Alternative Energy Partners, Inc.
Form 10-K
November 23, 2011

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington D.C. 20549

FORM 10-K

x **ANNUAL REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934.**

For the fiscal year ended: July 31, 2011

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

F or the transition period from to .

Commission File Number

333-154894

Alternative Energy Partners, Inc.

(Exact Name of Registrant as Specified in its Charter)

Florida	**26-2862564**
(State or Other Jurisdiction of Incorporation or Organization)	**(I.R.S. Employer Identification Number)**

1365 N. Courtenay Parkway, Suite A, Merritt Island, FL 32953

(Address of Principal Executive Offices)

(321)-452-9091

(Registrant's Telephone Number, Including Area Code)

Securities registered pursuant to Section 12(g) of the Act: None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act.

¨ YES x NO

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act.

¨ YES x NO

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 past 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.

x YES ¨ NO

Indicate by check mark if disclosure of delinquent filers in response to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of the registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K x

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 "accelerated filer and large 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	[X]

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act)

YES [ ] NO [X]

The Aggregate market value of the voting and non-voting common equity held by non-affiliates computed by reference to the price at which the common equity was last sold, or the average bid and asked price of such common equity, as of the last business day of the registrant's most recently completed fourth fiscal quarter, July 31, 2011 was $349,194.

There were 18,765,039 shares of the Registrant's $.001 par value common stock outstanding as of November 15, 2011.

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ALTERNATIVE ENERGY PARTNERS, INC.

FORWARD LOOKING STATEMENTS

This annual report on Form 10-K contains forward-looking statements that involve risks and uncertainties, as well as assumptions that, if they never materialize or prove incorrect, could cause the results of the Company to differ materially from those expressed or implied by such forward-looking statements. All statements other than statements of historical fact are statements that could be deemed forward-looking statements, including any projections of revenue, expenses, earnings or losses from operations or investments, or other financial items; any statements of the plans, strategies and objectives of management for future operations; any statements of expectation or belief; and any statements of assumptions underlying any of the foregoing. The risks, uncertainties and assumptions referred to above include risks that are described from time to time in our Securities and Exchange Commission, or the SEC, reports filed before this report.

The forward-looking statements included in this annual report represent our estimates as of the date of this annual report. We specifically disclaim any obligation to update these forward-looking statements in the future. Some of the statements in this annual report constitute forward-looking statements, which relate to future events or our future performance or financial condition. Such forward-looking statements contained in this annual report involve risks and uncertainties.

We use words such as anticipates, believes, expects, future, intends and similar expressions to identify forward-looking statements. Our actual results could differ materially from those projected in the forward-looking statements for any reason. We caution you that forward-looking statements of this type are subject to uncertainties and risks, many of which cannot be predicted or quantified.

The following analysis of our financial condition and results of operations should be read in conjunction with our financial statements and the related notes thereto contained elsewhere in this Form 10-K, as well as the risk factors included in this Form 10-K under Item 1A.

PART I

ITEM 1. BUSINESS

Alternative Energy Partners, Inc. (the "Company" or "AEGY") is a development stage company. The Company was organized under the laws of the State of Florida on April 28, 2008. We formed our Company for the purpose of establishing renewable fuel sources initially within the State of Florida. Ethanol was our initial intended product and we intend to establish other alternative energy products and services including, but not limited to, solar-thermal energy production, energy management controls, and more. Our intended original products, while not technically difficult to produce, must meet all regulatory requirements prior to being marketed. Moreover, there are a multitude of competitive products already in the market place. Due to the competitive nature of the market and our continuing capital requirements, we expanded our initial plan to include solar and thermal projects, with the acquisition of Sunarias Corporation on May 18, 2010 and Shovon, LLC on July 9, 2010, and the acquisitions of SkyNet Energy Systems, Inc. a Nevada corporation in the business of financing and establishing domestic companies' renewable energy projects in Central and Eastern Europe.

Current Business of the Company

We are a development stage company in the business of energy production and management. Our business model of vertical integration recognizes that customers have unique energy needs, and by offering an array of energy services we believe we can best provide customized, efficient energy solutions that will appeal to our markets. We believe our intended products and services could represent an important alternative for customers looking to lower their overhead costs or improve public image through efficient energy usage.

Initially, our largest target market will be the commercial energy market. In order to reach that market, we will market to industries with an interest in lowering their energy costs or increasing energy efficiency; these industries include healthcare and hospitality. In order to attract commercial markets, we must begin by establishing and proving that our energy systems are efficient and offer lower cost to use than traditional utilities or systems. For any alternative energy product, we intend to prove market viability prior to engaging in distribution.

ITEM 1A . RISK FACTORS

You should carefully consider the risks described below together with all of the other information included in this report before making an investment decision with regard to our securities. The statements contained in or incorporated herein that are not historic facts are forward-looking statements that are subject to risks and uncertainties that could cause actual results to differ materially from those set forth in or implied by forward-looking statements. If any of the following risks actually occurs, our business, financial condition or results of operations could be harmed. In that case, you may lose all or part of your investment.

Risks Relating to Our Business

OUR MANAGEMENT HAS LIMITED EXPERIENCE IN MANAGING AND OPERATING A PUBLIC COMPANY. ANY FAILURE TO COMPLY OR ADEQUATELY COMPLY WITH FEDERAL SECURITIES LAWS, RULES OR REGULATIONS COULD SUBJECT US TO FINES OR REGULATORY ACTIONS, WHICH MAY MATERIALLY ADVERSELY AFFECT OUR BUSINESS, RESULTS OF OPERATIONS AND FINANCIAL CONDITION.

Our current management has limited experience managing and operating a public company and relies in many instances on the professional experience and advice of third parties including its attorneys and accountants. Failure to comply or adequately comply with any laws, rules, or regulations applicable to our business may result in fines or regulatory actions, which may materially adversely affect our business, results of operation, or financial condition and could result in delays in the development of an active and liquid trading market for our stock.

IF WE FAIL TO MAINTAIN AN EFFECTIVE SYSTEM OF INTERNAL CONTROL OVER FINANCIAL REPORTING, OUR ABILITY TO ACCURATELY AND TIMELY REPORT OUR FINANCIAL RESULTS OR PREVENT FRAUD MAY BE ADVERSELY AFFECTED AND INVESTOR CONFIDENCE AND THE MARKET PRICE OF OUR COMMON STOCK MAY BE ADVERSELY IMPACTED.

As directed by Section 404 of the Sarbanes-Oxley Act of 2002, or SOX 404, the Securities and Exchange Commission adopted rules requiring public companies to include a report of management on the company’s internal controls over financial reporting in their annual reports, including Form 10-K. Under current SEC rules, our management may conclude that our internal controls over our financial reporting are not effective. Even if our management concludes that our internal controls over financial reporting are effective, our independent registered public accounting firm may issue a report that is qualified if it is not satisfied with our controls or the level at which our controls are documented, designed, operated or reviewed, or if it interprets the relevant requirements differently from us.

THE LACK OF EXPERIENCED ACCOUNTING STAFF MAY LEAD TO MATERIAL WEAKNESS IN THE PREPARATION OF OUR FINANCIALS.

A material weakness may occur in the preparation of our financials due to insufficient resources in our accounting and finance department, resulting in (i) an ineffective review, monitoring and analysis of schedules, reconciliations and financial statement disclosures, and (ii) the misapplication of U.S. GAAP and SEC reporting requirements. Due to the effect of the lack of resources, including a lack of resources that are appropriately qualified in the areas of U.S. GAAP and SEC reporting, this could result in an adverse reaction in the financial marketplace due to a loss of investor confidence in the reliability of the Company’s financial information.

THE DEVELOPMENT OF OUR PRODUCTS MAY BE SLOWER THAN PROJECTED.

The development of our products and services and the implementation of such products in customer environments may take longer than expected. The sales cycle for contemplated products is long and the adoption rates are unknown, thus it may take longer for us to achieve meaningful revenue or meet our projections.

OUR PLANNED EXPANSION COULD BE DELAYED OR ADVERSELY AFFECTED BY, AMONG OTHER THINGS, DIFFICULTIES IN OBTAINING SUFFICIENT FINANCING, TECHNICAL DIFFICULTIES, OR HUMAN OR OTHER RESOURCE CONSTRAINTS.

Our planned expansion could be delayed or adversely affected by, among other things, difficulties in obtaining sufficient financing, technical difficulties, or human or other resource constraints. Moreover, the costs involved in these projects may exceed those originally contemplated. Costs savings and other economic benefits expected from these projects may not materialize as a result of any such project delays, cost overruns or changes in market circumstances. Failure to obtain intended economic benefits from these projects could adversely affect our business, financial condition and operating performances.

WE ENCOUNTER SUBSTANTIAL COMPETITION IN OUR BUSINESS AND ANY FAILURE TO COMPETE EFFECTIVELY COULD ADVERSELY AFFECT OUR RESULTS OF OPERATIONS.

As described in the products section, for every product we sell, we encounter strong competitors. We anticipate that our competitors will continue to expand and seek to obtain additional market share with competitive price and performance characteristics. Aggressive expansion of our competitors or the entrance of new competitors into our markets could have a material adverse effect on our business, results of operations and financial condition.

OUR LIMITED OPERATING HISTORY MAY NOT SERVE AS AN ADEQUATE BASIS TO JUDGE OUR FUTURE PROSPECTS AND RESULTS OF OPERATIONS.

Our limited operating history may not provide a meaningful basis for evaluating our business. We entered into its current line of business in May, 2010. We cannot guaranty that we will maintain profitability or that we will not incur net losses in the future. We will continue to encounter risks and difficulties that companies at a similar stage of development frequently experience, including the potential failure to:

· obtain sufficient working capital to support our expansion;

· expand our product offerings and maintain the high quality of our products;

· manage our expanding operations and continue to fill customers' orders on time;

· maintain adequate control of our expenses allowing us to realize anticipated income growth;

· implement our product development, sales, and acquisition strategies and adapt and modify them as needed;

· successfully integrate any future acquisitions; and

· anticipate and adapt to changing conditions in the solar and thermal power industry resulting from changes in government regulations, mergers and acquisitions involving our competitors, technological developments and other significant competitive and market dynamics.

If we are not successful in addressing any or all of the foregoing risks, our business may be materially and adversely affected.

WE NEED TO MANAGE GROWTH IN OPERATIONS TO MAXIMIZE OUR POTENTIAL GROWTH AND ACHIEVE OUR EXPECTED REVENUES AND OUR FAILURE TO MANAGE GROWTH WILL CAUSE A DISRUPTION OF OUR OPERATIONS RESULTING IN THE FAILURE TO GENERATE REVENUES AT LEVELS WE EXPECT.

In order to maximize potential growth in our current and potential markets, we believe that we must expand our producing operations. This expansion will place a significant strain on our management and our operational, accounting, and information systems. We expect that we will need to continue to improve our financial controls, operating procedures, and management information systems. We will also need to effectively train, motivate, and manage our employees. Our failure to manage our growth could disrupt our operations and ultimately prevent us from generating the revenues we expect.

WE CANNOT ASSURE YOU THAT OUR GROWTH STRATEGY WILL BE SUCCESSFUL WHICH MAY RESULT IN A NEGATIVE IMPACT ON OUR GROWTH, FINANCIAL CONDITION, RESULTS OF OPERATIONS AND CASH FLOW.

One of our strategies is to grow through increasing our product lines. However, there are many obstacles to expand our product lines. We cannot, therefore, assure you that we will be able to successfully overcome such obstacles and establish our products in any additional markets. Our inability to implement this sustainable growth strategy successfully may have a negative impact on our growth, future financial condition, results of operations or cash flows.

IF WE NEED ADDITIONAL CAPITAL TO FUND OUR GROWING OPERATIONS, WE MAY NOT BE ABLE TO OBTAIN SUFFICIENT CAPITAL AND MAY BE FORCED TO LIMIT THE SCOPE OF OUR OPERATIONS.

If adequate additional financing is not available on reasonable terms, we may not be able to carry out our corporate strategy and we would be forced to modify our business plans accordingly. There is no assurance that additional financing will be available to us.

