Alternative Energy Partners, Inc.
Form 10-Q/A
February 12, 2010

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

FORM 10-Q/A
(Amendment 1)

x Quarterly Report under Section 13 or 15(d) of the Securities Exchange Act of 1934.
For the quarterly period ended: October 31, 2009

o Transition Report under Section 13 or 15(d) of the Securities Exchange Act of 1934.
For the transition period from: _______ to _______

Commission file number: 333-154894

ALTERNATIVE ENERGY PARTNERS, INC.
(Exact name of small business issuer as specified in its charter)

FLORIDA	26-2862564
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer I.D. Number)

2400 E Commercial Boulevard, Suite 201, Fort Lauderdale, FL 33308
(Address of principal executive offices)

(954) 351-2554
(Issuer's telephone number)

Indicate by check mark whether the registrant (1) 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 x No 0

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 o No 0

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 "large accelerated filer," "accelerated filer," and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer 0 Accelerated filer 0

Non-accelerated filer 0 Smaller reporting company x

(Do not check if a smaller reporting company)

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act) Yes x No 0

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date: As of December 9, 2009, there were 44,547,000 shares of our common stock outstanding.

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Item I. Financial Statements

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

	October 31, 2009 (Unaudited)	July 31, 2009 (Audited)
Assets		
Current Assets		
Cash	$2,326	$66,919
Total Current Assets	2,326	66,919
Security Deposit	9,000	-
Total Assets	$11,326	$66,919
Liabilities and Stockholders' Equity (Deficit)		
Current Liabilities		
Accounts payable	$15,319	$4,067
Accrued liabilities	56	2,716
Total Current Liabilities	15,375	6,783
Stockholders' Equity (Deficit)		
Common stock, $0.0001 par value, 75,000,000 shares authorized;		
44,547,000 and 67,047,000 shares issued and outstanding	4,455	6,705
Additional paid-in capital	111,495	109,245
Deficit accumulated during the development stage	(119,999)	(55,814)
Total Stockholders' Equity (Deficit)	(4,049)	60,136
Total Liabilities and Stockholders' Equity (Deficit)	$11,326	$66,919

See notes to the consolidated financial statements.

Alternative Energy Partners, Inc.
(A Development Stage Company)
Statements of Operations
(Unaudited)

	For the Three Months Ended October 31, 2009	For the Three Months Ended October 31, 2008	For the Period from April 28, 2008 (Inception) to October 31, 2009
Revenues	$-	$-	$-
General and administrative	64,185	3,393	119,999
Net loss	$(64,185)	$(3,393)	$(119,999)
Net loss per common share - basic and diluted	$(0.00)	$(0.00)	$(0.00)
Weighted average number of common shares outstanding during the period - basic and diluted	46,772,275	66,136,451	63,167,036

See notes to the consolidated financial statements.

Alternative Energy Partners, Inc.
(A Development Stage Company)
Statement of Changes in Stockholders' Equity (Deficit)
For the period from April 28, 2008 (Inception)
to October 31, 2009
(Unaudited)

	Common Stock, $0.0001 Par Value Shares	Amount	Additional Paid-In Capital	Deficit Accumulated During the Development Stage	Total Stockholders' Equity (Deficit)
Proceeds from the issuance of common stock - founders - ($0.00003/share)	66,000,000	$ 6,600	$ (4,400)	$ -	$ 2,200
Proceeds from the issuance of common stock ($0.08/share)	78,000	8	6,492	-	6,500
Net loss for the period from April 28, 2008 (inception) to July 31, 2008	-	-	-	(3,000)	(3,000)
Balance - July 31, 2008	66,078,000	6,608	2,092	(3,000)	5,700
Stock issued for services ($0.005/share)	300,000	30	1,470	-	1,500
Proceeds from the issuance of common stock ($0.08/share)	69,000	7	5,743	-	5,750
Proceeds from the issuance of common stock ($0.17/share)	600,000	60	99,940	-	100,000
Net loss for the year ended July 31, 2009	-	-	-	(52,814)	(52,814)
Balance - July 31, 2009	67,047,000	6,705	109,245	(55,814)	60,136
Cancellation of common stock - founders ($0.0001/share)	(22,500,000)	(2,250)	2,250	-	-
Net loss for the period ended October 31, 2009	-	-	-	(64,185)	(64,185)
Balance - October 31, 2009	44,547,000	$ 4,455	$ 111,495	$ (119,999)	$ (4,049)

See notes to the consolidated financial statements.

