

Financial Statements of

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

Year ended March 31, 2005



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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, 2005 and the statements of financial activity and net assets (deficiency), 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, 2005 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Chartered Accountants

Kamloops, Canada
May 6, 2005

SUN PEAKS MOUNTAIN RESORT ASSOCIATION (DBA TOURISM SUN PEAKS)

Statement of Financial Position

March 31, 2005, with comparatives for 2004

	2005	2004
Assets		
Current assets:		
Accounts receivable	\$ 259,660	\$ 321,974
Prepaid expenses	19,666	30,486
	279,326	352,460
Capital assets (note 2)	53,207	52,397
	\$ 332,533	\$ 404,857
Liabilities and Net Assets (Deficiency)		
Current liabilities:		
Cheques issued in excess of funds on deposit (note 3)	\$ 153,034	\$ 241,051
Accounts payable and accrued liabilities	231,291	271,297
Horizon Air revenue guarantee payable (note 7)	39,061	30,000
	423,386	542,348
Net assets (deficiency):		
Unrestricted net assets	(144,060)	(189,888)
Net assets invested in capital assets (note 10)	53,207	52,397
	(90,853)	(137,491)
Commitments (note 8)		
	\$ 332,533	\$ 404,857

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 (Deficiency)

Year ended March 31, 2005, with comparatives for 2004

	2005 Budget (unaudited)	2005	2004
Revenue:			
Assessments (note 4)	\$ 1,295,500	\$ 1,306,776	\$ 1,150,866
Central reservation commissions	223,250	260,719	212,463
Activity centre	40,230	35,549	46,624
Interest and miscellaneous	1,200	7,513	14,480
Sports centre	97,000	76,089	111,461
	<u>1,657,180</u>	<u>1,686,646</u>	<u>1,535,894</u>
Expenditures:			
Audit, accounting, and legal	10,000	10,419	10,293
Bad debt	-	1,024	-
Equipment leases	38,400	53,744	41,403
Insurance	3,300	4,717	4,849
Interest and bank charges	13,200	24,472	13,506
Marketing - Summer	179,000	168,177	172,964
Marketing - Winter	613,313	622,550	580,722
Office and miscellaneous	17,200	19,452	22,082
Outside services	-	3,560	6,327
Rent	9,000	9,000	9,000
Repairs and maintenance	14,523	5,161	6,965
Supplies	29,470	45,891	43,379
Telephone and utilities	99,948	116,459	107,771
Travel and promotion	12,000	8,142	13,287
Wages and benefits	556,326	528,386	530,118
	<u>1,595,680</u>	<u>1,621,154</u>	<u>1,562,666</u>
Excess (deficiency) of revenue over expenditures before other expenses	61,500	65,492	(26,772)
Other expenses:			
Amortization	(21,600)	(22,773)	(18,751)
Gain (loss) on disposition of capital assets	-	3,919	(5,448)
	<u>(21,600)</u>	<u>(18,854)</u>	<u>(24,199)</u>
Excess (deficiency) of revenue over expenditures	39,900	46,638	(50,971)
Net deficiency, beginning of year	(137,491)	(137,491)	(86,520)
Net deficiency, end of year	<u>\$ (97,591)</u>	<u>\$ (90,853)</u>	<u>\$ (137,491)</u>
Represented by:			
Unrestricted net assets		\$ (144,060)	\$ (189,888)
Net assets invested in capital assets		53,207	52,397
		<u>\$ (90,853)</u>	<u>\$ (137,491)</u>

See accompanying notes to financial statements.