

# **MARBLE MOUNTAIN DEVELOPMENT CORPORATION**

---

**Financial Statements  
For the Year Ended April 30, 2016**

# MARBLE MOUNTAIN DEVELOPMENT CORPORATION

## Financial Statements

For the Year Ended April 30, 2016

---

Independent Auditor's Report	1
Statement of Financial Position	2
Statement of Operations	3
Statement of Change in Net Debt	4
Statement of Cash Flow	5
Notes to the Financial Statements	6-12
Schedule 1 - Schedule of Tangible Capital Assets	13
Schedule 2 - Schedule of Lift Operations	14
Schedule 3 - Schedule of Repair Shop Operations	15
Schedule 4 - Schedule of Rental Operations	16
Schedule 5 - Schedule of Food and Beverage Operations	17
Schedule 6 - Schedule of Ski School Operations	18
Schedule 7 - Schedule of Marketing Operations	19
Schedule 8 - Schedule of Marble Villa Operations	20



Tel: 709 634 1590  
Fax: 709 634 1599  
www.bdo.ca

BDO Canada LLP  
50 Main Street  
Suite 100  
Corner Brook NL A2H 1C4 Canada

## INDEPENDENT AUDITOR'S REPORT

To the General Manager and Board of Directors  
**MARBLE MOUNTAIN DEVELOPMENT CORPORATION**

We have audited the accompanying consolidated financial statements of Marble Mountain Development Corporation, which comprise the consolidated statement of financial position as at April 30, 2015 and the consolidated statements of operations, change in net financial asset (net debt), and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Canadian public sector accounting standards, and for such internal controls as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosure in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion

### Opinion

In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of Marble Mountain Development Corporation as of April 30, 2015 and the results of its operations, changes in net debt, and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

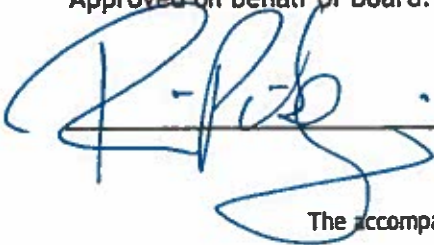
Corner Brook, NL  
June 24, 2015

*BDO Canada LLP*  
CHARTERED PROFESSIONAL ACCOUNTANTS

**MARBLE MOUNTAIN DEVELOPMENT CORPORATION**  
**STATEMENT OF FINANCIAL POSITION**  
As at April 30, 2016

	2016	2015 Restated (Note 2)
<b>FINANCIAL ASSETS</b>		
Cash	\$ 3,000	3,000
Accounts receivable	106,337	240,728
	<u>109,337</u>	<u>243,728</u>
<b>LIABILITIES</b>		
Bank indebtedness (Note 3)	1,443,453	1,236,761
Accounts payable and accrued liabilities	377,804	658,272
Deferred revenue	34,855	22,315
Long-term debt (Note 4)	-	300,000
Obligations under capital lease (Note 5)	469,055	170,672
	<u>2,325,167</u>	<u>2,388,020</u>
<b>NET DEBT</b>	<u>(2,215,830)</u>	<u>(2,144,292)</u>
<b>NON-FINANCIAL ASSETS</b>		
Tangible capital assets (Schedule 1)	15,532,547	16,065,473
Inventories held for use	37,530	26,139
Prepaid expenses	78,056	19,911
	<u>15,648,133</u>	<u>16,111,523</u>
<b>ACCUMULATED SURPLUS</b>	<u>\$ 13,432,303</u>	<u>\$ 13,967,231</u>

Approved on behalf of Board:




The accompanying notes are an integral part of these financial statements

**MARBLE MOUNTAIN DEVELOPMENT CORPORATION**  
**STATEMENT OF OPERATIONS**  
Year Ended April 30, 2016

	Budget (Note 8)	2016	2015 Restated (Note 2)
<b>REVENUES</b>			
Lift operations (Schedule 2)	\$ (519,443)	\$ (281,993)	\$ (389,916)
Repair shop (Schedule 3)	29,340	31,726	30,511
Rental (Schedule 4)	134,422	115,793	135,110
Food and beverages (Schedule 5)	148,871	115,893	153,170
Ski school (Schedule 6)	26,397	12,874	29,334
Marketing (Schedule 7)	(59,691)	(48,793)	(54,898)
Marble villa (Schedule 8)	222,777	201,941	221,008
Government transfers (Note 6)	390,000	756,400	840,000
	<u>372,673</u>	<u>903,841</u>	<u>964,319</u>
<b>EXPENSES</b>			
Administration	24,141	28,557	28,846
Bad debts	-	452	931
Communications	14,705	13,758	14,703
Donations	-	5,195	9,401
Interest and bank charges	1,651	970	1,652
Interest on short-term debt	42,064	45,333	33,182
Interest on capital leases obligations	-	10,121	11,937
Labour	215,756	194,467	210,173
Miscellaneous	57,897	5,790	3,052
Professional fees	10,000	4,211	12,906
Travel and conference	6,459	10,092	11,655
	<u>372,673</u>	<u>318,946</u>	<u>338,438</u>
Amortization of tangible capital assets	-	1,471,166	1,332,643
Amortization of uniforms	-	9,261	9,261
	<u>-</u>	<u>1,480,427</u>	<u>1,341,904</u>
	<u>372,673</u>	<u>1,799,373</u>	<u>1,680,342</u>
<b>EXCESS OF EXPENSES OVER REVENUE</b>			
<b>- BEFORE OTHER</b>	-	(895,532)	(716,023)
<b>OTHER:</b>			
Forgivable loan (Note 6)	-	300,000	-
Gain (loss) on disposal of tangible capital assets	-	19,182	(879,048)
Government transfers - capital (Note 6)	-	-	3,160,872
Insurance proceeds	-	125,449	1,200,000
Marble Villa water maintenance	-	(84,027)	-
	<u>-</u>	<u>360,604</u>	<u>3,481,824</u>
<b>ANNUAL SURPLUS (DEFICIT)</b>	-	(534,928)	2,765,801
<b>ACCUMULATED SURPLUS, BEGINNING OF YEAR</b>			
<b>AS PREVIOUSLY REPORTED</b>	-	14,297,693	11,201,430
<b>PRIOR PERIOD ADJUSTMENT (NOTE 2)</b>	-	(330,462)	-
<b>AS RESTATED</b>	<u>-</u>	<u>13,967,231</u>	<u>11,201,430</u>
<b>ACCUMULATED SURPLUS, END OF YEAR, AS RESTATED</b>			
<b>(NOTE 2)</b>	<u>\$ -</u>	<u>\$ 13,432,303</u>	<u>\$ 13,967,231</u>

**MARBLE MOUNTAIN DEVELOPMENT CORPORATION**  
**STATEMENT OF CHANGE IN NET DEBT**  
**Year Ended April 30, 2016**

	2016	2015 Restated (Note 2)
<b>ANNUAL SURPLUS (DEFICIT)</b>	<b>\$ (534,928)</b>	<b>\$ 2,765,801</b>
Acquisition of tangible capital assets	(967,186)	(4,845,775)
Amortization of tangible capital assets	1,471,166	1,332,643
Loss (gain) on disposal of capital assets	(19,182)	879,048
Proceeds on disposal of tangible capital assets	31,195	4,213
Disposal of asset under capital lease	16,933	-
Decrease (increase) in prepaid expenses	(58,145)	8,312
Increase in inventories held for use	(11,391)	(26,139)
	<b>463,390</b>	<b>(2,647,698)</b>
<b>CHANGE IN NET FINANCIAL ASSETS</b>	<b>(71,538)</b>	<b>118,103</b>
<b>NET DEBT, BEGINNING OF YEAR</b>	<b>(2,144,292)</b>	<b>(2,262,395)</b>
<b>NET DEBT, END OF YEAR</b>	<b>\$ (2,215,830)</b>	<b>\$ (2,144,292)</b>