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

	For the Three Months Ended October 31, 2009	For the Three Months Ended October 31, 2008	For the Period from April 28, 2008 (Inception) to October 31, 2009
CASH FLOWS FROM OPERATING ACTIVITIES:			
Net loss	$(64,185)	$(3,393)	$(119,999)
Adjustments to reconcile net loss to net cash used in operating activities:			
Issuance of common stock for services rendered	-	1,500	1,500
Changes in operating assets and liabilities:			
Increase in security deposits	(9,000)	-	(9,000)
Increase in accounts payable	11,252	-	15,319
Increase (Decrease) in accrued liabilities	(2,660)	-	56
Net Cash Used In Operating Activities	(64,593)	(1,893)	(112,124)
CASH FLOWS FROM FINANCING ACTIVITIES:			
Proceeds from issuance of common stock	-	250	114,450
Net Cash Provided By Financing Activities	-	250	114,450
Net Increase (Decrease) in Cash	(64,593)	(1,643)	2,326
Cash - Beginning of Period	66,919	5,700	-
Cash - End of Period	$2,326	$4,057	$2,326
SUPPLEMENTARY CASH FLOW INFORMATION:			
Cash Paid During the Period for:			
Income taxes	$-	$-	$-
Interest	$-	$-	$-

See notes to the consolidated financial statements.

Alternative Energy Partners, Inc.
(A Development Stage Company)
Notes to Financial Statements
October 31, 2009
(Unaudited)

Note 1 Basis of Presentation

The accompanying unaudited interim financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP") and the rules and regulations of the United States Securities and Exchange Commission ("SEC") for interim financial information and with the instructions to Form 10-Q and Article 10 of Regulation S-X. Accordingly, they do not include all the information and footnotes necessary for a comprehensive presentation of financial position, results of operations, or cash flows. It is management's opinion, however, that all material adjustments (consisting of normal recurring adjustments) have been made which are necessary for a fair financial statement presentation.

The unaudited interim financial statements should be read in conjunction with the Company's Annual Report on Form 10-K, which contains the audited financial statements and notes thereto, together with the Management's Discussion and Analysis, for the year ended July 31, 2009. The interim results for the period ended October 31, 2009 are not necessarily indicative of results for the full fiscal year.

Note 2 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 intends to become involved in the alternative energy sector. The Company is searching to acquire emerging growth companies to meet growing demands worldwide in the alternative energy sector.

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 intends to operate 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 2009 and 2008 included a 100% valuation allowance for deferred taxes due to the Company's continuing and expected future losses.

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 significantly 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 October 31, 2009 and July 31, 2009, 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 October 31, 2009 and July 31, 2009, respectively, there were no balances that exceeded the federally insured limit.

Alternative Energy Partners, Inc.
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Earnings per Share

Basic earnings (loss) per share is computed by dividing net income (loss) by weighted average number of shares of common stock outstanding during each period. Diluted earnings (loss) per share is computed by dividing net income (loss) by the weighted average number of shares of common stock, common stock equivalents and potentially dilutive securities outstanding during the period. For the period from April 28, 2008 (inception) to October 31, 2009, the Company had no common stock equivalents that could potentially dilute future earnings (loss) per share; hence, a separate computation of diluted earnings (loss) per share is not presented.

Share Based Payments

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. 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. The expense resulting from share-based payments are recorded as a component of general and administrative expense.

Segment Information

During the fiscal years 2009 and 2008, the Company only operated in one segment; therefore, segment information has not been presented.

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.

Recent Accounting Pronouncements

Effective July 1, 2009, the Company adopted The "FASB Accounting Standards Codification" and the Hierarchy of Generally Accepted Accounting Principles (ASC 105). This standard establishes only two levels of U.S. generally accepted accounting principles ("GAAP"), authoritative and nonauthoritative. The FASB Accounting Standards Codification (the "Codification") became the source of authoritative, nongovernmental GAAP, except for rules and interpretive releases of the SEC, which are sources of authoritative GAAP for SEC registrants. All other non-grandfathered, non-SEC accounting literature not included in the Codification became nonauthoritative. The Company began using the new guidelines and numbering system prescribed by the Codification when referring to GAAP in the third quarter of fiscal 2009. As the Codification was not intended to change or alter existing GAAP, it did not have a material impact on the Company's financial statements.

