

**SPIDER LAKE SPRINGS  
CAMPERS ASSOCIATION**

Financial Statements  
(Unaudited - See Notice to Reader)

December 31, 2009

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FINANCIAL STATEMENTS  
December 31, 2009**

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# SABO, CROSS & CO.

(A Professional Corporation)

**Certified General Accountants**

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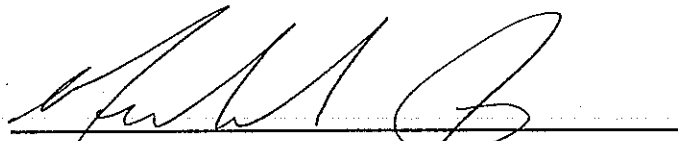
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## NOTICE TO READER

On the basis of information provided by management, we have compiled the balance sheet of Spider Lake Springs Campers Association as at December 31, 2009 and the statements of earnings Association members' equity and cash flow for the year then ended.

We have not performed an audit or a review engagement in respect of these financial statements and, accordingly, we express no assurance thereon.

Readers are cautioned that these statements may not be appropriate for their purposes.



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**SABO, CROSS & CO.**  
**CERTIFIED GENERAL ACCOUNTANTS**

Parksville, British Columbia  
April 02, 2010

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**SPIDER LAKE SPRINGS CAMPERS ASSOCIATION**

**BALANCE SHEET**

December 31, 2009

(Unaudited - See Notice to Reader)

	2009	2008
<b>ASSETS</b>		
Current:		
Cash	\$ 5,053	\$ 53,954
Short-term investments	40,050	-
Accounts receivable - note 1(a)	184,280	177,902
Inventory - note 1(b)	1,268	594
Prepaid expenses	<u>5,764</u>	<u>5,443</u>
	236,415	237,893
Restricted investments - note 1(d)	90,000	77,000
Property, plant and equipment - notes 1(c) and 2	38,729	44,426
Due from affiliated parties - note 3	<u>4,034</u>	<u>5,720</u>
	<u>\$ 369,178</u>	<u>\$ 365,039</u>

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

SABO, CROSS & CO.

**SPIDER LAKE SPRINGS CAMPERS ASSOCIATION**

**BALANCE SHEET**

December 31, 2009

(Unaudited - See Notice to Reader)

	2009	2008
<b>LIABILITIES</b>		
Current:		
Accounts payable and accrued liabilities	\$ 15,776	\$ 15,961
Accrued wages and benefits payable	<u>          -</u>	<u>    3,040</u>
	<u>    15,776</u>	<u>    19,001</u>
 <b>NET ASSETS</b>		
Net assets invested in property, plant and equipment	38,729	44,426
Net assets internally restricted	90,000	77,000
Unrestricted net assets	<u>224,673</u>	<u>224,612</u>
	<u>    353,402</u>	<u>    346,038</u>
	<u>\$ 369,178</u>	<u>\$ 365,039</u>

On behalf of the Board

\_\_\_\_\_  
Director

\_\_\_\_\_  
Director

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

SABO, CROSS & CO.

**SPIDER LAKE SPRINGS CAMPERS ASSOCIATION**  
**STATEMENT OF CHANGES IN NET ASSETS**

Year ended December 31, 2009  
(Unaudited - See Notice to Reader)

	Invested in property, plant, and equipment	Internally restricted - note 1(d)	Externally restricted	Unrestricted	Total 2009	Total 2008
<b>BALANCE -</b>						
beginning of year	\$ 44,426	\$ 77,000	\$ -	\$ 224,612	\$ 346,038	\$ 263,074
Excess (deficiency) of revenues over expenses	-	-	-	7,364	7,364	82,964
Property, plant and equipment purchases funded by operations	8,637	-	-	(8,637)	-	-
Amortization of property, plant and equipment	(14,334)	-	-	14,334	-	-
Internally imposed restrictions and transfers	-	13,000	-	(13,000)	-	-
	<u>\$ 38,729</u>	<u>\$ 90,000</u>	<u>\$ -</u>	<u>\$ 224,673</u>	<u>\$ 353,402</u>	<u>\$ 346,038</u>

SABO, CROSS & CO.

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## SPIDER LAKE SPRINGS CAMPERS ASSOCIATION

### STATEMENT OF EARNINGS

Year ended December 31, 2009

(Unaudited - See Notice to Reader)

	2009	2008
<b>Revenue</b>		
Maintenance fees	\$ 279,000	\$ 247,200
Hydro and other assessments	40,049	36,995
Interest and sundry	8,685	17,824
Laundry and showers	5,261	5,207
Waterslide	2,250	2,944
Administration fees	<u>-</u>	<u>45</u>
	<u>335,245</u>	<u>310,215</u>
<b>Expenses</b>		
Accounting and legal	2,625	2,255
Amortization - notes 1(c) and 2	14,334	14,464
Bad debts	357	(29,260)
Bank charges and interest	453	545
Insurance	12,445	11,969
Office	6,390	6,642
Pond reclamation project	42,265	-
Property taxes	7,494	19,015
Rent	18,566	6,809
Repairs and maintenance	62,502	51,500
Supplies	255	60
Telephone	3,324	3,641
Travel	5,650	4,974
Utilities	48,974	47,062
Vehicle	2,042	1,625
Wages and benefits	<u>93,243</u>	<u>77,312</u>
	<u>320,919</u>	<u>218,613</u>
<b>Operating income</b>	14,326	91,602
<b>Store income</b>	<u>(6,962)</u>	<u>(8,638)</u>
<b>Net earnings for the year</b>	\$ <u>7,364</u>	\$ <u>82,964</u>

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

SABO, CROSS & CO.