The accompanying notes are an integral part of these financial statements

**MARBLE MOUNTAIN DEVELOPMENT CORPORATION**  
**STATEMENT OF CASH FLOW**  
**Year Ended April 30, 2016**

	2016	2015 Restated (Note 2)
<b>OPERATING ACTIVITIES</b>		
Annual surplus	\$ (534,928)	\$ 2,765,801
Items not affecting cash		
Amortization of tangible assets	1,471,166	1,332,643
Amortization of uniforms	9,261	9,261
Loss (gain) on disposal of capital assets	(19,182)	879,048
Forgiveness of long-term debt	(300,000)	-
Changes in non-cash items		
Accounts receivable	134,391	(187,872)
Accounts payable and accrued liabilities	(280,468)	459,886
Deferred revenue	12,540	816
Prepaid expenses	(67,406)	(949)
Inventory	(11,391)	10,998
	413,983	5,269,632
<b>CAPITAL ACTIVITIES</b>		
Cash used to acquire tangible capital assets	(544,264)	(4,845,775)
Proceeds on disposal of tangible capital assets	7,195	4,213
	(537,069)	(4,841,562)
<b>FINANCING ACTIVITIES</b>		
Repayment of obligations under capital lease	(83,606)	(65,116)
	(83,606)	(65,116)
<b>INCREASE (DECREASE) IN CASH POSITION</b>	(206,692)	362,954
<b>CASH AND CASH EQUIVALENTS DEFICIENCY, BEGINNING OF YEAR</b>	(1,233,761)	(1,596,715)
<b>CASH AND CASH EQUIVALENTS DEFICIENCY, END OF YEAR</b>	\$ (1,440,453)	\$ (1,233,761)
<b>REPRESENTED BY</b>		
Cash	\$ 3,000	\$ 3,000
Bank indebtedness	(1,443,453)	(1,236,761)
	\$ (1,440,453)	\$ (1,233,761)

The accompanying notes are an integral part of these financial statements

**MARBLE MOUNTAIN DEVELOPMENT CORPORATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**Year Ended April 30, 2016**

---

**1. Significant accounting policies**

**a) Management's responsibility for the financial statements**

The financial statements of the Organization are the responsibility of management. They have been prepared in accordance with Canadian public sector accounting standards. Marble Mountain Development Corporation ("the Organization") is an "Other Government Organization" (OGO) and operates under the provisions of the Corporations Act of the Province of Newfoundland and Labrador. The Organization is a not-for profit under the Income Tax Act and accordingly is exempt for income taxes, provided certain requirements of the Income Tax Act are met.

**b) Inventory**

Inventory is valued at the lower of cost and net realizable value. Cost is determined on the first-in first-out basis based on supplier invoiced cost.

**c) Tangible capital assets**

Tangible capital assets are recorded at cost less accumulated amortization. Cost includes all costs directly attributable to the acquisition or construction of the tangible capital assets including transportation costs, installation costs, design and engineering fees, legal fees and site preparation costs. Amortization is recorded on a straight-line basis over the estimated life of the tangible capital asset commencing once the asset is available for productive use as follows:

Area Improvements	30 years
Buildings	15-40 years
Computer Equipment	3 years
Equipment under Capital Lease	10 years
Furniture and fixtures	5 years
Lifts	30 years
Rental Equipment	3 years
Signs	5 years
Vehicles	3-20 years

**d) Revenue recognition**

Revenue from sales and services are recognized when the significant risks and rewards of ownership have been completed and there are no other significant obligations remaining, the sale and service prices are fixed and determinable, persuasive evidence of an arrangement exist and collectability is reasonably assured. This usually occurs at the time the sales and services are provided.



**MARBLE MOUNTAIN DEVELOPMENT CORPORATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**Year Ended April 30, 2016**

---

**1. Significant accounting policies (continued)**

**e) Government transfers**

Government transfers are recognized as revenue in the financial statements when the transfer is authorized and any eligible criteria are met, except to the extent that transfer stipulations give rise to an obligation that meets the definition of a liability. Transfers are recognized as deferred revenue when transfer stipulations give rise to a liability. Transfer revenue is recognized in the statement of operations as the stipulation liabilities are settled.

