

Trafalgar Resources, Inc.
Form 10-K
January 09, 2019

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-K

ANNUAL REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended September 30, 2018

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(D) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from to

Commission file number: 001-32522

Trafalgar Resources, Inc.

(Exact name of registrant as specified in its charter)

Utah
(State or other jurisdiction of incorporation
or organization)

91-0974149
(I.R.S. Employer Identification
Number)

Edgar Filing: Trafalgar Resources, Inc. - Form 10-K

Suite 3102, Everbright Center,

108 Gloucester Road

0000

Wanchai, Hong Kong

(Address of Principal Executive Offices)

(Zip Code)

(852) 3618-8608

Registrant's telephone number, including area code

Securities registered pursuant to Section 12(b) of the Act:

Title of each class Name of each exchange on which registered

None

Not Applicable

Securities registered pursuant to Section 12(g) of the Act:

Class A Voting Common Stock, no par value

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined by Rule 405 of the Securities Act.
 Yes No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or 15(d) of the Act.
Yes No

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Edgar Filing: Trafalgar Resources, Inc. - Form 10-K

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (section 232.406 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files).

Yes No

Edgar Filing: Trafalgar Resources, Inc. - Form 10-K

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K (229.405 of this chapter) is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K.

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company.

Large accelerated filer

Non-accelerated filer

Emerging growth company

Accelerated filer

Smaller reporting company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

State the aggregate market value of the voting and non-voting common equity held by non-affiliates computed by reference to the price at which the common equity was last sold, or the average bid and asked price of such common equity, as of the last business day of the registrant's most recently completed second fiscal quarter. The Registrant's shares were last sold at a price of \$1.01 per share. Although the Registrant's stock has very few trades and limited volume, based on the last sales price of \$1.01 shares held by non-affiliates would have a market value of \$253,425.

As of December 27, 2018, the Registrant had 5,251,309 shares of common stock issued and outstanding.

No documents are incorporated into the text by reference.

Table of Contents

		Pages
PART I		
Item 1.	Business	4
Item 2.	Properties	4
Item 3.	Legal Proceedings	4
Item 4.	Mine Safety Disclosures	4
PART II		
Item 5.	Market for Common Equity, Related Stockholder Matters, and Issuer Purchases of Equity Securities	5
Item 6.	Selected Financial Data	6
Item 7.	Management's Discussion and Analysis of Financial Condition and Results of Operations	6
Item 7A.	Quantitative And Qualitative Disclosures About Market Risk	9
Item 8.	Financial Statements and Supplementary Data	10
Item 9.	Changes In and Disagreements with Accountants on Accounting and Financial Disclosures	20
Item 9A.	Controls and Procedures	20
Item 9B.	Other Information	20
PART III		
Item 10.	Directors and Executive Officers, Promoters, Control Persons, and Corporate Governance	21
Item 11.	Executive Compensation	23
Item 12.	Security Ownership of Certain Beneficial Owners and Management	24
Item 13.	Certain Relationships and Related Transactions, and Director Independence	24
Item 14.	Principal Accountant Fees and Services	26
PART IV		
Item 15.	Exhibits, Financial Statement Schedules	27
	Signatures	28

PART I

ITEM 1.

BUSINESS

The Company was incorporated under the laws of the state of Utah on October 25, 1972, under the name of Electronic Agricultural Machinery Development Corporation. In 1974, the Company changed its name to Zenith Development Corporation. In 1980, the Company changed its name to Alternative Energy Resources, Inc. In 2004, the Company changed its name to Trafalgar Resources, Inc.

Initially, the Company sought to develop and market inventions, including an asparagus harvester, a hot water saving device and a gas alert signal. Ultimately, none of the inventions were successful and they were abandoned. The Company ceased to conduct any business and has not conducted any business during the last three years.

Currently, the Company is in the process of investigating potential business ventures which, in the opinion of management, will provide a source of eventual profit to the Company. Such involvement may take many forms, including the acquisition of an existing business or the acquisition of assets to establish subsidiary businesses. All risks inherent in new and inexperienced enterprises are inherent in the Company's business.

The Company is not currently conducting any business, nor it has conducted any business for several years. Therefore, it does not possess products or services, distribution methods, competitive business positions, or major customers.

The Company does not possess any unexpired patents or trademarks and all of its licensing and royalty agreements from the inventions it sought to market in the past have since expired, and are not currently valid. The Company does not employ any employees.

The selection of a business opportunity in which to participate is complex and risky. Additionally, as the Company has only limited resources, it may be difficult to find good opportunities. There can be no assurance that the Company will be able to identify and acquire any business opportunity which will ultimately prove to be beneficial to the Company and its stockholders. The Company will select any potential business opportunity based on management's business judgment.

The activities of the Company are subject to several significant risks which arise primarily as a result of the fact that the Company has no specific business and may acquire or participate in a business opportunity based on the decision of management which potentially could act without the consent, vote, or approval of the Company's stockholders.

The risks faced by the Company are further increased as a result of its lack of resources and its inability to provide a prospective business opportunity with significant capital.

ITEM 2.

PROPERTIES

The Company owns no properties and utilizes space on a rent-free basis in the office located at Suite 3102, Everbright Center, 108 Gloucester Road, Wanchai, Hong Kong. This arrangement is expected to continue until such time as the Company becomes involved in a business venture which necessitates its relocation, as to which no assurances can be given. The Company has no agreements with respect to the maintenance or future acquisition of the office facilities; however, if a successful merger/acquisition is negotiated, it is anticipated that the office of the Company will be moved to that of the acquired company.

The Company is not actively engaged in conducting any business. Rather, the Company is in the process of investigating potential business ventures which, in the opinion of management, will provide a source of eventual profit to the Company. Therefore, the Company does not presently intend to invest in real estate or real estate securities, nor has it formulated any investment policies regarding investments in real estate, real estate mortgages, or securities of or interests in persons engaged in real estate activities.

ITEM 3.

LEGAL PROCEEDINGS

None.

ITEM 4.

MINE SAFETY DISCLOSURES

The Company has no mining operations.

PART II**ITEM 5.****MARKET FOR COMPANY'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES**

The Company's common stock is quoted on the OTCQB under the symbol TFLG. Set forth below are the high and low bid prices for the Company's Common Stock for the respective quarters. Although the Company's common stock is quoted on the OTCQB it has traded sporadically with no real volume and there is currently no ask price. Consequently, the information provided below may not be indicative of the Company's common stock price under different conditions.

