ATLANTIC
WIND & SOLAR INC

Quarterly Report
2016 Q2

Trading Symbol: OTC: AWSL
CUSIP: 049127103
Authorized Number of Shares: 500,000,000
Issued Number of Shares: 44,707,601

Atlantic Wind & Solar Inc.
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John S. Wilkes

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ATLANTIC
WIND & SOLAR INC

Management Discussion and Analysis in Brief

Discussion and Analysis of the Results of Operations

In this quarter Atlantic continued to make strides in the international markets under the new Sustainable Development Initiative. and the launch of HOME SWIFT HOMES.

Total operating expenses remained within acceptable limits keeping the company lean as planned.

Discussion and Analysis of Financial Condition

The Company's working capital requirements are funded by receipts from the general operations. Management continues to be willing and prepared to fund the Company if necessary, as it has done in the past.

Atlantic has continued its policy of protecting shareholders by limiting share issuance. At the end of 2016 Q2 there were 44,707,610 common shares outstanding versus 44,707,610 in 2015, 2014, 2013, and 2012 - a change of 0.0%.

Atlantic remains proud of its protection against shareholder dilution.

Certification and Financial Statements

Certification of Financial Statements and Notes by CEO

I, John S. Wilkes, certify that:

1 I have reviewed this financial statement of Atlantic Wind and Solar, Inc., a West Virginia corporation;

2 Based on my knowledge, this disclosure statement 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 disclosure statement; and

3 Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this disclosure statement.

Date: August 2016

By:/s/ John S. Wilkes
CEO, Director

Consolidated Financial Statements for March 31, 2016

ATLANTIC WIND AND SOLAR, INC.

Unaudited Consolidated Financial Statements
June 30, 2016

ATLANTIC WIND AND SOLAR, INC.

Unaudited Consolidated Financial Statements
June 30, 2016

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ATLANTIC WIND AND SOLAR, INC.
Unaudited Consolidated Balance Sheets

	June 30, 2016	December 31, 2015
ASSETS		
Current assets		
Cash	$ 203	$ 41,245
Accounts receivable, net of allowance of $0	210,000	210,000
Prepaid expenses	2,177	1,173
Interest receivable	70,997	55,952
Total current assets	283,377	308,370
Note receivable, net of allowance	340,307	324,489
Deferred tax asset	1,684,127	1,663,467
Total assets	$ 2,307,811	$ 2,296,326
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities		
Accounts payable and accrued liabilities	$ 144,339	$ 153,837
Sales tax payable	45,200	42,584
Wages payable	181,518	126,500
Related party payables, current	98,367	110,909
Total current liabilities	469,424	433,830
Related party payables, non-current	56,374	53,887
Notes payable, non-current	120,000	120,000
Total liabilities	645,798	607,717
Stockholders' equity		
Series A preferred stock, $1.00 par value; 20,000,000 shares authorized; none issued and outstanding at June 30, 2016 or December 31, 2015	-	-
Series B preferred stock, $1.00 par value; 20,000,000 shares authorized; 5,565,144 shares issued and outstanding at June 30, 2016 and December 31, 2015	5,565,144	5,553,871
Common stock, $0.001 par value; 500,000,000 shares authorized; 44,707,601 issued and outstanding	44,708	44,708
Additional paid in capital	5,635,374	5,635,374
Other comprehensive income	68,821	41,601
Accumulated deficit	(9,652,034)	(9,586,945)
Total stockholders' equity	1,662,013	1,688,609
Total liabilities and stockholders' equity	$ 2,307,811	$ 2,296,326

See accompanying notes to unaudited consolidated financial statements.

