

Financial Statements of

**SUN PEAKS MOUNTAIN
RESORT ASSOCIATION
(DBA TOURISM SUN PEAKS)**

Year ended March 31, 2002



KPMG LLP
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AUDITORS' REPORT

To the Members of Sun Peaks Mountain Resort Association (dba Tourism Sun Peaks)

We have audited the statement of financial position of Sun Peaks Mountain Resort Association (dba Tourism Sun Peaks) as at March 31, 2002 and the statements of financial activity and net assets, and cash flows for the year then ended. These financial statements are the responsibility of the Association's management. 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 plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of Sun Peaks Mountain Resort Association (dba Tourism Sun Peaks) as at March 31, 2002 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles. As required by the Society Act of British Columbia, we report that, in our opinion, these principles have been applied on a basis consistent with that of the preceding year.

Chartered Accountants

Kamloops, Canada
May 2, 2002



SUN PEAKS MOUNTAIN RESORT ASSOCIATION (DBA TOURISM SUN PEAKS)

Statement of Financial Position

March 31, 2002, with comparatives for 2001

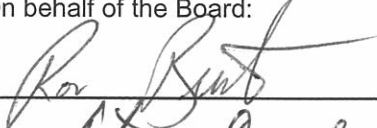
	2002	2001
Assets		
Current assets:		
Accounts receivable	\$ 74,842	\$ 88,951
Prepaid expenses	34,263	-
	109,105	88,951
Capital assets (note 2)	60,356	69,911
	<u>\$ 169,461</u>	<u>\$ 158,862</u>

Liabilities and Net Assets


Current liabilities:		
Cheques issued in excess of funds on deposit (note 3)	\$ 24,832	\$ 25,774
Accounts payable and accrued liabilities	184,038	175,432
Current portion of obligation under capital lease	-	20,699
	208,870	221,905
Due to Sun Peaks Resort Corporation (note 4)	250,000	250,000
Net assets:		
Unrestricted net assets	(349,765)	(362,255)
Net assets invested in capital assets (Exhibit D)	60,356	49,212
	(289,409)	(313,043)
Commitments (note 8)		
	<u>\$ 169,461</u>	<u>\$ 158,862</u>

See accompanying notes to financial statements.

On behalf of the Board:



Director



Director

SUN PEAKS MOUNTAIN RESORT ASSOCIATION (DBA TOURISM SUN PEAKS)

Statement of Financial Activity and Net Assets

Year ended March 31, 2002, with comparatives for 2001

	2002 Budget (unaudited)	2002	2001
Revenue:			
Assessments (note 5)	\$ 1,035,000	\$ 1,032,370	\$ 1,024,546
Reservation	214,400	223,292	234,107
Activity Centre	32,220	30,901	24,009
Interest and miscellaneous	1,200	2,320	3,850
Cablevision	148,510	156,970	131,430
Sports Centre	130,025	121,793	133,546
	1,561,355	1,567,646	1,551,488
Expenditures:			
Audit, accounting and legal	10,500	10,801	17,956
Cablevision management	10,000	10,000	10,000
Equipment leases	59,679	65,648	58,393
Insurance	4,230	3,037	4,636
Interest and bank charges	15,900	14,359	14,130
Licencing	64,700	84,622	36,638
Marketing - Summer	110,000	112,235	95,341
Marketing - Winter	485,855	604,208	507,407
Office and miscellaneous	20,700	10,922	18,450
Outside services	1,500	(300)	791
Rent	9,000	9,000	9,000
Repairs and maintenance	6,550	4,777	4,837
Supplies	32,880	39,468	41,694
Telephone and utilities	122,010	102,721	99,329
Travel and promotion	6,000	5,264	12,398
Wages and benefits	448,876	444,028	466,603
	1,408,380	1,520,790	1,397,603
Excess of revenue over expenditures before other expenses	152,975	46,856	153,885
Other expenses: Amortization	(21,180)	(23,222)	(22,270)
Excess of revenue over expenditures	131,795	23,634	131,615
Net assets, beginning of year	(313,043)	(313,043)	(444,658)
Net assets, end of year	\$ (181,248)	\$ (289,409)	\$ (313,043)
Represented by:			
Unrestricted net assets		\$ (349,765)	\$ (362,255)
Net assets invested in capital assets		60,356	49,212
		\$ (289,409)	\$ (313,043)

See accompanying notes to financial statements.