<u>Quarter Ended</u>	<u>High Bid</u>	<u>Low Bid</u>
September 2018	\$1.50	\$1.50
June 2018	\$1.20	\$1.05
March 2018	\$1.05	\$0.55
December 2017	\$1.01	\$0.55
September 2017	\$1.01	\$0.55
June 2017	\$1.01	\$0.55
March 2017	\$1.01	\$0.55
December 2016	\$1.01	\$0.55
September 2016	\$1.01	\$0.50
June 2016	\$1.01	\$0.50
March 2016	\$1.01	\$0.50
December 2015	\$1.01	\$0.50

At December 21, 2018, the bid and ask price for the Company's Common Stock was \$1.50 and \$1.50. All prices listed herein reflect inter-dealer prices, without retail mark-up, mark-down or commissions and may not represent actual transactions.

Recent Sales of Unregistered Securities

The Company had no sales of securities in 2018 or 2017.

Holders

At December 27, 2018, the Company had approximately 227 shareholders of record and beneficial owners based on information obtained from the Company's transfer agent.

Dividends

Since its inception, the Company has not paid any dividends on its common stock and the Company does not anticipate that it will pay dividends in the foreseeable future.

Securities authorized for issuance under equity compensation plans

The Company does not have securities authorized for issuance under any equity compensation plans

Performance graph

Not applicable to smaller reporting companies.

Purchases of Equity Securities by the Issuer and Affiliated Purchasers

The Company did not repurchase any shares of the Company's common stock during 2018.

ITEM 6.

SELECTED FINANCIAL DATA

Not applicable to a smaller reporting company.

ITEM 7.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Special Note Regarding Forward-Looking Statements

This Form 10-K contains certain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. For this purpose, any statements contained in this Form 10-K that are not statements of historical fact may be deemed to be forward-looking statements. Without limiting the foregoing, words such as "may", "will", "expect", "believe", "anticipate", "estimate" or "continue" or comparable terminology are intended to identify forward-looking statements. These statements by their nature involve substantial risks and uncertainties, and actual results may differ materially depending on a variety of factors, many of which are not within our control. These factors include but are not limited to economic conditions generally and in the industries in which we may participate; competition within our chosen industry, including competition from much larger competitors; technological advances and failure to successfully develop business relationships.

Plan of Operation

The Company is in the process of investigating potential business ventures which, in the opinion of management, will provide a source of eventual profit to the Company. Such involvement may take many forms, including the

acquisition of an existing business or the acquisition of assets to establish subsidiary businesses. The Company's management does not expect to remain involved as management of any acquired business.

As the Company possesses limited funds, the Company will be extremely limited in its attempts to locate potential business situations for investigation. The Company intends to commence, on a limited basis, the process of investigating possible merger and acquisition candidates, and believes that the Company's status as a publicly-held corporation will enhance its ability to locate such potential business ventures. No assurance can be given as to when the Company may locate suitable business opportunities and such opportunities may be difficult to locate; however, the Company intends to actively search for potential business ventures for the foreseeable future.

Management anticipates that due to its lack of funds, and the limited amount of its resources, the Company may be restricted to participation in only one potential business venture. This lack of diversification should be considered a substantial risk because it will not permit the Company to offset potential losses from one venture against gains from another.

Business opportunities, if any arise, are expected to become available to the Company principally from the personal contacts of its officers and directors. While it is not expected that the Company will engage professional firms specializing in business acquisitions or reorganizations, such firms may be retained if funds become available in the future, and if deemed advisable. Opportunities may thus become available from professional advisors, securities broker-dealers, venture capitalists, members of the financial community, and other sources of unsolicited proposals. In certain circumstances, the Company may agree to pay a finder's fee or other form of compensation, including perhaps one-time cash payments, payments based upon a percentage of revenues or sales volume, and/or payments involving the issuance of securities, for services provided by persons who submit a business opportunity in which the Company shall decide to participate, although no contracts or arrangements of this nature presently exist. The Company is unable to predict at this time the cost of locating a suitable business opportunity.

The analysis of business opportunities will be undertaken by or under the supervision of the Company's management, none of whom is a professional analyst and none of whom have significant general business experience. Among the factors which management will consider in analyzing potential business opportunities are the available technical, financial and managerial resources; working capital and financial requirements; the history of operation, if any; future prospects; the nature of present and anticipated

competition; potential for further research, developments or exploration; growth and expansion potential; the perceived public recognition or acceptance of products or services; name identification, and other relevant factors.

It is not possible at present to predict the exact matter in which the Company may participate in a business opportunity. Specific business opportunities will be reviewed and, based upon such review, the appropriate legal structure or method of participation will be decided upon by management. Such structures and methods may include, without limitation, leases, purchase and sale agreements, licenses, joint ventures; and may involve merger, consolidation or reorganization. The Company may act directly or indirectly through an interest in a partnership, corporation or reorganization. However, it is most likely that any acquisition of a business venture the Company would make would be by conducting a reorganization involving the issuance of the Company's restricted securities. Such a reorganization may involve a merger (or combination pursuant to state corporate statutes, where one of the entities dissolves or is absorbed by the other), or it may occur as a consolidation, where a new entity is formed and the Company and such other entity combine assets in the new entity. A reorganization may also occur, directly or indirectly, through subsidiaries, and there is no assurance that the Company would be the surviving entity. Any such reorganization could result in loss of control of a majority of the shares. The Company's present directors may be required to resign in connection with a reorganization.

The Company may choose to enter into a venture involving the acquisition of or merger with a company which does not need substantial additional capital but desires to establish a public trading market of its securities. Such a company may desire to consolidate its operations with the Company through a merger, reorganization, asset acquisition, or other combination, in order to avoid possible adverse consequences of undertaking its own public offering. (Such consequences might include expense, time delays or loss of voting control.) In the event of such a merger, the Company may be required to issue significant additional shares, and it may be anticipated that control over the Company's affairs may be transferred to others.

As part of their investigation of acquisition possibilities, the Company's management may meet with executive officers of the business and its personnel; inspect its facilities; obtain independent analysis or verification of the information provided, and conduct other reasonable measures, to the extent permitted by the Company's limited resources and management's limited expertise. Generally, the Company intends to analyze and make a determination based upon all available information without reliance upon any single factor as controlling.

In all likelihood, the Company's management will be inexperienced in the areas in which potential businesses will be investigated and in which the Company may make an acquisition or investment. Thus, it may become necessary for the Company to retain consultants or outside professional firms to assist management in evaluating potential investments. The Company can give no assurance that it will be able to find suitable consultants or managers. The Company has no policy regarding the use of consultants, however, if management, in its discretion, determines that it is in the best interests of the Company, management may seek consultants to review potential merger or acquisitions candidates. There are currently no contracts or agreements between any consultant and any companies that are searching for shell companies with which to merge.

