

**YESTERPAY HOLDINGS INC.**

**Financial Statements**

**Year Ended December 31, 2015**

## Management's Responsibility for Financial Reporting

To the Shareholders of Yesterpay Holdings Inc.:

Management is responsible for the preparation and presentation of the accompanying financial statements, including responsibility for significant accounting judgments and estimates in accordance with International Financial Reporting Standards. This responsibility includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgment is required.

In discharging its responsibilities for the integrity and fairness of the financial statements, management designs and maintains the necessary accounting systems and related internal controls to provide reasonable assurance that transactions are authorized, assets are safeguarded and financial records are properly maintained to provide reliable information for the preparation of financial statements.

The Board is responsible for overseeing management in the performance of its financial reporting responsibilities, and for approving the financial information included in the annual report. The Board fulfills these responsibilities by reviewing the financial information prepared by management and discussing relevant matters with management and external auditors. The Board is also responsible for recommending the appointment of the Company's external auditors.

Sihota Taylor Chartered Accountants is appointed by the shareholders to audit the financial statements and report directly to them; their report follows. The external auditors have full and free access to, and meet periodically and separately with, both the Board and management to discuss their audit findings.



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Director



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Director

July 09, 2016

## INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Yesterpay Holdings Inc.

We have audited the accompanying financial statements of Yesterpay Holdings Inc., which comprise the statement of financial position as at December 31, 2015 and the statements of income and comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Yesterpay Holdings Inc. as at December 31, 2015 and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

### Emphasis of Matter

Without modifying our opinion, we draw attention to Note 4 to the financial statements, which explains that certain comparative information for the year ended December 31, 2014 has been restated.

### Other Matter

The financial statements for Yesterpay Holdings Inc. as at December 31, 2014 and for the year then ended were audited by other auditors, who expressed an unqualified opinion on those financial statements in their report dated April 27, 2015.

Calgary, Alberta  
July 9, 2016

*Sihota Taylor*  
CHARTERED ACCOUNTANTS

**YESTERPAY HOLDINGS INC.**  
**Statement of Financial Position**  
**December 31, 2015**

	2015	2014 <i>Revised (Note 4)</i>
<b>ASSETS</b>		
<b>CURRENT</b>		
Cash	\$ 989	\$ 989
DUE FROM RELATED PARTY <i>(Note 5)</i>	<u>600,126</u>	<u>312,614</u>
	<b><u>\$ 601,115</u></b>	<b><u>\$ 313,603</u></b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>		
<b>CURRENT</b>		
Accounts payable and accrued liabilities	\$ 13,995	\$ 9,995
BONDS <i>(Note 6)</i>	<u>586,120</u>	<u>302,608</u>
	<b>600,115</b>	<b>312,603</b>
<b>SHAREHOLDERS' EQUITY</b>		
Share capital <i>(Note 7)</i>	1,000	1,000
Retained earnings	<u>-</u>	<u>-</u>
	<b><u>\$ 601,115</u></b>	<b><u>\$ 313,603</u></b>
COMMITMENTS <i>(Note 8)</i>		
SUBSEQUENT EVENT <i>(Note 12)</i>		

Approved on behalf of the Board of Directors by:

 \_\_\_\_\_ Director

 \_\_\_\_\_ Director

See notes to financial statements

**YESTERPAY HOLDINGS INC.**  
**Statement of Income and Comprehensive Income**  
**Year Ended December 31, 2015**

	2015	2014 <i>Revised (Note 4)</i>
<b>REVENUE</b>		
Loan commitment fee <i>(Note 5)</i>	\$ 65,606	\$ 48,728
Interest income <i>(Note 5)</i>	<u>26,684</u>	<u>3,986</u>
	<u>92,290</u>	<u>52,714</u>
<b>EXPENSES</b>		
Professional fees	38,317	17,272
Interest on Bonds	26,684	3,986
Commissions and finance fees	24,410	26,850
Investor relations	2,879	4,595
Bank charges	-	11
	<u>92,290</u>	<u>52,714</u>
<b>NET INCOME AND COMPREHENSIVE INCOME FOR THE YEAR</b>	<u>\$ -</u>	<u>\$ -</u>