Effective June 30, 2009, the Company adopted three accounting standard updates which were intended to provide additional application guidance and enhanced disclosures regarding fair value measurements and impairments of securities. They also provide additional guidelines for estimating fair value in accordance with fair value accounting. The first update, as codified in ASC 820-10-65, provides additional guidelines for estimating fair value in accordance with fair value accounting. The second accounting update, as codified in ASC 320-10-65, changes accounting requirements for other-than-temporary-impairment (OTTI) for debt securities by replacing the current requirement that a holder have the positive intent and ability to hold an impaired security to recovery in order to conclude an impairment was temporary with a requirement that an entity conclude it does not intend to sell an impaired security and it will not be required to sell the security before the recovery of its amortized cost basis. The third accounting update, as codified in ASC 825-10-65, increases the frequency of fair value disclosures. These updates were effective for fiscal years and interim periods ended after June 15, 2009. The adoption of these accounting updates did not have a material impact on the Company’s financial statements.

Alternative Energy Partners, Inc.
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(Unaudited)

Effective June 30, 2009, the Company adopted a new accounting standard for subsequent events, as codified in ASC 855-10. The update modifies the names of the two types of subsequent events either as recognized subsequent events (previously referred to in practice as Type I subsequent events) or non-recognized subsequent events (previously referred to in practice as Type II subsequent events). In addition, the standard modifies the definition of subsequent events to refer to events or transactions that occur after the balance sheet date, but before the financial statements are issued (for public entities) or available to be issued (for nonpublic entities). It also requires the disclosure of the date through which subsequent events have been evaluated. The update did not result in significant changes in the practice of subsequent event disclosures, and therefore the adoption did not have a material impact on the Company's financial statements.

Effective January 1, 2009, the Company adopted an accounting standard update regarding the determination of the useful life of intangible assets. As codified in ASC 350-30-35, this update amends the factors considered in developing renewal or extension assumptions used to determine the useful life of a recognized intangible asset under intangibles accounting. It also requires a consistent approach between the useful life of a recognized intangible asset under prior business combination accounting and the period of expected cash flows used to measure the fair value of an asset under the new business combinations accounting (as currently codified under ASC 850). The update also requires enhanced disclosures when an intangible asset's expected future cash flows are affected by an entity's intent and/or ability to renew or extend the arrangement. The adoption did not have a material impact on the Company's financial statements.

In February 2008, the FASB issued an accounting standard update that delayed the effective date of fair value measurements accounting for all non-financial assets and non-financial liabilities, except for items that are recognized or disclosed at fair value in the financial statements on a recurring basis (at least annually), until the beginning of the first quarter of fiscal 2009. These include goodwill and other non-amortizable intangible assets. The Company adopted this accounting standard update effective January 1, 2009. The adoption of this update to non-financial assets and liabilities, as codified in ASC 820-10, did not have a material impact on the Company's financial statements.

Effective January 1, 2009, the Company adopted a new accounting standard update regarding business combinations. As codified under ASC 805, this update requires an entity to recognize the assets acquired, liabilities assumed, contractual contingencies, and contingent consideration at their fair value on the acquisition date. It further requires that acquisition-related costs be recognized separately from the acquisition and expensed as incurred; that restructuring costs generally be expensed in periods subsequent to the acquisition date; and that changes in accounting for deferred tax asset valuation allowances and acquired income tax uncertainties after the measurement period be recognized as a component of provision for taxes. The adoption did not have a material impact on the Company's financial statements.

In September 2009, the FASB issued Update No. 2009-13, "Multiple-Deliverable Revenue Arrangements—a consensus of the FASB Emerging Issues Task Force" (ASU 2009-13). It updates the existing multiple-element revenue arrangements guidance currently included under ASC 605-25, which originated primarily from the guidance in EITF Issue No. 00-21, "Revenue Arrangements with Multiple Deliverables" (EITF 00-21). The revised guidance primarily provides two significant changes: 1) eliminates the need for objective and reliable evidence of the fair value for the undelivered element in order for a delivered item to be treated as a separate unit of accounting, and 2) eliminates the residual method to allocate the arrangement consideration. In addition, the guidance also expands the disclosure requirements for revenue recognition. ASU 2009-13 will be effective for the first annual reporting period beginning on or after June 15, 2010, with early adoption permitted provided that the revised guidance is retroactively applied to the beginning of the year of adoption. The Company is currently assessing the future impact of this new accounting update to its financial statements.