It may be anticipated that the investigation of specific business opportunities and the negotiation, drafting and execution of relevant agreements, disclosure documents and other instruments will require substantial management time and attention, and substantial costs for accountants, attorneys and others. Should a decision thereafter be made not to participate in a specific business opportunity, it is likely that costs already expended would not be recoverable.

It is likely, in the event a transaction should eventually fail to be consummated, for any reason, that the costs incurred by the Company would not be recoverable. The Company's officers and directors are entitled to reimbursement for all expenses incurred in their investigation of possible business ventures on behalf of the Company, and no assurance can be given that if the Company has available funds they will not be depleted in such expenses.

Based on current economic and regulatory conditions, management believes that it is possible, if not probable, for a company like the Company, without many assets or many liabilities, to negotiate a merger or acquisition with a viable private company. The opportunity arises principally because of the high legal and accounting fees and the length of time associated with the registration process of going public. However, should any of these conditions change, it is very possible that there would be little or no economic value for anyone taking over control of the Company.

Acquisition by HY (HK) Financial Investments, Co., Ltd.

On July 13, 2018, HY (HK) Financial Investments Co., Ltd. a Hong Kong limited company (HY) purchased 5,000,000 shares of common stock (the Shares) of the Company for \$410,000. Of the Shares, 4,937,500, were acquired from Anthony Escobar, the Company s Chief Executive Officer and Director, 31,250 were acquired from Anthony Coletti, the Company s Principal Accounting Officer, Secretary, Treasurer, and Director, and 31,250 were acquired from Sean Escobar, a Company Vice President and Director. The Shares represent approximately 95% of the Company s issued and outstanding common stock.

HY used funds from its working capital to acquire the Shares and the transaction completed on July 13, 2018.

Summary of Financial Information

We had no revenues in 2018 or 2017. We had a net loss of \$62,758 for the year ended September 30, 2018. At September 30, 2018, we had cash and cash equivalents of \$nil and negative working capital of \$18,059.

The following table shows selected summarized financial data for the Company at the dates and for the periods indicated. The data should be read in conjunction with the financial statements and notes included herein beginning on page 10.

STATEMENT OF OPERATIONS DATA:

	<u>For the Year Ended</u>	<u>For the Year Ended</u>
	<u>September 30, 2018</u>	<u>September 30, 2017</u>
Revenues	\$ -	\$ -
General and Administrative Expenses	42,308	29,118
Net Loss	62,758	54,918
Basic Loss per Share	(0.01)	(0.01)
Diluted Loss per Share	(0.01)	(0.01)
Weighted Average Number of Shares Outstanding	5,251,309	5,251,309
Weighted Average Number of Fully Diluted Shares Outstanding	5,251,309	5,251,309

BALANCE SHEET DATA:

	<u>September 30, 2018</u>	<u>September 30, 2017</u>
Total Current Assets	\$ -	\$ 18,473
Total Assets	-	18,473
Total Current Liabilities	18,059	294,321
Working Capital (Deficit)	(18,059)	(275,848)
Stockholders' Equity (Deficit)	(18,059)	(305,848)

Liquidity And Capital Resources

As of September 30, 2018, the Company had \$nil in assets and liabilities of \$18,059. As of September 30, 2017, the Company had a negative working capital of \$18,059. The Company had a negative working capital of \$275,848 as of September 30, 2017. The Company has only incidental ongoing expenses primarily associated with maintaining its corporate status and maintaining the Company's reporting obligations to the Securities and Exchange Commission. Current management has indicated a willingness to help support the Company's ongoing expenses through the purchase of securities of the Company.

For the twelve months ended September 30, 2018, the Company had \$42,308 in general and administrative expenses related to maintaining its corporate status, paying accounting and legal fees and \$20,350 in interest expenses. Management anticipates continuing expenses related to investigating business opportunities and legal and accounting cost. Since the debt of Company was waived during the fiscal year, interest expenses had decreased. For the year ended September 30, 2018, the Company had a net loss of \$62,758 compared to a loss of \$54,918 for the year ended September 30, 2017.

Since inception, the Company has not generated significant revenue, and it is unlikely that any revenue will be generated until the Company locates a business opportunity with which to acquire or

merge. Management of the Company will be investigating various business opportunities. These efforts may cost the Company not only out of pocket expenses for its management but also expenses associated with legal and accounting costs. There can be no guarantee that the Company will receive any benefits from the efforts of management to locate business opportunities.

Management does not anticipate employing any employees in the future until a merger or acquisition can be accomplished. Management will continue to rely on outside consultants to assist in its corporate filing requirements.

Results of Operations

The Company has not had any revenue since inception. The Company continues to suffer losses related to maintaining its corporate status and reporting obligations. Since the debt of Company was waived during the fiscal year, interest expenses had decreased. For the year ended September 30, 2018, we incurred a loss of \$62,758 and had no revenue as compared to a loss of \$54,918 for the year ended September 30, 2017, with no revenue.

Off-Balance Sheet Arrangements.

The Company does not have any off-balance sheet arrangements and it is not anticipated that the Company will enter into any off-balance sheet arrangements.

ITEM 7A.

QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Not applicable to smaller reporting companies.

ITEM 8.

FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

TRAFALGAR RESOURCES, INC.

Index to

Financial Statements

	Pages
Report of Independent Registered Public Accounting Firm	11
Balance Sheets	12
Statements of Operations	13
Statement of Changes in Shareholders' Deficit	14
Statements of Cash Flows	15
Notes to Financial Statements	16

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the stockholders and the board of directors of Trafalgar Resources, Inc.

Opinion on the Financial Statements

We have audited the accompanying balance sheet of Trafalgar Resources, Inc. (the "Company") as of September 30, 2018 and the related statements of operations, stockholders' deficit, and cash flows for the year then ended, and the related notes (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of September 30, 2018, and the results of its operations and its cash flows for the year then ended, in conformity with accounting principles generally accepted in the United States of America. The financial statements of the Company as of September 30, 2017, were audited by other auditors whose report dated December 27, 2017 expressed an unqualified opinion on those statements.

Basis for Opinions

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audit. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) ("PCAOB") and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits, we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial report. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included

examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinions.

Substantial doubt about the Company's ability to continue as a going concern

The accompanying financial statements have been prepared assuming that the Company will continue as a going concern. As discussed in Note 3 to the financial statements, the Company has suffered recurring losses from operations and has stockholder's deficit that raise substantial doubt about its ability to continue as a going concern. Management's plans in regard to these matters are also described in Note 3. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

/s/ Lo and Kwong C.P.A. Company Limited

We have served as the Company's auditor since fiscal year 2018.

