

Wind Works Power Corp.
Form 10-Q
February 21, 2012

**UNITED
STATES
SECURITIES
AND
EXCHANGE
COMMISSION**
WASHINGTON, D.C.
20549

FORM 10-Q

(MARK ONE)

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

FOR THE QUARTERLY PERIOD ENDED DECEMBER 31, 2011

OR

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

FOR THE TRANSITION PERIOD FROM _____ TO _____

COMMISSION FILE NUMBER: 333-113296

**WIND
WORKS
POWER
CORP.**

(Name of
registrant as
specified in its
charter)

NEVADA

(State or other jurisdiction of incorporation or
organization)

98-0409895

(I.R.S. Employer Identification No.)

346 Waverley Street Ottawa, Ontario, Canada

(Address of principal executive offices)

K2P OW5

(Zip Code)

613-226-1983

(Registrant's telephone number, including area code)

N/A

(Former name, former address and former fiscal year, if changed since last report)

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

Yes No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files).

Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of large accelerated filer, accelerated filer, and smaller reporting company in Rule 12b-2 of the Exchange Act.

Large accelerated Filer	<input type="checkbox"/>	Accelerated Filer	<input type="checkbox"/>
Non-accelerated Filer	<input type="checkbox"/>	Small Reporting Company	<input checked="" type="checkbox"/>

Indicate by check mark whether the Registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act)
Yes No

APPLICABLE ONLY TO ISSUERS INVOLVED IN BANKRUPTCY PROCEEDINGS DURING THE PRECEDING FIVE YEARS

Indicate by check mark whether the Registrant has filed all documents and reports required to be filed by Section 12, 13, or 15 (d) of the Securities Exchange Act of 1934 subsequent to the distribution of securities under a plan confirmed by a court.

Yes _____ No _____

APPLICABLE ONLY TO CORPORATE ISSUERS:

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Indicate the number of shares outstanding of each of the issuer's classes of Common Stock as of the latest practicable date: 58,383,594 shares of Common Stock as of February 15, 2012.

PART I. - FINANCIAL INFORMATION

- Item 1. Financial Statements
- Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.
- Item 3. Quantitative and Qualitative Disclosures About Market Risk.
- Item 4. Controls and Procedures.

PART II - OTHER INFORMATION

- Item 1. Legal Proceedings.
- Item 1A. Risk Factors.
- Item 2. Unregistered Sales of Equity Securities and Use of Proceeds.
- Item 3. Defaults Upon Senior Securities.
- Item 4. Removed and Reserved
- Item 5. Other Information.
- Item 6. Exhibits.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

Certain statements in this quarterly report on Form 10-Q contain or may contain forward-looking statements that are subject to known and unknown risks, uncertainties and other factors which may cause actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Generally, the words believes, anticipates, may, will, should, expect, estimate, continue, and similar expressions or the negative thereof or comparable terminology are intended to identify forward-looking statements which include, but are not limited to, statements concerning the Company's expectations regarding its working capital requirements, financing requirements, business prospects, and other statements of expectations, beliefs, future plans and strategies, anticipated events or trends, and similar expressions concerning matters that are not historical facts. These forward-looking statements were based on various factors and were derived utilizing numerous assumptions and other factors that could cause our actual results to differ materially from those in the forward-looking statements. These factors include, but are not limited to, economic, political and market conditions and fluctuations, government and industry regulation, interest rate risk, U.S. and global competition, and other factors. Most of these factors are difficult to predict accurately and are generally beyond our control. You should consider the areas of risk described in connection with any forward-looking statements that may be made herein. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this report. Readers should carefully review this quarterly report in its entirety, including but not limited to our financial statements and the notes thereto. Except for our ongoing obligations to disclose material information under the Federal securities laws, we undertake no obligation to release publicly any revisions to any forward-looking statements, to report events or to report the occurrence of unanticipated events. For any forward-looking statements contained in any document, we claim the protection of the safe harbor for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995.

PART 1 - FINANCIAL INFORMATION

Item 1. Financial Statements.

Wind Works Power Corp.

(A Continuation of Zero Emission People LLC)

Consolidated Interim Financial Statements

Period ended December 31, 2011 and 2010

(Unaudited)

MANAGEMENT’S RESPONSIBILITY FOR CONSOLIDATED INTERIM FINANCIAL STATEMENTS

To the shareholders of Wind Works Power Corp. (A Continuation of Zero Emission People LLC)

The consolidated interim financial statements and the notes thereto are the responsibility of the management of Wind Works Power Corp. (A Continuation of Zero Emission People LLC). These consolidated interim financial statements have been prepared in accordance with United States generally accepted accounting principles.

Management has developed and maintained a system of internal controls to provide reasonable assurance that all assets are safeguarded and to facilitate the preparation of relevant, reliable and timely financial information.