In connection with our growth strategies, we may experience increased capital needs and accordingly, we may not have sufficient capital to fund our future operations without additional capital investments. Our capital needs will depend on numerous factors, including (i) our profitability; (ii) the release of competitive products by our competition; (iii) the level of our investment in research and development; and (iv) the amount of our capital expenditures, including acquisitions. We cannot assure you that we will be able to obtain capital in the future to meet our needs.

In recent years, the securities markets in the United States have experienced a high level of price and volume volatility, and the market price of securities of many companies have experienced wide fluctuations that have not necessarily been related to the operations, performances, underlying asset values or prospects of such companies. For these reasons, our securities can also be expected to be subject to volatility resulting from purely market forces over which we will have no control. If we need additional funding we will, most likely, seek such funding in the United States and the market fluctuations affect on our stock price could limit our ability to obtain equity financing.

If we cannot obtain additional funding, we may be required to: (i) limit our expansion; (ii) limit our marketing efforts; and (iii) decrease or eliminate capital expenditures. Such reductions could materially adversely affect our business and our ability to compete.

Even if we do find a source of additional capital, we may not be able to negotiate terms and conditions for receiving the additional capital that are favorable to us. Any future capital investments could dilute or otherwise materially and adversely affect the holdings or rights of our existing shareholders. In addition, new equity or convertible debt securities issued by us to obtain financing could have rights, preferences and privileges senior to the Units. We cannot give you any assurance that any additional financing will be available to us, or if available, will be on terms favorable to us.

NEED FOR ADDITIONAL EMPLOYEES.

The Company's future success also depends upon its continuing ability to attract and retain highly qualified personnel. Expansion of the Company's business and operation will require additional managers and employees with industry experience, and the success of the Company will be highly dependent on the Company's ability to attract and retain skilled management personnel and other employees. There can be no assurance that the Company will be able to attract or retain highly qualified personnel. Competition for skilled personnel in the construction industry is significant. This competition may make it more difficult and expensive to attract, hire and retain qualified managers and employees.

THE LOSS OF THE SERVICES OF OUR KEY EMPLOYEES, PARTICULARLY THE SERVICES RENDERED BY OUR SOLE OFFICER AND DIRECTOR, COULD HARM OUR BUSINESS.

Our success depends to a significant degree on the services rendered to us by our key employees. If we fail to attract, train and retain sufficient numbers of these qualified people, our prospects, business, financial condition and results of operations will be materially and adversely affected. In particular, we are heavily dependent on the continued services of our sole officer and director. The loss of any key employees, including members of our senior management team, and our inability to attract highly skilled personnel with sufficient experience in our industry could harm our business.

WE ARE HIGHLY DEPENDENT ON TECHNOLOGY.

Our business and our results of operations is highly dependent on technology our business faces many technology related risks. Infringements of our intellectual property could adversely affect our ability to compete. Our patent applications may be rejected in whole or in part in the United States or in other jurisdictions around the world. We may have to defend ourselves against claims of intellectual property infringement, which could be very expensive for us and harm our business and financial condition. We may be a party to lawsuits in the course of our business. Litigation can be expensive, lengthy, and disruptive to normal business operations. Moreover, the results of complex legal proceedings are difficult to predict. An unfavorable resolution of a particular lawsuit could have a material adverse effect on our business, operating results, or financial condition.

THERE IS SUBSTANTIAL COMPETITION IN THE SOLAR AND THERMAL POWER INDUSTRY, MANY OF WHOM ARE MORE HIGHLY CAPITALIZED THAN US, WHICH COULD LIMIT OUR ABILITY TO SUCCESSFULLY IMPLEMENT OUR BUSINESS PLAN.

There is substantial competition in the solar and thermal power industry. Existing and new competitors may continue to improve their products and to introduce new products with competitive price and performance characteristics. Our competitors have the advantage of established relationships within the industry and they may be more highly capitalized. In addition, we cannot assure that additional competitors will not enter our existing markets, or that we will be able to compete successfully against existing or new competition.

OUR FUTURE SUCCESS IS DEPENDENT ON INTELLECTUAL PROPERTY OWNED BY US.

The Company may not be able to protect unauthorized use of intellectual property licensed to us and take appropriate steps to enforce its rights. Although management does not believe that its services infringes on the intellectual rights of others, there is no assurance that the Company may not be the target of infringement or other claims. Such claims, even if not true, could result in significant legal and other costs associated and may be a distraction to management. We plan to rely on a combination of copyright, trade secret, trademark laws and non-disclosure and other contractual provisions to protect our proprietary rights. Because the policing of intellectual and intangible rights may be difficult and the ideas and other aspects underlying our business model may not in all cases be protectable under intellectual property laws, there can be no assurance that we can prevent competitors from marketing the same or similar products and services.

DIFFICULTIES IN ESTABLISHING A NEW PRODUCT

We are an early stage company, bringing to market an advanced and unproven technology. We may not be able to raise sufficient financing to effect our business plan and deliver products and services that are accepted by customers. If we cannot find adequate capital on reasonable terms, investors will face a significant risk of losing their investments in their entirety.

WE WILL INCUR SIGNIFICANT COSTS TO ENSURE COMPLIANCE WITH UNITED STATES CORPORATE GOVERNANCE AND ACCOUNTING REQUIREMENTS.

We will incur significant costs associated with our public company reporting requirements, costs associated with newly applicable corporate governance requirements, including requirements under the Sarbanes-Oxley Act of 2002 and other rules implemented by the Securities and Exchange Commission. We expect all of these applicable rules and regulations to significantly increase our legal and financial compliance costs and to make some activities more time consuming and costly. We also expect that these applicable rules and regulations may make it more difficult and more expensive for us to obtain director and officer liability insurance and we may be required to accept reduced policy limits and coverage or incur substantially higher costs to obtain the same or similar coverage. As a result, it may be more difficult for us to attract and retain qualified individuals to serve on our board of directors or as executive officers. We are currently evaluating and monitoring developments with respect to these newly applicable rules, and we cannot predict or estimate the amount of additional costs we may incur or the timing of such costs.

Risks Relating To Our Industry

There is substantial competition in the solar and thermal power industry. Existing and new competitors may continue to improve their products and to introduce new products with competitive price and performance characteristics. Our competitors have the advantage of established relationships within the industry and they may be more highly capitalized. In addition, we cannot assure that additional competitors will not enter our existing markets, or that we will be able to compete successfully against existing or new competition.

The Company may not be able to protect unauthorized use of intellectual property licensed to us and take appropriate steps to enforce its rights. Although management does not believe that its services infringes on the intellectual rights of others, there is no assurance that the Company may not be the target of infringement or other claims. Such claims, even if not true, could result in significant legal and other costs associated and may be a distraction to management. We plan to rely on a combination of copyright, trade secret, trademark laws and non-disclosure and other contractual provisions to protect our proprietary rights. Because the policing of intellectual and intangible rights may be difficult and the ideas and other aspects underlying our business model may not in all cases be protectable under intellectual property laws, there can be no assurance that we can prevent competitors from marketing the same or similar products and services.

Risks Related To Our Securities

OUR COMMON STOCK IS QUOTED ON THE OTC BULLETIN BOARD WHICH MAY HAVE AN UNFAVORABLE IMPACT ON OUR STOCK PRICE AND LIQUIDITY.

Our Common Stock is quoted on the OTC Bulletin Board. The OTC Bulletin Board is a significantly more limited market than the New York Stock Exchange or NASDAQ system. The quotation of our shares on the OTC Bulletin Board may result in a less liquid market available for existing and potential stockholders to trade shares of our common stock, could depress the trading price of our common stock and could have a long-term adverse impact on our ability to raise capital in the future.

THERE IS LIMITED LIQUIDITY ON THE OTCBB.

When fewer shares of a security are being traded on the OTCBB, volatility of prices may increase and price movement may outpace the ability to deliver accurate quote information. Due to lower trading volumes in shares of our Common Stock, there may be a lower likelihood of one's orders for shares of our Common Stock being executed, and current prices may differ significantly from the price one was quoted at the time of one's order entry.

IN ORDER TO RAISE SUFFICIENT FUNDS TO EXPAND OUR OPERATIONS, WE MAY HAVE TO ISSUE ADDITIONAL SECURITIES AT PRICES WHICH MAY RESULT IN SUBSTANTIAL DILUTION TO OUR SHAREHOLDERS.

If we raise additional funds through the sale of equity or convertible debt, our current stockholders' percentage ownership will be reduced. In addition, these transactions may dilute the value of our common shares outstanding. We may have to issue securities that may have rights, preferences and privileges senior to our common stock. We cannot provide assurance that we will be able to raise additional funds on terms acceptable to us, if at all. If future financing is not available or is not available on acceptable terms, we may not be able to fund our future needs, which would have a material adverse effect on our business plans, prospects, results of operations and financial condition.

OUR ARTICLES OF INCORPORATION PROVIDE FOR INDEMNIFICATION OF OFFICERS AND DIRECTORS AT OUR EXPENSE AND LIMIT THEIR LIABILITY WHICH MAY RESULT IN A MAJOR COST TO US AND HURT THE INTERESTS OF OUR SHAREHOLDERS BECAUSE CORPORATE RESOURCES MAY BE EXPENDED FOR THE BENEFIT OF OFFICERS AND/OR DIRECTORS.

Our articles of incorporation and applicable Florida law provide for the indemnification of our directors, officers, employees, and agents, under certain circumstances, against attorney's fees and other expenses incurred by them in any litigation to which they become a party arising from their association with or activities on our behalf. We will also bear the expenses of such litigation for any of our directors, officers, employees, or agents, upon such person's written promise to repay us if it is ultimately determined that any such person shall not have been entitled to indemnification. This indemnification policy could result in substantial expenditures by us which we will be unable to recoup.

We have been advised that, in the opinion of the Securities and Exchange Commission ("SEC"), indemnification for liabilities arising under federal securities laws is against public policy as expressed in the Securities Act of 1933, as amended (the "Securities Act"), and is, therefore, unenforceable. In the event that a claim for indemnification for liabilities arising under federal securities laws, other than the payment by us of expenses incurred or paid by a director, officer or controlling person in the successful defense of any action, suit or proceeding, is asserted by a director, officer or controlling person in connection with the securities being registered, we will (unless in the opinion of our counsel, the matter has been settled by controlling precedent) submit to a court of appropriate jurisdiction, the question whether indemnification by us is against public policy as expressed in the Securities Act and will be governed by the final adjudication of such issue. The legal process relating to this matter if it were to occur is likely to be very costly and may result in us receiving negative publicity, either of which factors is likely to materially reduce the market and price for our shares, if such a market ever develops.

CURRENTLY, THERE IS NO PUBLIC MARKET FOR OUR SECURITIES, AND THERE CAN BE NO ASSURANCES THAT ANY PUBLIC MARKET WILL EVER DEVELOP OR THAT OUR COMMON STOCK WILL BE QUOTED FOR TRADING AND, EVEN IF QUOTED, IT IS LIKELY TO BE SUBJECT TO SIGNIFICANT PRICE FLUCTUATIONS.

We have a trading symbol for our common stock, AEGY, which permits our shares to be quoted on the OTCBB. However, our stock has been thinly traded since approval of our quotation on the over-the-counter bulletin board by FINRA in September, 2008. Consequently, there can be no assurances as to whether:

· any market for our shares will develop;

· the prices at which our common stock will trade; or

· the extent to which investor interest in us will lead to the development of an active, liquid trading market. Active trading markets generally result in lower price volatility and more efficient execution of buy and sell orders for investors.

In addition, our common stock is unlikely to be followed by any market analysts, and there may be few institutions acting as market makers for our common stock. Either of these factors could adversely affect the liquidity and trading price of our common stock. Until our common stock is fully distributed and an orderly market develops in our common stock, if ever, the price at which it trades is likely to fluctuate significantly. Prices for our common stock will be determined in the marketplace and may be influenced by many factors, including the depth and liquidity of the market for shares of our common stock, developments affecting our business, including the impact of the factors referred to elsewhere in these risk factors, investor perception of us and general economic and market conditions. No assurances can be given that an orderly or liquid market will ever develop for the shares of our common stock.