Suites 313-316

3/F., Shui On Centre

6-8 Harbour Road

Wanchai, Hong Kong

January 4, 2019

TRAFALGAR RESOURCES, INC.**Balance Sheets**

	September 30, 2018	September 30, 2017
ASSETS		
CURRENT ASSETS		
Cash	\$ -	\$ 15,140
Prepayment	-	3,333
TOTAL CURRENT ASSETS	-	18,473
TOTAL ASSETS	\$ -	\$ 18,473
LIABILITIES AND STOCKHOLDERS' DEFICIT		
CURRENT LIABILITIES		
Accounts payable	\$ 3,959	\$ 632
Interest payable - related party	-	103,589
Income taxes payable	100	100
Amount due to a related party	14,000	-
Notes payable - related party - Current	-	190,000
TOTAL CURRENT LIABILITIES	18,059	294,321
LONG-TERM LIABILITY		
Notes payable - related party	-	30,000
TOTAL LONG-TERM LIABILITY	-	30,000
TOTAL LIABILITIES	18,059	324,321
STOCKHOLDERS' DEFICIT		
Common stock with no par value, 100,000,000 shares authorized, 5,251,309 issued and outstanding	137,413	137,413
Other reserve	350,547	-
Accumulated deficit	(506,019)	(443,261)
TOTAL STOCKHOLDERS' DEFICIT	(18,059)	(305,848)
TOTAL LIABILITIES AND STOCKHOLDERS' DEFICIT	\$ -	\$ 18,473

The accompanying notes are an integral part of these financial statements.

TRAFALGAR RESOURCES, INC.**Statements of Operations**

	Year ended September 30, 2018	Year ended September 30, 2017
Income	\$ -	\$ -
Costs of sales	-	-
Gross profit	-	-
General and administrative expense	42,308	29,118
Operating loss	(42,308)	(29,118)
Interest expense to a related party	(20,350)	(25,700)
Loss before income taxes	(62,658)	(54,818)
Provision for income taxes	100	100
Net loss	\$ (62,758)	\$ (54,918)
Net loss per common share Basic and diluted	\$ (0.01)	\$ (0.01)
Weighted average number of common shares Basic and diluted	5,251,309	5,251,309

The accompanying notes are an integral part of these financial statements.

TRAFALGAR RESOURCES, INC.**Statements of Shareholders' Deficit**

	Common Stock			Accumulated	Total
	Share	Amount	Other Reserve	Deficit	Stockholders
					Deficit
Balances at September 30, 2016	5,251,309	\$ 137,413	\$ -	\$(388,343)	\$(250,930)
Net loss for the year	-	-	-	(54,918)	(54,918)
Balances at September 30, 2017	5,251,309	\$ 137,413	\$ -	\$(443,261)	\$(305,848)
Other reserve	-	-	350,547	-	350,547
Net loss for the year	-	-	-	(62,758)	(62,758)
Balances at September 30, 2018	5,251,309	\$ 137,413	\$ 350,547	\$(506,019)	\$ (18,059)

The accompanying notes are an integral part of these financial statements.

TRAGALGAR RESOURCES, INC.**Statements of Cash Flows**

	Year ended	Year ended
	September 30, 2018	September 30, 2017

Cash flows from operating activities:

Net loss	\$ (62,758)	\$ (54,918)
Adjustments for:		
Interest expense to a related party	20,350	-
Adjustments to reconcile net loss to net cash used in operating activities:	(42,408)	(54,918)
Changes in operating assets and liabilities:		
Decrease (increase) in prepayment	3,333	(833)
(Decrease) increase in interest payable	(13,392)	25,700
Increase in accounts payable	3,327	-
Increase in amount due to a related party	14,000	-
Net cash used in operating activities	(35,140)	(30,051)

Cash flows from financing activities:

Increase in notes payable related party	20,000	30,000
Net cash provided by financing activities	20,000	30,000

Net (decrease) increase in cash and cash equivalents

	(15,140)	(51)
--	----------	------

Cash, beginning of year

	15,140	15,191
--	--------	--------

Cash, end of year

	\$ -	\$ 15,140
--	------	-----------

Supplemental disclosures of cash flow information:

Interest paid	\$ -	\$ -
Taxes paid	\$ 100	\$ 100

The accompanying notes are an integral part of these financial statements.

TRAFALGAR RESOURCES, INC.

Notes to Financial Statements

NOTE 1: ORGANIZATION AND OPERATIONS

Trafalgar Resources, Inc. (the "Company") was incorporated under the laws of the State of Utah on October 25, 1972. The Company is considered as a development stage enterprise because since October 1, 2003, it has not commenced operations that have resulted in significant revenue and the Company's efforts have been devoted primarily to activities related to raising capital and attempting to acquire an operating entity.

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation and Accounting Basis

The accompanying audited financial statements of the Company have been prepared in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP) and are presented in US dollars. The Company has adopted a September 30 fiscal year end.

Accounting Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ materially from these estimates. Changes in estimates are recorded in results of operations in the period that the event or circumstances giving rise to such changes occur.

Cash and cash equivalents

The Company considers all highly liquid investments with the original maturities of three months or less at the time of purchase to be cash equivalents.

Fair Value of Financial Instruments

The Company's financial instruments consist of cash, accounts payable, interest payable related party, amount due to a related party, notes payable related party. The carrying amount of these financial instruments approximates fair value due to length of maturity or interest rates that approximate prevailing market rates.

Income Taxes

The Company accounts for deferred tax assets and liabilities using enacted tax rates for the effect of temporary differences between book and tax basis of recorded assets and liabilities. A valuation allowance is required if it is more likely than not that some portion or all of the deferred tax assets will not be realized. The determination of whether or not a valuation allowance is needed is based upon an evaluation of both positive and negative evidence. The ultimate amount of deferred tax assets realized could be different from those recorded, as influenced by potential changes in enacted tax laws and the availability of future taxable income.

Revenue recognition

Revenue is recognized at the point of passage to the customer of title and risk of loss, when there is persuasive evidence of an arrangement, the sales price is determinable, and collection of the resulting receivable is reasonably assured. The Company recognize revenue as services are provided. Revenues are reflected net of coupon discounts.

Net loss per common share

Loss per share is calculated by dividing the Company's net loss applicable to common shareholders by the weighted average number of common shares during the period. Diluted earnings per share is calculated by dividing the Company's net income available to common shareholders by the diluted weighted average number of shares outstanding during the year. The diluted weighted average number of shares outstanding is the basic weighted number of shares adjusted for any potentially dilutive debt or equity. There are no such common stock equivalents outstanding as of September 30, 2018, 2017 and 2016.

Recent Accounting Pronouncements

The Company does not expect the adoption of recently issued accounting pronouncements to have a significant impact on the Company's results of operations, financial position or cash flow.