ATLANTIC WIND AND SOLAR, INC.
Unaudited Consolidated Statements of Operations

	Three months ended June 30,		Six months ended June 30,	
	2016	2015	2016	2015
Revenue	$ -	$ 1,173,183	$ -	$ 2,447,906
Cost of revenue	-	1,089,532	-	2,126,920
Gross margin	-	83,651	-	320,986
Operating expenses				
Salaries and wages	31,000	53,500	62,000	105,500
Professional fees	1,233	2,265	5,733	8,840
Travel	880	668	880	13,731
Rent	893	904	1,966	2,019
Advertising and public relations	664	26,591	5,763	57,275
General and administrative	4,513	6,307	10,258	11,211
Total operating expenses	39,183	90,235	86,600	198,576
Other income (expense)				
Interest income	6,085	5,902	11,821	12,458
Foreign currency transaction gain (loss)	(1,596)	(17,042)	(10,046)	(123,860)
Interest expense	(446)	(517)	(924)	(8,816)
Total other income (expense)	4,043	(11,657)	851	(120,218)
Net income (loss) before income taxes	(35,140)	(18,241)	(85,749)	2,192
Income tax benefit	9,898	25,073	20,660	61,824
Net (loss) income available to common stockholders	$ (25,242)	$ 6,832	$ (65,089)	$ 64,016
Other comprehensive income				
Foreign currency translation adjustment	1,895	22,001	27,220	88,797
Total comprehensive (loss) income	$ (23,347)	$ 28,833	$ (37,869)	$ 152,813
Basic and diluted (loss) income per common share	$ (0.00)	$ 0.00	$ (0.00)	$ 0.00
Basic and diluted weighted average shares outstanding	44,707,601	44,707,601	44,707,601	44,707,601

See accompanying notes to unaudited consolidated financial statements.

ATLANTIC WIND AND SOLAR, INC.
Unaudited Statement of Changes in Stockholders' Equity

	Series A Preferred Stock		Series B Preferred Stock		Common Stock		Additional	Other Comprehensive	Accumulated	
	Shares	Amount	Shares	Amount	Shares	Amount	Paid-in Capital	Income (Loss)	Deficit	Total
Balance, December 31, 2014	327,637	327,637	5,374,982	5,374,982	44,707,601	44,708	5,635,374	(29,093)	(9,519,609)	1,833,999
Series A preferred stock issued for dividend	9,830	9,830	-	-	-	-	-	-	(9,830)	-
Series B preferred stock issued for dividend	-	-	145,063	145,063	-	-	-	-	(145,063)	-
Series A preferred stock repurchased for cash	(286,227)	(286,227)	-	-	-	-	-	-	-	(286,227)
Series B preferred stock repurchased for cash	-	-	(87,809)	(87,809)	-	-	-	-	-	(87,809)
Series B preferred stock issued for conversion of related party payable	-	-	70,395	70,395	-	-	-	-	-	70,395
Series A preferred stock exchanged for series B preferred stock	(51,240)	(51,240)	51,240	51,240	-	-	-	-	-	-
Foreign currency translation adjustment	-	-	-	-	-	-	-	70,694	-	70,694
Net loss, year ended December 31, 2015	-	-	-	-	-	-	-	-	87,557	87,557
Balance, December 31, 2015	-	-	5,553,871	5,553,871	44,707,601	44,708	5,635,374	41,601	(9,586,945)	1,688,609
Series B preferred stock issued for conversion of related party payable	-	-	11,273	11,273	-	-	-	-	-	11,273
Foreign currency translation adjustment	-	-	-	-	-	-	-	27,220	-	27,220
Net loss, period ended June 30, 2016	-	-	-	-	-	-	-	-	(65,089)	(65,089)
Balance, June 30, 2016	-	$ -	5,565,144	$ 5,565,144	44,707,601	$ 44,708	$ 5,635,374	$ 68,821	$ (9,652,034)	$ 1,662,013

See accompanying notes to unaudited consolidated financial statements.