See notes to financial statements

**YESTERPAY HOLDINGS INC.**  
**Statement of Changes in Shareholders' Equity**  
**Year Ended December 31, 2015**

	Share capital	Retained earnings	Total Shareholders' equity
Balance, December 31, 2013	\$ 1,000	\$ -	\$ 1,000
Balance, December 31, 2014	1,000	-	1,000
<b>Balance, December 31, 2015</b>	<b>\$ 1,000</b>	<b>\$ -</b>	<b>\$ 1,000</b>

**YESTERPAY HOLDINGS INC.**  
**Statement of Cash Flows**  
**Year Ended December 31, 2015**

	2015	2014 <i>Revised (Note 4)</i>
<b>OPERATING ACTIVITIES</b>		
Net income	\$ -	\$ -
Change in non-cash working capital:		
Accounts payable and accrued liabilities	<u>4,000</u>	<u>9,995</u>
Cash flow from operating activities	<u>4,000</u>	<u>9,995</u>
<b>INVESTING ACTIVITY</b>		
Funds due from related party	<u>(287,512)</u>	<u>(312,614)</u>
<b>FINANCING ACTIVITY</b>		
Proceeds from issuance of bonds	<u>283,512</u>	<u>302,608</u>
<b>INCREASE (DECREASE) IN CASH FLOW</b>	-	(11)
Cash - beginning of year	<u>989</u>	<u>1,000</u>
<b>CASH - END OF YEAR</b>	<u>\$ 989</u>	<u>\$ 989</u>

See notes to financial statements

**YESTERPAY HOLDINGS INC.**  
**Notes to Financial Statements**  
**Year Ended December 31, 2015**

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1. DESCRIPTION OF BUSINESS

Yesterpay Holdings Inc. (the "Company") was incorporated pursuant to the provisions of the Business Corporations Act (Alberta) on November 7, 2012. The Company was formed to raise funds pursuant to an offering memorandum, which has been amended and updated from time to time as required (the "Offering" - Note 6) for the purposes of loaning the available funds to Capital Now Inc. ("CNI"), an entity related to the Company by common officers, directors and shareholders. The proceeds of the Offering will be loaned to CNI as working capital for the purchase of factored accounts receivables.

The proposed business of the Company relies on the success of the Offering which involves a high degree of risk and there is no assurance that it will be able to raise the funds necessary to finance its activities.

The address of the registered office of the Company is 900, 517 10th Ave SW, Calgary, Alberta.

2. BASIS OF PRESENTATION

*a) Statement of compliance:*

The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

The financial statements were approved by the Board of Directors on July 9, 2016.

*b) Basis of measurement:*

The financial statements have been prepared on the historical cost basis.

*c) Functional and presentation currency:*

The financial statements are presented in Canadian dollars, which is the Company's functional currency.

*d) Use of estimates and judgments:*

The preparation of financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Estimates and judgments are evaluated and are based on managements' experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. However, actual results could differ from these estimates. By their very nature, these estimates are subject to measurement uncertainty and the effect on the financial statements of future periods could be material. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

Significant estimates and judgments made by management in the preparation of the financial statements are as follows:

*i) Fair value of financial instruments*

The estimated fair value of financial assets and liabilities, by their very nature, are subject to measurement uncertainty.

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**YESTERPAY HOLDINGS INC.**  
**Notes to Financial Statements**  
**Year Ended December 31, 2015**

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2. BASIS OF PRESENTATION *(continued)*

*ii) Taxes*

Provisions for taxes are made using the best estimate of the amount expected to be paid based on a qualitative assessment of all relevant factors. The Company reviews the adequacy of these provisions at the end of the reporting period. However, it is possible that at some future date an additional liability could result from audits by taxing authorities. Further, tax interpretations, regulations and legislation are subject to change. As such, income taxes are subject to measurement uncertainty.

3. SIGNIFICANT ACCOUNTING POLICIES

a) Financial Instruments

All financial instruments are initially measured at fair value. Financial assets and financial liabilities are measured subsequently based on their classification.

Financial assets are classified as either fair value through profit or loss, loans and receivables, held to maturity, or available for sale. Financial liabilities are classified as fair value through profit or loss, or other financial liabilities. Financial assets or liabilities at fair value through profit or loss include instruments classified as held-for-trading or designated upon initial recognition at fair value through profit or loss. Financial assets or liabilities at fair value through profit or loss are measured at fair value with all gains and losses included in the statement of income and comprehensive income in the period in which they arise. Available for sale financial assets are measured at fair value with gains and losses, net of tax, included in other comprehensive income until the instruments are derecognized or impaired, at which time the gains or losses are recorded in the statement of income and comprehensive income. Loans and receivables, held-to-maturity investments and other financial liabilities are measured at amortized cost using the effective interest method.

