	\$1,127,590

*, **, ***, **** The accompanying notes are an integral part of these financial statements

International Sustainability Group, Inc.
STATEMENTS OF OPERATIONS

	QTR Ended June 30 2016	YR Ended June 30 2016
NET REVENUES:		
Revenues, net	\$0	\$10,755
TOTAL NET REVENUES	\$0	\$10,755
OPERATING EXPENSES		
General and administrative expenses	\$62,305	\$75,638
TOTAL OPERATING EXPENSES	\$62,305	\$75,638
LOSS FROM OPERATIONS	\$ (62,305)	\$ (64,883)
OTHER EXPENSE:		
Interest expense, net	\$0	\$2
TOTAL OTHER EXPENSE	\$0	\$2
NET LOSS	\$ (62,305)	\$ (64,885)
NET LOSS PER COMMON SHARE:		
Basic and diluted	\$0	\$0
NET LOSS PER SHARE - BASIC AND DILUTED	\$0	\$0
WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING:		
Basic and diluted	767,443,869	767,443,869

International Sustainability Group, Inc.
CONSOLIDATED STATEMENTS OF STOCKHOLDERS' DEFICIENCY

	Preferred Stock		Common Stock		Additional Paid in Capital	Accumulated Deficit	Total Stockholders' Deficiency
	<u>Shares</u>	<u>Amount</u>	<u>Shares</u>	<u>Amount</u>			
Balances, December 31, 2012	1,000,000	\$ 1,000	438,986,000	\$ 438,986	\$ 104,724	\$ (549,829)	\$ (5,119)
Net loss	-	-	-	-	-	(363)	(363)
Balances, December 31, 2013	1,000,000	1,000	438,986,000	438,986	104,724	(550,192)	(5,482)
Issuance of common stock for equipment	-	-	1,500,000	1,500	1,108,654	-	1,110,154
Issuance of common stock for cash	-	-	112,400	112	27,988	-	28,100
Net loss	-	-	-	-	-	(60,809)	(60,809)
Balances, December 31, 2014	<u>1,000,000</u>	<u>\$ 1,000</u>	<u>440,598,400</u>	<u>\$ 440,598</u>	<u>\$ 1,241,366</u>	<u>\$ (611,001)</u>	<u>\$ 1,071,963</u>
Issuance of common stock	-	-	10,900,000	10,900	-	-	330,784
Issuance of common stock for cash	-	-	315,945,469	-	412,551	-	412,551
Net loss	-	-	-	-	-	(62,305)	(62,305)
Balances, December 31, 2015	<u>5,000,000</u>	<u>\$ 5,000</u>	<u>767,443,869</u>	<u>\$ 451,498</u>	<u>\$ 1,653,917</u>	<u>\$ (673,306)</u>	<u>\$ 1,752,993</u>
Issuance of common stock	-	-	-	-	-	-	-
Issuance of common stock for cash	-	-	-	-	-	-	-
Net loss	-	-	-	-	-	(64,885)	(64,885)
Correction	-	-	-	-	-	248,375	-
Balances, June 30, 2016	<u>5,000,000</u>	<u>\$ 5,000</u>	<u>767,443,869</u>	<u>\$ 451,498</u>	<u>\$ 1,653,917</u>	<u>\$ (489,816)</u>	<u>\$ 1,688,108</u>

International Sustainability Group, Inc.

CONSOLIDATED STATEMENTS OF CASH FLOWS

	Qtr Ended June 30 2016
CASH FLOWS FROM OPERATING ACTIVITIES:	
Net loss	\$ (62,305)
Changes in operating assets and liabilities:	
Accounts payable and accrued expenses	\$395,701
NET CASH USED IN OPERATING ACTIVITIES	\$ (458,006)
CASH FLOWS FROM INVESTING ACTIVITIES:	
Payments towards patents	\$0
NET CASH USED IN INVESTING ACTIVITIES	\$0
CASH FLOWS FROM FINANCING ACTIVITIES:	
Proceeds from loans payable	\$0
Principal payments towards loans payable	\$0
Proceeds from notes payable	\$149,272
Net advances from related parties	\$0
Issuance of common stock for cash	\$0
NET CASH PROVIDED BY FINANCING ACTIVITIES	\$298,544
Net increase in cash	-\$36,147
Cash, beginning of year	\$45,462
Cash, end of year	\$9,315
SUPPLEMENTAL CASH FLOW INFORMATION:	
Cash paid for interest	\$0
Cash paid for taxes	
NON-CASH ACTIVITIES:	
Common stock issued for services *****	

***** The accompanying notes are an integral part of these financial statements

International Sustainability Group, Inc.

Notes:

Accounts payable * = These are the invoices submitted by Building Enterprises, Attorney's retainer and Madison Stock Transfer

Accrued Expense (consultants): ** = These are for services provided by consultants since July 2014 as per their contracts and ISG couldn't pay; For privacy all consultants are mentioned here in codes: Consultant 1-RB, Consultant 2-GB, Consultant 3-PA, Consultant 4-FR, Consultant 5-RT, Consultant 6-EL, and Consultant 7-BT.

Notes payable *** = These are the people lend money to ISG as per promissory notes; For privacy all consultants are mentioned here in codes: Note Holder 1-FL, Note Holder 2-SK, Note Holder 3-FR, and Note Holder 4-RT.

Accumulated Deficit **** = There was an adjustment in the Accumulated Deficit to correct the balance sheet. This correction will be further defined in the Third Quarter of 2016, when all corrections will be made and defined.