ATLANTIC WIND AND SOLAR, INC.
Unaudited Consolidated Statements of Cash Flows

	Six months ended June 30, 2016		Six months ended June 30, 2015	
Cash flows from operating activities				
Net (loss) income	$	(65,089)	$	64,016
Adjustments to reconcile net (loss) income to net cash (used in) provided by operating activities:				
Deferred tax asset		(20,660)		(61,824)
Changes in operating assets and liabilities:				
Accounts receivable		-		268,162
Prepaid expenses		(898)		(473)
Interest receivable		(11,821)		(12,458)
Other current assets		1,505		67,301
Accounts payable and accrued liabilities		(12,154)		(28,390)
Sales tax payable		(375)		30,715
Wages payable		55,018		8,000
Net cash (used in) provided by operating activities		(54,474)		335,049
Cash flows from investing activities				
Notes receivable		-		(910)
Cash flows from investing activities		-		(910)
Cash flows from financing activities				
Proceeds from related party payables		17,643		-
Repayment of related party payables		(16,424)		(32,416)
Repurchase of series A preferred stock		-		(286,227)
Repurchase of series B preferred stock		-		(78,168)
Net cash provided by (used in) financing activities		1,219		(396,811)
Effect of exchange rate on cash		12,213		79,776
Net change in cash		(41,042)		17,104
Cash at beginning of period		41,245		1,203
Cash at end of period	$	203	$	18,307
Supplemental cash flow information				
Cash paid for interest	$	3,076	$	37,206
Cash paid for income taxes	$	-	$	-
Supplemental disclosure of non-cash financing activities				
Reduction of accounts receivable for reduction in accounts payable	$	-	$	3,047,893
Series A preferred stock issued for dividend	$	-	$	9,830
Series B preferred stock issued for dividend	$	-	$	145,063

See accompanying notes to unaudited consolidated financial statements.

Note 1 - Nature of Business

Atlantic Wind and Solar, Inc. (the "Company" or "Atlantic"), located in Toronto, Ontario, was originally organized on January 13, 1977 under the laws of the state of West Virginia as Aetna Operating Company Inc. The Company changed its name to Dragon Environmental (UK) Ld. on November 4, 1997, then to Aquatek Ltd. On October 26, 1998, then to Environmental Technologies International, Inc. on February 8, 2002 and Atlantic Wind and Solar, Inc. on October 19, 2008.

Atlantic Wind and Solar, Inc. is a renewable energy asset developer, with emphasis on photovoltaic solar and wind energy. The Company pursues, develops, finances, owns and operates solar energy projects from various stages of development life cycles through commercial operation. Atlantic has approximately 60 megawatts ("MW") DC of approved solar projects of which approximately 25 MW's have power purchase agreement contracts already executed. The company's greenfield pipeline includes more than 350 MW of utility scale solar projects at various stages of development in Canada, Europe, South and Central America

Note 2 - Significant Accounting Policies

Principals of Consolidation

The accompanying consolidated financial statements include the accounts of the Company and its subsidiaries. All intercompany transactions and balances have been eliminated.

Basis of Presentation

The financial statements present the balance sheet, statements of operations, stockholders' equity and cash flows of the Company. These financial statements are presented in United States dollars and have been prepared in accordance with accounting principles generally accepted in the United States. The Company has elected a December 31 year end.

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 revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash

Cash and cash equivalents include short-term, highly liquid investments with maturities of less than three months when acquired.

Income taxes

The Company accounts for income taxes under ASC 740 *"Income Taxes"* which codified SFAS 109, *"Accounting for Income Taxes"* and FIN 48 *"Accounting for Uncertainty in Income Taxes – an Interpretation of FASB Statement No. 109."* Under the asset and liability method of ASC 740, deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statements carrying amounts of existing assets and liabilities and their respective tax bases. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. Under ASC 740, the effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period the enactment occurs. A valuation allowance is provided for certain deferred tax assets if it is more likely than not that the Company will not realize tax assets through future operations.