The Board of Directors is responsible for ensuring that management fulfills its responsibilities for financial reporting and internal controls.

“Ingo Stuckmann”

Ingo Stuckmann
President

Wind Works Power Corp.
(Formerly AmMex Gold Mining Corp. An Exploration Stage Company)
Consolidated Interim Balance Sheets
(Expressed in United States dollars, unless otherwise stated)

Assets	December 31, 2011	June 30, 2011
Current Assets		
Cash and cash equivalents	\$ 70,857	\$ 180,174
Prepaid expenses	252,127	112,033
Accounts receivable	2,330	3,584
Taxes receivable	226,615	83,739
Due from shareholder (Note 4)	1,850	1,850
Other assets	103,799	115,380
Cost in excess of billings on uncompleted contracts (Note 12)	105,327	77,862
	762,905	574,621
Capitalized lease costs	22,401	27,868
Wind projects (Note 11)	4,486,550	3,431,183
Wind project deposits (Note 13)	10,788,783	7,731,252
Fixed assets (Note 6)	4,343	4,830
Investment UW ZE Altenburg GmbH	16,190	18,149
Loans receivable (Note 4)	17,984	2,904
	15,336,251	11,216,186
	\$ 16,099,156	\$ 11,790,807
Liabilities and Stockholders Equity		
Liabilities		
Current Liabilities		
Accounts payable and accrued liabilities	\$ 3,676,850	\$ 2,233,438
Convertible debentures (Notes 7, 9)	504,879	385,000
Short term loans (Notes 4, 8)	192,153	202,787
	4,373,882	2,821,225
Third Party Loans (Note 9)	12,860,942	8,827,589
	17,234,824	11,648,814
Stockholders Equity		
Common Stock (Note 10)	58,389	47,029
Additional Paid-in Capital	8,056,125	7,419,568
Contributed Surplus	244,925	244,925
Share subscription liability	71,318	71,318
Deficit Accumulated during the Development Stage	(9,640,327)	(7,610,653)
Cumulative translation adjustment	73,902	(30,194)
	(1,135,668)	141,993
	\$ 16,099,156	\$ 11,790,807

Going concern (Note 2), Contingencies (Note 14), Commitments (Note 15), Subsequent Events (Note 16)

The accompanying notes are an integral part of the consolidated interim financial statements.

Wind Works Power Corp.
(Formerly AmMex Gold Mining Corp. An Exploration Stage Company)
Consolidated Statement of Operations (Unaudited)
For the Periods Ended December 31, 2011 and 2010
(Expressed in United States dollars, unless otherwise stated)

	Six Month Period Ended Dec 31 ,2011	Three Month Period Ended Dec 31, 2011	Six Month Period Ended Dec 31, 2010	Three Month Period Ended Dec 31,2010	Cumulative from May 2, 2008 (Inception) to Dec 31 2011
Income					
Interest	-	- \$	529 \$	167 \$	529
Non-refundable deposit (Note 13)	-	-	97,290	-	97,290
Total income	-	- \$	97,819 \$	167 \$	97,819
Expenses					
Advertising and promotion\$	18,206 \$	1,455 \$	5,206 \$	3,187 \$	61,358
Accretion interest (Note 7)	-	-	892,733	394,672	1,575,748
Consulting fees	582,935	376,956	1,012,291	594,070	2,664,930
Depreciation	487	244	609	304	2,414
Office and miscellaneous	17,113	14,326	14,390	13,556	46,858
Professional fees	137,963	6,318	222,505	129,836	710,374
Rent	3,438	859	4,921	2,457	17,455
Interest and service charges	451,623	229,782	82,279	44,156	741,602
Travel and lodging	18,702	(1,298)	3,392	-	42,534
Insurance	-	-	1,256	1,256	3,382
Project development costs	751,246	394,115	500,864	323,421	2,970,326
Foreign exchange	(4,560)	(6,267)	10,865	21,223	107,052
Loss on extinguishment of debt	-	-	-	-	564,130
Lease expense	52,521	26,166	39,965	16,227	229,983
Total operating expenses	2,029,674	1,042,656	2,791,276	1,544,365	9,738,146
Net loss for the period\$	2,029,674 \$	1,042,656 \$	2,693,457 \$	1,544,198 \$	9,640,327
Comprehensive loss (gain)					
Foreign currency translation adjustment	(104,096)	14,933	17,032	11,345	(73,902)
Comprehensive loss for the period\$	1,925,577 \$	1,057,590 \$	2,710,489 \$	1,555,543 \$	9,566,425
Basic and Diluted Loss per share					
Weighted Average Number of Shares Outstanding	(0.04)	(0.02)	(0.07)	(0.04)	
	51,371,994	51,371,994	37,384,135	38,138,693	

The accompanying notes are an integral part of the consolidated interim financial statements.