The Company has the following financial assets and liabilities for which it has selected the following classification:

	<u>Classification</u>	<u>Measurement</u>
<b>Financial assets:</b>		
Cash	Loans and receivables	Amortized cost
Due from related party	Loans and receivables	Amortized cost
<b>Financial liabilities:</b>		
Accounts payable and accrued liabilities	Other financial liability	Amortized cost
Bonds	Other financial liability	Amortized cost

Financial assets, other than those measured at fair value through profit or loss, are assessed for indicators of impairment at each reporting date. Financial assets are impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial assets, the estimated future cash flows of the asset have been impacted. For financial assets carried at amortized cost, the amount of the impairment is the difference between the asset's carrying amount and the present value of the estimated future cash flows, discounted at the financial asset's original effective interest rate.

b) Cash

Cash consists of bank balances.

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**YESTERPAY HOLDINGS INC.**  
**Notes to Financial Statements**  
**Year Ended December 31, 2015**

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3. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

c) Share capital

Class A preferred shares are classified as equity. Incremental costs directly attributable to the issue of Class A preferred shares are recognized as a deduction from equity, net of any tax effects.

d) Revenue recognition

Interest income and loan commitment fee income are recognized pursuant to a loan agreement with CNI as described in Note 5.

e) Income tax

Income tax expense comprises current and deferred tax. Current and deferred taxes are recognized in profit or loss except to the extent that it relates to items recognized directly in equity or in other comprehensive income.

Current tax is the expected tax payable on the taxable income for the period, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to the tax payable in respect of previous years.

Deferred tax is recognized on the temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset, and they relate to income taxes levied by the same tax authority on the same taxable entity.

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

f) Provisions and contingent liabilities

Provisions are recognized when there is a present legal or constructive obligation arising as a result of a past event for which it is probable that an outflow of economic benefits will be required to settle the obligation and where a reliable estimate can be made of the amount of the obligation. Timing or exact amount of the outflow may still be uncertain. Provisions are measured at the estimated expenditure required to settle the present obligation, based on the most reliable evidence available, including the risks and uncertainties associated with the present obligation. Provisions are discounted to their present values, where the time value of money is material.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events are also disclosed as contingent liabilities unless the possibility of outflow of resources is remote.

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**YESTERPAY HOLDINGS INC.**  
**Notes to Financial Statements**  
**Year Ended December 31, 2015**

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3. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

g) Future accounting policies

IFRS 9, "Financial Instruments" ("IFRS 9"), will replace the guidance provided in IAS 39, "Financial Instruments Recognition and Measurement". The Standard includes new guidance on: i) classification and measurement of financial assets and liabilities; ii) impairment of financial assets; and, iii) hedge accounting. The Company will be required to adopt IFRS 9 effective for fiscal years ending on or after January 1, 2018, with earlier adoption permitted. The extent of the impact of adoption of IFRS 9 has not yet been determined.

In May 2014, the IASB published IFRS 15, "Revenue from Contracts with Customers" ("IFRS 15"), replacing IAS 11, "Construction Contracts" and IAS 18, "Revenue" and several revenue related interpretations. IFRS 15 establishes a single revenue recognition framework that applies to contracts with customers. The standard requires an entity to recognize revenue to reflect the transfer of goods and services for the amount it expects to receive, when control is transferred to the purchaser. Disclosure requirements have also been expanded. The new standard is effective for annual periods beginning on or after January 1, 2018, with earlier adoption permitted. The standard may be applied retrospectively or using a modified retrospective approach. The extent of the impact of adoption of IFRS 9 has not yet been determined.

4. PRIOR PERIOD ADJUSTMENTS

For the year ending December 31, 2014 expenses of the Company were recorded in CNI in error. Pursuant to the loan agreement between the Company and CNI dated October 31, 2014, CNI is to pay to the Company, as a loan commitment fee, a sum equal to all reasonable charges, fees, commissions and costs incurred by the Company in connection with any offering of securities undertaken by the Company. The correction of the prior period error has resulted in an increase (decrease) in the following financial statement items as at December 31, 2014:

**Statement of financial position**

Due from related party	\$	(367)
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**Statement of income and comprehensive income**

Loan commitment fee	\$	48,728
Bank charges		11
Investor relations		4,595
Professional fees		17,272
Commissions and finance fees		26,850

For the year ending December 31, 2014 reinvested interest on Series B Bonds was classified as Accounts payable in error. The correction of the prior period error has resulted in an increase (decrease) in the following financial statement items as at December 31, 2014:

**Statement of financial position**

Accounts payable and accrued liabilities	\$	(3,975)
Bonds		3,608

The prior period adjustments above had no impact on net income, comprehensive income or on retained earnings for the year ended December 31, 2014.

