

**KLATASSINE RESOURCES LTD.**

**FINANCIAL STATEMENTS**

**March 31, 2015**

**(unaudited - See Notice to Reader)**

**RHB SCHMITZ de GRACE**  
Chartered Accountants

# **RHB SCHMITZ de GRACE**

Chartered Accountants

**Partners**

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- Denotes professional corporation

## **NOTICE TO READER**

On the basis of information provided by management, we have compiled the balance sheet of Klatassine Resources Ltd. as at March 31, 2015 and the statement of operations and retained earnings for the year then ended. We have not performed an audit or a review engagement in respect of these financial statements and, accordingly, we express no assurance thereon. Readers are cautioned that these statements may not be appropriate for their purposes.

**Prince George, BC  
June 8, 2015**

**RHB SCHMITZ de GRACE  
Chartered Accountants**

**KLATASSINE RESOURCES LTD.**

**STATEMENT OF OPERATIONS AND RETAINED EARNINGS**

For the year ended March 31, 2015

	<u>2015</u>	<u>2014</u>
<b>REVENUE</b>		
Logging	\$ 277,168	\$ 252,442
Forgiveness of due to related parties	-	868,472
	<u>277,168</u>	<u>1,120,914</u>
<b>EXPENSES</b>		
Fuel and oil (recovery)	84,629	(98,269)
Consulting fees	43,720	-
Rent - office	23,778	-
Insurance, licenses and dues	13,177	858
Repairs and maintenance	12,359	12,719
Subcontract	7,519	43,225
Professional fees	2,914	-
Bad debts expense	1,317	212,370
Wages and benefits	1,263	59,121
Bank charges and interest	678	13,400
Telephone	132	500
Office	-	2,383
Professional development	-	1,710
Travel (recovery)	(1,123)	-
Administration (recovery)	(15,514)	(7,018)
Parts and supplies (recovery)	(26,799)	15,996
Equipment rental (recovery)	(27,392)	3,030
Amortization of equipment	78,634	107,770
	<u>199,292</u>	<u>367,795</u>
<b>INCOME BEFORE INCOME TAXES</b>	<b>77,876</b>	<b>753,119</b>
<b>INCOME TAXES</b>		
Logging	7,788	-
Corporate	4,005	-
	<u>11,793</u>	<u>-</u>
<b>NET INCOME FOR THE YEAR</b>	<b>66,083</b>	<b>753,119</b>
<b>RETAINED EARNINGS (DEFICIT) AT BEGINNING OF THE YEAR</b>	<u><b>111,382</b></u>	<u><b>(641,737)</b></u>
<b>RETAINED EARNINGS AT END OF THE YEAR</b>	<u><u><b>\$ 177,465</b></u></u>	<u><u><b>\$ 111,382</b></u></u>

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**KLATASSINE RESOURCES LTD.**

**BALANCE SHEET**

**March 31, 2015**

**ASSETS**

	<u>2015</u>	<u>2014</u>
<b>CURRENT ASSETS</b>		
Cash	\$ 56,698	\$ 37,237
Prepaid expenses	<u>64,906</u>	<u>4,500</u>
	121,604	41,737
<b>EQUIPMENT</b>	<u>175,347</u>	<u>253,981</u>
	<u>\$ 296,951</u>	<u>\$ 295,718</u>

**LIABILITIES**

<b>CURRENT LIABILITIES</b>		
Accounts payable and accrued liabilities	\$ 11,253	\$ 83,730
Logging taxes payable	7,788	-
Corporate taxes payable	<u>4,005</u>	<u>-</u>
	23,046	83,730
<b>LONG-TERM DEBT</b>	-	63,292
<b>DUE TO RELATED PARTIES</b>	<u>96,439</u>	<u>37,313</u>
	<u>119,485</u>	<u>184,335</u>

**SHAREHOLDER'S EQUITY**

<b>SHARE CAPITAL</b>	1	1
<b>RETAINED EARNINGS</b>	<u>177,465</u>	<u>111,382</u>
	<u>177,466</u>	<u>111,383</u>
	<u>\$ 296,951</u>	<u>\$ 295,718</u>

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