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

# FORM 10-Q

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

**For the quarterly period ended June 30, 2016**

**or**

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

**For the transition period from _____to_____.**

**Commission File Number 000-54307**

# National Waste Management Holdings, Inc.

(Exact name of small business issuer as specified in its charter)

| **FLORIDA** | **27-2037711** |
| --- | --- |
| (State or other jurisdiction of incorporation or organization) | (I.R.S. Employer Identification No.) |

**5920 N. Florida Avenue**
**Hernando, FL 34442**
(Address of principal executive offices)

**(352) 489-6912**
(Company's telephone number, including area code)

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 definition of "large accelerated filer," "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 | ☒ |

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

The Company has 66,923,312 shares outstanding as of August 10, 2016.

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NATIONAL WASTE MANAGEMENT HOLDINGS, INC.
CONSOLIDATED BALANCE SHEETS
AS OF JUNE 30, 2016 AND DECEMBER 31, 2015

| | 2016 | 2015 |
|---|---|---|
| **Assets** | | |
| Current assets: | | |
| Cash and cash equivalents | $ 276,976 | $ 344,365 |
| Accounts receivable, net | 656,444 | 570,347 |
| Prepaids and other current assets | 66,790 | 38,362 |
| Due from related party | 54,473 | 54,473 |
| Total current assets | 1,054,683 | 1,007,547 |
| Property and equipment, net | 4,930,029 | 5,041,280 |
| Other assets: | | |
| Secured letter of credit | 324,950 | 324,950 |
| Intangible assets, net | 1,354,721 | 1,413,353 |
| Goodwill | 2,215,236 | 2,179,183 |
| Deferred tax asset | 36,474 | 53,662 |
| Other deposits | 13,698 | 8,750 |
| Total other assets | 3,945,079 | 3,979,898 |
| Total assets | $ 9,929,791 | $ 10,028,725 |
| **Liabilities and Stockholder's Equity (Deficit)** | | |
| Current liabilities: | | |
| Accounts payable and accrued expenses | $ 284,411 | $ 261,199 |
| Current portion of long term debt | 146,073 | 184,932 |
| Current portion of capital lease obligations | 28,125 | 25,131 |
| Due to related party | 126,913 | 742,441 |
| Short term related party acquisition notes | 25,000 | 350,000 |
| Accrued preferred stock dividends | 100,000 | - |
| Total current liabilities | 710,522 | 1,563,703 |
| Long-term liabilities: | | |
| Capital lease obligations, net of current portion | 83,656 | 102,929 |
| Long term debt, net of current portion | 349,430 | 419,073 |
| Environmental remediation obligation | 424,596 | 424,596 |
| Loan from shareholder | - | 2,017,301 |
| Long term deferred tax liability | 70,221 | 70,221 |
| Total liabilities | $ 1,638,425 | $ 4,597,823 |
| Commitments and contingencies (see note 5) | | |
| Stockholders' equity (deficit): | | |
| Common stock, no par value; 250,000,000 shares authorized, 66,923,312 and 62,880,483 shares issued and outstanding at June 30, 2016 and December 31, 2015, respectively. | $ - | $ - |
| Series A Preferred stock, no par value; 10,000,000 shares authorized, 1 share and 0 shares issued and outstanding as of June 30, 2016 and December 31, 2015, respectively | - | - |
| Series B Preferred stock, no par value; 10,000,000 shares authorized, 2,000,000 shares and 0 shares issued and outstanding as of June 30, 2016 and December 31, 2015, respectively | 2,000,000 | - |
| Additional paid-in capital | 6,238,415 | 2,456,136 |
| Common stock subscribed | 375,304 | 3,150,000 |
| Retained earnings (deficit) | (322,353) | (175,234) |
| Total stockholders' equity | 8,291,366 | 5,430,902 |
| Total liabilities and stockholders' equity | $ 9,929,791 | $ 10,028,725 |

See the notes to the consolidated financial statements

NATIONAL WASTE MANAGEMENT HOLDINGS, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS
FOR THE SIX MONTHS AND THREE MONTHS ENDED JUNE 30, 2016 AND 2015

| | Six Months Ended June 30, 2016 | Six Months Ended June 30, 2015 | Three Months Ended June 30, 2016 | Three Months Ended June 30, 2015 |
|---|---|---|---|---|
| Revenues | $ 3,117,634 | $ 870,126 | $ 1,564,338 | $ 479,534 |
| Cost of revenues | 1,897,375 | 445,539 | 980,341 | 247,632 |
| Gross profit | 1,220,259 | 424,587 | 583,997 | 231,902 |
| Selling, general and administrative expenses | 1,166,866 | 233,300 | 574,618 | 112,545 |
| Income from operations | 53,393 | 191,287 | 9,379 | 119,357 |
| Other income (expenses): | | | | |
| Interest expense | (35,772) | (19,620) | (18,707) | (11,454) |
| Write off of landfill deposits | (72,473) | - | - | - |
| Write off of other deposits | (18,500) | - | (18,500) | - |
| Other expenses | - | (4,807) | - | - |
| Total other income (expenses) | (126,745) | (24,427) | (37,207) | (11,454) |
| Income (loss) before income taxes | (73,352) | 166,860 | (27,828) | 107,903 |
| Income tax expense (benefit) | (26,233) | 63,744 | (21,915) | 43,161 |
| Net income (loss) | $ (47,119) | $ 103,116 | $ (5,913) | $ 64,742 |
| Net income (loss) per common share: | | | | |
| Basic | $ (0.001) | $ 0.002 | $ (0.000) | $ 0.001 |
| Diluted | $ (0.001) | $ 0.002 | $ (0.000) | $ 0.001 |
| Weighted average number of shares outstanding: | | | | |
| Basic | 66,178,188 | 60,054,444 | 66,668,596 | 60,100,000 |
| Diluted | 66,178,188 | 60,054,444 | 66,668,596 | 60,100,000 |

See the notes to the consolidated financial statements

NATIONAL WASTE MANAGEMENT HOLDINGS, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE SIX MONTHS ENDED JUNE 30, 2016 AND 2015