**YESTERPAY HOLDINGS INC.**  
**Notes to Financial Statements**  
**Year Ended December 31, 2015**

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5. RELATED PARTY TRANSACTIONS

The Company is related to CNI by common officers, directors and shareholders.

Pursuant to a loan agreement (the "CNI Agreement") entered into between the Company and CNI on October 31, 2014, the Company has agreed to lend up to \$15,000,000 to CNI. Funds raised pursuant to the Offering will be loaned to CNI on the following terms:

- i) the interest rate on funds loaned to CNI from Series A Bonds will be 8% per annum;
- ii) the interest rate on funds loaned to CNI from Series B Bonds will be 8% per annum, compounded monthly;
- iii) the maturity date of the loan of \$299,000 made in 2014 to CNI is June 30, 2017. The balance owing on this loan, including accrued interest, as at December 31, 2015 is \$325,230 (2014 - \$302,608);
- iv) the maturity date of the loan of \$260,000 made in 2015 to CNI is December 3, 2018. The balance owing on this loan, including accrued interest, as at December 31, 2015 is \$260,890 (2014 - \$nil);
- v) the advance of \$14,006 (2014 - \$10,006) owing from CNI with respect to the loan commitment fee is due upon the termination of the CNI Agreement; and,
- vi) the loans are secured by way of a general security agreement securing all present and after-acquired personal property of CNI in favour of the Company.

Furthermore, the CNI Agreement states that CNI is required to pay the Company, as a loan commitment fee, a sum equal to all reasonable charges, fees, commissions and costs incurred by the Company in connection with any offering of securities undertaken by the Company to raise funds for the purposes of loaning money to CNI. Amounts owing from CNI that relate to the loan commitment fee are non-interest bearing.

The Company recognized \$65,606 (2014 - \$48,728) as loan commitment fee revenue and \$26,684 (2014 - \$3,986) in interest income from CNI.

The related party transactions are in the normal course of operations and have been valued at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

**YESTERPAY HOLDINGS INC.**  
**Notes to Financial Statements**  
**Year Ended December 31, 2015**

6. BONDS

	2015	2014
Series A Bonds maturing June 30, 2017	\$ 30,000	\$ 30,000
Series A Bonds maturing December 3, 2018	115,000	-
Series B Bonds maturing June 30, 2017	295,230	272,608
Series B Bonds maturing December 3, 2018	145,890	-
	\$ 586,120	\$ 302,608

Pursuant to the Offering the Company is offering 8% Series A and Series B unsecured Bonds (the "Bonds"), to an aggregate maximum of 15,000 Bonds at a price of \$1,000 per Bond for total gross proceeds of \$15,000,000. The Company may, in the future, amend or otherwise update the Offering in order to offer one or more additional series of Bonds. The proceeds of the Offering will be loaned to CNI as working capital for the purchase of factored accounts receivables. During the year ended December 31, 2015 the Company issued \$260,000 (2014 - \$299,000) in Bonds.

Each Bond will entitle the holder to the following payments:

Series A: simple interest at a rate of 8% per annum, payable on the last day of each month during the term.

Series B: simple interest at a rate of 8% per annum, compounded monthly and payable on maturity.

The Company has the right to redeem up to 20% of a bondholder's Bonds twice a calendar year by providing the bondholder with 21 days written notice of its intention to do so, through the payment of the principal amount of the redeemed Bonds and all accrued and unpaid interest thereon to the date of redemption.

Beginning on the date that is 6 months from the date of a Bond, a bondholder shall be entitled twice in a calendar year, to cause the Company to redeem up to 10% of the bondholder's outstanding Bonds upon 30 days written notice. Bonds for which the written notice has been received will be redeemed on February 28 and August 31 of each year. The redemption amount of the Bond will be equal to the outstanding principal amount of the Bond less a redemption penalty calculated as 6% of the principal amount redeemed within 12 months of the date of the Bond certificate, 5% of the principal amount redeemed between 13 and 24 months of the date of the Bond certificate and 1% of the principal amount redeemed between 25 and 36 months of the date of the Bond certificate.