NOTE 3: GOING CONCERN

The financial statements have been prepared on a going concern basis which assumes the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. The Company has incurred losses resulting in an accumulated deficit of \$506,019 as of September 30, 2018 and has negative cash flows from operations. Further losses are anticipated in the development of its business raising substantial doubt about the Company's ability to continue as a going concern. The ability to continue as a going concern is dependent upon the Company generating profitable operations in the future and, or, to obtain the necessary financing to meet its obligations and repay its liabilities arising from normal business operations when they come due. Management intends to seek new capital from a related party to provide needed funds for the next twelve months. These financials do not include any adjustments relating to the amounts and classifications of liabilities that might result from this uncertainty.

NOTE 4: RELATED PARTY TRANSACTIONS

During the year ended September 30, 2018, all the twelve notes owed to its President, as disclosed below, has been waived. An aggregated principal and interest of \$350,547 were waived, while the President draw the cash \$13,392.

Note 1 is for \$10,000 and bears interest of 4.5% per year and \$10,450 in interest and principal was due on February 27, 2010. Note 2 is for \$10,000 and bears interest of 4.5% per year and \$10,450 in interest and principal was due on February 28, 2011. Note 3 is for \$20,000 and bears interest of 4.5% per year and \$20,900 in interest and principal was due on January 15, 2014. Note 1, 2 and 3 are in default resulting in a 18% default rate of interest accruing.

Note 4 is for \$10,000 and bears interest of 4.5% per year. Interest of \$450 was due on May 7, 2011, 2012, 2013, and 2014. Interest and principal of \$10,450 was due on May 7, 2015. Note 4 is in default resulting in a 14% default rate of interest accruing.

Note 5 is for \$20,000 and bears interest of 4.75% per year. Interest of \$950 was due on February 1, 2012, 2013, and 2014. Interest and principal of \$20,950 was due on February 1, 2015. Note 5 is in default resulting in a 12% default rate of interest accruing.

Note 6 is for \$20,000 and bears interest of 8.0% per year. Interest of \$1,600 was due on February 1, 2013. Interest and principal of \$21,600 was due on February 1, 2014. Note 6 is in default resulting in a 12% default rate of interest accruing.

Note 7 is for \$20,000 and bears interest of 8.0% per year. Interest of \$1,600 was due on March 1, 2014. Interest and principal of \$21,600 was due on March 1, 2015. Note 7 is in default resulting in a 12% default rate of interest accruing.

Note 8 is for \$20,000 and bears interest of 8.0% per year. Interest of \$1,600 was due on February 3, 2015. Interest and principal of \$21,600 was due on February 3, 2016. Note 8 is in default resulting in a 12% default rate of interest accruing.

Note 9 is for \$30,000 and bears interest of 8.0% per year. Interest of \$2,400 was due on December 12, 2016. Interest and principal of \$32,400 was due on December 12, 2016. Note 9 is in default resulting in a 12% default rate of interest accruing.

Note 10 is for \$30,000 and bears interest of 8.0% per year. Interest of \$2,400 was due on January 5, 2017. Interest and principal of \$32,400 was due on January 5, 2018. Note 10 is in default resulting in a 12% default rate of interest accruing.

Note 11 is for \$30,000 and bears interest of 8.0%. Interest of \$2,400 was due on December 27, 2017. Interest and principal of \$32,400 is due on December 27, 2018.

Note 12 is for \$20,000 and bears interest of 8.0%. Interest of \$1,600 is due on March 8, 2019. Interest and principal of \$21,600 is due on March 9, 2020.

NOTE 5 : INCOME TAXES

Deferred taxes are provided on a liability method whereby deferred tax assets are recognized for deductible temporary differences and operating loss and tax credit carryforwards and deferred tax liabilities are recognized for taxable temporary differences. Temporary differences are the differences between the reported amounts of assets and liabilities and their tax bases. Deferred tax assets are reduced by a valuation allowance when, in the opinion of management, it is more likely than not that some portion or all of the deferred tax assets will not be realized. Deferred tax assets and liabilities are adjusted for the effects of changes in tax laws and rates on the date of enactment. Income tax periods 2016, 2017 and 2018 are open for examination by taxing authorities.

The income tax expense (benefit) for the year ended September 30, 2018 differs from the amount computed using the federal statutory rates as follows:

	Year Ended	Year Ended
	September 30, 2018	September 30, 2017
Income tax expense (benefit) at Federal tax rate of 21% for 2018 and 35% for 2017	\$ (13,179)	\$ (19,186)
State income tax	100	100
Effect of rate changes on deferred tax assets and valuation allowance	8,786	-
Non-deductible expenses	4,274	-
Valuation allowance	119	19,186
	100	100

On December 22, 2017, the 2017 Tax Cuts and Jobs Act (the Tax Act) was enacted into law including a one-time mandatory transition tax on accumulated foreign earnings and a reduction of the corporate income tax rate to 21% effective on January 1, 2018, among others. We are required to recognize the effect of the tax law changes in the period of enactment, such as determining the transition tax, remeasuring our U.S. deferred tax assets and liabilities as

well as reassessing the net realizability of our deferred tax assets and liabilities. The Company does not have any foreign earnings and therefore, we do not anticipate the impact of a transition tax. We have remeasured our U.S. deferred tax assets at a statutory income tax rate of 21%. Since the Tax Act was passed late in the fourth quarter of 2017, and ongoing guidance and accounting interpretation are expected over the next 12 months, we consider the accounting of any transition tax, deferred tax re-measurements, and other items to be incomplete due to the forthcoming guidance and our ongoing analysis of final year-end data and tax positions. We expect to complete our analysis within the measurement period in accordance with SAB 118.

Deferred tax assets for the year ending September 30, 2018 and 2017 are comprised primarily of the following:

	<u>2018</u>	<u>2017</u>
Net Operating Loss Carryforward	\$ 59,010	119,946
Valuation Allowance	(59,010)	(119,946)
Total deferred tax asset	-	-

At September 30, 2018 the Company had a net operating loss carry forward of approximately \$281,000 that may be offset against future taxable income through 2036. These losses will start to expire in the year 2019 through 2038.

No tax benefit has been reported in the financial statements because the Company believes that it is more likely than not that the carryforwards will expire unused. The utilization of future losses may be limited under various provisions of the Internal Revenue Code pertaining to continuity of

business operations limits and substantial changes in ownership. Accordingly, the potential tax benefits of the loss carryforwards are offset by a valuation allowance of the same amount. The valuation allowance decreased during the year ended September 30, 2018 by approximately \$60,936 as a result of prior accrued interest due to a related party that will not be deducted on a future tax return and also as a result of a lower tax rate going forward. The Company has no tax positions at September 30, 2018 and 2017 for which the ultimate deductibility is highly certain but for which there is uncertainty about the timing of such deductibility.