Note 2 - Significant Accounting Policies (continued)

Income taxes (continued)

The changes in deferred tax assets for the six months ended June 30, 2016 were as follows:

Net loss allocable to US entity	$	59,029
Applicable federal income tax rate		35%
Applicable state income tax rate		0%
Net increase in deferred tax asset	$	20,660

Deferred tax asset, December 31, 2015	$	1,663,467
Increase in deferred tax asset		20,660
Increase in valuation allowance		-
Deferred tax asset, June 30, 2016	$	1,684,127

Foreign Currency Translation

The Company's functional currency is the Canadian dollar (CAD), while the Company's reporting currency is the U.S. dollar (USD). All transactions initiated in Canadian dollars are translated into U.S. dollars in accordance with ASC 830, *"Foreign Currency Translation"* as follows:

i) Monetary assets and liabilities at the rate of exchange in effect at the balance sheet date.
ii) Equity at historical rates.
iii) Revenue and expense items at the average rate of exchange prevailing during the period.

Adjustments arising from such translations are deferred until realization and are included as a separate component of stockholders' equity as a component of comprehensive income or loss. Therefore, translation adjustments are not included in determining net income (loss) but reported as other comprehensive income.

For foreign currency transactions, the Company translates these amounts to the Company's functional currency at the exchange rate effective on the invoice date. If the exchange rate changes between the time of purchase and the time actual payment is made, a foreign exchange transaction gain or loss results which is included in determining net income for the period. The exchange rates used are as follows:

	June 30, 2016	June 30, 2015
Period end: CAD to USD	0.7716	0..8093
Average for period: CAD to USD	0.7523	0.8104

Note 2 - Significant Accounting Policies (continued)

Fair Value of Financial Instruments

The Company's financial instruments as defined by FASB ASC 825-10-50 include cash, trade accounts receivable, and accounts payable and accrued expenses. All instruments are accounted for on a historical cost basis, which, due to the short maturity of these financial instruments, approximates fair value at June 30, 2016.

FASB ASC 820 defines fair value, establishes a framework for measuring fair value in accordance with generally accepted accounting principles, and expands disclosures about fair value measurements. ASC 820 establishes a three-tier fair value hierarchy which prioritizes the inputs used in measuring fair value as follows:

Level 1. Observable inputs such as quoted prices in active markets;

Level 2. Inputs, other than the quoted prices in active markets, that are observable either directly or indirectly; and

Level 3. Unobservable inputs in which there is little or no market data, which requires the reporting entity to develop its own assumptions.

The Company does not have any assets or liabilities measured at fair value on a recurring basis at June 30, 2016 or December 31, 2015. The Company did not have any fair value adjustments for assets and liabilities measured at fair value on a nonrecurring basis during the three or six months ended June 30, 2016 or 2015.

Property and Equipment

Property and equipment are carried at cost net of accumulated depreciation. Expenditures for maintenance and repairs are charged against operations. Renewals and betterments that materially extend the life of the assets are capitalized. When assets are retired or otherwise disposed of, the cost and related accumulated depreciation are removed from the accounts, and any resulting gain or loss is reflected in income for the period.

Depreciation is computed for financial statement purposes on a straight-line basis over estimated useful lives of the related assets. The estimated useful lives of depreciable assets are:

	Estimated Useful Lives
Furniture and Fixtures	5 - 10 years
Computer Equipment	3 - 5 years
Vehicles	5 - 10 years

For federal income tax purposes, depreciation is computed under the modified accelerated cost recovery system. For audit purposes, depreciation is computed under the straight-line method. Property and equipment consisted of the following as of June 30, 2016 and December 31, 2015:

	June 30, 2016	December 31, 2015
Computers	$ 2,633	$ 2,459
Accumulated depreciation	(2,633)	(2,459)
Net book value	$ -	$ -

Note 2 - Significant Accounting Policies (continued)

Earnings Per Share Information

FASB ASC 260, "*Earnings Per Share"* provides for calculation of "basic" and "diluted" earnings per share. Basic earnings per share includes no dilution and is computed by dividing net income (loss) available to common shareholders by the weighted average common shares outstanding for the period. Diluted earnings per share reflect the potential dilution of securities that could share in the earnings of an entity similar to fully diluted earnings per share. Basic and diluted loss per share were the same, at the reporting dates, as there were no common stock equivalents outstanding.