Effective July 1, 2009, the Company adopted the Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") 105-10, Generally Accepted Accounting Principles – Overall ("ASC 105-10"). ASC 105-10 establishes the FASB Accounting Standards Codification (the "Codification") as the source of authoritative accounting principles recognized by the FASB to be applied by nongovernmental entities in the preparation of financial statements in conformity with U.S. GAAP. Rules and interpretive releases of the SEC under authority of federal securities laws are also sources of authoritative U.S. GAAP for SEC registrants. All guidance contained in the Codification carries an equal level of authority. The Codification superseded all existing non-SEC accounting and reporting standards. All other non-grandfathered, non-SEC accounting literature not included in the Codification is non-authoritative. The FASB will not issue new standards in the form of Statements, FASB Staff Positions or Emerging Issues Task Force Abstracts. Instead, it will issue Accounting Standards Updates ("ASUs"). The FASB will not consider ASUs as authoritative in their own right. ASUs will serve only to update the Codification, provide background information about the guidance and provide the bases for conclusions on the change(s) in the Codification. References made to FASB guidance throughout this document have been updated for the Codification.

Effective July 1, 2009, the Company adopted FASB ASU No. 2009-05, Fair Value Measurements and Disclosures (Topic 820) ("ASU 2009-05"). ASU 2009-05 provided amendments to ASC 820-10, Fair Value Measurements and Disclosures – Overall, for the fair value measurement of liabilities. ASU 2009-05 provides clarification that in circumstances in which a quoted price in an active market for the identical liability is not available, a reporting entity is required to measure fair value using certain techniques. ASU 2009-05 also clarifies that when estimating the fair value of a liability, a reporting entity is not required to include a separate input or adjustment to other inputs relating to the existence of a restriction that prevents the transfer of a liability. ASU 2009-05 also clarifies that both a quoted price in an active market for the identical liability at the measurement date and the quoted price for the identical liability when traded as an asset in an active market when no adjustments to the quoted price of the asset are required are Level 1 fair value measurements. Adoption of ASU 2009-05 did not have a material impact on the Company's results of operations or financial condition.

Alternative Energy Partners, Inc.
(A Development Stage Company)
Notes to Financial Statements
October 31, 2009
(Unaudited)

Note 3 Going Concern

As reflected in the accompanying financial statements, the Company has a net loss of $64,185 and net cash used in operations of $64,593 for the year ended August 31, 2009; and a working capital deficit of $13,049, an accumulated deficit of $119,999 and a stockholders' deficit of $4,049 at August 31, 2009.

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:

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

• the Company is cutting operating costs

Note 4 Fair Value

The Company has categorized assets and liabilities recorded at fair value based upon the fair value hierarchy specified by GAAP.

The levels of fair value hierarchy are as follows:

- Level 1 inputs utilize unadjusted quoted prices in active markets for identical assets or liabilities that the Company has the ability to access;

- Level 2 inputs utilize other-than-quoted prices that are observable, either directly or indirectly. Level 2 inputs include quoted prices for similar assets and liabilities in active markets, and inputs such as interest rates and yield curves that are observable at commonly quoted intervals; and

- Level 3 inputs are unobservable and are typically based on our own assumptions, including situations where there is little, if any, market activity.

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, the Company categorizes such financial asset or liability based on the lowest level input that is significant to the fair value measurement in its entirety. Our assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment and considers factors specific to the asset or liability.

Both observable and unobservable inputs may be used to determine the fair value of positions that are classified within the Level 3 category. As a result, the unrealized gains and losses for assets within the Level 3 category presented in the tables below may include changes in fair value that were attributable to both observable and unobservable inputs.

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(A Development Stage Company)
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(Unaudited)

Note 5 Lease Agreement

On August 15, 2009, the Company entered into an operating lease for office space. This lease expires on August 15, 2014 and has an option to extend the lease for an additional 3 years at the end of the 5th year. On September 25, 2009, the Company paid a $9,000 security deposit associated with the execution of this lease.