**f) Leased assets**

Leases entered into that transfer substantially all the benefits and risks associated with ownership are recorded as the acquisition of a tangible capital asset and the incurrence of an obligation. The asset is amortized in a manner consistent with tangible capital assets owned by the Organization, and the obligation, including interest thereon, is liquidated over the term of the lease. All other leases are accounted for as operating leases and the rental costs are expensed as incurred.

**g) Financial instruments**

Cash quoted in an active market are measured at fair value. Accounts receivable, accounts payable, and long-term debt are measured at cost or amortized cost. The carrying amount of each of these financial instruments is presented on the statement of financial position. For financial instruments measured using amortized cost, the effective interest rate method is used to determine interest revenue or expense. All financial assets are tested annually for impairment. When financial assets are impaired, impairment losses are recorded in the statement of operations. Transaction costs are added to the carrying value for financial instruments measured using cost or amortized cost. Transaction costs are expensed for financial instruments measured at fair value.

**l) Non-financial assets**

Non-financial assets are not available to discharge existing liabilities and are held for the use in the provision of services. They have useful lives extending beyond the current year and are not intended for sale in the normal course of operations.

**MARBLE MOUNTAIN DEVELOPMENT CORPORATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**Year Ended April 30, 2016**

---

**2. Prior period adjustment**

During the financial audit for the year ending April 30, 2016, the Organization determined that the incorrect tangible capital asset was reported disposed of for the year ended April 30, 2015. As a result, tangible capital assets and ending accumulated surplus were overstated by \$ 330,462. This error has been corrected retroactively with restatement of prior year. This correction had the following effect on the financial statements.

	Previously Reported	Increase/ (Decrease)	Restated
Tangible capital asset	\$ 16,395,935	\$ (330,462)	\$ 16,065,473
Loss on disposal of tangible capital asset	526,122	352,926	879,048
Amortization of tangible capital assets	1,355,107	(22,464)	1,332,643
Accumulated surplus	14,297,693	(330,462)	13,967,231

**3. Bank indebtedness**

The line of credit is authorized in the amount of \$2,087,000 and bears interest at the bank's prime rate. It is secured by a Provincial Government guarantee and letter of indemnity and overdraft agreement signed by the Board of Directors

**4. Long-term debt**

	2016	2015
Department of Innovation, Rural Development and Trade, forgiven during the year.	\$ -	\$ 300,000
Current portion of long-term debt	-	300,000
Long-term debt	\$ -	\$ -

**MARBLE MOUNTAIN DEVELOPMENT CORPORATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**Year Ended April 30, 2016**

**5. Obligations under capital lease**

	2016	2015
National Leasing lease bearing interest at 5.65% per annum, repayable in monthly blended payments of \$4,960. The lease matures on January 1, 2017 and is secured by a charge over specific equipment.	\$ 93,040	\$ 145,675
National Leasing lease bearing interest at 0% per annum, repayable in monthly blended payments of \$6,399. The lease matures on July 1, 2020 and is secured by a charge over specific equipment.	324,202	-
National Leasing lease bearing interest at 0% per annum, repayable in monthly payments of \$1,685. The lease matures on October 1, 2018 and is secured by a charge over specific equipment.	51,813	-
National Leasing lease terminated during the year.	-	24,997
	\$ 469,055	\$ 170,672

Future minimum lease payments under the capital leases for subsequent years are as follows:

2017	\$ 193,048
2018	100,009
2019	91,168
2020	79,791
2021	17,038

The Organization has purchase options for all capital leases.

