

**YUNNAN FOUNDATION  
FINANCIAL STATEMENTS  
SEPTEMBER 30, 2018  
(UNAUDITED - SEE NOTICE TO READER)**

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**Notice to Reader**

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NOTICE TO READER

I have compiled the statement of financial position of Yunnan Foundation as at September 30, 2018 and the statement of operations and changes in net assets for the year then ended from information provided by the directors. I have not audited, reviewed or otherwise attempted to verify the accuracy or completeness of such information. Readers are cautioned that these statements may not be appropriate for their purposes.

Vancouver, B.C.

ACCOUNTANT

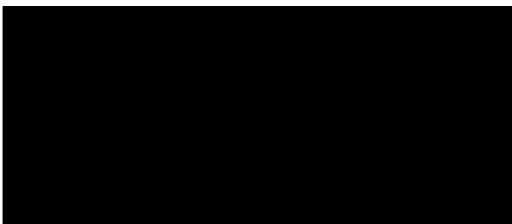
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STATEMENT 1

YUNNAN FOUNDATION  
STATEMENT OF FINANCIAL POSITION  
AS AT SEPTEMBER 30, 2018  
(UNAUDITED - SEE NOTICE TO READER)

	<u>2018</u>	<u>2017</u>
<u>ASSETS</u>		
CURRENT		
Cash	\$ 379,103	\$ 206,698
Accounts receivable	3,006	65,617
Prepaid expenses	-	11,979
	<u>382,109</u>	<u>284,294</u>
INVESTMENTS	156,250	156,250
CAPITAL ASSETS - note 2	-	1,770,228
	<u>\$ 538,359</u>	<u>\$ 2,210,772</u>
<u>LIABILITIES</u>		
CURRENT		
Accounts payable and accrued	\$ 1,686	\$ 67,323
RENT DEPOSITS	-	16,709
LONG-TERM DEBT	-	1,000,000
	<u>1,686</u>	<u>1,084,032</u>
<u>NET ASSETS</u>		
NET ASSETS - Statement 2	<u>536,673</u>	<u>1,126,740</u>
	<u>\$ 538,359</u>	<u>\$ 2,210,772</u>

APPROVED BY:



## STATEMENT 2

## YUNNAN FOUNDATION

## STATEMENT OF OPERATIONS AND CHANGES IN NET ASSETS

FOR THE YEAR ENDED SEPTEMBER 30, 2018

(UNAUDITED - SEE NOTICE TO READER)

	<u>2018</u>	<u>2017</u>
<b>REVENUES</b>		
Received donations	\$ -	\$ -
Non-receipted donations	-	-
Interest income	-	69
Gain on sale of rental property	7,327,710	-
Rental income - Schedule 1	134,828	447,350
	<u>7,462,538</u>	<u>447,419</u>
<b>EXPENSES</b>		
Bank charges and interest	107	113
Consulting Fees	76,874	50,430
Donations	7,865,000	215,000
Rental property expenses - Schedule 1	80,180	295,339
Professional fees	30,444	2,180
	<u>8,052,605</u>	<u>563,062</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES FOR THE YEAR</b>	<b>(590,067)</b>	<b>(115,643)</b>
<b>NET ASSETS, beginning of year</b>	<u>1,126,740</u>	<u>1,242,383</u>
<b>NET ASSETS, end of year - Statement 1</b>	<u>\$ 536,673</u>	<u>\$ 1,126,740</u>

**YUNNAN FOUNDATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2018**  
**(UNAUDITED - SEE NOTICE TO READER)**

1. GENERAL

The foundation was incorporated on October 31, 1988 under the Society act of British Columbia and is registered as a Private Foundation under Registration No. 89108 4048 RR0001

2. CAPITAL ASSETS

	Cost	Accumulated Amortization	Net Book Value	
			2018	2017
Land	\$ -	\$ -	\$ -	\$ 955,740
Buildings	-	-	-	772,821
Furniture and equipment	-	-	-	41,667
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,770,228</u>

3. PRESENTATION

A statement of cash flows was not prepared as it would not have provided any additional useful information.

YUNNAN FOUNDATION

SCHEDULE OF RENTAL INCOME

FOR THE YEAR ENDED SEPTEMBER 30, 2018

(UNAUDITED - SEE NOTICE TO READER)

	<u>2018</u>	<u>2017</u>
RENTAL INCOME	<u>\$ 134,828</u>	<u>\$ 447,350</u>
EXPENSES		
Amortization	-	42,618
Bad debts	-	-
Bank charges and interest	19,161	65,105
Insurance	5,420	17,825
Management fees	18,069	47,412
Office and miscellaneous	781	1,775
Professional fees	-	3,921
Property taxes	9,613	32,545
Repairs and maintenance	10,225	25,473
Utilities	16,911	58,665
	<u>80,180</u>	<u>295,339</u>
RENTAL INCOME FOR THE YEAR	<u>\$ 54,648</u>	<u>\$ 152,011</u>

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