| | Six Months Ended June 30, 2016 | Six Months Ended June 30, 2015 |
|---|---|---|
| Cash flow from operating activities: | | |
| Net income (loss) | $ (47,119) | $ 103,116 |
| Adjustments to reconcile net income to net cash provided by operating activities: | | |
| Depreciation and amortization expenses | 524,170 | 80,279 |
| Non-cash professional expenses | 71,867 | 108,042 |
| Bad debt expense | - | (81,761) |
| Non cash write off of acquisition deposits | 50,000 | - |
| (Increase) decrease in assets: | | |
| Accounts receivable, net | (86,097) | (2,247) |
| Other current assets | 16,762 | 1,025 |
| Deposits | (4,948) | 8,662 |
| (Decrease) increase in liabilities: | | |
| Accounts payable and accrued expenses | 5,909 | 115,845 |
| Related party accrued interest | - | 3,772 |
| Deferred tax assets and liabilities, net | 17,188 | - |
| Net cash provided by operating activities | $ 547,732 | $ 336,733 |
| | | |
| Cash flows from investing activities: | | |
| Acquisition of business | (230,000) | - |
| Purchases of property and equipment | (160,340) | (19,095) |
| Purchases of intangible assets | - | (24,272) |
| Net cash used in investing activities | $ (390,340) | $ (43,367) |
| | | |
| Cash flows from financing activities: | | |
| Payments on long term debt | (108,502) | - |
| Payments on loan from shareholder | - | (51,790) |
| Payments on capital lease obligation | (16,279) | (10,166) |
| Payments on related party payables | (25,000) | - |
| Payments on short term acquisition note | (75,000) | - |
| Net cash provided by (used in) financing activities | $ (224,781) | $ (61,956) |
| | | |
| Net increase (decrease) in cash | $ (67,389) | $ 231,410 |
| Cash, beginning of period | 344,365 | 108,642 |
| Cash, end of period | $ 276,976 | $ 340,052 |
| | | |
| Supplemental disclosure of cash flow information: | | |
| Cash paid during the year for interest | $ 36,037 | $ 15,903 |
| Cash paid during the year for income taxes | $ - | $ - |
| | | |
| Supplemental schedule of non-cash activities: | | |
| Issuances of shares subscribed | $ 3,150,000 | $ - |
| Short term acquisition note paid on behalf of Company by a related party | $ 250,000 | $ - |
| Settlement of amounts due to related party for common stock subscribed | $ 362,154 | $ - |
| Conversion of shareholder debt to 10% cumulative preferred stock | $ 2,000,000 | $ - |
| Conversion of shareholder debt to non-interest bearing accrued short term payable (remaining difference from Preferred Conversion of Shareholder Debt) | $ 17,301 | $ - |
| Preferred stock dividends accrued, not paid | $ 100,000 | $ - |
| Conversion of related party payable to restricted common stock | $ 592,829 | $ - |
| Issuance of shares for professional services, partially prepaid | $ 39,450 | $ 2,600 |
| Issuance of shares subscribed for professional services, partially prepaid | $ 13,150 | $ - |
| Issuances of shares subscribed for deposits on landfill | $ - | $ 150,000 |
| Issuances of shares subscribed for professional services | $ - | $ 111,642 |

See the notes to the consolidated financial statements

**NATIONAL WASTE MANAGEMENT HOLDINGS, INC.**
**CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS**

**Note 1 – Business Organization**

These financial statements represent the financial statements of National Waste Management Holdings, Inc. ("NWMH") and its wholly owned operating subsidiaries, Sand/Land of Florida Enterprises, Inc. ("Sand/Land"), Waste Recovery Enterprises, LLC ("WRE") and Gateway Rolloff Services, LP ("Gateway"). NWMH, Sand/Land, WRE and Gateway are collectively referred to herein as the "Company". The Company changed its name from Kopjaggers, Inc. to National Waste Management Holdings, Inc. effective October 31, 2014.

On June 16, 2014, pursuant to a share exchange agreement, NWMH merged with Sand/Land, a Florida corporation formed as a S-Corporation under the laws of the State of Florida on August 15, 1986, in which the existing stockholders of Sand/Land exchanged all of their issued and outstanding shares of common stock for 9,490,000 shares of common stock of NWMH (the "Reverse Merger"). After the consummation of the Reverse Merger, stockholders of Sand/Land owned 47.45% of NWMH's outstanding common stock.

As a result of the Reverse Merger, Sand/Land became a wholly owned subsidiary of NWMH. For accounting purposes, the Reverse Merger was treated as a reverse acquisition with Sand/Land as the acquirer and NWMH as the acquired party.

WRE and Gateway were related party acquisitions. They were acquired on October 15, 2015 and December 1, 2015, respectively. See Notes 9 and 10, "Related Party Transactions" and "Acquisitions", respectively.

Sand/Land is a solid waste management company headquartered in Central Florida, currently operating a licensed Construction & Demolition landfill. The Company's primary operations are based near Tampa, Florida.

WRE is a waste management company that offers trash collection services, roll-off services and a full service transfer station. The Company also offers wood grinding, demolition, mulch and gravel services. The Company's primary operations are based near Binghamton, New York. The Company was founded in 1998 and principally serves the Northeastern U.S. industrial and residential markets.

Gateway offers commercial and residential dumpster service and roll-off boxes for construction and clean up projects specializing in the removal of debris, garbage, waste, hauling construction and demolition debris, focused on servicing general contractors, new home builders, reconstruction, renovation, landscaping and home improvement professionals. The Company's primary operations are based near Tampa, FL.

The Company, as a consolidated entity, is a full service solid waste management company headquartered near Tampa, Florida with operations in Florida and New York.

***Basis of Presentation***

The financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America ("GAAP"). The Consolidated financial statements include the operations of Sand/Land, WRE and Gateway, together, NWMH.

**Note 2 – Significant Accounting Policies**

***Use of Estimates***

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the amounts reported in the financial statements. Actual results could differ from those estimates.

***Fair Value of Financial Instruments***

For certain financial instruments, including accounts receivable, accounts payable, accrued expenses, interest payable, advances payable and notes payable, the carrying amounts approximate fair value due to their relatively short maturities.

The Company adopted ASC 820-10, "Fair Value Measurements and Disclosures." ASC 820-10 defines fair value, and establishes a three-level valuation hierarchy for disclosures of fair value measurement that enhances disclosure requirements for fair value measures. The carrying amounts reported in the consolidated balance sheets for receivables and current liabilities each qualify as financial instruments and are a reasonable estimate of their fair values because of the short period of time between the origination of such instruments and their expected realization and their current market rate of interest. The three levels of valuation hierarchy are defined as follows:

- Level 1 inputs to the valuation methodology are quoted prices for identical assets or liabilities in active markets.

- Level 2 inputs to the valuation methodology include quoted prices for similar assets and liabilities in active markets, and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the financial instrument.

- Level 3 inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The Company did not identify any non-recurring assets and liabilities that are required to be presented in the balance sheets at fair value in accordance with ASC 815.

In February 2007, the FASB issued ASC 825-10 "Financial Instruments." ASC 825-10 permits entities to choose to measure many financial assets and financial liabilities at fair value. Unrealized gains and losses on items for which the fair value option has been elected are reported in earnings.

The carrying amounts of cash and current liabilities approximate fair value due to the short maturity of these items. These fair value estimates are subjective in nature and involve uncertainties and matters of significant judgment, and, therefore, cannot be determined with precision. Changes in assumptions could significantly affect these estimates. The Company does not hold or issue financial instruments for trading purposes, nor does it utilize derivative instruments in the management of foreign exchange, commodity price, or interest rate market risks.

**Note 2 – Significant Accounting Policies (Continued)**

***Revenue and Cost Recognition***

The Company applies paragraph 605-10-S99-1 of the FASB Accounting Standards Codification for revenue recognition. The Company recognizes revenue when it is realized or realizable and earned. The Company considers revenue realized or realizable and earned when all of the following criteria are met: (i) persuasive evidence of an arrangement exists, (ii) the sales price is fixed or determinable, (iii) collectability is reasonably assured and (iv) goods have been shipped and/or services rendered.

***Cash and Cash Equivalents***

For purposes of reporting cash flows, the Company considers cash and cash equivalents to be all highly liquid deposits with maturities of three months or less. Cash equivalents are carried at cost, which approximates market value.

The Company maintains its cash and cash equivalents at various financial institutions where they are insured by the Federal Deposit Insurance Corporation (FDIC) up to $250,000. The balances of these accounts from time to time may exceed federally insured limits. The Company has not experienced any losses in such accounts.

***Accounts Receivable, Bad Debts and Allowance for Doubtful Accounts***

An allowance for doubtful accounts is provided for as a percentage of trade accounts receivable based on historical loss experience. As of June 30, 2016 and December 31, 2015, the allowance for doubtful accounts was approximately $20,000 and $20,000, respectively. Consolidated bad debt expense recognized for the six months ended June 30, 2016 and 2015 was $3,613 and ($81,761), respectively. The reason for the negative bad debt expense balance at June 30, 2015 is due to the allowance being overstated at June 30, 2015 and requiring adjustment. Consolidated bad debt expense for the three months ended June 30, 2016 and 2015 was $3,281 and $762, respectively.