Wind Works Power Corp.

(Formerly AmMex Gold Mining Corp.- an Exploration Stage Mining Company)

Consolidated Statement of Cash Flows (Unaudited)**For the Periods Ended December 31, 2011 and 2010**

(Expressed in United States dollars, unless otherwise stated)

	Six month period Ended Dec. 31, 2011	Six month period Ended Dec 31, 2010	Cumulative from May 2, 2008 (Inception) to to Dec 31, 2011
Cash Flows from Operating Activities			
Net loss for the period	\$ (2,029,674)	\$ (2,693,457)	\$ (9,640,327)
Add (deduct) non-cash items:			
Depreciation	487	609	2,414
Lease amortization	-	5,466	22,132
Loss on extinguishment of debt	-	-	564,130
Accretion interest	-	892,733	1,575,748
Interest on debt modification	-	-	451,532
Shares issued for services	461,446	896,134	2,123,260
Stock based compensation	186,750	95,400	183,710
Warrants issued	21,971	-	21,971
Foreign exchange translation	104,096	-	104,096
Changes in non-cash working capital items:			
Accounts receivable	1,254	(159,353)	(334)
Taxes receivable	(142,876)	28,521	(226,615)
Prepaid expenses	(140,094)	(17,519)	(146,336)
Loans receivable	(15,080)	(2,678)	(15,080)
Costs in excess of billing	(60,230)	-	(138,092)
Other assets	11,581	-	(175,610)
Accounts payable and accrued liabilities	1,453,316	787,221	1,326,947
Fixed assets	-	-	1,552,829
Subtotal:	\$ (147,054)	\$ (166,923)	\$ (2,413,625)
Cash flow from investing activities:			
Wind project deposits	(3,057,531)	-	(9,949,163)
Cash acquired on reverse takeover	-	-	34,192
Purchase of fixed assets	-	-	(2,559)
Investments in wind projects	(1,055,367)	(215,370)	(1,515,932)
Investments in joint ventures	1,960	-	(16,190)
Leases	5,466	-	(44,534)
Subtotal:	\$ (4,105,472)	\$ (215,370)	\$ (11,494,186)
Cash flow from Financing activities			
Proceeds from private placement	-	150,000	800,000
Issuance of convertible debentures	179,879	150,000	604,879
Repayment of convertible debentures	(60,000)	-	(450,000)
Proceeds from loans payable	4,033,353	-	13,060,825
Proceeds from short term loans	(10,634)	-	(110,634)
Capital from limited partners	611	-	611
Subscriptions payable	-	71,318	71,137
Advances from related parties	-	-	1,850
Subtotal:	\$ 4,143,209	\$ 371,318	\$ 13,978,669

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Increase (decrease) in cash from continuing operations	(109,317)	(10,975)	70,857
Cash, beginning of period	180,174	39,263	-
Cash, end of period	\$ 70,857	\$ 28,288	\$ 70,857

Supplemental disclosure of non-cash transactions (Note 5)

The accompanying notes are an integral part of the consolidated financial statement

Wind Works Power Corp.
(Formerly AmMex Gold Mining Corp. - an Exploration Stage Company)
Consolidated Statements of Stockholders Equity (Audited)
For the Period Ended December 31, 2011
(Stated in US Dollars)

	Common Shares		Additional	Contributed	Share	Cumulative	Deficit	
	Number	Amount	Paid-in	Surplus	Subscription	Translation	Accumulated	Sto
			Capital		Liability	Adjustment	During the	Stage
Capital issued for financing	4,454,454	4,454	95,546	-	-	-	-	-
Net Loss	-	-	-	-	-	-	(1,150)	
Balance June 30, 2008	4,454,454	4,454	95,546	-	-	-	(1,150)	
Capital issued for financing	545,546	546	9,454	-	-	-	-	-
Net Loss	-	-	-	-	-	-	(53,184)	
Balance June 30, 2009	5,000,000	5,000	105,000	-	-	-	(54,334)	
Recapitalization (Note 1)	22,053,117	22,053	1,245,394	-	-	-	-	-
Capital issued for financing	1,080,000	1,080	538,920	-	-	-	-	-
Capital issued for services	1,501,500	1,502	902,849	-	-	-	-	-
Capital issued for wind projects	1,750,000	1,750	-	-	-	-	-	-
Stock based Compensation	-	-	-	88,085	-	-	-	-
Fair value of warrants	-	-	364,071	-	-	-	-	-
Beneficial conversion feature	-	-	842,650	-	-	-	-	-
Conversion of convertible debenture	62,500	63	24,937	-	-	-	-	-
Translation adjustment	-	-	-	-	-	(701)	-	-
Net Loss	-	-	-	-	-	-	(2,477,370)	
Balance June 30, 2010	31,447,117	31,448	4,023,824	88,085	-	-		