

COMPAÑEROS INC.
FINANCIAL STATEMENTS
DECEMBER 31, 2015
(Unaudited - See Notice to Reader)

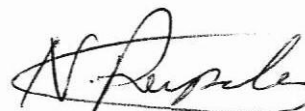
NOTICE TO READER

On the basis of information provided by management, we have compiled the balance sheet of Compañeros Inc. as at December 31, 2015 and the statement of income and deficit 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.

The prior year figures were compiled by another firm of licensed public accountants.



March 30, 2016
Toronto, Ontario

RSSM LLP
Licensed Public Accountants

COMPAÑEROS INC.
BALANCE SHEET
AS AT DECEMBER 31, 2015
(Unaudited - See Notice to Reader)

| | 2015 | 2014 |
|--------------------------------|---------------|---------------|
| | \$ | \$ |
| ASSETS | | |
| CURRENT | | |
| Cash and term deposits | 26,473 | 30,389 |
| Income taxes receivable | - | 4,930 |
| Prepaid and sundry | - | 13,767 |
| | <u>26,473</u> | <u>49,086</u> |
| CAPITAL ASSETS | | |
| Office equipment | - | 1,245 |
| Computer equipment | 2,419 | 2,419 |
| | 2,419 | 3,664 |
| Less: accumulated amortization | <u>2,089</u> | <u>2,504</u> |
| | 330 | 1,160 |
| | 26,803 | 50,246 |

LIABILITIES

| | | |
|------------------------------------------|---------------|----------------|
| CURRENT | | |
| Accounts payable and accrued liabilities | 9,763 | 9,683 |
| Income taxes payable | 985 | - |
| Due to shareholder | 17,995 | 23,517 |
| Unearned revenue | - | 72,099 |
| | <u>28,743</u> | <u>105,299</u> |

SHAREHOLDER'S DEFICIENCY

| | | |
|----------------------|------------------------|--------------------------------|
| CAPITAL STOCK | | |
| Authorized | | |
| Unlimited | Common shares | |
| Unlimited | Class A Special shares | |
| Unlimited | Class B Special shares | |
| Issued | | |
| 100 | Common shares | 100 100 |
| DEFICIT | | <u>(2,040)</u> <u>(55,153)</u> |
| | | <u>(1,940)</u> <u>(55,053)</u> |
| | | 26,803 50,246 |

APPROVED ON BEHALF OF THE BOARD:

X Gonzalo Duarte Director

Duarte, Gonzalo

COMPAÑEROS INC.
STATEMENT OF INCOME AND DEFICIT
FOR THE YEAR ENDED DECEMBER 31, 2015
(Unaudited - See Notice to Reader)
(comparative figures are for the year ended December 31, 2014)

| | 2015 | 2014 |
|-------------------------------------------------|-----------------------|------------------------|
| | \$ | \$ |
| REVENUE | | |
| Program fees | 149,611 | 113,918 |
| Project fees | 122,408 | 63,740 |
| Project donations | 24,221 | 48,302 |
| Sundry income | 4,354 | - |
| Project surplus | <u>3,300</u> | <u>6,198</u> |
| | <u>303,894</u> | <u>232,158</u> |
| EXPENSES | | |
| Program expenses - see attached schedule | 101,667 | 113,368 |
| Project expenses - see attached schedule | 81,154 | 74,331 |
| Administrative expenses - see attached schedule | 67,168 | 72,951 |
| Amortization | 330 | 786 |
| Foreign exchange gain/loss | <u>(523)</u> | <u>9,920</u> |
| | <u>249,796</u> | <u>271,356</u> |
| INCOME (LOSS), before income taxes | 54,098 | (39,198) |
| Income taxes | <u>985</u> | <u>-</u> |
| NET INCOME (LOSS), for the year | 53,113 | (39,198) |
| DEFICIT, beginning of year | <u>(55,153)</u> | <u>(15,955)</u> |
| DEFICIT, end of year | <u>(2,040)</u> | <u>(55,153)</u> |

COMPAÑEROS INC.
SCHEDULE OF PROJECT EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2015
(Unaudited - See Notice to Reader)
(comparative figures are for the year ended December 31, 2014)

| | 2015 | 2014 |
|-----------------------------------------|---------------|---------------|
| | \$ | \$ |
| Contracted labour | 2,103 | 3,756 |
| Local salaries and benefits (Nicaragua) | 13,884 | 26,720 |
| Health, well-being, labour | 13,799 | 912 |
| Management salary (Canada) | 10,922 | 10,991 |
| Children, youth education, labour | 12,768 | 3,815 |
| Water, Public infrastructure, labour | 2,329 | - |
| Family housing, labour | 25,349 | 28,137 |
| | 81,154 | 74,331 |

COMPAÑEROS INC.
SCHEDULE OF PROGRAM EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2015
(Unaudited - See Notice to Reader)
(comparative figures are for the year ended December 31, 2014)

| | 2015 | 2014 |
|-----------------------------------------|----------------|----------------|
| | \$ | \$ |
| Participant and group needs | 72,976 | 87,195 |
| Local salaries and benefits (Nicaragua) | 17,769 | 15,182 |
| Management salary (Canada) | 10,922 | 10,991 |
| | 101,667 | 113,368 |

COMPAÑEROS INC.
SCHEDULE OF ADMINISTRATIVE EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2015
(Unaudited - See Notice to Reader)
(comparative figures are for the year ended December 31, 2014)

| | 2015 | 2014 |
|-----------------------------------------|---------------|---------------|
| | \$ | \$ |
| Office and communication | 28,592 | 26,923 |
| Local salaries and benefits (Nicaragua) | 18,466 | 14,724 |
| Management salary (Canada) | 10,922 | 10,991 |
| Foreign payroll taxes paid | 6,476 | 14,875 |
| Professional services | 2,712 | 5,438 |
| | 67,168 | 72,951 |