NOTE 6: SUBSEQUENT EVENTS

The Company has analyzed its operations subsequent to September 30, 2018 to the date these financial statements were available to be issued and has determined that it does not have any material subsequent events to disclose in these financial statements.

ITEM 9.

**CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND
FINANCIAL DISCLOSURE**

The Company has had no disagreements with its principal independent accountants with respect to accounting practices or procedures or financial disclosure.

ITEM 9A. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

Our management, including our CEO and Principal Financial Officer, evaluated the effectiveness of our disclosure controls and procedures as of the end of the period covered by this report. Based on that evaluation, our CEO and Principal Financial Officer concluded that due to the small size of the Company and lack of segregation of duties, our disclosure controls and procedures as of the end of the period covered by this report were not effective such that the information required to be disclosed by us in reports filed under the Exchange Act is (i) recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms and (ii) accumulated and communicated to our management, including our CEO and CFO, as appropriate to allow timely decisions regarding disclosure. A controls system cannot provide absolute assurance, however, that the objectives of the controls system are met, and no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, within a company have been detected. However, management believes the controls and procedures provide a reasonable basis for the conclusions.

Management's Annual Report on Internal Control over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting (as defined in Rule 13a-15(f) under the Exchange Act). Our internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with accounting principles generally accepted in the United States.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Therefore, even those systems determined to be effective can provide only reasonable assurance of achieving their control objectives.

Our management evaluated the effectiveness of our internal control over financial reporting as of September 30, 2018. In making this assessment, our management used the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission (COSO - 2013) in Internal Control - Integrated Framework. Further, our management considered the lack of operations and revenue, the limited cash on hand and the limited transactions which occur on a monthly basis. Based on this evaluation, our management concluded that, as of September 30, 2018, our internal control over financial reporting was not effective due to the small size of the Company and lack of segregation of duties.

This annual report does not include an attestation report of the Company's registered public accounting firm regarding internal control over financial reporting. Management's report was not subject to attestation by the Company's registered public accounting firm since the Company is not an accelerated or larger accelerated filer.

Evaluation of Changes in Internal Control over Financial Reporting

There have been no changes in internal control over financial reporting that occurred during the last fiscal quarter that has materially affected, or is reasonably likely to materially affect, the internal control over financial reporting.

ITEM 9B. OTHER INFORMATION

None

PART III

ITEM 10. DIRECTORS AND EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE

The following table sets forth as of December 28, 2018, the name, age, and position of each executive officer and director and the term of office of each director of the Company.

Name	Age	Position	Director and Officer Since
Kong Xiao Jun	46	Chief Executive Officer, President and Director	2018

Set forth below is certain biographical information regarding the Company's executive officers and directors during the fiscal year ended September 30, 2018.

Kong Xiao Jun, age 46, has been a Chief Executive Officer, President and Director since July 13, 2018. He currently serves as the Chief Executive Officer of Guangdong HY Capital Management Co., LTD and has served in that role since 2011. Previously, Mr. Kong was the Executive Director of the Asia Aluminum Group from 2007 through 2011. Mr. Kong has experience in leading large-scale M&A and investment projects in different industries such as agriculture, film and media, and cultural tourism.

Mr. Kong holds a bachelor degree in accounting from Southwestern University of Finance and Economics in Chengdu, Sichuan, China. He is also qualified as Chinese Certified Public Accountant, Certified Tax Agent, US Chartered Financial Analyst, and Fellow of the Institute of Financial Accountants UK.

Anthony Brandon Escobar, age 43, has been a Director of the Company since March 5, 2004, and has been President of the Company since March 12, 2004. In addition to his management position with the Company, he graduated from the University of Utah in 2001 with a Bachelor of Science degree in Communications. Mr. Escobar has been self-employed owning and operating Absolute Laboratories, Inc., that distributes dietary supplements to health food stores and pharmacies. Mr. Escobar is also a licensed real estate agent.

Effective as of July 18, 2018, Mr. Anthony B. Escobar resigned his position as our Chief Executive Officer, President and Director.

Sean Escobar, age 38, has been a Director of the Company since March 5, 2004, and has been Vice President of the Company since March 12, 2004. In addition to his management position with the Company, he has worked as an independent contractor as a nutritional product sales representative primarily for Isagenix International, Inc.

Effective as of July 13, 2018, Mr. Anthony Coletti resigned his position as our Vice President and Director.

Anthony Coletti, age 48, has been a Director of the Company since March 5, 2004, and has been Secretary and Treasurer of the Company since March 12, 2004. In addition to his management position with the Company, he graduated from the University of Utah in 1993 with a Bachelor of Arts degree in Marketing. Mr. Coletti has worked in the field of ophthalmology as a Glaucoma Specialty Sales Representative for Alcon Laboratories and has managed a territory including the states of Utah, Idaho, Montana, and Wyoming, where he has worked with over 240 physicians.

Effective as of July 13, 2018, Mr. Sean Escobar resigned his position as our Secretary and Treasurer and Director.

Anthony Brandon Escobar and Sean Escobar are brothers and Anthony Coletti is the brother-in-law to Anthony Brandon Escobar and Sean Escobar.

Except as indicated below, to the knowledge of management, during the past five years, no present or former director, or executive officer of the Company:

(1)

filed a petition under the federal bankruptcy laws or any state insolvency law, nor had a receiver, fiscal agent or similar officer appointed by a court for the business or property of such person, or any partnership in which he was a general partner at or within two years before the

time of such filing, or any corporation or business association of which he was an executive officer at or within two years before the time of such filing;

(2)

was convicted in a criminal proceeding or named subject of a pending criminal proceeding (excluding traffic violations and other minor offenses);

(3)

was the subject of any order, judgment or decree, not subsequently reversed, suspended or vacated, of any court of competent jurisdiction, permanently or temporarily enjoining him from or otherwise limiting, the following activities:

(i)

acting as a futures commission merchant, introducing broker, commodity trading advisor, commodity pool operator, floor broker, leverage transaction merchant, associated person of any of the foregoing, or as an investment advisor, underwriter, broker or dealer in securities, or as an affiliate person, director or employee of any investment company, or engaging in or continuing any conduct or practice in connection with such activity;

(ii)

engaging in any type of business practice; or

(iii)

engaging in any activity in connection with the purchase or sale of any security or commodity or in connection with any violation of federal or state securities laws or federal commodities laws;

(4)

was the subject of any order, judgment, or decree, not subsequently reversed, suspended, or vacated, of any federal or state authority barring, suspending, or otherwise limiting for more than 60 days the right of such person to engage in any activity described above under this Item, or to be associated with persons engaged in any such activity;

(5)

was found by a court of competent jurisdiction in a civil action or by the Securities and Exchange Commission to have violated any federal or state securities law, and the judgment in such civil action or finding by the Securities and Exchange Commission has not been subsequently reversed, suspended, or vacated.