The following schedule shows committed amounts due for the lease agreement for the years ended July 31:

2010:	$	33,000
2011:		33,960
2012:		38,196
2013:		39,336
2014:		40,512
Total:	$	185,034

Note 6 Advances – Related Party

During September and October 2009, the Company advanced $5,000 to its Chairman and CEO. These loans were non-interest bearing, unsecured and due on demand. These loans were repaid in October 2009.

Note 7 Stockholders' Equity (Deficit)

In May 2008, the Company issued 66,000,000 shares of common stock to founders for $2,200 ($0.00003/share). On August 10, 2009, the Company cancelled 22,500,000 shares of common stock, having a fair value of $750 ($0.00003/share), held by a founder for no additional consideration.

During the period May – July 2008, the Company issued 78,000 shares of common stock for $6,500 ($0.08/share), under a private placement.

During August 2008, the Company issued 3,000 shares of common stock for $250 ($0.08/share), under a private placement.

During October 2008, the Company issued 300,000 shares of common stock for services rendered for $1,500 ($0.005/share), based upon the fair value of the services provided, for consulting services. The fair value of the services provided reflect a more readily determinable fair value than the shares issued in recent cash transactions with third parties. At July 31, 2009, the Company expensed this stock issuance as a component of general and administrative expense.

On January 31, 2009, the Company issued 66,000 shares of common stock for $5,500 ($0.08/share), under a private placement.

On April 15, 2009, the Company issued 600,000 shares of common stock for $100,000 ($0.17/share), under a private placement.

On August 5, 2009, the Company effected a stock dividend. Each stockholder of record as of August 19, 2009 received 2 shares of common stock for each share of common stock they owned. All share and per share amounts have been retroactively restated.

On November 10, 2009, the Company amended its articles of incorporation to increase the authorized common stock to 75,000,000 shares.

Note 8 Subsequent Events

The Company has evaluated for subsequent events between the balance sheet date of October 31, 2009 and December 21, 2009, the date the financial statements were issued.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operation

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-Q and in “Item 1 - Our Business,” “Item 6 - Management’s Discussion and Analysis,” and elsewhere in our most recent Form 10-K, filed with the United States Securities and Exchange Commission.

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”) 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 a renewable fuel sources initially within the State of Florida. Ethanol is our initial intended product and we intend to establish other alternative energy products including, but not limited to, solar and biodiesel. Our intended products, while not technically difficult to produce, must meet all regulatory requirements prior to being marketed. Moreover, there is a multitude of competitive products already in the market place.

Current Business of the Company

We are a development stage company which plans to enter into the business of sourcing, marketing and distribution of renewable biofuels. Initially we intend to work to source raw materials needed for the domestic manufacture of ethanol in South Florida. We entered into a Letter of Intent with Cane Fuel, Inc., whereby we had intended to enter into agreements to provide sufficient quantities of ethanol feedstock derived from sources other than corn. Such agreements were intended to be joint venture agreements whereby we could work to provide feedstock for ethanol production and participate in the distribution of the blended product. We intended to work with a strategic partner to develop a plant having substantial production capability of ethanol. The proposed plant would have production capability of 50 million gallons of ethanol annually. The ethanol expected to be produced is intended to be used by refineries or blenders and ultimately blended with gasoline for internal combustion engines. We intend to work with sugar cane, sweet sorghum and other available sources of cellulosic materials to produce ethanol. Our strategic partner has not commenced land acquisition and plant development as of the date hereof. The Company is still pursuing opportunities in the ethanol industry.

Our business model recognizes that the vast majority of agricultural enterprises use distillate fuel oil in their respective operations. We believe our intended products could represent a real alternative and, because most of the constituent components will be domestically produced, a more stable and cost effective source for the U.S. consumer. Ethanol is a renewable biofuel for which demand is increasing throughout the U.S. Ethanol refineries are expected to increase production capacities in an effort to decrease dependence on foreign oil.

The vast majority of all agricultural enterprises use distillate fuel oil in their operations. We believe our intended biofuel and alternative energy products could represent a real alternative and, because most of the constituent components will be domestically produced, a more stable and cost effective source for their fuel energy needs.

Initially, our largest target market is intended to be the consumers able to utilize ethanol as the primary blend component in E85, an unleaded gasoline alternative. In order to reach that market, we must begin by establishing and proving that our fuel reliable and as easily distributed as current competitors. For any alternative energy product (i.e. solar, biodiesel), we intend to prove market viability prior to engaging in distribution.