***Property, Plant and Equipment***

Property, plant and equipment are recorded at cost less accumulated depreciation. Expenditures for major additions and improvements are capitalized. As property and equipment are sold or retired, the applicable cost and accumulated depreciation are removed from the accounts and any resulting gain or loss thereon is recognized as other operating income or expenses.

**Note 2 – Significant Accounting Policies (Continued)**

***Property, Plant and Equipment (Continued)***

Depreciation is calculated using the straight-line method over the estimated useful lives or, in the case of leasehold improvements, the term of the related lease, including renewal periods, if shorter. Estimated useful lives are as follows:

| | |
|---|---|
| Transportation equipment | 5 years |
| Office and machinery equipment | 5 years |
| Roll off containers | 5-7 years |
| Buildings | 39.5 years |
| Airspace | 39.5 years |

The Company reviews property, plant and equipment and all amortizable intangible assets for impairment whenever events or changes in circumstances indicate that the carrying amount of these assets may not be recoverable. Recoverability is based on estimated undiscounted cash flows. Measurement of the impairment loss, if any, is based on the difference between the carrying value and fair value.

***Impairment of Long-Lived Assets and Amortizable Intangible Assets***

The Company follows ASC 360-10, "Property, Plant, and Equipment," which established a "primary asset" approach to determine the cash flow estimation period for a group of assets and liabilities that represents the unit of accounting for a long-lived asset to be held and used. Long-lived assets to be held and used are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. The carrying amount of a long-lived asset is not recoverable if it exceeds the sum of the undiscounted cash flows expected to result from the use and eventual disposition of the asset. Long-lived assets to be disposed of are reported at the lower of carrying amount or fair value less cost to sell. Through June 30, 2016, the Company has not experienced impairment losses on its long-lived assets or intangible assets.

***Goodwill***

Goodwill consists of the excess of cost over identifiable net tangible and intangible assets of company's acquired. In accordance with the Accounting Standards Codification ("ASC") 350, "Intangibles-Goodwill and Other", the carrying amount of goodwill and intangible assets is to be reviewed at least annually for impairment, and losses in value, if any, will be charged to operations in the period of impairment. Goodwill was determined to not be impaired as of June 30, 2016. The test for impairment was done in accordance with guidance in Accounting Standards Update (ASU) 2011-8 for the year ended December 31, 2015. ASU 2011-8 permits an entity to evaluate qualitative factors to assess whether impairment is more likely than not to have occurred.

The Company acquired two related entities during 2015, assigning $1,238,173 and $941,010 of Goodwill to the purchase prices of WRE and Gateway, respectively. During the six months ended June 30, 2016, the Company acquired a company for $230,000, and assigned $36,053 to goodwill based on the acquisition purchase price allocation. Total Goodwill at June 30, 2016 and December 31, 2015 was $2,215,236 and $2,179,183, respectively. See Note 10, "Acquisitions" for the purchase price allocation of the business.

**Note 2 – Significant Accounting Policies (Continued)**

***Intangible Assets***

The Company has certain intangible assets resulting from business combinations and acquisitions that are recorded at cost. Intangible assets with finite lives are amortized on a straight-line basis over their respective estimated useful lives.

Intangible assets with finite lives are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of the asset may not be recoverable. If the estimated undiscounted future cash flows related to the asset are less than the carrying value, the Company recognizes a loss equal to the difference between the carrying value and the estimated fair value, usually determined by the estimated discounted future cash flows of the asset. See note 10, “Acquisitions” for details related to the purchase price allocation of identified definite lived amortizable intangible assets, including customer lists, licenses, permits, non-compete agreements and trademarks. The Company has a customer list that was bought from a related party in 2011, a website built in 2015 and engineering costs as part of a 10 year permit renewal with the Department of Environmental Protection. The Company purchased two related entities during 2015 and one unrelated business in 2016, assigning a portion of the purchase price to intangible assets, primarily customer lists to the purchases accordingly. See note 4, “Intangible Assets” and Note 10, “Acquisitions”.

***Advertising Costs***

The Company expenses all advertising costs as incurred. Consolidated advertising expenses for the six months ended June 30, 2016 and 2015 were $6,405 and $2,674, respectively. The consolidated advertising expenses for the three months ended June 30, 2016 and 2015 were $3,605 and $2,302, respectively.

***Income Taxes***

The Company recognizes deferred tax assets and liabilities for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The Company reviews the tax positions taken or expected to be taken on tax returns to determine whether and to what extent a benefit can be recognized in our consolidated financial statements. To the extent interest and penalties would be assessed by taxing authorities on any underpayment of income tax, such amounts are accrued and classified as a component of income tax expense. For the six and three months ended June 30, 2016 and 2015, we did not recognize any accrued interest or penalties.

The Company files income tax returns in the United States and Florida, which are subject to examination by the tax authorities in these jurisdictions, generally for three years after the filing date.

Management has evaluated tax positions in accordance with FASB ASC 740, Income Taxes, and has not identified any tax positions that require disclosure.

**Note 2 – Significant Accounting Policies (Continued)**

***Income Taxes (Continued)***

As of June 30, 2016, the following tax years are subject to examination:

| Jurisdiction | Open Years for Filed Returns |
|---|---|
| Federal | December 31, 2012 – 2015 |

***Environmental Remediation Liability***

The Company accrues for losses associated with environmental remediation obligations when such losses are probable and reasonably estimable. Accruals for estimated losses from environmental remediation obligations generally are recognized no later than completion of the remedial feasibility study. Such accruals are adjusted as further information develops or circumstances change. Costs of future expenditures for environmental remediation obligations are not discounted to their present value. Recoveries of environmental remediation costs from other parties are recorded as assets when their receipt is deemed probable.

***Operating, General and Administrative Expenses***

Business operating costs including expenses generated from administration and purchasing functions, are recorded in “Operating, general and administrative expenses” in the Consolidated Statements of Operations. Business operating costs include items such as wages, benefits, utilities, repairs and maintenance, advertising costs and credits, rent, insurance, depreciation not related to equipment used in operations, amortization of intangible assets, leasehold amortization and costs for outside provided services.

***Stock Issued to Non-Employees for Services Rendered***

The Company accounts for stock issued to non-employees in accordance with the provisions of FASB ASC 505-50 “Equity Based Payments to Non-Employees.” FASB ASC 505-50 states that equity instruments that are issued in exchange for the receipt of goods or services should be measured at the fair value of the consideration received or the fair value of the equity instruments issued, whichever is more reliably measurable. The measurement date occurs as of the earlier of (a) the date at which a performance commitment is reached or (b) absent a performance commitment, the date at which the performance necessary to earn the equity instruments is complete (that is, the vesting date).

***Earnings Per-Share***

Earnings per share are based on the weighted-average number of common shares outstanding at each reporting period.

***Reclassifications***

Certain reclassifications have been made in prior year balances to conform to the current year presentation. Such reclassifications had no effect on net income or retained earnings as previously reported.