## SPIDER LAKE SPRINGS CAMPERS ASSOCIATION

### STATEMENT OF CASH FLOW

Year ended December 31, 2009  
(Unaudited - See Notice to Reader)

	2009	2008
<b>CASH PROVIDED BY (USED FOR)</b>		
<b>Operations:</b>		
Earnings from operations	\$ 7,364	\$ 82,964
Items not requiring an outlay of funds		
Amortization	<u>14,334</u>	<u>14,464</u>
	21,698	97,428
Changes in non-cash working capital		
Short-term investments	(40,050)	10,997
Accounts receivable	(6,378)	(172,242)
Inventory	(674)	-
Prepaid expenses	(321)	(166)
Accounts payable and accrued liabilities	(184)	1,981
Accrued wages and benefits payable	(3,040)	1,748
Goods and services tax payable	<u>-</u>	<u>59</u>
	<u>(28,949)</u>	<u>(60,195)</u>
<b>Financing:</b>		
(Increase) decrease in due from affiliated party	<u>1,685</u>	<u>129,003</u>
(Purchase) of Vehicles	(8,637)	(32,487)
(Purchase) of Office equipment	-	(2,117)
(Purchase) of Restricted investments	<u>(13,000)</u>	<u>(16,484)</u>
	<u>(21,637)</u>	<u>(51,088)</u>
<b>(Decrease) increase in cash</b>	(48,901)	17,720
<b>Cash, beginning of year</b>	<u>53,954</u>	<u>36,234</u>
<b>Cash, end of year</b>	<u>\$ 5,053</u>	<u>\$ 53,954</u>

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

SABO, CROSS & CO.

# SPIDER LAKE SPRINGS CAMPERS ASSOCIATION

## NOTES TO THE FINANCIAL STATEMENTS

December 31, 2009

(Unaudited - See Notice to Reader)

The association's principal activity is the operation and maintenance of the commonly owned areas of the Spider Lake Springs Resort, which belongs to the members.

### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Company, with the unanimous consent of its shareholders, has elected to prepare its financial statements in accordance with Canadian generally accepted accounting principles, using the differential reporting options available to non-publicly accountable enterprises described below:

**a) Accounts Receivable**

Accounts receivable are shown net of allowance for doubtful accounts.

**b) Inventory**

Inventory is recorded at estimated cost.

**c) Property, Plant and Equipment and Amortization**

Property, plant and equipment are recorded at cost. Amortization is provided annually at rates calculated to write off the assets over their estimated useful lives as follows except in the year of acquisition when one half of the rate is used.

Land improvements	5yrs	Straight line
Equipment	5yrs	Straight line
Vehicles	5yrs	Straight line
Computer equipment	5yrs	Straight line
Buildings	5yrs	Straight line

**d) Internally restricted funds**

The association holds internally restricted funds in the amount of \$90,000. These funds are restricted for capital asset acquisitions and extraordinary repairs to capital items.

**SPIDER LAKE SPRINGS CAMPERS ASSOCIATION**  
**NOTES TO THE FINANCIAL STATEMENTS**

December 31, 2009

(Unaudited - See Notice to Reader)

**2. PROPERTY, PLANT AND EQUIPMENT**

	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>2009 Net Book Value</u>	<u>2008 Net Book Value</u>
Land improvements	\$ 34,999	\$ 34,100	\$ 899	\$ 3,114
Equipment	41,690	35,660	6,030	9,992
Vehicles	66,070	34,485	31,585	30,634
Computer equipment	7,522	7,307	215	686
Buildings	<u>3,892</u>	<u>3,892</u>	<u>-</u>	<u>-</u>
	<u>\$ 154,173</u>	<u>\$ 115,444</u>	<u>\$ 38,729</u>	<u>\$ 44,426</u>

**3. DUE FROM AFFILIATED PARTIES**

The Association has amounts due from Spider Lake Springs Holdings Inc., an associated corporation, which are non-interest bearing and have no specific terms of repayment.

**SPIDER LAKE SPRINGS CAMPERS ASSOCIATION**

**SCHEDULE OF STORE REVENUE AND EXPENSES**

Year ended December 31, 2009

(Unaudited - See Notice to Reader)

	2009	2008
<b>Sales</b>	\$ 22,436	\$ 19,603
<b>Cost of sales</b>	<u>15,200</u>	<u>14,777</u>
	<u>7,236</u>	<u>4,826</u>
<b>Expenses</b>		
Hydro	4,059	3,358
Repairs and maintenance	585	343
Supplies	199	407
Wages and benefits	<u>9,355</u>	<u>9,356</u>
	<u>14,198</u>	<u>13,464</u>
<b>Net income(loss)</b>	\$ <u>(6,962)</u>	\$ <u>(8,638)</u>