Plan of Operation

We are a development stage company which plans to enter into the business of sourcing, marketing and distribution of renewable biofuels and alternative energy products. Initially we intend to work to source raw materials needed for the domestic manufacture of ethanol in South Florida. We have entered into a Letter of Intent with Cane Fuel, Inc., whereby we intended to enter into agreements to provide sufficient quantities of ethanol feedstock derived from sources other than corn. Such agreements were intended to be joint venture agreements whereby we can work to provide feedstock for ethanol production and participate in the distribution of the blended product. As of the date hereof, our strategic partner (Cane Fuel) has not commenced the property acquisition and development of an ethanol plant and will not for the foreseeable future.

On January 1, 2009, we entered into a Distribution Agreement (the "Agreement") with Cutversion Technologies Corp. ("Cutversion") whereby the Company, upon EPA approval, has the right to market and sell an E-85 ethanol conversion kit in the Southeastern U.S. The conversion kit, when completed and approved, will allow all fuel injected vehicles to run on virtually any form of E-85 ethanol regardless of feedstock source. The Company can maintain its exclusive arrangement with Cutversion through the sale of a minimum of 1000 kits within the 12 month period from the time final product becomes available for sale under EPA requirements. The Agreement is effective for a term of three (3) years and continued thereafter for successive one year terms. The conversion kit is not ready for sale and distribution as of the date hereof.

Our business model recognizes that the vast majority of agricultural enterprises use distillate fuel oil in their respective operations. We believe our intended product(s) could represent a real alternative and, because most of the constituent components will be domestically produced, a more stable and cost effective source for the U.S. consumer. Ethanol is a renewable biofuel for which demand is increasing throughout the U.S. Ethanol refineries are expected to increase production capacities in an effort to decrease dependence on foreign oil.

The vast majority of all agricultural enterprises use distillate fuel oil in their operations. We believe our intended biofuel product(s) could represent a real alternative and, because most of the constituent components will be domestically produced, a more stable and cost effective source for their fuel energy needs.

We have also pursued other alternative energy products in the areas of solar and biodiesel.

Results of Operations for Period Ended October 31, 2009

As of October 31, 2009, the Company has earned revenues of $-0- and has incurred a net loss since inception of $119,999. Operations have been attributed primarily to start up and business development.

During the three month period ended October 31, 2009, we incurred operating expenses in the amount of $64,185. These operating expenses included professional fees and office and general expenses.

Liquidity and Capital Resources

To date, we have financed our operations from funds raised from private investment and publicly registered shares. As of October 31, 2009, we had cash on hand of $2,326.

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.

Furniture and equipment are recorded at cost and depreciated on a declining balance and straight-line basis over their estimated useful lives, principally two to seven years. Accelerated methods are used for tax depreciation. Maintenance and repairs are charged to operations when incurred. Betterments and renewals are capitalized. When furniture and equipment are sold or otherwise disposed of, the asset account and related accumulated depreciation account are relieved, and any gain or loss is included in operations.

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.

New Accounting Pronouncements

In December 2007, the FASB issued SFAS No. 160, "Noncontrolling Interests in Consolidated Financial Statements, an amendment of Accounting Research Bulletin No 51" ("SFAS 160"). SFAS 160 establishes accounting and reporting standards for ownership interests in subsidiaries held by parties other than the parent, changes in a parent's ownership of a noncontrolling interest, calculation and disclosure of the consolidated net income attributable to the parent and the noncontrolling interest, changes in a parent's ownership interest while the parent retains its controlling financial interest and fair value measurement of any retained noncontrolling equity investment. SFAS 160 is effective for financial statements issued for fiscal years beginning after December 15, 2008, and interim periods within those fiscal years. Early adoption is prohibited. The adoption of SFAS No. 160 did not have a material effect on the Company's financial position, results of operations or cash flows.