**Note 3 – Property, Plant and Equipment**

Property, plant and equipment and related accumulated depreciation consist of the following at June 30, 2016 and December 31, 2015:

| | 2016 | 2015 |
|---|---|---|
| Machinery and equipment | 3,265,812 | 3,209,228 |
| Transportation equipment | 2,179,722 | 2,119,472 |
| Containers | 1,080,335 | 942,400 |
| Airspace | 865,076 | 865,076 |
| Buildings | 503,195 | 493,225 |
| Improvements | 338,799 | 338,799 |
| Land | 225,000 | 225,000 |
| Leased equipment | 179,620 | 179,620 |
| Landfill area | 72,098 | 72,098 |
| Office furniture and equipment | 4,186 | 5,771 |
| Total Property, plant and equipment | 8,713,843 | 8,450,689 |
| Less: accumulated depreciation | (3,783,814) | (3,409,409) |
| Property, plant and equipment, net | $ 4,930,029 | $ 5,041,280 |

Depreciation expense for the six months ended June 30, 2016 and 2015 was $375,992 and $71,198, respectively. Depreciation expense for the three months ended June 30, 2016 and 2015 was $190,438 and $39,736, respectively.

**Note 4 – Amortizable Intangible Assets**

Intangible assets consist of the following at June 30, 2016 and December 31, 2015:

| | 2016 | 2015 | Amortization Period |
|---|---|---|---|
| Customer list | 1,493,419 | $ 1,413,872 | 5 years |
| Website costs | 7,954 | 7,954 | 3 years |
| Licenses and permits | 66,318 | 66,318 | 10 years |
| Non-compete agreement | 10,000 | - | 5 years |
| Less accumulated amortization | (222,970) | (74,791) | |
| Intangible assets, net | $ 1,354,721 | $ 1,413,353 | |

**Note 4 – Amortizable Intangible Assets (Continued)**

The estimated aggregate amortization expenses for the six months ended December 31, 2016 and for each of following four years ended December 31, are as follows:

| Year Ending | |
|---|---|
| 2016 (six months) | 154,150 |
| 2017 | 290,138 |
| 2018 | 288,812 |
| 2019 | 287,486 |
| 2020 | 287,486 |
| Thereafter | 46,649 |
| Total | 1,354,721 |

Amortization expense for the six months ended June 30, 2016 and 2015 was $148,179 and $9,081, respectively. Amortization expense for the three months ended June 30, 2016 and 2015 was $75,582 and $4,051, respectively.

**Note 5 – Commitments and Contingencies**

General

During the normal course of business, the Company may be exposed to litigation. When the Company becomes aware of potential litigation, it evaluates the merits of the case in accordance with FASB ASC 450, Contingencies. The Company evaluates its exposure to the matter, possible legal or settlement strategies and the likelihood of an unfavorable outcome. If the Company determines that an unfavorable outcome is probable and can be reasonably estimated, it establishes the necessary accruals. Certain insurance policies held by the Company may reduce the cash outflows with respect to an adverse outcome of certain of these litigation matters.

Landfill Related Environmental Remediation

The Company currently operates a fully licensed landfill under approval by the Florida Department of Environmental Protection. As such, the Company has set up a reserve allowance of $424,596 against estimated future closing costs. As of December 31, 2013, the Florida Department of Environmental Protection has approved the secured letter of credit cash reserve of $324,950 set aside by the Company at June 30, 2016 and December 31, 2015, respectively, in order to be in compliance with the financial assurance requirements for long term care cost of the facility. It is reasonably possible that the recorded estimate of the obligation may change in the near term.

Concentrations of Revenues and Receivables

As discussed in note 8, "Related Party Transactions", during the six months ended June 30, 2016 and 2015, approximately 15% and 26% of the Company's revenues were generated from a related party. During the three months ended June 30, 2016 and 2015, approximately 19% and 26% of the Company's revenues were generated from a related party. As of June 30, 2016 and December 31, 2015, 17% and 16% of total consolidated trade accounts receivables were due from a related party, respectively.

**Note 6 – Long-Term Debt**

**Following is a breakdown of non-related party long term debt:**

| | 2016 | 2015 |
|---|---|---|
| Notes payable to various banks, to finance various equipment purchases, payable in monthly installments between $646 and $10,107, with interest rates ranging from 2.39% to 9.63%, maturing from June 30, 2016 through December 28, 2020 | $ 495,503 | $ 604,005 |
| Less current portion of long-term debt: | (146,073) | (184,932) |
| Long-term debt, net of current portion | $ 349,430 | $ 419,073 |

The aggregate annual maturities of non-related party long-term debt are as follows:

| Period Ending June 30, | |
|---|---|
| 2017 | $ 146,073 |
| 2018 | 132,555 |
| 2019 | 131,387 |
| 2020 | 71,235 |
| 2021 | 14,253 |
| Total | $ 495,503 |

**Related Party Shareholder Loan**

The Company had a note due to the largest shareholder of the Company. This note was unsecured, had a maturity date of December 31, 2016 and carried a 1% interest rate. On approximately January 1, 2016, the Note was converted to 10% cumulative preferred stock and the Note was cancelled. The total converted debt was $2,000,000. The balance of the note as of June 30, 2016 and December 31, 2015 was $0 and $2,017,301, respectively. The residual balance of $17,301 that was not converted was reclassified to a short term, unsecured, non-interest bearing related party payable, included with due to related party on our consolidated balance sheet.

On October 15, 2015, the Company acquired a related entity that was 50% owned by the largest shareholder of the Company. As part of that acquisition, the Company acquired a shareholder note owed to the same majority shareholder of the Company. The balance of the note, including accrued interest on the acquisition date was $1,512,753. As discussed above, $1,500,000 of this total was converted to Preferred Stock on approximately January 1, 2016.

**Note 6 – Long-Term Debt (Continued)**

On October 15, 2015, the Company acquired a related entity that was 50% owned by the largest shareholder of the Company. As part of that acquisition, the Company acquired a shareholder note owed to the same majority shareholder of the Company. The balance of the note, including accrued interest on the acquisition date was $1,512,753. As discussed above, $1,500,000 of this total was converted to Preferred Stock on approximately January 1, 2016.

**Note 7 – Capital Leases**

During 2014, the Company purchased equipment under a capital lease obligation. The lease is payable in 60 monthly payments of $3,750, beginning December 20, 2014, maturing December 20, 2019. The capital lease is collateralized by the equipment purchased. The capital lease is personally guaranteed by the Chairman and CEO of the Company.

Following is a breakdown of our capital lease obligation as of June 30 and December 31:

| | 2016 | 2015 |
|---|---|---|
| Capital lease to purchase equipment | $ 111,781 | $ 128,060 |
| Less current portion of capital lease obligations: | (28,125) | (25,131) |
| Long-term capital lease obligations, net of current portion | $ 83,656 | $ 102,929 |

Future minimum lease payments under the lease as of June 30, 2016 are as follows:

| **Twelve Months Ended, June 30th:** | |
|---|---|
| 2017 | 28,125 |
| 2018 | 32,373 |
| 2019 | 38,326 |
| 2020 | 12,957 |
| Total capital lease obligation | $ 111,781 |

The following is a summary of leased assets included in machinery and equipment as of June 30 and December 31:

| | 2016 | 2015 |
|---|---|---|
| Leased Equipment | $ 179,620 | $ 179,620 |
| Less accumulated depreciation | (53,886) | (35,924) |
| Net leased assets | $ 125,734 | $ 143,696 |

## Note 8 – Related Party Transactions

### Related Party Sales and Accounts Receivable

The Company generates a significant portion of their revenue from a related entity transfer station, owned by the majority shareholder of the Company. This related entity uses the Company's landfill (Sand/Land) as its primary source of disposal for construction and demolition debris. Sand/Land also trucks the disposal costs from the Company's site, either directly or through a third party and bills the Company accordingly for trucking services. Total revenue generated from the related entity during the six months ended June 30, 2016 and 2015 were $456,245 and $224,485 or 15% and 26% of total consolidated revenue, respectively. Total revenues generated from the related entity during the three months ended June 30, 2016 and 2015 for disposal costs were $283,710 and $124,135 or 19% and 26% of total consolidated revenue, respectively. Total related party accounts receivable as of June 30, 2016 and December 31, 2015 related to these sales were approximately $114,000 and $91,000, respectively, or 17% and 16% of total net accounts receivable, respectively.