**6. Government transfers**

	2016	2015
Provincial administrative operating grant	\$ 306,400	\$ 390,000
Capital grants	450,000	450,000
	756,400	840,000
Government transfers - capital	-	3,160,872
Forgivable loan	300,000	-
Provincial marketing grant (Schedule 7)	175,000	175,000
	\$ 1,231,400	\$ 4,175,872

**MARBLE MOUNTAIN DEVELOPMENT CORPORATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**Year Ended April 30, 2016**

**7. Patrol operating expenses**

	<u>2016</u>		<u>2015</u>
Labour	\$ 71,147	\$	75,372
Supplies	7,418		15,416
Telephone	790		557
Radio Rental	640		2,200
Sundry	2,477		1,920
	<u>\$ 82,472</u>	<u>\$</u>	<u>95,465</u>

**8. Budget**

A reconciliation of the 2016 fiscal budget prepared by the Board of Directors figures disclosed in the financial statements is as follows:

		<u>2016</u>
Marble Mountain Development Corporation budgeted annual deficit	\$	(44,176)
Add: line of credit principal repayment in administration budget		44,176
	<u>\$</u>	<u>-</u>

**9. Financial instrument risk management**

The organization is exposed to credit risk, liquidity risk, interest rate risk and other price risk from its financial instruments. This note describes the organization's objectives, policies and processes for managing those risks and the methods used to measure them. Further qualitative and quantitative information in respect of these risks is presented below and throughout these financial statements.

***Credit risk***

The organization's maximum exposure to credit risk at the financial statement date is the carrying value of its cash and accounts receivable as presented on the statement of financial position.

**MARBLE MOUNTAIN DEVELOPMENT CORPORATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**Year Ended April 30, 2016**

**9. Financial instrument risk management (continued)**

At year end, the amounts outstanding for the organization's accounts receivable are as follows:

	2016			2015		
	Accounts receivable	Less: impairment allowance	Total	Accounts receivable	Less: impairment allowance	Total
Current	\$ 40,641	\$ -	\$ 40,641	\$ 213,776	\$ -	\$ 213,776
31 to						
60 days	26,919	-	26,919	4,121	-	4,121
61 to						
90 days	8,175	-	8,175	12,188	-	12,188
Over 90						
days	30,602	-	30,602	10,643	-	10,643
	<b>\$ 106,337</b>	<b>\$ -</b>	<b>\$ 106,337</b>	<b>\$ 240,728</b>	<b>\$ -</b>	<b>\$ 240,728</b>

At year end, management has determined the credit quality of accounts receivable that are not past due nor impaired, as illustrated in the above table.

There have not been any changes from the prior year in the organization's exposure to credit risk or the policies, procedures and methods it uses to manage and measure the risk.

***Liquidity risk***

Liquidity risk is the risk that the organization will encounter difficulty in meeting obligations associated with financial liabilities. The organization is exposed to liquidity risk through its accounts payable.

The organization manages its liquidity risk by monitoring cash activities and expected outflows through budgeting. The organization measures its exposure to liquidity risk based on cash flow.

**MARBLE MOUNTAIN DEVELOPMENT CORPORATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**Year Ended April 30, 2016**

---

**9. Financial instrument risk management (continued)**

The following table sets out the contractual maturities (representing undiscounted contractual cash-flows) of financial liabilities:

	2016			
	Within 6 months	6 months to 1 year	1 to 5 years	Over 5 years
Accounts payable	\$ 377,804	\$ -	\$ -	\$ -
	2015			
	Within 6 months	6 months to 1 year	1 to 5 years	Over 5 years
Accounts payable	\$ 658,272	\$ -	\$ -	\$ -

There have not been any changes from the prior year in the organization's exposure to liquidity risk or the policies, procedures and methods it uses to manage and measure the risk.

***Interest rate risk***

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The organization is exposed to interest rate risk through its short-term debt.

There have not been any changes from the prior year in the organization's exposure to interest rate risk or the policies, procedures and methods it uses to manage and measure the risk.

**10. Comparative figures**

Certain of the 2015 figures presented for the comparative purposes have been restated to conform with the financial statement presentation adopted in the current year.

