

**LAKEFIELD MARKETING CORPORATION/CORPORATION DE MARKETING
LAKEFIELD**

Unaudited Condensed Interim Financial Statements

June 30, 2019

(expressed in Canadian dollars)

The auditor of Lakefield Marketing Corporation has not performed a review of the unaudited condensed interim statements for the period ended June 30, 2019 and June 30, 2018.

Lakefield Marketing Corporation

Condensed Interim Statement of Financial Position (Expressed in Canadian dollars)

| | June 30, 2019 Unaudited | December 31, 2018 Audited |
|--|----------------------------|------------------------------|
| ASSETS | | |
| Cash | \$ 15,436 | \$ 21,889 |
| LIABILITIES | | |
| Current: | | |
| Accounts payable and accrued liabilities | \$ 7,535 | \$ 8,006 |
| Due to related parties (<i>Note 5</i>) | 31,508 | 31,508 |
| | <u>(39,043)</u> | <u>(39,514)</u> |
| SHAREHOLDER'S DEFICIENCY | | |
| Capital stock (<i>Note 4</i>) | 1,958,148 | 1,958,148 |
| Deficit | (1,981,755) | (1,975,773) |
| Total equity (deficiency) | <u>(23,607)</u> | <u>(17,625)</u> |
| | <u>\$ 15,436</u> | <u>\$ 21,889</u> |

Nature of operations and going concern - Note 1

Approved on behalf of the Board
August 6, 2019

/s/ Dominique Monardo
Chief Executive Officer

/s/ Jon Bridgman
Chief Financial Officer

The accompanying notes are an integral part of these financial statements

Lakefield Marketing Corporation

Condensed Interim Statement of Changes in Equity (Expressed in Canadian dollars)

| Unaudited | Common Shares | | Deficit | Total Shareholder Deficiency |
|-----------------------------------|---------------|--------------|----------------|------------------------------|
| | # Shares | \$ Amount | | |
| Balance, December 31, 2017 | 29,479,940 | \$ 1,789,905 | \$ (1,829,223) | \$ (39,318) |
| Net loss | | | (106,412) | (106,412) |
| Balance, June 30, 2018 | 29,479,940 | 1,789,905 | (1,935,635) | (145,730) |
| Common shares issued for debt | 6,812,152 | 136,243 | | 136,243 |
| Share consolidation 1:10 | (32,662,883) | | | |
| Common shares issued for cash | 6,400,000 | 32,000 | | 32,000 |
| Net loss | | | (40,138) | (40,138) |
| Balance, December 31, 2018 | 10,029,209 | 1,958,148 | (1,975,773) | (17,625) |
| Net loss | | | (5,982) | (5,982) |
| Balance, June 30, 2019 | 10,029,209 | \$ 1,958,148 | \$ (1,981,755) | \$ (23,607) |

The accompanying notes are an integral part of these financial statements

Lakefield Marketing Corporation

Condensed Interim Statement of Cash Flows (Expressed in Canadian dollars)

| Unaudited | June 30 2019 Six months | June 30 2018 Six months |
|--|--|--|
| Expenses : | | |
| Consulting Fees | - | 27,600 |
| Accounting and legal | 2,955 | - |
| Filing fees and penalties | 1,671 | 71,297 |
| General and Administrative | 170 | 2,451 |
| Transfer agent fees | 1,186 | 5,064 |
| | <u>5,982</u> | <u>106,412</u> |
| Net loss and comprehensive loss | <u>\$ 5,982</u> | <u>\$ 106,412</u> |
| Net loss per share basic and diluted | \$ - | \$ - |
| Weighted average number of shares basic and diluted | 10,029,209 | 29,479,940 |

| Unaudited | June 30 2019 Three months | June 30 2018 Three months |
|--------------------------------------|--|--|
| Expenses: | | |
| Consulting Fees | - | 11,300 |
| Accounting and legal | 2,455 | - |
| Filing fees and penalties | 1,670 | 71,297 |
| General and Administrative | 170 | 458 |
| Transfer agent fees | 712 | 5,064 |
| | <u>5,007</u> | <u>88,119</u> |
| Net loss and comprehensive loss | <u>\$ 5,007</u> | <u>\$ 88,119</u> |
| Net loss per share basic and diluted | \$ - | \$ - |
| Weighted average number of shares | 10,029,209 | 29,479,940 |

The accompanying notes are an integral part of these financial statements

Lakefield Marketing Corporation

Condensed Interim Statement of Cash Flows (Expressed in Canadian dollars)

| Unaudited | June 30 2019 Six months | June 30 2018 Six months |
|---|-------------------------------|-------------------------------|
| Cash flows from (used in): | | |
| Operating activities | | |
| Net loss | \$ (5,982) | \$ (106,412) |
| Changes in non-cash working capital items | | |
| Accounts payable and accrued liabilities | (471) | (3,967) |
| Due to related party (note 5) | - | 5,000 |
| | <u>(6,453)</u> | <u>(105,379)</u> |
| Financing activity | | |
| Short-term unsecured loan | <u>-</u> | <u>105,379</u> |
| Net change in cash during the period | (6,453) | - |
| Balance, beginning of period | <u>21,889</u> | <u>-</u> |
| Balance, end of period | \$ 15,436.00 | \$ - |