WE ARE NOT LIKELY TO PAY CASH DIVIDENDS IN THE FORESEEABLE FUTURE.

We currently intend to retain any future earnings for use in the operation and expansion of our business. Accordingly, we do not expect to pay any cash dividends in the foreseeable future, but will review this policy as circumstances dictate.

WE MAY NOT BE ABLE TO EFFECTIVELY CONTROL AND MANAGE OUR GROWTH.

If our business and markets grow and develop as we expect, it may be necessary for us to finance and manage expansion in an orderly fashion. In addition, we may face challenges in managing expanding product offerings. Such eventualities will increase demands on our existing management and facilities. Failure to manage this growth and expansion could interrupt or adversely affect our operations and cause production backlogs, longer product development time frames and administrative inefficiencies.

WE ARE SUBJECT TO THE PENNY STOCK RULES WHICH WILL MAKE OUR SECURITIES MORE DIFFICULT TO SELL.

We may be subject in the future to the SEC's "penny stock" rules if our securities sell below $5.00 per share. Penny stocks generally are equity securities with a price of less than $5.00. The penny stock rules require broker-dealers to deliver a standardized risk disclosure document prepared by the SEC which provides information about penny stocks and the nature and level of risks in the penny stock market. The broker-dealer must also provide the customer with current bid and offer quotations for the penny stock, the compensation of the broker-dealer and its salesperson, and monthly account statements showing the market value of each penny stock held in the customer's account. The bid and offer quotations, and the broker-dealer and salesperson compensation information must be given to the customer orally or in writing prior to completing the transaction and must be given to the customer in writing before or with the customer's confirmation.

In addition, the penny stock rules require that prior to a transaction, the broker dealer must make a special written determination that the penny stock is a suitable investment for the purchaser and receive the purchaser's written agreement to the transaction. The penny stock rules are burdensome and may reduce purchases of any offerings and reduce the trading activity for our securities. As long as our securities are subject to the penny stock rules, the holders of such securities may find it more difficult to sell their securities.

OUR CONTROLLING SHAREHOLDER MAY TAKE ACTIONS THAT CONFLICT WITH YOUR INTERESTS.

Healthcare of Today, Inc. owns approximately 45 percent of our common stock pursuant to the terms of the Exchange Agreement. In this case, all of our officers and directors may be elected by Healthcare of Today, Inc. which will be able to exercise control over all matters requiring shareholder approval, including the election of directors, amendment of our certificate of incorporation and approval of significant corporate transactions, and they will have significant control over our management and policies. The directors elected by this shareholder will be able to significantly influence decisions affecting our capital structure. This control may have the effect of delaying or preventing changes in control or changes in management, or limiting the ability of our other shareholders to approve transactions that they may deem to be in their best interest. For example, our controlling shareholders will be able to control the sale or other disposition of our operating businesses and subsidiaries to another entity.

ITEM 1B.UNRESOLVED STAFF COMMENTS

None.

ITEM 2.PROPERTIES

We use a corporate office located at 1365 N. Courtenay Parkway, Suite A, Merritt Island, FL 32953 and our telephone number there is (321) 452-9091. This office space and telephone services are currently being provided free of charge by a subsidiary of a major shareholder. There are currently no proposed programs for the renovation, improvement or development of the facilities currently used.

We do not currently have policies regarding the acquisition or sale of real estate assets primarily for possible capital gain or primarily for income. We do not presently hold any investments or interests in real estate, investments in real estate mortgages or securities of or interests in persons primarily engaged in real estate activities.

ITEM 3LEGAL PROCEEDINGS

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As of the date of this Report, neither we nor any of our officers or directors is involved in any litigation either as plaintiffs or defendants. As of this date, there is not any threatened or pending litigation against us or any of our officers or directors.

ITEM 4. REMOVED AND RESERVED

PART II

ITEM 5. MARKET FOR REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS, AND ISSUER PURCHASES OF EQUITY SECURITIES

The Company's common stock has traded in the over-the-counter market on the OTC Bulletin Board system ("OTCBB") under the symbol "AEGY.OB" The following table sets forth the range of high and low closing prices of the Common Stock as reported by the OTCBB for each fiscal quarter since trading commenced.

	Closing Prices	
	High	**Low**
FISCAL 2011		
First Quarter (August 1, 2010 through October 31, 2010)	$5.7450	$3.1000
Second Quarter (November 1, 2010 through January 31, 2011)	$2.9500	$0.3600
Third Quarter (February 1, 2011 through April 30, 2011)	$0.4700	$0.1700
Fourth Quarter (May 1, 2011 through July 31, 2011)	$0.1800	$0.0293
FISCAL 2010		
First Quarter (August 1, 2009 through October 31, 2009)	$8.1250	$4.1250
Second Quarter (November 1, 2009 through January 31, 2010)	$7.5000	$4.2500
Third Quarter (February 1, 2010 through April 30, 2010)	$7.4375	$4.3750
Fourth Quarter (May 1, 2010 through July 31, 2010)	$13.625	$2.2500

On July 31, 2011, the closing price of the Company's Common Stock as reported by the OTCBB was $0.03 and there were approximately 103 shareholders of record. These prices have been adjusted to reflect the July 20, 2010 4:1 forward stock split and the November, 2010 1:50 reverse stock split.

Dividends

We have not paid any cash dividends on our common stock and do not anticipate paying any such cash dividend in the foreseeable future. Earnings, if any, will be retained to finance future growth. We may issue shares of our common stock in private or public offerings to obtain financing, capital or to acquire other businesses that can improve our performance and growth. Issuance and/or sales of substantial amounts of common stock could adversely affect prevailing market prices in our common stock.

Common Stock

As of October 6, 2011 there were approximately 103 beneficial owners of our common stock with 12,835,480 shares issued and outstanding.

ITEM 6. SELECTED FINANCIAL DATA

Not required.

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion includes certain forward-looking statements within the meaning of the safe harbor protections of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Statements that include words such as "believe," "expect," "should," "intend," "may," "anticipate," " "contingent," "could," "may," or other future-oriented statements, are forward-looking statements. Such forward-looking statements include, but are not limited to, statements regarding our business plans, strategies and objectives, and, in particular, statements referring to our expectations regarding our ability to continue as a going concern, generate increased market awareness of, and demand for, our current products, realize profitability and positive cash flow, and timely obtain required financing. These forward-looking statements involve risks and uncertainties that could cause actual results to differ from anticipated results. The forward-looking statements are based on our current expectations and what we believe are reasonable assumptions given our knowledge of the markets; however, our actual performance, results and achievements could differ materially from those expressed in, or implied by, these forward-looking statements. Factors within and beyond our control that could cause or contribute to such differences include, among others, our critical capital raising efforts in an uncertain and volatile economical environment, our ability to maintain relationship with strategic companies, our cash preservation and cost containment efforts, our ability to retain key management personnel, our relative inexperience with advertising, our competition and the potential impact of technological advancements thereon, the impact of changing economic, political, and geo-political environments on our business, as well as those factors discussed elsewhere in this Form 10-K and in "Item 1 - Our Business".

Readers are urged to carefully review and consider the various disclosures made by us in this report and those detailed from time to time in our reports and filings with the United States Securities and Exchange Commission that attempt to advise interested parties of the risks and factors that are likely to affect our business.

Our Business

Alternative Energy Partners, Inc. (the "Company" or "AEGY") was organized under the laws of the State of Florida on April 28, 2008. We formed our Company for the purpose of establishing renewable fuel sources initially within the State of Florida. Ethanol was our initial intended product and we intend to establish other alternative energy products and services including, but not limited to, solar-thermal energy production, energy management controls, and more. Our intended original products, while not technically difficult to produce, must meet all regulatory requirements prior to being marketed. Moreover, there are a multitude of competitive products already in the market place. Due to the competitive nature of the market and our continuing capital requirements, we expanded our initial plan to include solar and thermal projects, with the acquisition of Sunarias Corporation on May 18, 2010 and Shovon, LLC on July 9, 2010. During the current fiscal year, we continued our business development by the formation of Élan Energy Corporation, a subsidiary in which we planned to administer the mechanical contracting companies we intended to acquire, and by the acquisitions of SkyNet Energy Systems, Inc., a Nevada corporation in the business of financing and establishing domestic companies' renewable energy projects in Central and Eastern Europe, and R.L.P. Mechanical Contractors, Inc., a mechanical contracting corporation doing business primarily in the Dallas-Fort Worth, Texas area, which was acquired by Élan Energy. The RLP acquisition was later rescinded as of March 15, 2011.

On February 15, 2011, we entered into an Acquisition Agreement with OCTuS, Inc. (OCTI), under which OCTI, a Nevada corporation with its principal offices located in Davis, California, would acquire all of the issued and outstanding stock of Élan Energy Corp., and Sunarias Corporation in exchange for 100 million shares of the common stock of OCTI, which stock would then be distributed proportionately to our shareholders as part of the transaction. However, because OCTI did not then have enough authorized common shares to allow it to issue the consideration for the transaction, it instead agreed to issue a new class of preferred stock, designated as Series E Convertible Preferred Stock, to an agent to be designated at closing, to hold the Series E Preferred Stock until (1) OCTI had authorized sufficient shares of common stock, and (2) OCTI had registered the common shares to be issued to the shareholders of AEGY, as provided in the Acquisition Agreement. At the time the Acquisition Agreement was entered into, OCTI common shares were then trading on the NASDAQ OTC Bulletin Board and it was a currently reporting public company, current on its filings with the SEC. The Acquisition Agreement provided, among other conditions, that OCTI would remain current on its required SEC filings, that all existing liabilities of OCTI would be resolved or brought current, that there would be no defaults or delinquencies in any outstanding liabilities, and that all remaining liabilities would have a term ending at least six months after closing. OCTI had previously announced in December, 2010 that it had received notice of default on a $500,000 loan due to an unrelated third party, which default must be resolved to our satisfaction before closing. Closing was scheduled on or before March 15, 2011, which was subsequently extended by agreement to allow OCTI additional time to meet the conditions to closing.

Subsequently, OCTI has been unable to meet the conditions to closing; failed to file its Annual Report on Form 10-K on a timely basis with the SEC; remains delinquent on its required SEC periodic filings; and was suspended from trading on the OTC Bulletin Board. Under the circumstances, our Board of Directors has determined that it is in the best interests of our shareholders to abandon the proposed transaction with OCTuS, Inc., and to retain ownership of our subsidiaries, Sunarias Corporation and Élan Energy, Inc. The action was effective June 1, 2011.

On November 26, 2010, we undertook an escrow closing of the acquisition of Xnergy, Inc. (“Xnergy”) from Healthcare of Today, Inc. pursuant to an Acquisition Agreement dated November 5, 2010, as reported on a Current Report dated December 1, 2010 filed with the SEC. Healthcare of Today, Inc. was then our majority shareholder. As a result of the acquisition, Xnergy was expected to become our wholly-owned subsidiary. The closing and acquisition were still subject to payment of an initial installment of $1,800,000 by Healthcare of Today, Inc. to the former shareholders of Xnergy, which was due on or before December 29, 2010 as well as additional due diligence by us to confirm the operations and financial reporting of Xnergy. In anticipation of the completion of the acquisition, D. Jason Davis and Joey Patalano, the shareholders of Xnergy, Inc. who had contracted to sell their ownership interests in Xnergy, Inc. to Healthcare of Today, Inc., were appointed as additional directors of Xnergy, Inc., and Mr. Davis became our Chairman and CEO and Mr. Patalano became our Executive Vice President. As further reported in our Quarterly Report on Form 10-Q for the period ending January 31, 2011, filed with the SEC on March 22, 2011, the conditions to the closing of the acquisition of Xnergy, Inc. had still not yet been met, so no financial information regarding Xnergy, Inc. was included in that filing.

In May, 2011, our Board of Directors determined that it was in the best interests of our shareholders that the conditional acquisition of Xnergy, Inc. should be rescinded and abandoned effective June 1, 2011, because (i) the conditions to the closing of the acquisition of Xnergy, Inc. by Healthcare of Today, Inc. had not yet been met; (ii) Xnergy, Inc. had been unable or unwilling to provide audited financial statements; and (iii) the results of due our diligence raised questions regarding the suitability of the acquisition. The proposed acquisition of Xnergy, Inc. by has now been rescinded and terminated as a result of the Board action.