Share Based Expenses

ASC 718 *"Compensation - Stock Compensation"* codified SFAS No. 123 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 should determine 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 ASC 505-50 *"Equity - Based Payments to Non-Employees"* which codified SFAS 123 and the Emerging Issues Task Force consensus in Issue No. 96-18 ("EITF 96-18"), *"Accounting for Equity Instruments that are Issued to Other Than Employees for Acquiring or in Conjunction with Selling, Goods or Services"*. Measurement of share-based payment transactions with non-employees shall be 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 should be determined at the earlier of performance commitment date or performance completion date.

Revenue Recognition

The Company's financial statements are prepared under the accrual method of accounting. Revenues will be recognized in the period the services are performed and costs are recorded in the period incurred. Revenue is recognized when (1) the evidence of the agreement exists, (2) services have been rendered, (3) the price is fixed or determinable, and (4) collectability is reasonably assured. We generated revenues of $0 and $1,173,183 during the three months ended June 30, 2016 and 2015 and $0 and $2,447,906 during the six months ended June 30, 2016 and 2015.

Recent Accounting Pronouncements

The company has evaluated all the recent accounting pronouncements and determined there are none having a material effect on the Company's financial statements.

Note 3 - Stockholders' Equity

Authorized Stock

The Company is authorized to issue up to 500,000,000 shares of $0.001 par value common stock, 20,000,000 shares of $1.00 par value series A preferred stock and 20,000,000 shares of $1.00 par value series B preferred stock.

Note 3 - Stockholders' Equity (continued)

Authorized Stock (continued)

The series A preferred stock carries an annual dividend of 12% which is generally paid quarterly by issuing additional shares of series A preferred stock. We issued 9,830 and 65,746 and series A preferred shares for dividends during years ended December 31, 2015 and 2014.

The series B preferred stock carries an annual dividend of 8% which is generally paid quarterly by issuing additional shares of series B preferred stock. On May 1, 2015, the Company amended the rights of the series B preferred shares to not carry a dividend at which point all dividends owing were settled by the issuance of additional series B preferred shares. We issued 145,063 shares for dividends during the year ended December 31, 2015.

During the year ended December 31, 2015, the Company purchased a total of 286,227 series A preferred shares and 87,809 series B preferred shares for cash at $1 per share. The Company also issued 51,240 shares of series B preferred stock in exchange for 51,240 shares of series A preferred stock. The Company also issued 70,395 shares of series B preferred stock in exchange for a $70,395 reduction of related party payables.

There were no issuances of common, series A preferred stock during the six months ended June 30, 2016. The Company issued 11,273 shares of series B preferred stock as repayment of related party loans during the six months ended June 30, 2016.

There were 44,707,601 common shares issued and outstanding as of June 30, 2016 and December 31, 2015.

There were 0 series A preferred shares issued and outstanding as of June 30, 2016 and December 31, 2015. There were 5,565,144 and 5,553,871 series B preferred shares issued and outstanding as of June 30, 2016 and December 31, 2015.

Net income (loss) per common share

Net income (loss) per share is calculated in accordance with FASB ASC Topic 260 (formally SFAS No. 128, "*Earnings Per Share.*"). The weighted-average number of common shares outstanding during each period is used to compute basic income (loss) per share. Diluted income (loss) per share is computed using the weighted average number of shares and dilutive potential common shares outstanding. Basic net income (loss) per common share is based on the weighted average number of shares of common stock outstanding during the three and six months ended June 30, 2016 and 2015.

Note 4 - Concentrations of Credit Risk

Our revenues for the three and six months ended June 30, 2015 were generated completely from two separate clients. Additionally, our entire accounts receivable balance as of June 30, 2016 and December 31, 2015 were generated from contracts with one client. The loss of either of these clients will have a materially adverse impact on our business.

Note 5 - Subsequent Events

We have evaluated subsequent events through the date of the issuance of these financial statements and determined there are no events to disclose.