(6)

was found by a court of competent jurisdiction in a civil action or by the Commodity Futures Trading Commission to have violated any federal commodities law, and the judgment in such civil action or finding by the Commodity Futures Trading Commission has not been subsequently reversed, suspended or vacated.

Section 16(a) Beneficial Ownership Reporting Compliance

Section 16(a) of the Exchange Act requires our directors, executive officers, and the persons who beneficially own more than 10% of the Common Stock and securities convertible into shares of Common Stock (together with the Common Stock, *Subject Shares*), to file with the SEC initial reports of ownership and reports of changes in ownership of Subject Shares. Directors, officers and greater than 10% beneficial owners of the Subject Shares are required by the SEC's regulations to furnish us with copies of all forms they file with the SEC pursuant to Section 16(a) of the Exchange Act. Based solely on the reports received by us and on the representations of the reporting persons, we believe that these persons have complied with all applicable filing requirements during the fiscal year ended September 30, 2018.

Code of Ethics

We have not yet adopted a code of ethics that applies to our principal executive officer, principal financial officer, principal accounting officer or controller or persons performing similar functions. We intend to adopt a code of ethics in the immediate future.

Corporate Governance

There have been no changes in any state law or other procedures by which security holders may recommend nominees to our board of directors. We do not have a nominating committee, however we intend to appoint one in the immediate future.

Audit Committee

Our board of directors has an Audit Committee consisting of Mr. Kong. The Audit Committee does not at the present time have an audit committee financial expert serving on its Audit Committee; however, our board intends to appoint an audit committee financial expert in the immediate future.

Family Relationships

None as of September 30, 2018.

Involvement in Certain Legal Proceedings

None of our directors, executive officers and control persons has been involved in any of the following events during the past ten years:

Any bankruptcy petition filed by or against any business of which such person was a general partner or executive officer either at the time of the bankruptcy or within two years prior to that time,

Any conviction in a criminal proceeding or being subject to any pending criminal proceeding (excluding traffic violations and other minor offenses);

Being subject to any order, judgment or decree, not subsequently reversed, suspended or vacated, of any court of competent jurisdiction, permanently or temporarily enjoining, barring, suspending or otherwise limiting his or her involvement in any type of business, securities or banking activities; or

Being found by a court of competent jurisdiction (in a civil action), the Commission or the Commodity Futures Trading Commission to have violated a federal or state securities or commodities law, and the judgment has not been reversed, suspended, or vacated.

Conflicts of Interest

Except as provided for in Article XI of the Company's By-Laws: Board Director Compensation, no officer, director or security holder of the company may be involved in pecuniary interest in any investment acquired or disposed of by the registrant or in any transaction to which the registrant or any of its subsidiaries is party or has an interest.

None of the directors, officers, security holders or affiliates of the registrant may engage, for their own account, business activities of the types conducted by the registrant and its subsidiaries.

ITEM 11. EXECUTIVE COMPENSATION

Summary Compensation Table

The following tables set forth certain summary information concerning the compensation paid or accrued for each of the Company's last three completed fiscal years to the Company's or its principal subsidiaries' chief executive officer and each of its other executive officers that received compensation in excess of \$100,000 during such period (as determined at September 30, 2018 the end of the Company's last completed fiscal year):

Summary Compensation Table

Name and Principal						Non- Equity	All	
				Stock	Option	Incentive Plan	Other	
<u>Position</u>	<u>Year</u>	<u>Salary</u>	<u>Bonus</u>	<u>Awards</u>	<u>Awards</u>	<u>Compensation</u>	<u>Compensation</u>	<u>Total</u>
Anthony Escobar	2018	-0-	-0-	-0-	-0-	-0-	-0-	-0-
	2017	-0-	-0-	-0-	-0-	-0-	-0-	-0-
CEO	2016	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Kong Xiao Jun	2018	-0-	-0-	-0-	-0-	-0-	-0-	-0-
CEO								

Cash Compensation No cash compensation was paid to any director or executive officer of the Company during the fiscal years ended September 30, 2018, 2017, and 2016.

Bonuses and Deferred Compensation None

Compensation Pursuant to Plans None

Pension Table None

Other Compensation None

Compensation of Directors None

Termination of Employment and Change of Control Arrangement

There are no compensatory plans or arrangements, including payments to be received from the Company, with respect to any person named in Cash Compensation set out above which would in any way result in payments to any such person because of his resignation, retirement, or other termination of such person's employment with the Company or its subsidiaries, or any change in control of the Company, or a change in the person's responsibilities following a changing in control of the Company.

ITEM 12.

**SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND
RELATED STOCKHOLDERS MATTERS**

The following table sets forth as of December 28, 2018, the name and the number of shares of the Company's common stock held of record or beneficially by each person who held of record, or was known by the Company to own beneficially, more than 5% of the 5,251,309 issued and outstanding shares of the Company's common stock, and the name and shareholdings of each director and of all officers and directors as a group.

<u>Title of Class</u>	<u>Name of Beneficial Owner</u>	<u>Amount and Nature of Beneficial Ownership (1)</u>	<u>Percent of Class</u>
Class A Voting	Kong Xiao Jun (2) Suites 3102, Everbright Centre, 108 Gloucester Road, Wanchai, Hong Kong	5,000,000	94.49%
Directors and Executive Officers as a Group		5,000,000	94.49%
	HY (HK) Financial Investments Co, Ltd. (2)	5,000,000	94.49%

(1) All shares are owned directly, beneficially and of record; and each shareholder has sole voting, investment, and dispositive power, unless otherwise noted.

(2) Mr. Kong is deemed to be the beneficial owner of these 5,000,000 shares held by HY (HK) Financial Investments Co, Ltd. Mr. Kong is the Chief Executive Officer and majority shareholder of HY (HK) Financial Investments Co, Ltd.

ITEM 13.

CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS AND DIRECTOR

INDEPENDENCE

Transactions with management and others

During the fiscal year ended September 30, 2018, there were no material transactions, or series of similar transactions, since the beginning of the Company's last fiscal year, or any currently proposed transactions, or series of similar transactions, to which the Company was or is to be party, in which the amount involved exceeds \$60,000, and in which any director or executive officer, or any security holder who is known by the Company to own of record or beneficially more than 5% of any class of the Company's common stock, or any member of the immediate family of any of the foregoing persons, has an interest.

