

**Sun Peaks Mountain Resort
Association
Financial Statements
For the year ended March 31, 2010**

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Auditors' Report

To the Members of
Sun Peaks Mountain Resort Association

We have audited the statement of financial position of Sun Peaks Mountain Resort Association as at March 31, 2010 and the statements of changes in net assets, operations, and cash flows for the year then ended. These financial statements are the responsibility of the Society'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 misstatement. 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 the Association as at March 31, 2010 and the results of its operations and cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Chartered Accountants

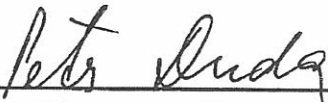

Kamloops, British Columbia
May 26, 2010

Sun Peaks Mountain Resort Association
Statement of Financial Position

As at March 31	2010	2009
Assets		
Current Assets		
Cash	\$ 54,472	\$ 26,261
Accounts receivable (Note 1)	517,025	525,532
Prepaid expenses	35,887	28,034
	607,384	579,827
Property, plant and equipment (Note 2)	177,609	200,684
	\$ 784,993	\$ 780,511
Liabilities and Net Assets		
Current liabilities		
Accounts payable and accruals	\$ 286,053	\$ 353,098
Term loan due on demand (Note 4)	13,747	23,712
Deferred revenue	16,609	34,339
	316,409	411,149
Net assets		
Invested in property, plant and equipment	163,861	176,972
Unrestricted	304,723	192,390
	468,584	369,362
	\$ 784,993	\$ 780,511

Commitments (Note 8)
Contingency

Approved on behalf of the Association:


 _____, Director

 _____, Director

Sun Peaks Mountain Resort Association
Statement of Changes in Net Assets

<u>For the year ended March 31</u>	<u>Unrestricted</u>	<u>Invested in Property, Plant and Equipment</u>	<u>2010</u>	<u>2009</u>
Net assets, beginning of year	\$ 192,390	\$ 176,972	\$ 369,362	\$ 412,724
Purchase of property, plant and equipment	(7,656)	7,656	-	-
Amortization of property, plant and equipment	30,732	(30,732)	-	-
Repayment of debt	(9,965)	9,965	-	-
Excess (deficiency) of revenue over expenses	99,222	-	99,222	(43,362)
Net assets, end of year	\$ 304,723	\$ 163,861	\$ 468,584	\$ 369,362

The accompanying summary of significant accounting policies and notes are an integral part of these financial statements.

Sun Peaks Mountain Resort Association Statement of Operations

For the year ended March 31	Budget	2010	2009
Revenue			
Assessments (Note 5)	\$ 1,521,793	\$ 1,504,493	\$ 1,510,434
Central reservation commissions	281,314	329,869	244,236
Adventure centre	40,118	32,663	34,893
Accommodation tax revenues	276,334	195,965	222,882
Interest income	4,800	5,616	5,865
	<u>2,124,359</u>	<u>2,068,606</u>	<u>2,018,310</u>
Expenses			
Audit, accounting and legal	22,750	34,398	21,324
Bad debt	6,000	3,952	896
Equipment leases	25,200	18,962	24,193
Foreign exchange	-	8,148	-
Insurance	7,745	5,843	3,362
Credit card fees and bank charges	16,500	31,387	27,633
Management fees - Sports Centre	60,000	60,000	60,000
Marketing - Summer	326,847	207,580	192,175
Marketing - Winter	647,737	616,497	730,361
Office and miscellaneous	25,900	35,270	48,739
Rent	53,099	54,385	54,704
Repairs and maintenance	49,202	43,130	31,541
Supplies	22,150	17,200	26,584
Telephone and utilities	43,750	54,037	52,213
Wages and benefits	783,303	747,863	750,325
	<u>2,090,183</u>	<u>1,938,652</u>	<u>2,024,050</u>
Excess of revenue over expenses before amortization	34,176	129,954	(5,740)
Amortization	<u>(34,176)</u>	<u>(30,732)</u>	<u>(37,620)</u>
Excess (deficiency) of revenue over expenses	\$ -	\$ 99,222	\$ (43,360)

The accompanying summary of significant accounting policies and notes are an integral part of these financial statements.