### Related Party Disposal Costs and Accounts Payable

On December 1, 2015, the Company acquired Gateway, a related entity that was previously owned 50% by the largest shareholder of the Company. See note 10, "Acquisitions" for details. Gateway disposes a large portion of their construction and debris collected in the related entities transfer station. Total expenses incurred from the related entity during the six months ended June 30, 2016 and 2015, were $67,058 and $0, respectively. Total expenses incurred from the related entity during the three months ended June 30, 2016 and 2015, were $32,279 and $0, respectively. Total related party accounts payable of the consolidated entity as of June 30, 2016 and December 31, 2015, related to these expenses were approximately $21,000 and $17,000, respectively.

### Related Party Shareholder Loan

The Company had a note due the largest shareholder of the Company. This note was unsecured, had a maturity date of December 31, 2016 and carried a 1% interest rate. On approximately January 1, 2016, the Note was converted to 10% cumulative preferred stock and the Note was cancelled. The total converted debt was $2,000,000. The balance of the note as of June 30, 2016 and December 31, 2015 was $0 and $2,017,301, respectively. The residual balance of $17,301 that was not converted, was reclassified to a short term, unsecured, non-interest bearing short term payable, included with due to related party on our consolidated balance sheet.

On October 15, 2015, the Company acquired a related entity that was 50% owned by the largest shareholder of the Company. As part of that acquisition, the Company acquired a shareholder note owed to the same majority shareholder of the Company. The balance of the note, including accrued interest on the acquisition date was $1,512,753. As discussed above, $1,500,000 of this total was converted to Preferred Stock on approximately January 1, 2016.

### Related Party Consulting Agreement

The Chairman of the Board is a consultant for the Company, meets with each subsidiary general manager on a regular basis, consulting on matters such as acquisitions and integration, growth plan objectives, operating effectiveness, organization structure, equipment and financing requirements, among other matters. Total related party consulting expenses incurred and paid to the Chairman for the six months ended June 30, 2016 and 2015 were $65,000 and $0, respectively. Total related party consulting expenses incurred and paid to the Chairman for the three months ended June 30, 2016 and 2015 were $42,000 and $0, respectively.

**Note 8 – Related Party Transactions (Continued)**

**Expenses Paid on Behalf of the Company by a Related Party**

Throughout the three months ended March 31, 2016 Strategic Capital Markets ("Strategic"), a related party, paid for expenditures of the Company as well as deposits on a landfill acquisition on behalf of the Company. These expenditures primarily related to professional fees incurred for compliance related to being a public company as well as marketing the Company's investment strategy. Total expenses incurred for these services for the three months ended March 31, 2016 were $112,154, including approximately $62,000 in professional fees and $50,000 for a non-refundable deposit on a landfill that was written off in February of 2016 due to the acquisition not closing. During the three months ended March 31, 2016, $592,829 of the amount due to the related party at December 31, 2015 were settled for 592,829 shares of the Company's restricted common stock ($1 per share conversion). The expenditures for professional fees and investment relations incurred during the three months ended March 31, 2016 of $112,154 were converted to the Company's subscribed restricted common stock at $0.50 per share, or 224,308 subscribed shares as of June 30, 2016. The shares were not issued as of June 30, 2016 and thus are included on the Company's consolidated balance sheet as shares subscribed. No expenses were paid on behalf of the Company by this related entity during the three months ended June 30, 2016 (period from April 1, 2016 through June 30, 2016).

**Related Party Acquisitions**

On October 15, 2015 and December 1, 2015, the Company closed on the Acquisition of WRE and Gateway, respectively. Each of these acquired entities was owned 50% by the majority shareholder of the Company prior to the acquisitions. In each acquisition, a second owner owned 50% of the each acquired entity.

WRE was acquired for a $250,000 owner financed note that was paid in January of 2016 by a related entity on behalf of the Company and 2,750,000 shares of the Company's restricted common stock. Gateway was acquired for $450,000 in cash and a total of 2,400,000 shares of the Company's restricted common stock. The majority shareholder of the Company received no cash or notes; he received 1,500,000 and 1,650,000 shares of the Company's restricted common stock. The 3,150,000 shares of the Company's restricted common stock were not issued as of December 31, 2015, and thus were presented on the balance sheet as common stock subscribed in the equity section of the balance sheet through December 31, 2015. The shares were issued during 2016 and have been reclassified to additional paid in capital, valued at $1 per share, equivalent with the settlement with Strategic as described above in the related party note section describing the expenses paid on behalf of the Company.

See note 10, "Acquisitions" for further information related to the acquisitions and the purchase price allocation.

**Note 9 – Stockholders' Deficit**

**Shares issued to Strategic for Expenses, Deposits and Acquisitions paid for on Behalf of the Company**

As discussed in Note 8 above, a related entity incurred costs and paid landfill acquisition deposits and paid the cash portion of an acquisition on behalf of the Company. Total restricted common shares issued during the three months ended March 31, 2016 for settlement of these costs totaled 592,829 (settled for $1 per share).

**Shares issued to consultant for professional fees:**

The Company entered into an agreement with a consulting firm for investor relation services throughout a twelve-month period, from May 10, 2016 through May 9, 2017. Total shares granted for the services were 400,000. As of June 30, 2016, 300,000 shares had been issued and 100,000 shares will be issued on August 10, 2016. The remaining 100,000 shares are included in subscribed shares as of June 30, 2016 (see below, shares subscribed during the three months ended June 30, 2016). The granted shares were valued based on the value of the stock on the date of grant, May 10, 2016, of $0.13. The total value of the shares issued was approximately $53,000. As of June 30, 2016, approximately $8,000 was expensed and the remaining $45,000 was included in our consolidated prepaid expenses and will be amortized monthly over the term of the contract.

**Shares Subscribed, Issued During the Three Months Ended March 31, 2016:**

As discussed in note 10, the Company acquired two related party entities; as part of the Consideration for the purchase, the Company granted the Shareholder a total of 3,150,000 restricted common shares of the Company's restricted common stock as part of the acquisition. As of December 31, 2015, the shares were not issued, and thus were included in common stock subscribed on our consolidated balance sheet. During the three months ended March 31, 2016, all 3,150,000 shares were issued and transferred from common stock subscribed to additional paid in capital.

**Shares subscribed during the three months ended June 30, 2016:**

During the three months ended June 30, 2016, the Company settled amounts due to a related entity for expenses paid on behalf of the Company by the related entity and for payment of the short term acquisition note paid on behalf of the Company by the related entity as part of the WRE acquisition, totaling $250,000. The $250,000 acquisition note with WRE was settled for $1 per share of the Company's stock for a total of 250,000 subscribed shares of the Company's restricted common stock. The Company settled $112,154 of expenses paid by the third party for expenses incurred by the Company during the period from January 1, 2016 through March 31, 2016, primarily for professional fees for $0.50 per share subscribed, or 224,308 subscribed shares of the Company's restricted common stock. The Company also incurred professional fees with a vendor that were settled for 100,000 shares of the Company's common stock, valued at $13,150 by the share price on the date of Grant, May 11, 2016, multiplied by the shares granted (see above, Shares issued to consultant for professional fees).