**MARBLE MOUNTAIN DEVELOPMENT CORPORATION**  
**SCHEDULE OF TANGIBLE CAPITAL ASSETS**  
Year Ended April 30, 2016

(Schedule 1)

Cost	Area Improvements	Buildings	Computer Equipment	Equipment Under Capital Lease	Furniture and Fixtures	Lifts	Rental Equipment	Signs	Vehicles	Totals	
										2016	2015 Restated (Note 2)
Opening costs	\$ 10,757,200	\$ 10,720,947	\$ 166,333	\$ 657,057	\$ 826,661	\$ 7,470,807	\$ 145,100	\$ 96,782	\$ 8,374,483	\$ 39,215,370	\$ 36,672,333
Additions during the year	-	132,677	-	419,922	23,452	-	15,898	-	375,237	967,186	4,845,775
Disposals and write downs	-	-	-	(40,257)	-	-	-	-	(365,938)	(406,195)	(2,302,738)
Closing costs	10,757,200	10,853,624	166,333	1,036,722	850,113	7,470,807	160,998	96,782	8,383,782	39,776,361	39,215,370
<b>Accumulated Amortization</b>											
Opening accu'd amortization	7,546,772	4,920,689	111,608	416,009	811,908	2,112,385	123,062	96,782	7,010,681	23,149,896	23,236,731
Amortization	358,575	269,683	54,725	74,900	27,667	243,957	27,091	-	414,568	1,471,166	1,332,643
Disposals and write downs	-	-	-	(20,129)	-	-	-	-	(357,119)	(377,248)	(1,419,477)
Closing accu'd amortization	7,905,347	5,190,372	166,333	470,780	839,575	2,356,342	150,153	96,782	7,068,130	24,243,814	23,149,897
Net Book Value of Tangible Capital Assets	\$ 2,851,853	\$ 5,663,252	\$ -	\$ 565,942	\$ 10,538	\$ 5,114,465	\$ 10,845	\$ -	\$ 1,315,652	\$ 15,532,547	\$ 16,065,473

The accompanying notes are an integral part of these financial statements

**MARBLE MOUNTAIN DEVELOPMENT CORPORATION**  
**SCHEDULE OF LIFT OPERATIONS**  
Year Ended April 30, 2016

(Schedule 2)

	2016	2015
<b>Revenue</b>		
Lift ticket revenue	\$ 518,506	\$ 515,335
Season pass revenue	590,065	501,418
Children center revenue	8,591	8,387
Miscellaneous revenue	59,338	59,556
	<u>1,176,500</u>	<u>1,084,696</u>
<b>Expenditures</b>		
Children's center	13,022	14,393
Communications	10,739	8,657
Management contract	103,600	86,800
Equipment rental	3,411	12,582
Heating and electricity	128,189	128,769
Insurance	97,436	92,489
Interest and bank charges	33,372	41,259
Labour	406,034	460,986
Lift repairs	31,792	31,097
Maintenance		
Building	61,742	55,373
Slopes	69,909	69,904
Miscellaneous	42,956	36,143
Municipal fees	24,000	24,000
Security	299	540
Patrol expenses (Note 7)	82,472	95,465
Snow clearing	30,240	33,360
Snowmaking		
Electricity	81,534	70,312
Labour	39,862	30,715
Equipment maintenance	52,739	53,339
Supplies	38,942	27,777
Vehicle operating		
Repairs	57,112	42,809
Fuel	42,515	50,505
Uniforms	6,576	7,338
	<u>1,458,493</u>	<u>1,474,612</u>
<b>Deficit from operations</b>	<u>\$ (281,993)</u>	<u>\$ (389,916)</u>

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



**MARBLE MOUNTAIN DEVELOPMENT CORPORATION**  
**SCHEDULE OF REPAIR SHOP OPERATIONS**  
**Year Ended April 30, 2016**

*(Schedule 3)*

	<u>2016</u>	<u>2015</u>
<b>Revenue</b>	<b>\$ 51,889</b>	<b>\$ 50,593</b>
<b>Expenditures</b>		
Labour	19,129	19,312
Supplies	1,034	770
	<u>20,163</u>	<u>20,082</u>
<b>Income from operations</b>	<b>\$ 31,726</b>	<b>\$ 30,511</b>