Current Business of the Company

We are a holding company engaged through our subsidiaries in the business of energy production and management. Our business model of vertical integration recognizes that customers have unique energy needs, and by offering an array of energy services we believe we can best provide customized, efficient energy solutions that will appeal to our markets. We believe our intended products and services could represent an important alternative for customers looking to lower their overhead costs or improve public image through efficient energy usage.

Initially, our largest target market will be the commercial energy market. In order to reach that market, we will market to industries with an interest in lowering their energy costs or increasing energy efficiency; these industries include healthcare and hospitality. In order to attract commercial markets, we must begin by establishing and proving that our energy systems are efficient and offer lower cost to use than traditional utilities or systems. For any alternative energy product, we intend to prove market viability prior to engaging in distribution.

1. ENERGY MANAGEMENT

Complementing AEGY's focus on energy production is its second sector, energy management. Through controllers, our energy management systems will allow consumers to customize their energy use, as well as reduce their costs significantly. The AEGY family of companies will be involved in traditional and innovative concepts in energy management and will assist each customer with energy efficiency advances. This will support our customers in realizing many energy efficiency rebates and incentives available through local utilities.

2. SECURITY AND MONITORING

In order to optimize performance, AEGY, where applicable, will provide security for its energy systems. AEGY may acquire or otherwise contract with security companies to provide security and monitoring services where appropriate. The incorporation of security cameras on installations would protect the systems from damage and theft while providing a monitoring hub for the system's performance. Providing security and monitoring services would also allow for the dispatch of HVAC technicians should a system's performance decline for any reason.

3. GASIFICATION

We have identified two gasification technologies to date and continue to explore opportunities in this area. Gasification includes multiple technologies that convert solids to gas that can be either burned or consumed to generate energy. The gasification technologies AEGY is exploring create byproducts which are useful in the Sunarias energy production systems. Specifically, gasification converts trash to an energy that is consumed to produce electricity generation with a heat byproduct. That heat byproduct is then captured and consumed in absorption chilling, the process used by Sunarias.

4. FUEL CELL ENERGY PRODUCTION

Alternative Energy Partners' fourth sector is fuel cell energy production. Currently, fuel cell energy production is considered a future technology that will be feasible within a five year window. The fuel cell energy market is currently experiencing high market demand that it is unable, through its two major manufacturers, to satisfy. This indicates a limit of manufacturing capacity that Alternative Energy Partners will exploit. Fuel Cells can be placed wherever electricity is consumed, within some limitations. This point of use feature reduces demand on the grid. A major consumer market for fuel cells is hospitals, larger schools and colleges, manufacturing facilities and even small communities.

5. POWER PURCHASE AGREEMENTS

AEGY also plans to engage in the purchase of solar photo voltaic power purchase agreements ("PPAs") through its completed acquisition of SkyNet Energy Systems, Inc. as a wholly-owned subsidiary. We completed the acquisition agreement to acquire SkyNet from Healthcare of Today, Inc. for 600,000 (30,000,000 shares pre-split) shares of our common stock on August 19, 2010. Healthcare of Today, Inc. acquired SkyNet for 250,000 shares of its common stock, valued in the acquisition agreement at $3,000,000, which we valued at $2,100,000. Power purchase agreements have a variety of applications. In the current instance, PPAs are agreements whereby an individual organization arranges with a government-sponsored utility to guarantee the purchase of all of the power that will be provided by that organization's energy production. In the current instance, we will be supplying photo voltaic produced electricity. By purchasing PPAs, SkyNet will receive the income stream from that agreement.

Through Skynet Energy Systems, Inc, AEGY will be able to offer modified Power Purchase Agreements ("PPAs") and Line Reservations, which we call Energy Service Agreements ("ESAs"), to corporations, hospitals and other entities. In July 2010, Skynet signed an agreement that will give it access to obtain Line Reservations in Europe, with a guaranteed minimum sale of 19.65MW energy at local prices ranging from approximately $0.42/kw to $0.72/kw. Pursuant to the agreement, Skynet will provide energy in Europe, including Bulgaria and the Czech Republic.

Our model of energy provision is different; for example, with regard to solar thermal energy, we have the ability to front the costs of system installation and maintenance. In addition to promoting lower operating costs than those of traditional utilities, Sunarias(TM) systems may allow businesses to conveniently meet individual corporate missions or governmental energy reduction mandates such as CA AB32. Regardless of whether they are formally required to do so, many local governments, companies, and individuals are now taking actions to reduce their greenhouse gas emissions or to lock in lower energy costs in a long term agreement with a company like ours while improving their public image through thoughtful use of energy.

While reduction of greenhouse gas emissions is a newer interest for the United States, there is strong market as well as government and societal support for alternative energy production in Europe. The European Union has mandated that 20% of energy come from renewable resources by 2020. Accordingly, AEGY has planned to focus a sales partnership/initiative in Europe, to further engage in this thriving market and grow its presence there.

Plan of Operation

We are in the business of providing commercial buildings with advanced solar thermal energy production, allowing businesses to use alternative energy sources. Initially we market advanced solar thermal energy production, support, monitoring and related services to commercial businesses in the southern United States.

SHOVON, LLC

Whether one is an individual consumer or operating a large facility, using Shovon hardware will allow optimized, controlled energy consumption, resulting in reduced ongoing costs. Shovon products offer the ultimate convenience of being able to access facilities and view relevant events or statuses (down to the appliance level) online. This remote monitoring can be enabled from anywhere in the world by using a PC or cell phone.

Our Product

Shovon's advanced control systems are appropriate for use with the Sunarias product. At present, Shovon's design engineers are working on improvements to the Sunarias controller to allow better access through web based monitoring, maintenance by remote systems management, predictive maintenance items without site visit costs and, a key component of the Sunarias model, measurement of energy consumed for billing purposes.

Shovon has a very large potential market in energy management and automation. This is in addition to its use in the Sunarias' product line and would be useful in commercial buildings for additional services like managing lighting, occupancy responses for air conditioning, security, process controls and event scheduling. In keeping with AEGY's vertical integration model, Sunarias will use the modified Shovon controller to measure the actual performance and consumed offset energy. The monthly billing to the customers will include the energy used, the offset costs which the utility would have charged, and the comparison from the previous period and year.

SKYNET ENERGY SYSTEMS, INC.

Plan of Operation

Through Skynet Energy Systems, Inc, AEGY will be able to offer modified Power Purchase Agreements (“PPAs”) and Line Reservations, which we call Energy Service Agreements (“ESAs”), to corporations, hospitals and other entities. In July 2010, Skynet signed an agreement that will give it access to obtain Line Reservations in Europe, with a guaranteed minimum sale of 19.65MW energy at local prices ranging from approximately $0.42/kw to $0.72/kw. Pursuant to the agreement, Skynet will provide energy in Europe, including Bulgaria and the Czech Republic.

Our Product

Our model of energy provision is different; for example, with regard to solar thermal energy, we have the ability to front the costs of system installation and maintenance. In addition to promoting lower operating costs than those of traditional utilities, Sunarias(TM) systems may allow businesses to conveniently meet individual corporate missions or governmental energy reduction mandates such as CA AB32. Regardless of whether they are formally required to do so, many local governments, companies, and individuals are now taking actions to reduce their greenhouse gas emissions or to lock in lower energy costs in a long term agreement with a company like ours while improving their public image through thoughtful use of energy.

Competitive Advantages

While reduction of greenhouse gas emissions is a newer interest for the United States, there is strong market as well as government and societal support for alternative energy production in Europe. The European Union has mandated that 20% of energy come from renewable resources by 2020. Accordingly, AEGY has planned to focus a sales partnership/initiative in Europe, to further engage in this thriving market and grow its presence there.

Employees

As of September 15, 2011, Hong-Sin Pan is our Chairman, President and CEO and sole officer. He is not an employee of the company and is not paid as an employee. Our former sole officer and director, Gary Reed, resigned for personal reasons in September, 2011. He was also not an employee of the Company and was not paid as an employee.

Currently, we have no paid, employees, full or part-time, and rely on paid consultants to provide necessary services.

Acquisitions

We are pursuing acquisitions of other alternative energy products in the areas of solar and biodiesel, fuel cell technology and renewable water technologies, as well as acquisitions of commercial mechanical contracting companies, and expect to acquire several mechanical contracting companies in the quarter ended January 31, 2011.

Results of Operations for the Years Ended July 31, 2011 and 2010.

For the years ended July 31, 2011 and 2010, the Company had no revenues. Since inception, the Company has yet to earn revenues and has incurred cumulative net losses of $6,331,018. For the year ended July 31, 2011 and 2010, the Company had net losses of $6,164,097 and $111,107, respectively. Our activities have been attributed primarily to start up and business development.

For the years ended July 31, 2011 and 2010, we incurred operating expenses of $6,043,175 and $111,107, respectively. The increases relate primarily to officer payroll, consulting expenses, impairment loss, and professional fees.

Liquidity and Capital Resources

As shown in the accompanying financial statements, for the years ended July 31, 2011 and 2010 and since April 28, 2008 (date of inception) through July 31, 2011, the Company has had net losses of $6,164,097, $111,107 and $6,331,018, respectively. As of July 31, 2011, the Company had not emerged from the development stage. In view of these matters, the Company's ability to continue as a going concern is dependent upon the Company's ability to begin operations and to achieve a level of profitability. Since inception, the Company has financed its activities principally from the sale of public equity securities. The Company intends on financing its future development activities and its working capital needs largely from the sale of public equity securities with some additional funding from other traditional financing sources.

As previously mentioned, since inception, we have financed our operations largely from the sale of common stock. From inception through July 31, 2011 we raised cash of $114,450 through private placements of common stock financings. During November 2008, our Form S-1 Registration Statement became effective and we raised $100,000 through common stock sales. The proceeds from the sale of this common stock have been used for general and administrative expenses.

On September 30, 2010, we entered into a Securities Purchase Agreement with Ambrose & Keith Fund, LLC ("Ambrose") under which we may, at our sole discretion, periodically sell to Ambrose shares of the our common stock for a total purchase price of up to $30 million. For each share of common stock purchased under the Securities Purchase Agreement, Ambrose will pay us an amount equal to 85 percent of the lowest volume weighted average price of our common stock as quoted by Bloomberg, LP on the Over-the-Counter Bulletin Board, or other principal market on which our common stock is traded, for the five days immediately following the notice date. The price paid by Ambrose for our stock will be determined as of the date of each individual request for an advance under the Securities Purchase Agreement. Ambrose's obligation to purchase shares of our common stock under the Securities Purchase Agreement is subject to certain conditions, including our obtaining an effective registration statement for shares of our common stock sold under the Securities Purchase Agreement, and is limited to $500,000 for each 10 consecutive trading days after the advance notice is provided to Ambrose. Upon the execution of the Securities Purchase Agreement, Ambrose was entitled to receive as a one-time commitment fee two million dollars worth of shares of the Company's common stock. The initial one-half of this fee was satisfied with the issue of 222,220 (11,111,000 pre-split) shares of common stock on September 28, 2010, and the remainder was to be paid on the effective date of a planned S-1 registration statement. The Company has since terminated its relationship with Ambrose.

On November 1, 2011, we signed an equity line of credit terms sheet with Apollo Capital Investments, LLC under which Apollo has agreed to provide $10 million in funding over a 36 month period in monthly installments of not less than $20,000 or more than $350,000 in exchange for common stock of the Company at a discount of 15 percent from the 5 day average market price for the common stock. The first installment draw is dependent on the Company filing and causing to be made effective a registration statement for the underlying common shares. In addition, Apollo has agreed to provide a bridge loan of $1,000,000 to the Company on a one year convertible note, converting at $0.02 per share, within 45 days after the term sheet has been incorporated in a definitive final agreement. The definitive agreement is expected to be executed no later than November 30, 2011. The equity line of credit and the bridge were arranged for the Company by Lin-Han Equity Corp. under its consulting agreement.