**Note 9 – Stockholders' Deficit (Continued)**

**Preferred Stock**

During May 2015, the Company amended the Articles of Incorporation to authorize 10,000,000 shares of the Company's Series A preferred stock, no par value per share. On June 17, 2015, the Company issued one share of Series A Preferred Stock, no par value, to the Company's Chairman of the Board (the "Chairman"). As a holder of the outstanding share of Series A Preferred Stock, the Chairman is entitled to voting power equivalent to the number of votes equal to the total number of the Company's common stock outstanding as of the record date for the determination of stockholders entitled to vote at each meeting of stockholders of the Company and entitled to vote on all matters submitted or required to be submitted to a vote of the stockholders of the Company.

On approximately January 1, 2016, the Company's Board of Directors approved 10,000,000 shares of 10%, cumulative preferred stock and $2,000,000 of Shareholder debt was converted to this class of preferred stock. During the six and three months ended June 30, 2016, $100,000 and $50,000 of dividends was accrued, but not paid on this preferred stock. They are included in our consolidated accrued liabilities as of June 30, 2016. Total accrued preferred stock dividends as of June 30, 2016 and December 31, 2015 were $100,000 and $0, respectively.

**Note 10 – Acquisitions**

**Related Party Acquisitions**

**Waste Recovery Enterprises, LLC**

On October 15, 2015, the Company acquired WRE, an entity that was 50% owned by the Majority shareholder of the Company. WRE offers residential trash pickup, commercial and residential dumpster service and roll-off boxes for construction and clean up projects. The Company has a transfer station that accepts construction and demolition debris, household trash, furniture and appliances. The Company also offers wood grinding, demolition, mulch and gravel services. The Company's primary operations are based near Binghamton, New York.

See the table below summarizing the purchase price paid to the related party owner and the 2 nd, non-related party entity:

| Party | Cash | Owner Financed Short Term Note | Restricted Common Shares | Value Assigned to Shares ($1/share) | Total Purchase Price |
|---|---|---|---|---|---|
| Majority Shareholder – 50% owner | $ - | $ - | 1,500,000 | $ 1,500,000 | $ 1,500,000 |
| Non-related entity - 50% owner | - | 250,000 | 1,250,000 | 1,250,000 | 1,500,000 |
| Total | $ - | $ 250,000 | 2,750,000 | $ 2,750,000 | $ 3,000,000 |

**Note 10 – Acquisitions (Continued)**

**Related Party Acquisitions (Continued)**

**Waste Recovery Enterprises, LLC (Continued)**

Operations subsequent to October 15, 2015 are included in the accompanying consolidated financial statements. The acquisition has been accounted for using the purchase method of accounting. The purchase price of $3,000,000 was allocated as follows:

| | |
|---|---|
| **Assets** | |
| Cash | $ 29,625 |
| Accounts receivable | 32,706 |
| Other current assets | 54,598 |
| Due from related party | 45,953 |
| Total current assets | 162,882 |
| **Property and Equipment** | |
| Transportation equipment | 1,116,682 |
| Machinery and Equipment | 756,800 |
| Buildings | 493,225 |
| Land | 225,000 |
| Containers | 160,400 |
| Leasehold improvements | 17,154 |
| Furniture and fixtures | 2,069 |
| Total property and equipment | 2,771,330 |
| Goodwill and intangible assets | |
| Customer relationships | 639,433 |
| Licenses and permits | 50,000 |
| Goodwill | 1,238,173 |
| Total goodwill and intangible assets | 1,927,607 |
| Total assets | 4,861,819 |
| **Liabilities** | |
| Accounts payable and accrued liabilities | (64,179) |
| Due to related entity | (30,000) |
| Total current liabilities | (94,179) |
| Related party debt | (1,512,754) |
| Long term debt | (254,886) |
| Total liabilities | 1,861,819 |
| Total consideration for acquisition | $ 3,000,000 |

**Note 10 – Acquisitions (Continued)**

**Related Party Acquisitions (Continued)**

**Gateway Rolloff Services, LP**

On December 1, 2015, the Company acquired Gateway, an entity that was 50% owned by the Majority shareholder of the Company. Gateway offers commercial and residential dumpster service and roll-off boxes for construction and clean up projects specializing in the removal of debris, garbage, waste, hauling construction and demolition debris, focused on servicing general contractors, new home builders, reconstruction, renovation, landscaping and home improvement professionals. The Company's primary operations are based near Tampa, FL.

See the table below summarizing the purchase price paid to the related party owner and the 2nd, non-related party entity.

| Party | Cash | Cash Paid on Behalf of Company By Related Entity | Restricted Common Shares | Owner financed short term note | Value Assigned to Shares ($1/share) | Total Purchase Price |
|---|---|---|---|---|---|---|
| Majority Shareholder – 50% owner | $ - | $ - | 1,650,000 | $ - | $ 1,650,000 | $ 1,650,000 |
| Non-related entity - 50% owner | - | $ 450,000 | 750,000 | 100,000 | 750,000 | $ 1,300.000 |
| Total | $ - | $ 450,000 | 2,400,000 | $ 100,000 | $ 2,400,000 | $ 2,950,000 |

**Note 10 – Acquisitions (Continued)**

**Related Party Acquisitions (Continued)**

**Gateway Rolloff Services, LP (Continued)**

Operations subsequent to November 30, 2015 are included in the accompanying consolidated financial statements. The acquisition has been accounted for using the purchase method of accounting. The purchase price of $2,950,000 was allocated as follows:

| | |
|---|---|
| **Assets** | |
| Cash | $ 24,912 |
| Accounts receivable | 238,753 |
| Total current assets | 263,665 |
| **Property and Equipment** | |
| Transportation equipment | 417,350 |
| Containers | 782,000 |
| Total property and equipment | 1,199,350 |
| **Goodwill and intangible assets** | |
| Customer relationships | 683,626 |
| Goodwill | 941,010 |
| Total goodwill and intangible assets | 1,624,636 |
| Total assets | 3,087,651 |
| **Liabilities** | |
| Accounts payable and accrued liabilities | (111,651) |
| Due to related party | (26,000) |
| Total current liabilities | (137,651) |
| Total consideration for acquisition | $ 2,950,000 |

The Majority shareholder received a total of 3,150,000 shares of the Company's restricted common stock.

The $450,000 paid in cash by a related entity of the Company for the acquisition of Gateway was settled in restricted common stock subsequent to year end, at $1 per share, for a total of 450,000 shares of the Company's restricted common stock.

**Note 10 – Acquisitions (Continued)**

**Acquisition of Business – Unrelated Entity**

On May 11, 2016, the Company purchased a business in Upstate New York, incorporating it into WRE's operations. The business was purchased for $230,000.

Operations subsequent to May 11, 2016 are included in the accompanying consolidated financial statements. The acquisition has been accounted for using the purchase method of accounting. The purchase price of $230,000 was allocated as follows:

| | | |
|---|---|---|
| Assets | | |
| Property and Equipment | $ | 104,400 |
| Goodwill and intangible assets | | |
| Customer list | | 79,547 |
| 5 year, 100 mile non-compete agreement | | 10,000 |
| Goodwill | | 36,053 |
| Total goodwill and intangible assets | | 125,600 |
| Total purchase price | $ | 230,000 |

**Landfill Acquisition – Unrelated Entity**

On January 25, 2015, Sand/Land of Florida Enterprises, Inc., a Florida corporation and a wholly-owned subsidiary of NWMH, entered into a commercial property purchase agreement (the "Agreement") with Nova Resources, LLC, a Florida limited liability company, to acquire a certain commercial and industrial construction and demolition landfill in the County of Citrus, Homosassa, Florida for $2,500,000, on an "as is" basis.