Edgar Filing: Trafalgar Resources, Inc. - Form 10-K

During the year ended September 30, 2018, all the twelve notes owed to its President, as disclosed below, has been waived. An aggregated principal and interest of \$350,547 were waived, while the President draw the cash \$13,392.

Note 1 is for \$10,000 and bears interest of 4.5% per year and \$10,450 in interest and principal was due on February 27, 2010. Note 2 is for \$10,000 and bears interest of 4.5% per year and \$10,450 in interest and principal was due on February 28, 2011. Note 3 is for \$20,000 and bears interest of 4.5% per year and \$20,900 in interest and principal was due on January 15, 2014. Note 1, 2 and 3 are in default resulting in a 18% default rate of interest accruing.

Note 4 is for \$10,000 and bears interest of 4.5% per year. Interest of \$450 was due on May 7, 2011, 2012, 2013, and 2014. Interest and principal of \$10,450 was due on May 7, 2015. Note 4 is in default resulting in a 14% default rate of interest accruing.

Note 5 is for \$20,000 and bears interest of 4.75% per year. Interest of \$950 was due on February 1, 2012, 2013, and 2014. Interest and principal of \$20,950 was due on February 1, 2015. Note 5 is in default resulting in a 12% default rate of interest accruing.

Note 6 is for \$20,000 and bears interest of 8.0% per year. Interest of \$1,600 was due on February 1, 2013. Interest and principal of \$21,600 was due on February 1, 2014. Note 6 is in default resulting in a 12% default rate of interest accruing.

Note 7 is for \$20,000 and bears interest of 8.0% per year. Interest of \$1,600 was due on March 1, 2014. Interest and principal of \$21,600 was due on March 1, 2015. Note 7 is in default resulting in a 12% default rate of interest accruing.

Note 8 is for \$20,000 and bears interest of 8.0% per year. Interest of \$1,600 was due on February 3, 2015. Interest and principal of \$21,600 was due on February 3, 2016. Note 8 is in default resulting in a 12% default rate of interest accruing.

Note 9 is for \$30,000 and bears interest of 8.0% per year. Interest of \$2,400 was due on December 12, 2016. Interest and principal of \$32,400 was due on December 12, 2016. Note 9 is in default resulting in a 12% default rate of interest accruing.

Note 10 is for \$30,000 and bears interest of 8.0% per year. Interest of \$2,400 was due on January 5, 2017. Interest and principal of \$32,400 was due on January 5, 2018. Note 10 is in default resulting in a 12% default rate of interest accruing.

Note 11 is for \$30,000 and bears interest of 8.0%. Interest of \$2,400 was due on December 27, 2017. Interest and principal of \$32,400 is due on December 27, 2018.

Note 12 is for \$20,000 and bears interest of 8.0%. Interest of \$1,600 is due on March 8, 2019. Interest and principal of \$21,600 is due on March 9, 2020.

Indebtedness of Management

Except as set forth above related to the notes owed to the Company's president and those notes are waived during the year ended September 30, 2018, there were no material transactions, or series of similar transactions, since the beginning of the Company's last fiscal year, or any currently proposed transactions, or series of similar transactions, to which the Company was or is to be a party, in which the amount involved exceeds \$60,000 and in which any director or executive officer, or any security holder who is known to the Company to own of record or beneficially more than 5% of any class of the Company's common stock, or any member of the immediate family of any of the foregoing persons, has an interest.

Transactions with Promoters

There have been no transactions between the Company and promoters during the last fiscal year.

ITEM 14.

PRINCIPAL ACCOUNTANT FEES AND SERVICES

(1) Audit Fees - The aggregate fees billed in each of the last two fiscal years for professional services rendered by the Company's principal accountant for the audit of the annual financial statements and review of financial statements included in the Form 10-Q or services that are normally provided by the accountant in connection with statutory and regulatory filings or engagements for those fiscal years are: \$17,000 for 2018 and \$8,500 for 2017.

(2) Audit-Related Fees - The aggregate fees billed in each of the last two fiscal years for assurance and related services by the Company's principal accountant that are reasonably related to the performance of the audit or review of the financial statements and are not reported in (1) Audit Fees: \$0 for 2018 and \$0 for 2017.

(3) Tax Fees - The aggregate fees billed in each of the last two fiscal years for professional services rendered by the Company's principal accountant for tax compliance, tax advice, and tax planning: \$0 for 2018 and \$0 for 2017.

(4) All Other Fees - The aggregate fees billed in each of the last two fiscal years for products and services provided by the Company's principal accountant, other than the services reported in (1) Audit Fees; (2) Audit-Related Fees; and (3) Tax Fees: \$0 for 2018 and \$0 for 2017.

(5) The Company does not have an audit committee.

(6) Not Applicable.

PART IV

ITEM 15.

EXHIBITS, FINANCIAL STATEMENT SCHEDULES

(a)(1)

List of Financial statements included in Part II hereof

Report of Independent Registered Public Accounting Firm

Balance Sheet:

September 30, 2018 and 2017

Statements of Operations:

For the years ended September 30, 2018 and 2017

Statements of Changes in Shareholders' Equity:

For the years ended September 30, 2018 and 2017

Statements of Cash Flows:

For the years ended September 30, 2018 and 2017

Notes to Financial Statements:

For the years ended September 30, 2018 and 2017

(a)(2)

List of Financial Statement schedules included in Part IV hereof: None

(a)(3)

Exhibits

The following exhibits are included herewith:

Exhibit No.	Description
<u>31</u>	Certification of Chief Executive Officer and Chief Financial Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
<u>32</u>	Certification of Chief Executive Officer and Chief Financial Officer Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
101.INS	XBRL Instance Document
101.SCH	XBRL Taxonomy Extension Schema Document
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF	XBRL Taxonomy Extension Definition Linkbase Document
101.LAB	XBRL Taxonomy Extension Label Linkbase Document
101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document

Following are a list of exhibits which we previously filed in other reports which we filed with the SEC, including the Exhibit No., description of the exhibit and the identity of the Report where the exhibit was filed.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, as amended, the registrant has duly caused this Report to be signed on its behalf by the undersigned duly authorized person.

Dated: January 9, 2019

/s/Kong Xiao Jun

By: Kong Xiao Jun, Chief Executive Officer, Chief Financial Officer and President

In accordance with the requirements of the Securities Exchange Act of 1934, as amendment, this report has been signed by the following persons in the capacities and on the dates stated.

Trafalgar Resources, Inc.

(Registrant)

By: /s/Kong Xiao Jun

Dated: January 9, 2019

Kong Xiao Jun

Chief Executive Officer, Chief Financial Officer, President and Director