We have incurred significant net losses and negative cash flows from operations since our inception. As of July 31, 2011, we had an accumulated deficit of $6,331,018 and a working capital deficit of $175,047.

We anticipate that cash used in product development and operations, especially in the marketing, production and sale of our products, will increase significantly in the future.

If we are unable to secure additional financing to cover our operating losses until breakeven operations can be achieved, there is no assurance that we will be able to continue as a going concern.

Off-Balance Sheet Arrangements

We currently do not have any off-balance sheet arrangements.

Critical Accounting Policies

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America 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. We believe that the following critical policies affect our more significant judgments and estimates used in preparation of our financial statements.

The Company has incurred deferred offering costs in connection with raising additional capital through the sale of its common stock. These costs are capitalized and charged against additional paid-in capital when common stock is issued. If there is no issuance of common stock, the costs incurred are charged to operations.

Research and development costs are charged to operations when incurred and are included in operating expenses.

Contractual Obligations

The Company had consulting agreements with companies for various advisement services. A total of 1,430,000 shares were issued during the year ended July 31, 2011 to cover these consulting agreements, totaling $2,503,500 in onetime costs. The current value of the same 1,430,000 is less than $15,000.

The Company entered into a consulting agreement with Lin-Han Equity Corp. to provide services and assistance in locating, identifying and assisting with due diligence in strategic acquisitions, as well as for the introduction of potential investor sources. The consulting agreement was executed on May 1, 2011 and calls for a fixed monthly fee of $15,000 commencing May 1, 2011 for a period of one year. A total of $45,000 has been charged as expenses related to this agreement in the year ended July 31, 2011, and a total of $45,000 in fees owed is included in accounts payable. Lin-Han Equity Corp. is also a shareholder of the Company, holding a total of 800,000 shares, representing 6.2 percent of the shares outstanding at July 31, 2011.

The Company also has entered into a consulting agreement with CFOs to Go, Inc., a financial and legal consulting firm, to provide financial, accounting, legal, administrative, HR, supply chain management, corporate governance, SEC compliance and similar services to the Company for a monthly fee of $10,000. CFOs to Go also provides contract principal accounting officer and corporate counsel services to the Company under its agreement and also provides telephone, office address, access to software and servers owned by CFOs to Go, and related office support. We maintain our corporate offices at the Florida offices of CFOs to Go under this arrangement. CFOs to GO is a wholly-owned subsidiary of Lin-Han Equity Corp.

Recent Accounting Pronouncements:

In September 2011, the FASB issued an amendment to Topic 350, Intangibles—Goodwill and Other, which simplifies how entities test goodwill for impairment. Previous guidance under Topic 350 required an entity to test goodwill for impairment using a two-step process on at least an annual basis. First, the fair value of a reporting unit was calculated and compared to its carrying amount, including goodwill. Second, if the fair value of a reporting unit was less than its carrying amount, the amount of impairment loss, if any, was required to be measured. Under the amendments in this update, an entity has the option to first assess qualitative factors to determine whether the existence of events or circumstances leads the entity to determine that it is more likely than not that its fair value is less than its carrying amount. If after assessing the totality of events or circumstances, an entity determines that it is not more likely than not that the fair value of the reporting unit is less than its carrying amount, then the two-step impairment test is unnecessary. If the entity concludes otherwise, then it is required to test goodwill for impairment under the two-step process as described under paragraphs 350-20-35-4 and 350-20-35-9 under Topic 350. The amendments are effective for annual and interim goodwill impairment tests performed for fiscal years beginning after December 15, 2011 and early adoption is permitted. The Company is currently evaluating whether early adoption is necessary.

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCOLSURES ABOUT MARKET RISK

Not applicable.

ITEM 8. FINANCIAL STATEMENTS

Alternative Energy Partners, Inc.

(A Development Stage Company)

Financial Statements

July 31, 2011 and 2010

CONTENTS

REPORT OF INDEPENDENT REGISTERED CERTIFIED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Stockholders ofAlternative Energy Partners, Inc.

We have audited the accompanying consolidated balance sheets of Alternative Energy Partners, Inc. and subsidiaries (a development stage company) as of July 31, 2011 and 2010 and the related consolidated statements of operations, stockholders' equity, and cash flows for the years then ended and for the period from April 28, 2008, inception, to July 31, 2011. Alternative Energy Partners, Inc.'s management is responsible for these consolidated financial statements. Our responsibility is to express an opinion on these consolidated financial statements based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audit included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the consolidated financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Alternative Energy Partners, Inc. and subsidiaries as of July 31, 2011 and 2010, and the results of their operations and their cash flows for the years then ended and for the period from April 28, 2008, inception, to July 31, 2011, in conformity with accounting principles generally accepted in the United States of America.

The accompanying consolidated financial statements have been prepared assuming that the Company will continue as a going concern. As discussed in Note 2 to the consolidated financial statements, the Company is in the development stage, has had minimal operations to date, has an accumulated deficit, and negative working capital. These conditions raise substantial doubt about its ability to continue as a going concern. Management's plans regarding these matters are also described in Note 2. The consolidated financial statements do not include any adjustments that might result from the outcome of this uncertainty.

/s/ Moss, Krusick & Associates, LLC

Winter Park, Florida

November 23, 2011

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Alternative Energy Partners, Inc. and Subsidiaries
(A Development Stage Company)
Consolidated Balance Sheets

		July 31, 2011		July 31, 2010
Assets				
Current Assets				
Cash	$	337	$	163
Deferred loan costs, net of accumulated amortization of $10,925		7,625		-
Total Current Assets		7,962		163
Other Assets				
Solar generation technology (net)		85,000		95,000
Goodwill		2,875		1,875
Total Other Assets		87,875		96,875
Total Assets	$	95,837	$	97,038
Liabilities & Stockholders' Equity				
Current Liabilities				
Accounts payable	$	75,812	$	8,390
Payroll liabilities		7,322		2,210
Loans payable		12,500		12,925
Notes payable, net of debt discount of $183,494 and $0		77,006		-
Related party payable- HOTI		2,374		19,033
Accrued interest		7,995		-
Total Current Liabilities		183,009		42,558
Total Liabilities		183,009		42,558
Stockholder's Equity (Deficit)				
Common Stock, $0.001 par value, 100,000,000 shares authorized 12,835,480 and 5,568,416 shares issued and outstanding		12,836		5,569
Additional paid in capital		6,231,010		215,832
Deficit accumulated during the development stage		(6,331,018)		(166,921)
Total Stockholders' Equity (Deficit)		(87,172)		54,480
Total Liabilities and Stockholders' Equity	$	95,837	$	97,038

See accompanying notes to consolidated financial statements.

Alternative Energy Partners, Inc. and Subsidiaries
(A Development Stage Company)
Consolidated Statement of Operations

	For the Year Ended July 31, 2011	For the Year Ended July 31, 2010	For the Period from April 28, 2008 (Inception) to July 31, 2011
Revenues	$ -	$ -	$ -
Cost of Sales	-	-	-
Gross Margin	-	-	-
General & Administrative			
Consulting fees-related parties	3,613,101	52,131	3,675,231
Impairment loss	2,099,000	-	2,099,000
Administrative fees	130,000	-	130,000
Marketing	65,000	-	65,000
Professional fees	45,780	22,308	80,796
Salaries and wages	26,654	13,045	57,414
Rent	-	9,000	9,000
Other general and administrative	63,640	14,623	93,230
Total Expenses	6,043,175	111,107	6,209,671
Net loss before other income (expense)	(6,043,175)	(111,107)	(6,209,671)
Interest expense	(120,922)	-	(121,347)
Net loss before income taxes	(6,164,097)	(111,107)	(6,331,018)
Income tax expense	-	-	-
Net Loss	$ (6,164,097)	$ (111,107)	$ (6,331,018)

Net loss per share - basic and diluted	$ (0.63)	$ (0.03)	$ (0.97)
Weighted average number of shares outstanding during the period - basic and diluted	9,853,078	3,608,144	6,525,588

See accompanying notes to consolidated financial statements.

Alternative Energy Partners, Inc. and Subsidiaries
(A Development Stage Company)
Consolidated Statement of Changes in Stockholders' Equity (Deficit)
For the Years Ended July 31, 2011 and 2010, For the period from April 28, 2008 (Inception) to July 31, 2011

	Common Stock $0.001 Par Value					
	Shares	**Amount**	**Additional Paid In Capital**	**Deferred Equity**	**Deficit Accumulated During the Development Stage**	**Total Stockholders' Equity**
Balance - April 28, 2008	-	$ -	$ -	$ -	$ -	$ -
Proceeds from the issuance of common stock - founders - ($0.00004/share)	5,280,000	5,280	(3,080)	-	-	2,200
Proceeds from the issuance of common stock ($1.04/share)	6,240	6	6,494	-	-	6,500
Net loss for the period from April 28,2008 (inception) to July 31, 2008	-	-	-	-	(3,000)	(3,000)
Balance - July 31, 2008	5,286,240	5,286	3,414	-	(3,000)	5,700
Stock issued for services ($0.06/share)	24,000	24	1,476	-	-	1,500
Proceeds from the issuance of common stock ($1.04/share)	5,520	6	5,744	-	-	5,750
Proceeds from the issuance of common stock ($2.08/share)	48,000	48	99,952	-	-	100,000
Net loss for the year ended July 31, 2009	-	-	-	-	(52,814)	(52,814)
Balance - July 31, 2009	5,363,760	5,364	110,586	-	(55,814)	60,136
Cancellation of common stock	(1,800,000)	(1,800)	1,800	-	-	-
Expenses paid by Shareholders	-	-	5,945	-	-	5,945
Proceeds from the issuance of common stock ($0.24/share)-Sunarias	400,000	400	97,100	-	-	97,500
Proceeds from the issuance of common stock ($0.001/share)-Shovan	1,500,000	1,500	375	-	-	1,875
Stock issued for	104,656	105	26	-	-	131

services ($0.001/share)						
Net loss for the year ended July 31, 2010	-	-	-	-	(111,107)	(111,107)
Balance - July 31, 2010	5,568,416	5,569	215,832	-	(166,921)	54,480

Stock issued for services ($4.5/share)	330,000	330	1,484,670	-	-	1,485,000
Stock issued for services ($4.5/share)	222,220	222	999,778	(1,000,000)	-	-
Common stock related to RLP Mechanical Contractors, Inc.	1,120,000	1,120	(1,120)	-	-	-
Proceeds from the issuance of common stock ($3.50/share)-SkyNet Energy Inc.	600,000	600	2,099,400	-	-	2,100,000
Stock issued for services ($1.17/share)	600,000	600	702,900	-	-	703,500
Stock issued for services ($0.63/share)	500,000	500	314,500		-	315,000
Proceeds from the issuance of notes payable-beneficial conversion feature	-	-	294,925	-	-	294,925
Common stock related to Xnergy, Inc.	2,000,000	2,000	(2,000)	-	-	-
Common stock from conversion of notes ($0.12/share)	867,020	867	103,152	-	-	104,019
Common stock from conversion of notes ($0.12/share)	446,429	447	9,554	-	-	10,001
Common stock from conversion of notes ($0.0172/share)	581,395	581	9,419	-	-	10,000
Consulting fees	-	-	-	1,000,000	-	1,000,000
Net loss for the quarter ended July 31, 2011	-	-	-	-	(6,164,097)	(6,164,097)
Balance - July 31, 2011	**12,835,480**	**$ 12,836**	**$ 6,231,010**	**$ -**	**$(6,331,018)**	**$ (87,172)**

See accompanying notes to consolidated financial statements.