In December 2007, the FASB issued SFAS 141R, "Business Combinations" ("SFAS 141R"), which replaces FASB SFAS 141, "Business Combinations". This Statement retains the fundamental requirements in SFAS 141 that the acquisition method of accounting be used for all business combinations and for an acquirer to be identified for each business combination. SFAS 141R defines the acquirer as the entity that obtains control of one or more businesses in the business combination and establishes the acquisition date as the date that the acquirer achieves control. SFAS 141R will require an entity to record separately from the business combination the direct costs, where previously these costs were included in the total allocated cost of the acquisition. SFAS 141R will require an entity to recognize the assets acquired, liabilities assumed, and any non-controlling interest in the acquired at the acquisition date, at their fair values as of that date. This compares to the cost allocation method previously required by SFAS No. 141. SFAS 141R will require an entity to recognize as an asset or liability at fair value for certain contingencies, either contractual or non-contractual, if certain criteria are met. Finally, SFAS 141R will require an entity to recognize contingent consideration at the date of acquisition, based on the fair value at that date. This Statement will be effective for business combinations completed on or after the first annual reporting period beginning on or after December 15, 2008. Early adoption of this standard is not permitted and the standards are to be applied prospectively only. Upon adoption of this standard, there would be no impact to the Company's results of operations and financial condition for acquisitions previously completed. The adoption of SFAS No. 141R did not have a material effect on the Company's financial position, results of operations or cash flows.

In October 2008, the FASB issued FSP FAS 157-3, "Determining the Fair Value of a Financial Asset When the Market For That Asset Is Not Active" ("FSP FAS 157-3"), with an immediate effective date, including prior periods for which financial statements have not been issued. FSP FAS 157-3 amends FAS 157 to clarify the application of fair value in inactive markets and allows for the use of management's internal assumptions about future cash flows with appropriately risk-adjusted discount rates when relevant observable market data does not exist. The objective of FAS 157 has not changed and continues to be the determination of the price that would be received in an orderly transaction that is not a forced liquidation or distressed sale at the measurement date. The adoption of FSP FAS 157-3 is not expected to have a material effect on the Company's financial position, results of operations or cash flows.

In April 2009, the FASB issued FSP SFAS 157-4, "Determining Whether a Market Is Not Active and a Transaction Is Not Distressed," which further clarifies the principles established by SFAS No. 157. The guidance is effective for the periods ending after June 15, 2009 with early adoption permitted for the periods ending after March 15, 2009. The adoption of FSP FAS 157-4 did not have a material effect on the Company's financial position, results of operations, or cash flows.

Other recent accounting pronouncements issued by the FASB (including its EITF), the AICPA, and the SEC did not or are not believed by management to have a material impact on the Company's present or future financial statements.

Item 3. Quantitative and Qualitative Disclosures About Market

We are a smaller reporting company as defined by Rule 12b-2 of the Exchange Act and are not required to provide the information required under this item.

Item 4. Controls and Procedures

The Company's Chief Executive Officer, also serving as Chief Financial Officer and Principal Accounting Officer, has 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 and for the period covered by this Quarterly Report on Form 10-Q. Based upon such evaluation, management concluded that, as of the end of such period, the Company's disclosure controls and procedures were not effective. The controls were determined to be ineffective due to the lack of segregation of duties. Currently, the Chief Executive Officer serves in the capacity of Chief Financial Officer and Principal Accounting Officer and there is no segregation of duties and there is no independent audit committee. Until such time as the Company has received additional funding, it will be unable to remediate the weakness.

Changes in Internal Control Over Financial Reporting

No change in the Company's internal control over financial reporting occurred during the three months ended October 31, 2009, that materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting

PART II - OTHER INFORMATION

Item 1. Legal Proceedings

Neither the Company nor any of our officers or directors are involved in any litigation either as plaintiffs or defendants and we have no knowledge of any threatened or pending litigation against us or any of our officers or directors.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

During the three months ended October 31, 2009, we have conducted no sales of the Company's equity securities.

Item 3. Defaults Upon Senior Securities

There were no defaults since we have no debt and no senior securities outstanding.

Item 4. Submission of Matters to a Vote of Security Holders

There were no matters submitted to a vote of our shareholders.

Item 5. Other Information.

None

Item 6. Exhibits

Exhibit No.	Description of Exhibit
31	Certification of Chief Executive/Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
32	Certification of Chief Executive/Financial Officer pursuant to Section 906

SIGNATURE

In accordance with the requirements of the Exchange Act, the registrant caused this report to be signed on its behalf by the undersigned, hereunto duly authorized.

Alternative Energy Partners, Inc.

Date: Feburary 11, 2010
/s/ Jack L. Stapleton
Jack L. Stapleton
Principal Executive Officer
Principal Financial Officer
Principal Accounting Officer
and Director
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