The accompanying notes are an integral part of these financial statements

Lakefield Marketing Corporation

Notes to Unaudited Condensed Interim Financial Statements

June 30, 2019

(Expressed in Canadian dollars)

1. Nature of Operations and Going concern

Lakefield Marketing Corporation/Corporation de Marketing Lakefield (the "Company") is a public company incorporated under the laws of the Province of Ontario. The registered office and principal place of business of the Company is 31 Sunset Trail, Toronto, Ontario.

While these financial statements have been prepared on the basis of accounting principles applicable to a going concern, which contemplated the realization of assets and the settlement of liabilities and commitments in the normal course of business, adverse conditions could cast doubt upon the validity of this assumption. As at June 30, 2019 the Company has a working capital deficiency in the amount of \$23,607 as compared to the year-end December 31, 2018 of \$17,625 and has incurred losses since inception resulting in an accumulated deficit of \$1,981,755 and has no current active business. In order to meet its corporate and administrative expenses for the coming year the company will be required to raise funds through loans or additional financing. Although the company has been successful in raising funds in prior years there is no certainty that the company will be successful in the future.

If the going concern assumption was not appropriate for these financial statements, then adjustments might be necessary to the carrying values of assets and liabilities, the reported loss and the balance sheet classifications used. These adjustments could be material.

2. Significant accounting policies

(a) Statement of compliance

The interim financial statements were prepared in accordance with IAS 34 Interim Financial Reporting using accounting policies consistent with International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB"). These interim financial statements do not include all disclosures normally provided in consolidated annual financial statements and should be read in conjunction with our audited annual financial statements for the year ended December 31, 2018.

(b) Basis of Measurement

The financial statements have been prepared under the historical cost basis using the accrual basis of accounting except for cash flow information.

(c) Presentation currency

The Company's presentation currency and functional currency is the Canadian ("\$")

(d) Significant Accounting Judgments and Estimates

The significant accounting policies used in the preparation of these interim financial statements

Lakefield Marketing Corporation

Notes to Unaudited Condensed Interim Financial Statements

June 30, 2019

(Expressed in Canadian dollars)

are consistent with those described in the notes to the Company's annual financial statements for year-ended December 31, 2018.

(e) **Cash and Cash Equivalents**

Cash and cash equivalents consist of cash deposits.

3. Capital Management

Capital management policies used in the preparation of these interim financial statements are consistent with those described in the notes to the Company's annual financial statements for year-ended December 31, 2018.

4. Capital stock

Authorized: Unlimited number of common shares

Issued:

| | June 30, 2019 | December 31, 2018 |
|-------------------------|---------------|-------------------|
| Number of common shares | 10,029,209 | 10,029,209 |
| \$Value | \$1,958,148 | \$1,958,148 |

The Company maintains a Stock Option Plan for officers, directors, employees and other persons who provide services for the Company. At the period end June 30, 2019, no options were granted, outstanding or exercised.

The Company has no warrants outstanding nor has the Company issued dividends during the period.

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Notes to Unaudited Condensed Interim Financial Statements

June 30, 2019

(Expressed in Canadian dollars)

5. Related party

The Company's related parties consist of executive officers and a significant shareholder.

| Related Party | December 31, 2018 | June 30, 2019 |
|-------------------|-------------------|---------------|
| Dominique Monardo | 16,579 | 16,579 |
| Robert Salna | 14,929 | 14,929 |
| Jon Bridgeman | 5,000 | 5,000 |
| | \$ 36,508 | \$ 36,508 |

These advances are unsecured, non-interest bearing, and due on demand. The above transactions were in the normal course of operations and were measured at the exchange amount, which are the amounts agreed to by the related parties.

Mr. Monardo received executive compensation of \$Nil during the period. The amount due to Mr. Monardo consists of \$16,579 for previous year's corporate services.

Mr. Salna is a related party due to owning more than 10% of the outstanding shares in the Company as at August 1, 2018. The amount owed to Mr. Salna consists of \$14,929 for payment of general and administrative expenses

A management fee payable to Mr. Jon Bridgeman, Chief financial Officer was recorded for \$5,000 and is recorded in accounts payable.

6. Income tax

Income tax notes are consistent with those described in the notes to the Company's annual financial statements for year-ended December 31, 2018.

7. Financial Risk Management

Financial Risk Management policies used in the preparation of these interim financial statements are consistent with those described in the notes to the Company's annual financial statements for year-ended December 31, 2018.