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Alternative Energy Partners, Inc. and Subsidiaries
(A Development Stage Company)
Consolidated Statements of Cash Flows

	For the Year Ended July 31, 2011	For the Year Ended July 31, 2010	For the Period from April 28, 2008 (Inception) to July 31, 2011
CASH FLOWS USED IN OPERATING ACTIVITIES:			
Net Loss	$ (6,164,097)	$ (111,107)	$ (6,331,018)
Adjustments to reconcile net loss to net cash used in operating activities:			
Amortization	132,357	2,500	134,857
Impairment loss	2,099,000	-	2,099,000
Changes in certain assets and liabilities:			
Stock issued for services	3,503,500	131	3,505,131
Services paid by shareholder	-	5,945	5,945
Increase in deferred loan costs	(18,550)	-	(18,550)
Increase in accounts payable	177,422	4,323	185,812
Increase in payroll liabilities	-	2,210	-
Increase (decrease) in accrued liabilities	5,112	(2,716)	7,322
Increase in accrued interest	11,589	425	12,014
Net Cash Used in Operating Activities	(253,667)	(98,289)	(399,487)
CASH FLOWS FROM FINANCING ACTIVITIES:			
Proceeds from convertible notes payable	270,500	12,500	283,000
Proceeds from related party	(16,659)	19,033	2,374
Proceeds from issuance of stock	-	-	114,450
Net Cash Provided by Financing Activities	253,841	31,533	399,824
Net Increase (decrease) in Cash	174	(66,756)	337

Cash and cash equivalents, beginning of period		163		66,919		-
Cash and cash equivalents, end of period	$	337	$	163	$	337
SUPPLEMENTARY CASH FLOW INFORMATION						
Cash paid during the year/period for:						
Income Taxes	$	-	$	-	$	-
Interest paid	$	-	$	-	$	-
SUPPLEMENTARY CASH FLOW INFORMATION						
Acquisition of SkyNet, Inc. for Stock	$	1,000	$	-	$	2,100,000
Acquisition of Sunarias Corporation for Stock	$	-	$	97,500	$	97,500
Acquisition of Shovan, Inc. for Stock	$	-	$	1,875	$	1,875
Conversion of notes payable to stock	$	120,000	$	-	$	120,000
Conversion of accrued interest to stock	$	4,019	$	-	$	4,019
Accounts payable converted to notes payable	$	110,000	$	-	$	110,000

See accompanying notes to consolidated financial statements.

Alternative Energy Partners, Inc. and Subsidiaries
(A Development Stage Company)

Notes to Consolidated Financial Statements
July 31, 2011 and 2010

Note 1 Nature of Operations and Summary of Significant Accounting Policies

Nature of Operations

Alternative Energy Partners, Inc. (the “Company”) was incorporated in the State of Florida on April 28, 2008.

The Company is involved in the alternative energy sector. In addition to its existing subsidiaries, the Company is searching to acquire emerging growth companies to meet growing demands worldwide in the alternative energy sector.

Principles of Consolidation

The accompanying consolidated financial statements include Alternative Energy Partners, Inc. and its wholly-owned subsidiaries, Sunarias Corporation, acquired on May 18, 2010, Shovan, LLC, acquired on July 7, 2010, SkyNet Energy, Inc., and Élan Energy, Inc. All intercompany balances and transactions have been eliminated in consolidation.

Development Stage

The Company's financial statements are presented as those of a development stage enterprise. Activities during the development stage primarily include equity based financing and further implementation of the business plan. The Company has not generated any revenues since inception.

Risks and Uncertainties

The Company operates in an industry that is subject to rapid technological change. The Company's operations will be subject to significant risk and uncertainties including financial, operational, technological, regulatory and other risks associated with a development stage company, including the potential risk of business failure.

Use of Estimates

The preparation of financial statements in conformity with U.S. 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. A significant estimate in 2011 and 2010 included a 100% valuation allowance for deferred tax assets arising from net operating losses incurred since inception.

Making estimates requires management to exercise significant judgment. It is at least reasonably possible that the estimate of the effect of a condition, situation or set of circumstances that existed at the date of the financial statements, which management considered in formulating its estimate could change in the near term due to one or more future confirming events. Accordingly, the actual results could differ materially from estimates

Cash and Cash Equivalents

The Company considers all highly liquid instruments purchased with a maturity of three months or less to be cash equivalents. At July 31, 2011 and 2010, respectively, the Company had no cash equivalents.

The Company minimizes its credit risk associated with cash by periodically evaluating the credit quality of its primary financial institution. The balance at times may exceed federally insured limits. At July 31, 2011 and 2010, respectively, there were no balances that exceeded the federally insured limit.

Earnings per Share

In accordance with accounting guidance now codified as FASB ASC Topic 260, *"Earnings per Share,"* Basic earnings per share ("EPS") is computed by dividing net loss available to common stockholders by the weighted average number of common shares outstanding during the period, excluding the effects of any potentially dilutive securities. Diluted EPS gives effect to all dilutive potential of shares of common stock outstanding during the period including stock options or warrants, using the treasury stock method (by using the average stock price for the period to determine the number of shares assumed to be purchased from the exercise of stock options or warrants), and convertible debt or convertible preferred stock, using the if-converted method. Diluted EPS excludes all dilutive potential of shares of common stock if their effect is anti-dilutive. The computation of basic and diluted loss per share for the period from April 28, 2008 (inception) to July 31, 2011, is equivalent since the Company has had continuing losses. The Company also has no common stock equivalents.

Stock-Based Compensation

Generally, all forms of share-based payments, including stock option grants, restricted stock grants and stock appreciation rights, are measured at their fair value on the awards' grant date, and based on the estimated number of awards that are ultimately expected to vest. The expense resulting from share-based payments is recorded as a component of consulting and general and administrative expense.

Non-Employee Stock Based Compensation

Share-based payment awards issued to non-employees for services rendered are recorded at either the fair value of the services rendered or the fair value of the share-based payment, whichever is more readily determinable.

Impairment of Long-Lived Assets

The Company reviews its long-lived assets for impairment when events or changes in circumstances indicate that the book value of an asset may not be recoverable. The Company evaluates, at each balance sheet date, whether events and circumstances have occurred which indicate possible impairment. The Company uses an estimate of future undiscounted net cash flows of the related asset or group of assets over the estimated remaining life in measuring whether the assets are recoverable. If it is determined that an impairment loss has occurred based on expected cash flows, such loss is recognized in the statement of operations.

Income Taxes

The Company accounts for income taxes under the Accounting Standards Codification ("ASC") No. 740, Income Taxes. Deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases and operating loss and tax credit carryforwards. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which these temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date. Deferred tax assets are reduced by a valuation allowance when, in the opinion of management, it is more likely than not that some or all of the deferred tax assets may not be realized.

Alternative Energy Partners, Inc. and Subsidiaries
(A Development Stage Company)

Notes to Consolidated Financial Statements

July 31, 2011 and 2010

Income Taxes (continued)

The Company records and reviews quarterly its uncertain tax positions. The Company recognizes the financial statement effects of a tax position when it is more likely than not, based on the technical merits, that the position will be sustained upon examination. The Company measures a tax position that meets the more-likely-than-not recognition threshold as the largest amount of tax benefit that is greater than 50 percent likely of being realized upon settlement with a taxing authority that has full knowledge of all relevant information. In its measurement of a tax position that meets the more-likely-than-not recognition threshold, the Company considers the amounts and probabilities of the outcomes that could be realized upon settlement using the facts and circumstances and information available at the reporting date.

Goodwill

Goodwill arises on the acquisition of a business when the fair value of the consideration given exceeds the fair value attributed to the net assets acquired (including contingent liabilities). It is subject to annual impairment reviews.

Fair Value of Financial Instruments

The carrying amounts of the Company’s short-term financial instruments, including accounts payable and accrued liabilities, approximate fair value due to the relatively short period to maturity for these instruments.

Reclassifications

Certain amounts from the prior period financial statements have been reclassified to conform to current period presentation.

Fair Value Measurement

The fair value of the Company's financial assets and liabilities reflects the Company's estimate of amounts that it would have received in connection with the sale of the assets or paid in connection with the transfer of the liabilities in an orderly transaction between market participants at the measurement date. In connection with measuring the fair value of its assets and liabilities, the Company seeks to maximize the use of observable inputs (market data obtained from sources independent from the Company) and to minimize the use of unobservable inputs (the Company's assumptions about how market participants would price assets and liabilities). The following fair value hierarchy is used to classify assets and liabilities based on the observable inputs and unobservable inputs used in order to value the assets and liabilities:

Level 1: Quoted prices in active markets for identical assets or liabilities. An active market for an asset or liability is a market in which transactions for the asset or liability occur with sufficient frequency and volume to provide pricing information on an ongoing basis.

Level 2: Observable inputs other than Level 1 inputs. Examples of Level 2 inputs include quoted prices in active markets for similar assets or liabilities and quoted prices for identical assets or liabilities in markets that are not active.

Level 3: Unobservable inputs based on the Company's assessment of the assumptions that market participants would use in pricing the asset or liability.

At July 31, 2011, the Company has no instruments that require additional disclosure. The carrying amounts of the Company’s short-term financial instruments, including accounts payable and accrued liabilities, approximate fair value due to the relatively short period to maturity for these instruments.

Recently Issued Accounting Pronouncements

The Company continually assesses any new accounting pronouncements to determine their applicability to the Company. Where it is determined that a new accounting pronouncement affects the Company’s financial reporting, the Company undertakes a study to determine the consequence of the change to its financial statements and assures that there are proper controls in place to ascertain that the Company’s financials properly reflect the change. There were no recently issued accounting pronouncements during the quarter impacting the company’s business.

In September 2011, the FASB issued an amendment to Topic 350, Intangibles—Goodwill and Other, which simplifies how entities test goodwill for impairment. Previous guidance under Topic 350 required an entity to test goodwill for impairment using a two-step process on at least an annual basis. First, the fair value of a reporting unit was calculated and compared to its carrying amount, including goodwill. Second, if the fair value of a reporting unit was less than its carrying amount, the amount of impairment loss, if any, was required to be measured. Under the amendments in this update, an entity has the option to first assess qualitative factors to determine whether the existence of events or circumstances leads the entity to determine that it is more likely than not that its fair value is less than its carrying amount. If after assessing the totality of events or circumstances, an entity determines that it is not more likely than not that the fair value of the reporting unit is less than its carrying amount, then the two-step impairment test is unnecessary. If the entity concludes otherwise, then it is required to test goodwill for impairment under the two-step process as described under paragraphs 350-20-35-4 and 350-20-35-9 under Topic 350. The amendments are effective for annual and interim goodwill impairment tests performed for fiscal years beginning after December 15, 2011 and early adoption is permitted. The Company is currently evaluating whether early adoption is necessary.

Note 2 Going Concern

As reflected in the accompanying financial statements, the Company has not yet emerged from the development stage, has a net loss of $6,164,097 and net cash used in operations of $253,667 for the year ended July 31, 2011; and negative working capital of $175,047 and an accumulated deficit of $6,331,018 at July 31, 2011.

These factors, among others, raise doubt about the Company’s ability to continue as a going concern. The accompanying financial statements do not include any adjustments related to recoverability and classification of asset carrying amounts or the amount and classification of liabilities that might result should the Company be unable to continue as a going concern.

In response to these problems, management has taken the following actions:

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the Company is seeking third party debt and/or equity financing;

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the Company is cutting operating costs, and

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as described in Notes 6 and 7, the Company has been involved in numerous acquisitions with the intent of beginning operations and achieving a level of profitability

Alternative Energy Partners, Inc. and Subsidiaries
(A Development Stage Company)

Notes to Consolidated Financial Statements
July 31, 2011 and 2010

Note 3 Income Taxes

The Company recognized deferred tax assets and liabilities for both the expected impact of differences between the financial statements and the tax basis of assets and liabilities, and for the expected future tax benefit to be derived from tax losses and tax credit carry-forwards. The Company will establish a valuation allowance to reflect the likelihood of realization of deferred tax assets. The Company has a net operating loss carryforward for tax purposes totaling approximately $6,331,018 at July 31, 2011, expiring through 2028. There is a limitation on the amount of taxable income that can be offset by carryforwards after a change in control (generally greater than a 50% change in ownership). Temporary differences, which give rise to a net deferred tax asset, are as follows:

Significant deferred tax assets at July 31, 2011 and 2010 are as follows:

	2011	2010
Gross deferred tax assets:		
Net operating loss carryforwards	$ (6,331,018)	$ (166,921)
Total deferred tax assets	2,382,362	62,000
Less: valuation allowance	(2,382,362)	(62,000)
Net deferred tax asset recorded	$ -	$ -

The valuation allowance at July 31, 2010 was approximately $62,000. The net change in valuation allowance during the year ended July 31, 2011 was an increase of approximately $2,320,362. In assessing the reliability of deferred tax assets, management considers whether it is more likely than not that some portion or all of the deferred income tax assets will not be realized. The ultimate realization of deferred income tax assets is dependent upon the generation of future taxable income during the periods in which those temporary differences become deductible. Management considers the scheduled reversal of deferred income tax liabilities, projected future taxable income, and tax planning strategies in making this assessment. Based on consideration of these items, management has determined that enough uncertainty exists relative to the realization of the deferred income tax asset balances to warrant the application of a full valuation allowance as of July 31, 2011.