A shareholder of the Company has subscribed for 20 Series A Bonds for a total principal amount of \$20,000 (2014 - \$nil), subject to the standard terms and conditions applicable to the Series A Bonds.

7. SHARE CAPITAL

Authorized:

Unlimited number of Class A, non-participating, voting, preferred shares  
 Unlimited number of Class B, non-voting common shares

	2015	2014
Issued and outstanding:		
100,000 Class A preferred shares	\$ 1,000	\$ 1,000

No shares were issued or redeemed in 2015 or 2014.

**YESTERPAY HOLDINGS INC.**  
**Notes to Financial Statements**  
**Year Ended December 31, 2015**

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8. COMMITMENTS

The Company entered into an agreement (the "Agreement") with Target Capital Inc. ("Target"), the controlling shareholder, on November 8, 2012. Pursuant to the terms of the Agreement, the Company is required to pay to Target an annual fee of \$2,500 plus 0.5% of the total funds outstanding that have been raised under the Offering that is in excess of \$500,000 at the date of the anniversary of the Agreement. The annual fee is payable on each anniversary date of the Agreement.

The Agreement also requires the Company to pay a capital raising fee of 0.5% on funds raised in a year in excess of \$500,000. The capital raising fee is payable within 60 days from the date that the \$500,000 threshold is exceeded in the year.

With the exception of the annual fee and capital raising fee, Target will not otherwise benefit from its position as the controlling shareholder.

The Company has agreed to fully indemnify Target and its directors, officers and employees in connection with the Agreement, the Offering and Target's shareholdings in the Company.

The Agreement will remain in effect until the earliest of three dates: i) termination of the Agreement by the Company, requiring 90 days written notice to Target; ii) the date on which Target ceases to be the majority shareholder; and, iii) 10 years from the date of the Agreement.

9. CAPITAL MANAGEMENT

The Company's capital management policy is to maintain a strong capital base that optimises the Company's ability to grow, maintain creditor confidence and to provide a platform to create value for its shareholders. The Company intends to maintain a flexible capital structure to sustain future development of the business.

The Company will manage its capital structure and make changes to it in the light of changes in economic conditions and the risk characteristics of the nature of the business. The Company considers its capital structure to be equity. In order to maintain or adjust the capital structure, the Company may from time to time issue shares, seek debt financing and adjust its capital spending to manage its current and projected capital structure.

The Company monitors capital based on projected cash flow from operations and anticipated capital expenditures.

The Company is not subject to externally imposed capital requirements.

**YESTERPAY HOLDINGS INC.**  
**Notes to Financial Statements**  
**Year Ended December 31, 2015**

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10. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT

The fair values of cash, due from related party and accounts payable and accrued liabilities approximates their carrying values due to the short term to maturity. The fair value of Bonds approximates its carrying value as the market rate is equal to the interest rate paid on the Bonds.

a) Risk management framework

The Company employs risk management strategies and policies to ensure that any exposure to risk is in compliance with the Company's business objectives and risk tolerance levels. While the directors have overall responsibility for the establishment and oversight of the Company's risk management framework, management has the responsibility to administer and monitor these risks.

b) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Company's maximum exposure to credit risk at December 31, 2015 is the total of cash and due from related party of \$600,126 (2014 - \$312,614). The Company manages the credit exposure related to cash by selecting financial institutions with high credit ratings and due from related party by reviewing the financial stability of the related party. Given these credit ratings, management does not expect any counterparty to fail to meet its obligations.

c) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they are due. The Company's approach to managing liquidity risk is to ensure it will have sufficient liquidity to meet its liabilities when due. The Company's ongoing liquidity will be impacted by various external events and conditions, in particular, the collectibility of the related party advances to repay any future Bond redemptions

d) Market risk

Market risk is the risk that changes in market prices, such as interest rates or foreign exchange rates, will affect the Company's net income or the value of financial instruments. The objective of the Company is to manage and mitigate market risk exposures within acceptable limits, while maximizing returns. The Company has assessed that it is not exposed to significant interest or currency risk.

11. TAXES

The Company has no deferred tax asset to recognize and does not have any loss carryforwards for the years ended December 31, 2015 and 2014.

12. SUBSEQUENT EVENT

Subsequent to year end the Company raised \$141,000 from the issuance of Bonds pursuant to the Offering.