The Contract required monthly non-refundable payments towards the purchase price, with a final closing to be no later than February 26, 2016. The Company had a third party making the deposit payments as discussed in Note 8 and Note 9, "Related Party Transactions" and "Stockholders' Deficit", respectively. During the six months ended June 30, 2016, the third party had made 2 payments of $25,000, totaling $50,000 and the Company made one payment of $22,473. The Company has written off a total of $72,473 of these non-cash deposits and cash deposits during the six months ended June 30, 2016 due to the Company not closing on the landfill by February 26, 2016. The expense was included in other expenses as a onetime write off. There were no charges to expenses nor were any further deposits made after February 2016, thus there was no additional activity during the three months ended June 30, 2016.

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

### FORWARD-LOOKING STATEMENTS

This document contains "forward-looking statements". All statements other than statements of historical fact are "forward-looking statements" for purposes of federal and state securities laws, including, but not limited to, any projections of earnings, revenue or other financial items; any statements of the plans, strategies and objections of management for future operations; any statements concerning proposed new services or developments; any statements regarding future economic conditions or performance; any statements or belief; and any statements of assumptions underlying any of the foregoing.

Forward-looking statements may include the words "may," "could," "estimate," "intend," "continue," "believe," "expect" or "anticipate" or other similar words. These forward-looking statements present our estimates and assumptions only as of the date of this report. Except for our ongoing securities laws, we do not intend, and undertake no obligation, to update any forward-looking statement.

Although we believe that the expectations reflected in any of our forward- looking statements are reasonable, actual results could differ materially from those projected or assumed in any or our forward-looking statements. Our future financial condition and results of operations, as well as any forward-looking statements, are subject to change and inherent risks and uncertainties. The factors impacting these risks and uncertainties include, but are not limited to:

- Our results are vulnerable to economic conditions;
- Our ability to raise adequate working capital;
- Loss of customers or sales weakness;
- Inability to achieve sales levels or other operating results;
- The unavailability of funds for capital expenditures;
- Operational inefficiencies;
- Increased competitive pressures from existing competitors and new entrants;
- Competition for acquisition candidates, consolidation within the waste industry and economic and market conditions may limit our ability to grow through acquisitions;
- We may incur charges related to capitalized expenditures of landfill development projects, which would decrease our earnings;
- Pending or future litigation or governmental proceedings could result in material adverse consequences, including judgments or settlements;
- We may be subject in the normal course of business to judicial, administrative or other third-party proceedings that could interrupt or limit our operations, require expensive remediation, result in adverse judgments, settlements or fines and create negative publicity;
- Our accruals for our landfill site closure and post-closure costs may be inadequate;
- Liabilities for environmental damage may adversely affect our financial condition, business and earnings;

- Our financial and operating performance may be affected by the inability to renew landfill operating permits, obtain new landfills and expand existing ones;

- Extensive and evolving environmental, health and safety laws and regulations may restrict our operations and growth and increase our costs;

- Extensive regulations that govern the design, operation and closure of landfills may restrict our landfill operations or increase our costs of operating landfills; and

- Alternatives to landfill disposal may cause our revenues and operating results to decline.

These risks, as well as others, are discussed in greater detail in t our other filings with the Securities and Exchange Commission, including our last Annual Report on Form 10-K. There may be additional risks of which we are not presently aware or that we currently believe are immaterial which could have an adverse impact on our business. We make no commitment to revise or update any forward-looking statements in order to reflect events or circumstances that may change.

**GENERAL**

**Overview**

We are a vertically integrated waste management company offering landfill, transfer station, garbage collection and container services for both commercial entities and residential customers in Central Florida and Upstate New York. We service the counties of Citrus, Hernando, and Marion in Florida and Upstate New York. We average annual disposals of approximately 200,000 cubic yards of construction debris and manage our 54 acre landfill facility. We started operations with one roll-off truck and now operate thirteen rolloff trucks and approximately 800 containers (after the WRE and Gateway Acquisitions). We have maintained a contract with Citrus County Solid Waste Management landfill to back-up their roll-off trucks since 2000. On October 15, 2015 and December 1, 2015, we acquired WRE and Gateway, respectively, as described above (Item 1, Business) and in Note 10 to the financial statements, "Acquisitions". These acquisitions added a large roll-off business for construction and demotion ("C&D") to operations as well as full service waste company in Upstate NY, offering residential and commercial trash collection, a transfer station and C&D services.

**Trends and Uncertainties**

- Whether there will be a decline in the construction and building industries;

- Whether scrap and recycling prices will decline;

- Whether the price of fuel will increase to the level that it will have a material negative impact on our results of operations; and

- Whether our clients and/or future prospective clients internally develop a means by which to dispose of their waste, which would negatively impact our results of operations.

**Results of Operations**

***Comparison for the six months ended June 30, 2016 and 2015***

Sales for the six months ended June 30, 2016 and 2015 were $3,117,634 and $870,126, respectively, an increase of $2,247,508 or approximately 258% of consolidated revenue. The $2,247,508 increase is due to the acquisitions of WRE and Gateway during the fourth quarter of 2015 and the execution of our business model, increasing our customer base and expanded sales to current customers.

Cost of revenues for the six months ended June 30, 2016 and 2015 were $1,897,375 and $445,539, respectively, an increase of $1,451,836 or approximately 326%. This $1,451,836 increase is due to the acquisitions of WRE and Gateway during the fourth quarter of 2015.

General and administrative costs for the six months ended June 30, 2016 and 2015 were $1,166,866 and $233,300, respectively, reflecting an increase of $933,566 or approximately 400%. This is due to the WRE and Gateway acquisitions during the fourth quarter of 2015.

Interest expense was $35,772 and $19,620 for the six months ended June 30, 2016 and 2015, respectively. The increase is attributable to our acquisition of WRE, and the associated equipment financing and related equipment acquired as well as an equipment financing during December 2015, which increased our long term-debt.

Other income and (expenses), net, were $(126,745) and $(24,427) for the six months ended June 30, 2016 and 2015, respectively, an increase in the net expense of $102,318 or 419%. This increase is due to the increase in interest expense discussed above, and one time write off of deposits of $90,973.

Net income (loss) for the six months ended June 30, 2016 and 2015 was $(47,119) and $103,116, respectively. The decrease of $150,235 was highly attributable to the non-cash depreciation and amortization charges to earnings of $524,170 during the six months ended June 30, 2016 as compared to depreciation and amortization charges of $80,279 to earnings during the six months ended June 30, 2015. The large increase in depreciation and amortization was due to the acquisitions and purchase price allocations of Gateway and WRE during 2015, which increased quarterly depreciation and amortization significantly. When adding back this large charge, both periods show positive cash flows. We also incurred one time charges for losses on deposits, including $50,000 of non-cash deposits paid for on our behalf by a related entity and later settled for 2 shares per one dollar of expenses incurred with that related party.

***Comparison for the three months ended June 30, 2016 and 2015***

Sales for the three months ended June 30, 2016 and 2015 were $1,564,338 and $479,534, respectively, an increase of $1,084,804 or approximately 226% of consolidated revenue. This $1,084,804 increase is due to the WRE and Gateway acquisitions during the fourth quarter of 2015 and the execution of our business model, increasing our customer base and expanded sales to current customers.

Cost of revenues for the three months ended June 30, 2016 and 2015 were $980,341 and $247,632 respectively, an increase of $732,709 or approximately 296%. This $732,709 increase is due to the acquisitions of WRE and Gateway during the fourth quarter of 2015.