The actual tax benefit differs from the expected tax benefit for the periods ended July 31, 2011 and 2010 (computed by applying the U.S. Federal Corporate tax rate of 34% to income before taxes and 5.5% for State income taxes, a blended rate of 37.63%) as follows:

	2011	2010
Expected tax expense (benefit) – Federal	$ (2,095,793)	$ (35,900)
Expected tax expense (benefit) – State	(224,569)	(6,100)
Non-deductible stock compensation	-	-
Change in Valuation Allowance	2,320,362	42,000
Actual tax expense (benefit)	$ -	$ -

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Alternative Energy Partners, Inc. and Subsidiaries
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Notes to Consolidated Financial Statements
July 31, 2011 and 2010

Note 4 Loans Payable to Affiliates

During the quarter ended April 30, 2010, the Company recorded two separate loans payable to an affiliate, McDowell, LLC, totaling $12,500, and both remained payable as of July 31, 2011. The managing member of McDowell, L.L.C. is Jack Stapleton, who was also sole officer and director of the Company at the time the two promissory notes were executed. The loans are represented by two promissory notes signed by Mr. Stapleton, bear interest at 8% per annum with principal and interest and are due on demand by the holder of the notes. As of July 31, 2011, accrued interest payable was $1,425. On December 3, 2010, Mr. Stapleton, as Managing Member of McDowell, LLC, issued a written demand for payment of the notes and subsequently filed suit to collect on the two notes. A judgment has been entered in favor of McDowell, LLC.

Note 5 Lease Agreement

The Company currently occupies office space in Merritt Island, Florida sub-leased from a consultant which also provides financial, accounting, compliance and other support services to the Company on a three year consulting agreement. The rent payable under the consulting agreement is not separately stated and is included in the monthly consulting fee payable for the services agreed. The services include use of office equipment, software, servers, and office personnel of the consultant, as well as use of the consultant's offices as the mailing address for the Company.

Note 6 Acquisitions

On May 18, 2010, the Company acquired from Healthcare of Today, Inc., all of the outstanding stock of Sunarias Corporation, a development stage entity, in exchange for 5,000,000 common shares (20,000,000 shares reflective of the 4:1 stock split on July 19, 2010). The transaction was valued at $97,500 which approximates both the carrying value at the time of acquisition, and the fair value of the technology asset acquired. No other assets or liabilities were acquired, resulting in the entire purchase price being allocated to the technology asset.

On July 9, 2010, the Company also acquired from Healthcare of Today, Inc., all the outstanding stock of Shovan, LLC ("Shovon"), a development stage entity, in exchange for 18,750,000 common shares (75,000,000 shares reflective of the 4:1 stock split on July 19, 2010). As Shovon had no assets or liabilities, the transaction was valued at par value of the Company's shares, or $1,875. Consequently, this purchase price was allocated to goodwill.

On October 27, 2010, the Company also acquired from Healthcare of Today, Inc., all the outstanding stock of Skynet Energy Systems ("Skynet"), a development stage entity, in exchange for 600,000 common shares (30,000,000 common shares pre-split). The transaction was valued at $2,100,000 which was the fair value of the shares at the time of acquisition. No other assets or liabilities were acquired, resulting in the entire purchase price being allocated to goodwill. The Company determined that the goodwill was impaired at July 31, 2011 and recorded an impairment charge of $2,099,000.

Alternative Energy Partners, Inc. and Subsidiaries
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Notes to Consolidated Financial Statements
July 31, 2011 and 2010

Note 7 Stockholders' Equity

On November 23, 2010, the Company enacted a 1:50 reverse stock split, as a result of which our outstanding common shares were reduced to 7,840,636 shares and our authorized common shares were reduced by the same ratio, to 10 million shares. All share information in the accompanying financial statements has been retroactively restated to reflect the split.

On August 5, 2010, the Company filed a Form S-8 registration statement registering 330,000 (16,500,000 shares pre-split) shares of common stock issued to certain advisers and consultants.

On September 28, 2010, the Company issued 222,220 (11,111,000 shares pre- split) shares to Ambrose & Keith, LLC as partial payment of a commitment fee under the Share Purchase Agreement. As this agreement related to work to be performed at a later date, and the fact that Ambrose & Keith, LLC had not earned any amounts under the agreement, the transaction was recorded as deferred equity in the Consolidated Statement of Changes in Stockholders' Equity. At July 31, 2011, the Share Purchase Agreement was deemed cancelled, however, the shares issued under the agreement were issued as a non-refundable fee and expensed upon cancellation.

On October 22, 2010, the Company issued 1,120,000 (56,000,000 shares pre-split) shares of common stock for the acquisition of R.L.P. Mechanical Contractors, Inc. to HOTI. These shares were issued, however valued at $0.00 in total due to RLP's rescission of the acquisition in March, 2011. The Company is in the process of cancelling these shares subsequent to July 31, 2011.

On October 27, 2010, the Company issued 600,000 (30,000,000 shares pre-split) shares for the completion of the acquisition of SkyNet Energy, Inc.

On November 26, 2010, the Company closed on the acquisition of Xnergy, Inc. and issued 2,000,000 shares of common stock and agreed to issue 5,000,000 shares of voting convertible preferred stock having a total vote equal to 51 percent of all shares entitled to vote to be held in escrow pending completion of the conditions to the escrow release. The common shares were issued, however valued at $0.00 in total due to Xnergy's rescission of the acquisition in June, 2011. The Company is in the process of cancelling these shares subsequent to July 31, 2011.

On December 7, 2010, the Company agreed to issue 600,000 shares of common stock for services rendered or to be rendered under four consulting agreements and registered the shares under an S-8 registration statement filed and effective on December 7, 2010. Actual issuance of shares will be executed upon agreement of the Board of Directors to increase authorized share capital.

On January 4, 2011, the Company amended the previously filed Form S-8 and issued an additional 500,000 common shares in payment of consulting services provided under two consulting agreements.

On February 24, 2011, the Company converted four notes into 867,020 shares of common stock (See, Notes Payable, Note 7).

On February 25, 2011, the Company amended its Articles of Incorporation to increase the authorized stock to 105 million shares, par value $0.001, of which 100 million are designated as common shares and 5 million as preferred shares.

Note 7 Stockholders' Equity (continued)

On March 2, 2011, the Company issued 74,004 shares of common stock. 63,336 of the shares were for services rendered or to be rendered under consulting agreements and 10,668 of the shares were issued for stock grants.

On June 30, 2011, the Company cancelled the 74,004 shares of common stock. 63,336 of the shares were for services rendered or to be rendered under consulting agreements and 10,668 of the shares were issued for stock grants.

On June 30, 2011 the Company converted $10,000 of notes into 446,429 shares of common stock (See, Notes Payable, Note 8).

On July 26, 2011, the Company converted $10,000 of notes into 581,395 shares of common stock (See, Notes Payable, Note 8).

As a result of these transactions, there were 12,835,480 common shares outstanding at July 31, 2011.

Note 8 Notes Payable

In September, 2010, the Company issued 4 separate convertible promissory notes to two unrelated funding sources, for a total of $100,000 in funding, to be used as working capital. Two of the notes for $25,000 each were issued on September 8, 2010 and the other two, also for $25,000 each, were issued on September 22, 2010. All four notes provided for interest at 9 percent per year payable at maturity and each note had a maturity of six months after issue.

All of the notes also were convertible into common stock at the lower of $0.01 per share or 50 percent of the average of the two lowest volume weighted average prices of the Company's common stock for the ten trading days prior to the date of conversion. The Company accrued interest of $4,019 on these four notes for the year ended July 31, 2011. The four convertible notes had beneficial conversion features, resulting in a debt discount of $88,235 to be amortized to interest expense over the six month life of the notes. During the year ended July 31, 2011, the Company amortized $88,235 to interest expense in the consolidated statements of operations. All four of the notes, plus all accrued interest, were converted into common stock in February, 2011 and a total of 867,020 common shares were issued to the holders of the four notes.

On February 24, 2011, the Company issued 867,020 common shares to the holders of the four promissory notes, all due in March 2011. The conversions were the result of conversion elections by the holders and the conversion price was calculated to be $0.12 per share. The conversions were calculated as follows:

Holder	Note Date	Principal	Interest Accrued	Total Due	Conversion Rate	Shares
Caesar Capital, LLC	September 8, 2010	$ 25,000	$ 1,042	$ 26,042	$ 0.12	217,066
AARG Corp.	September 8, 2010	25,000	1,042	26,042	0.12	217,066
Caesar Capital, LLC	September 20, 2010	25,000	967	25,967	0.12	216,444
AARG Corp.	September 20, 2010	25,000	968	25,968	0.12	216,444
		$ 100,000	$ 4,019	$104,019		867,020

As a result of these transactions, there were 18,765,039 common shares outstanding at November 14, 2011.

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Alternative Energy Partners, Inc. and Subsidiaries
(A Development Stage Company)

Notes to Consolidated Financial Statements
July 31, 2011 and 2010

Note 8 Notes Payable (continued)

On December 23, 2010, the Company issued its promissory note in the amount of $53,000 to an unrelated third party for additional working capital. The note is due September 24, 2011 and carries interest at 8 percent per annum, payable at maturity. The note is convertible into common stock of the Company after six months, at the election of the Holder, at 58 percent of the average of the three lowest closing bid prices of the common stock for the ten trading days prior to the date of the election to convert. A total of $2,261 has been accrued as interest on this note as of July 31, 2011. On June 30, 2011, the unrelated third party converted $10,000 of the promissory note into 446,429 shares of common stock ($.022/share). On July 26, 2011, the unrelated third party converted $10,000 of the promissory note into 581,395 shares of common stock ($.0172/share). The $53,000 of convertible debt issued in December 2010 had beneficial conversion features, resulting in a debt discount of $11,503 to be amortized to interest expense over the 95 days of the note term commencing when the conversion feature is allowed. During the year ended July 31, 2011, the Company amortized $4,857 to interest expense in the consolidated statements of operations. As of July 31, 2011, the carrying amount of this debt is $26,361, which reflects the original $33,000 less the remaining $6,639 of debt discount.

On March 9, 2011, the Company issued its promissory note in the amount of $35,000 to an unrelated third party for additional working capital. The note is due December 7, 2011 and carries interest at 8 percent per annum, payable at maturity. The note is convertible into common stock of the Company after six months, at the election of the Holder, at 58 percent of the average of the three lowest closing bid prices of the common stock for the ten trading days prior to the date of the election to convert. A total of $1,388 has been accrued as interest on this note as of July 31, 2011. The $35,000 of convertible debt issued in December 2011 had beneficial conversion features, resulting in a debt discount of $25,345 to be amortized to interest expense over the 95 days of the note term during which the conversion feature is allowed to be exercised. During the year ended July 31, 2011, the Company did not amortize any of the discount as the debt is not yet convertible. As of July 31, 2011, the carrying amount of this debt is $9,655, which reflects the original $35,000 less the remaining $25,345 of debt discount.

On March 15, 2011, the Company issued its promissory note in the amount of $50,000 to an unrelated third party for additional working capital. The note is due March 14, 2012 and carries interest at 10 percent per annum, payable at maturity. The note is convertible into common stock of the Company at any time before the due date, at the election of the Holder, at 60 percent of the average of the three lowest closing bid prices of the common stock for the ten trading days prior to the date of the election to convert. A total of $2,479 has been accrued as interest on this note as of July 31, 2011. The $50,000 of convertible debt issued in March 2011 had beneficial conversion features, resulting in a debt discount of $36,309 to be amortized to interest expense over the 365 days of the note during which the conversion feature is allowed to be exercised. During the year ended April 30, 2011, the Company amortized $13,818 to interest expense in the consolidated statements of operations. As of July 31, 2011, the carrying amount of this debt is $27,508, which reflects the original $50,000 less the remaining $22,492 of debt discount.