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

**MARBLE MOUNTAIN DEVELOPMENT CORPORATION**  
**SCHEDULE OF RENTAL OPERATIONS**  
**Year Ended April 30, 2016**

*(Schedule 4)*

	<u>2016</u>	<u>2015</u>
<b>Revenue</b>	<b>\$ 160,521</b>	<b>\$ 184,022</b>
<b>Expenditures</b>		
Communications	520	-
Labour	40,502	48,607
Interest and bank charges	2,643	-
Supplies	1,063	305
	<u>44,728</u>	<u>48,912</u>
<b>Income from operations</b>	<b>\$ 115,793</b>	<b>\$ 135,110</b>

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

**MARBLE MOUNTAIN DEVELOPMENT CORPORATION**  
**SCHEDULE OF FOOD AND BEVERAGE OPERATIONS**  
Year Ended April 30, 2016

*(Schedule 5)*

	2016	2015
<b>Revenue</b>	\$ 743,726	\$ 782,454
<b>Cost of sales</b>	315,337	317,405
<b>Gross profit</b>	428,389	465,049
<b>Expenditures</b>		
Communications	1,374	1,353
Entertainment	7,434	6,741
Interest and bank charges	6,392	3,633
Labour	234,534	243,196
Licenses and fees	800	920
Miscellaneous	23,848	16,004
Repairs and maintenance	7,773	14,122
Security	536	4,985
Supplies	28,070	19,578
Utilities	1,735	1,347
	312,496	311,879
<b>Income from operations</b>	\$ 115,893	\$ 153,170

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

**MARBLE MOUNTAIN DEVELOPMENT CORPORATION**  
**SCHEDULE OF SKI SCHOOL OPERATIONS**  
Year Ended April 30, 2016

*(Schedule 6)*

	2016	2015
<b>Revenue</b>	<b>\$ 124,552</b>	<b>\$ 138,203</b>
<b>Expenditures</b>		
Communications	798	566
Krunchers club	6,375	4,831
Labour	99,706	99,316
Miscellaneous	1,072	1,148
Supplies	2,350	1,862
Training	519	1,004
Uniforms	858	142
	111,678	108,869
<b>Income from operations</b>	<b>\$ 12,874</b>	<b>\$ 29,334</b>

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

**MARBLE MOUNTAIN DEVELOPMENT CORPORATION**  
**SCHEDULE OF MARKETING OPERATIONS**  
**Year Ended April 30, 2016**

*(Schedule 7)*

	2016	2015
<b>Revenue</b>		
Sponsorships	\$ 29,500	\$ 39,842
Marketing revenue - advertising	34,520	22,177
Marketing grant (Note 6)	175,000	175,000
	239,020	237,019
<b>Expenditures</b>		
Advertising		
Partnership contributions	1,085	1,297
Print	-	3,717
Communications	3,446	3,381
Labour	82,671	92,058
Marketing agency	175,923	169,832
Membership fees	2,157	3,142
Office and postage	6,349	2,512
Ski shows and familiarization tours	4,296	6,647
Supplies	11,668	7,369
Travel and meetings	218	894
Uniforms	-	1,068
	287,813	291,917
<b>Deficit from operations</b>	\$ (48,793)	\$ (54,898)

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

**MARBLE MOUNTAIN DEVELOPMENT CORPORATION**  
**SCHEDULE OF MARBLE VILLA OPERATIONS**  
**Year Ended April 30, 2016**

*(Schedule 8)*

	2016	2015
<b>Revenue</b>	<b>\$ 399,246</b>	<b>\$ 408,247</b>
<b>Expenditures</b>		
Cable television	8,003	5,769
Communications	6,392	8,487
Heat and light	36,154	38,835
Labour	76,917	77,164
Insurance	6,116	5,606
Interest and bank charges	14,653	10,530
Laundry	87	-
Marketing	3,987	3,035
Miscellaneous	4,304	1,470
Repairs and maintenance	20,703	20,670
Supplies	19,989	15,673
	197,305	187,239
<b>Income from operations</b>	<b>\$ 201,941</b>	<b>\$ 221,008</b>

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