General and administrative costs for the three months ended June 30, 2016 and 2015 were $574,618 and $112,545, respectively, an increase of $462,073 or approximately 411%. This $462,073 increase is due to the acquisitions of WRE and Gateway during the fourth quarter of 2015.

Interest expense was $18,707 and $11,454 for the three months ended June 30, 2016 and 2015, respectively. The increase is attributable to our acquisition of WRE and the associated equipment financing and related equipment.

Other income and (expenses), net were $(37,207) and $(11,454) for the three months ended June 30, 2016 and 2015, respectively, an increase in the net expense of $25,753. The increase is due to the increase in interest expense discussed above, and a one-time charge for a write off on a deposit of $18,500.

Net income (loss) for the three months ended June 30, 2016 and 2015 was $(5,913) and $64,742 respectively. The $70,655 decrease is primarily attributable to the increased charges to depreciation and amortization expense after the acquisitions of WRE and Gateway. See note above discussing change in net income for the six months ended June 30, 2016.

**Liquidity and Capital Resources**

Our primary sources of cash are cash flows from operations. We intend to use excess cash on hand and cash from operating activities, together with borrowings, to fund purchases of equipment, working capital, acquisitions and debt repayments. As of June 30, 2016, we had cash and cash equivalents of $276,976 and working capital of $344,161 as compared to cash of $344,365 and negative working capital of $556,150 at December 31, 2015. The primary reason for the negative working capital at December 31, 2015 as compared to positive working capital at June 30, 2016 was due to the conversion of a large portion of related party payables to restricted common stock, mostly at $1 per share, though approximately $112,000 of expenses paid for on behalf of the Company by a related entity were converted at $0.50 per share. A portion of the settled shares were not issued as of June 30, 2016 and are included with common stock subscribed at June 30, 2016.

**Cash Flows for the Six Months Ended June 30, 2016 Compared to the Six Months Ended June 30, 2015**

Cash flows from operating activities for the six months ended June 30, 2016 provided cash of $547,732 compared to $336,733 for the six months ended June 30, 2015, an increase of $210,999 or 63%. This $210,999 increase was primarily due to increased sales due to the WRE and Gateway acquisitions during the fourth quarter of 2015, execution of our business plan and increased customers, expenses incurred where stock was issued to settle professional fee liabilities rather than cash, and the timing of payments on payables, accrued expenses and taxes. Our cash flows used in investing activities were $390,340 and $43,367 for the six months ended June 30, 2016 and 2015, respectively, an increase of $346,973 or 800%, primarily due to the acquisition of a business for $230,000 during the three months ended June 30, 2016. Our cash flows used in financing activities were $224,781 and $61,956 for the six months ended June 30, 2016 and 2015, respectively, an increase of $162,825 or 263%. The $162,825 increase is due to servicing the equipment financing debt in our fourth quarter acquisition of WRE and the servicing of debt for a new grinder purchased in December of 2015, as well as the payment of $75,000 on the short-term acquisition note with Gateway as part of the acquisition of that company.

**Off-Balance sheet arrangements**

None.

**Item 3. Quantitative and Qualitative Disclosures About Market Risk.**

Not applicable

**Item 4. Controls and Procedures.**

We maintain disclosure controls and procedures that are designed to ensure that information required to be disclosed in our reports filed under the Securities Exchange Act of 1934, as amended, is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms and that such information is accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, as appropriate, to allow for timely decisions regarding required disclosure. In designing and evaluating the disclosure controls and procedures, management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives, and management is required to apply its judgment in evaluating the cost-benefit relationship of possible controls and procedures.

As required by SEC Rule 15d-15(b), we carried out an evaluation, under the supervision and with the participation of our management, including our Chief Executive Officer and Chief Financial Officer, of the effectiveness of the design and operation of our disclosure controls and procedures as of the end of the period covered by this report. Based on the foregoing, our Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures were effective as of June 30, 2016.

## PART II — OTHER INFORMATION

**Item 1 - Legal Proceedings.**

We know of no material pending legal proceedings to which our company or our subsidiary is a party or of which any of our properties, or the properties of our subsidiary, is the subject. In addition, we do not know of any such proceedings contemplated by any governmental authorities.

We know of no material proceedings in which any of our directors, officers or affiliates, or any registered or beneficial stockholder is a party adverse to our company or our subsidiary or has a material interest adverse to our company or our subsidiary.

**Item 1A - Risk Factors**

As a smaller reporting company, we are not required to provide risk factors.

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

None.

**Item 3. Defaults Upon Senior Securities**

None

**Item 4. Mine Safety Disclosures.**

None

**Item 5. Other Information**

None.

**Item 6. Exhibits.**

**EXHIBIT INDEX**

| Exhibit Number | Description |
|---|---|
| 31.1 | Certifications of the Chief Executive Officer and Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002. |
| 31.2+ | Certifications of the Chief Executive Officer and Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 |
| 101.INS | XBRL Instance Document |
| 101.SCH | XBRL Taxonomy Extension Schema Document |
| 101.CAL | XBRL Taxonomy Extension Calculation Linkbase Document. |
| 101.LAB | XBRL Taxonomy Extension Label Linkbase Document. |
| 101.PRE | XBRL Taxonomy Extension Presentation Linkbase Document. |
| 101.DEF* | XBRL Taxonomy Extension Definition Linkbase Document. |

+ In accordance with the SEC Release 33-8238, deemed being furnished and not filed.

## SIGNATURES

Pursuant to the requirements 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.

Date: August 12, 2016

**NATIONAL WASTE MANAGEMENT HOLDINGS, INC.**

/s/ *Louis Paveglio*
Name: Louis Paveglio
Chief Executive Officer & Chief Financial Officer
(Principal Executive Officer & Principal Financial Officer)

**EXHIBIT 31.1**

**CERTIFICATION**
**OF PRESIDENT, CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER**
**PURSUANT TO SECTION 302**
**OF THE SARBANES-OXLEY ACT OF 2002**

I, Louis Paveglio, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of National Waste Management Holdings, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrants' other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal controls over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 12, 2016

*/s/ Louis Paveglio*
Louis Paveglio
Chief Executive Officer & Chief Financial Officer
(Principal Executive Officer & Principal Financial Officer)

**EXHIBIT 32.1**

**CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350,**
**AS ADOPTED PURSUANT TO SECTION 906**
**OF THE SARBANES-OXLEY ACT OF 2002**

Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (subsections (a) and (b) of Section 1350, Chapter 63 of Title 18, United States Code), the undersigned officer of National Waste Management Holdings, Inc. (the "Company"), does hereby certify, to such officer's knowledge, that:

The Quarterly Report on Form 10-Q for the quarter ended June 30, 2016 (the "Form 10-Q") of the Company fully complies with the requirements of Section 13(a) or 15(d), as applicable, of the Securities Exchange Act of 1934 and the information contained in the Form 10-Q fairly presents, in all material respects, the financial condition and results of operations of the Company as of, and for, the periods presented in the Form 10-Q.

Date: August 12, 2016

*/s/ Louis Paveglio*
Louis Paveglio
Chief Executive Officer & Chief Financial Officer
(Principal Executive Officer and
Principal Accounting Officer)

The foregoing certification is being furnished as an exhibit to the Form 10-Q pursuant to Item 601(b)(32) of Regulation S-K and Section 906 of the Sarbanes-Oxley Act of 2002 (subsections (a) and (b) of Section 1350, Chapter 63 of Title 18, United States Code) and, accordingly, is not being filed as part of the Form 10-Q for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, and is not incorporated by reference into any filing of the Company, whether made before or after the date hereof, regardless of any general incorporation language in such filing.