On June 13, 2011, the Company issued a promissory note in the amount of $32,500 to an unrelated third party for additional working capital. The note is due March 15, 2012 and carries interest at 8 percent per annum, payable at maturity. The note is convertible into common stock of the Company after six months, at the election of the Holder, at 58 percent of the average of the three lowest closing bid prices of the common stock for the ten trading days prior to the date of the election to convert. A total of $356 has been accrued as interest on this note as of July 31, 2011. The $32,500 of convertible debt issued in June 2011 had beneficial conversion features, resulting in a debt discount of $23,534 to be amortized to interest expense over the 95 days of the note term during which the conversion feature is allowed to be exercised. During the year ended July 31, 2011, the Company did not amortize any of the discount as the debt is not yet convertible. As of July 31, 2011, the carrying amount of this debt is $8,966, which reflects the original $32,500 less the remaining $23,534 of debt discount.

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Notes to Consolidated Financial Statements
July 31, 2011 and 2010

Note 8 Notes Payable (continued)

On June 30, 2011, the Company issued a promissory note in the amount of $50,000 to an unrelated third party for additional working capital. The note is due December 31, 2012 and carries interest at 2 percent per annum, payable at maturity. The note is convertible into common stock of the Company at any time after issuance of the note, at the election of the Holder, at $0.013 per share. A total of $84 has been accrued as interest on this note as of July 31, 2011. The $50,000 of convertible debt issued in June 2011 had beneficial conversion features, resulting in a debt discount of $50,000 to be amortized to interest expense over the life of the loan. During the year ended July 31, 2011, the Company amortized $4,305 to interest expense in the consolidated statements of operations. As of July 31, 2011, the carrying amount of this debt is $4,305, which reflects the original $50,000 less the remaining $45,695 of debt discount.

On July 31, 2011, the Company issued six (6) promissory notes totaling $60,000 to an unrelated third party for additional working capital. The notes are due December 31, 2012 and carries interest at 2 percent per annum, payable at maturity. The note is convertible into common stock of the Company at any time after issuance of the note, at the election of the Holder, at $0.013 per share. A total of $0 has been accrued as interest on this note as of July 31, 2011. The $60,000 of convertible debt issued in June 2011 had beneficial conversion features, resulting in a debt discount of $60,000 to be amortized to interest expense over the life of the loan. During the year ended July 31, 2011, the Company amortized $218 to interest expense in the consolidated statements of operations. As of July 31, 2011, the carrying amount of this debt is $218, which reflects the original $60,000 less the remaining $59,782 of debt discount.

Note 9. Subsequent Events

During September and October 2011, a total of $41,000 of notes payable have been converted into 5,929,559 shares of common stock detailed below.

Holder	Note Date	Principal	Shares
Asher Enterprises, Inc.	December 23, 2010	$ 33,000	3,883,509
Asher Enterprises, Inc.	March 9, 2011	4,000	1,025,642
Tangiers Investors, LP	March 15, 2011	4,000	1,020,408
		$ 41,000	5,929,559

As a result of these transactions, there were 18,765,039 common shares outstanding at November 14, 2011.

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ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

None.

ITEMCONTROLS AND PROCEDURES
9A,

The Company's Chief Executive Officer and consulting principal accounting officer have evaluated the effectiveness of the Company's disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act) as of the fiscal period ending July 31, 2009 covered by this Annual Report on Form 10-K. Based upon such evaluation, the Chief Executive Officer and consulting principal accounting officer have concluded that, as of the end of such period, the Company's disclosure controls and procedures were not effective as required under Rules 13a-15(e) and 15d-15(e) under the Exchange Act.

Management's Report on Internal Control Over Financial Reporting

Management is responsible for establishing and maintaining adequate internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) of the Exchange Act) of the Company. Internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with accounting principles generally accepted in the United States of America.

The Company's internal control over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with accounting principles generally accepted in the United States of America, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the Company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies and procedures may deteriorate.

Management, under the supervision of the Company's Chief Executive Officer and consulting principal accounting officer, conducted an evaluation of the effectiveness of internal control over financial reporting based on the framework in *Internal Control—Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission. Based on this evaluation, management concluded that the Company's internal control over financial reporting was not effective as of July 31, 2011 under the criteria set forth in the *Internal Control—Integrated Framework.*

A material weakness is a deficiency, or combination of deficiencies, in internal control over financial reporting such that there is a reasonable possibility that a material misstatement of the Company's annual or interim financial statements will not be prevented or detected on a timely basis. Management has determined that material weaknesses exist due to the lack of an independent Audit Committee Chair, as well as a lack of segregation of duties, inadequate staffing with our accounting department, lack of consistent accounting policies and procedures, inadequate monitoring of controls, and lack of staff with SEC reporting experience all resulting from the Company's limited resources.

This annual report does not include an attestation report of the Company's registered public accounting firm regarding internal control over financial reporting. Management's report was not subject to attestation by our registered public accounting firm pursuant to rules of the SEC that permit us to provide only management's report in this Annual Report on Form 10-K.

Changes in Internal Control Over Financial Reporting

No change in the Company's internal control over financial reporting occurred during the year ended July 31, 2010, that materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting.

ITEM 9B OTHER INFORMATION

None

PART III

ITEM 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE

Set forth below is certain information concerning the directors and executive officers of the Company as of July 31, 2011:

Name	Age	Position
Gary Reed	63	President, Chief Executive Officer and Chairman of the Board (Principal Executive Officer)

Biographies

Gary Reed served as Chief Executive Officer and Chairman of the Board at July 31, 2011 and until September, 2011, when he resigned for personal reasons. Mr. Reed is a seasoned executive, with management experience at a number of chemicals and products companies including Essex Specialty Products, a subsidiary of DOW Chemical. In these positions he has worked closely with an extensive client list including US and Foreign governments. Most recently, Reed served as a Director for a collegiate program in California, directing a $180M construction budget and overseeing innovative energy projects. Reed is LEED AP certified.

Hong-Shin Pan was appointed as Mr. Reed's successor effective September 15, 2011.

AUDIT COMMITTEE

The Company has not, as of the date of this Report, assembled an Audit Committee because of its current status. The Company at an appropriate time will institute an Audit Committee.

CODE OF ETHICS

We have adopted a code of ethics meeting the requirements of Section 406 of the Sarbanes-Oxley Act of 2002. We believe our code of ethics is reasonably designed to deter wrong doing and promote honest and ethical conduct; provide full, fair, accurate, timely and understandable disclosure in public reports; comply with applicable laws; ensure prompt internal reporting of violations; and provide accountability for adherence to the provisions of the code of ethic.

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ITEM 11.EXECUTIVE C OM PENSATION

The following table sets forth information concerning the aggregate compensation paid or to be paid by the Company to its executive officers.

SUMMARY COMPENSATION TABLE

Name and Principal Position	Year	Salary ($)	Bonus ($)	Stock Awards ($)	Option Awards ($)	Non-equity Incentive Plan Compensation ($)	Nonqualified Deferred Compensation ($)	All Other Compensation ($)	Total ($)

Hong-Shin Pan, Chairman of the Board	2011	0	0	0	0	0	0	0	0
Gary Reed, Former Chairman of the Board	2011	0	0	33,335	0	0	0	0	33,335

OUTSTANDING EQUITY AWARDS AT JULY 31, 2011

As part of the acquisition of Sunarias Corporation and his agreement to serve as Chairman and CEO of the Company, it was agreed that Mr. Reed would receive a total of 1,666,667 common shares (pre-split) of the Company in 4 equal installment every 3 months. The first installment of 416,667 (pre-split) shares was issued to Mr. Reed on July 7, 2010, and, as a result of the 4 for 1 split on July 19, 2010 and the 50:1 reverse split in November, 2010, is now 33,335 shares.

DIRECTOR COMPENSATION

Directors receive no compensation for serving on the Board.

The following table summarizes compensation paid to all of our non-employee directors:

Name	**Fees Earned or Paid in Cash ($)**	**Stock Awards ($)**	**Option Awards ($)**	**Non-Equity Incentive Plan Compensation ($)**	**Change in Pension Value and Nonqualified Deferred Compensation Earnings ($)**	**All Other Compensation ($)**	**Total ($)**
not applicable							

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ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS

The following table sets forth certain information as of July 31, 2011, with respect to the beneficial ownership of our common stock by each beneficial owner of more than 5% of the outstanding shares of common stock of the Company, each director, each executive officer named in the "Summary Compensation Table" and all executive officers and directors of the Company as a group, and sets forth the number of shares of common stock owned by each such person and group. Unless otherwise indicated, the owners have sole voting and investment power with respect to their respective shares.

Name of Beneficial Owner	Number of Shares Beneficially Owned	Percentage of Outstanding Common Stock Owned
Gary Reed, former CEO	33,335	--%
All Directors and executive officers as a group (1 person)[(1)]	33,335	-%
Healthcare of Today, Inc.[(2)]	1,582,167	12.3%
Healthcare of Today, International, Inc.[(2)]	2,000,000	15.6%
Lin-Han Equity Corp.[(2)(3)]	800,000	6.2%
Henry Jan[(2)]	290,910	2.3%

(1)

Although not an officer or director at July 31, 2011, our current sole officer and director, Hong-Shin Pan, held a total of 40,000 shares of common stock at July 31, 2011

(2)

Henry Jan serves as Chairman and CEO of Healthcare of Today, Inc., Healthcare of Today International, Inc., and Lin-Han Equity Corp., and they collectively held a total of 4,673,077 shares at July 31, 2011, representing 36.4 percent of the common shares outstanding at July 31, 2011

(3)

Lin-Han Equity Corp. also holds 5 million shares of preferred stock having voting power equal to 51 percent of the total voting power of all classes of stock entitled to vote and therefore may be considered to be in control of the Company.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE

None

ITEM 14. PRINCIPAL ACCOUNTANT FEES AND SERVICES

Audit Fees

During the years ended, July 31, 2011 and 2010, we were billed by our then independent registered public accounting firm, Moss, Krusick and Associates, LLC approximately $32,580 and $10,420 for audit and review fees associated with our 10-K and 10-Q.

Tax Fees

During the years ended, July 31, 2011 and 2010, our independent registered public accounting firm, Moss, Krusick and Associates, LLC, did not perform any tax services for the Company.

All Other Fees

During the years ended, July 31, 2011 and 2010, our independent registered public accounting firm, Moss, Krusick and Associates, LLC, did not perform any other work.

Board of Directors Pre-Approval Process, Policies and Procedures

Our principal auditors have performed their audit procedures in accordance with pre-approved policies and procedures established by our Board of Directors. Our principal auditors have informed our Board of Directors of the scope and nature of each service provided. With respect to the provisions of services other than audit, review, or attest services, our principal accountants brought such services to the attention of our Board of Directors prior to commencing such services.

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ITEM 15. EXHIBITS AND FINANCIAL STATEMENT SCHEDULES

Regulation

Number	**Exhibit**
3.1	Certificate of Incorporation, as amended (1) *
3.2	Certificate of Amendment (1) *
3.3	Bylaws (1)*
	Articles of Amendment dated July 20, 2010.(2)*

31.1 31	Rule 13a-14(a) Certifications of Chief Executive Officer and Principal Accounting Officer
32.1 32	Certifications Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 of Chief Executive Officer and Principal Accounting Officer

(1) Incorporated by reference to the exhibits filed with the registrant's registration statement on Form S-1, file no. 333-154894, filed on October 31, 2008.

(2) Incorporated by reference to the exhibits filed with

* Previously filed

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) 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.

	ALTERNATIVE ENERGY PARTNERS, INC.	
Dated: November 23, 2011	By:	/s/ Hong-Shin Pan Chief Executive Officer and Chairman of the Board (Principal Executive Officer)
Dated: November 23, 2011	By:	/s/ John Burke Principal Accounting Officer