

MARBLE MOUNTAIN DEVELOPMENT CORPORATION

**Financial Statements
For the Year Ended April 30, 2017**

MARBLE MOUNTAIN DEVELOPMENT CORPORATION

Financial Statements For the Year Ended April 30, 2017

Statement of Responsibility	1
Independent Auditor's Report	2
Statement of Financial Position	3
Statement of Operations	4
Statement of Change in Net Debt	5
Statement of Cash Flow	6
Notes to the Financial Statements	7-12
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


STATEMENT OF RESPONSIBILITY

The accompanying financial statements are the responsibility of the management of the *Marble Mountain Development Corporation* and have been prepared in compliance with legislation, and in accordance with Canadian Public Sector Accounting Standards as recommended by the Chartered Professional Accountants of Canada.

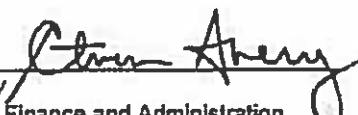
In carrying out its responsibilities, management maintains appropriate systems of internal and administrative controls designed to provide reasonable assurance that transactions are executed in accordance with proper authorization, that assets are properly accounted for and safeguarded, and that financial information produced is relevant and reliable.

The Board of Directors met with management and its external auditors to review a draft of the financial statements and to discuss any significant financial reporting or internal control matters prior to their approval of the finalized financial statements.

BDO Canada LLP as the Organization's appointed external auditors, have audited the financial statements. The Auditor's Report is addressed to the General Manager and the Board of Directors and appears on the following page. Their opinion is based upon an examination conducted in accordance with Canadian generally accepted auditing standards, performing such tests and other procedures as they consider necessary to obtain reasonable assurance that the financial statements are free of material misstatement and present fairly the financial position and results of the organization in accordance with Canadian public sector accounting standards.



Melissa Dwyer
General Manager



Steve Avery
Manager of Finance and Administration



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

BDO Canada LLP
50 Main Street, Suite 300
Corner Brook NL A2H 1C4 Canada

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
MARBLE MOUNTAIN DEVELOPMENT CORPORATION

We have audited the accompanying financial statements of Marble Mountain Development Corporation, which comprise the statement of financial position as at April 30, 2017 and the statements of operations, change in net debt, and cash flow for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these 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 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 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 from 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 financial statements present fairly, in all material respects, the financial position of Marble Mountain Development Corporation as at April 30, 2017 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.

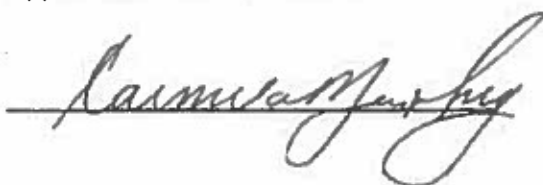
Corner Brook, NL
October 20, 2017


BDO Canada LLP
CHARTERED PROFESSIONAL ACCOUNTANTS

MARBLE MOUNTAIN DEVELOPMENT CORPORATION
STATEMENT OF FINANCIAL POSITION
As at April 30, 2017

	2017	2016
FINANCIAL ASSETS		
Cash	\$ 4,500	\$ 3,000
Accounts receivable (Note 6)	693,009	106,337
	697,509	109,337
LIABILITIES		
Bank indebtedness (Note 2)	1,947,347	1,443,453
Accounts payable and accrued liabilities	523,119	377,804
Deferred revenue	54,515	34,855
Obligations under capital lease (Note 3)	352,359	469,055
	2,877,340	2,325,167
NET DEBT	(2,179,831)	(2,215,830)
NON-FINANCIAL ASSETS		
Tangible capital assets (Schedule 1)	14,399,010	15,532,547
Inventories held for use	30,743	37,530
Prepaid expenses	83,373	78,056
	14,513,126	15,648,133
ACCUMULATED SURPLUS	\$ 12,333,295	\$ 13,432,303

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, 2017

	Budget (Note 6)	2017	2016
REVENUES			
Lift operations (Schedule 2)	\$ (358,485)	\$ (375,855)	\$ (281,993)
Repair shop (Schedule 3)	32,970	31,368	31,726
Rental (Schedule 4)	109,176	106,342	115,793
Food and beverages (Schedule 5)	166,352	59,756	115,893
Ski school (Schedule 6)	12,299	2,549	12,874
Marketing (Schedule 7)	(51,525)	(191,169)	(223,793)
Marble villa (Schedule 8)	284,407	230,094	201,941
	<u>195,194</u>	<u>(136,915)</u>	<u>(27,559)</u>
EXPENSES			
Administration	11,771	22,830	28,557
Bad debts	-	6,145	452
Communications	13,709	13,760	13,758
Donations	-	500	5,195
Interest and bank charges	1,891	3,134	970
Interest on short-term debt	41,556	48,912	45,333
Interest on capital leases obligations	10,120	9,334	10,121
Labour	200,864	199,441	194,467
Miscellaneous	14,346	5,589	5,790
Professional fees	4,211	15,800	4,211
Travel and conference	3,926	7,460	10,092
	<u>302,394</u>	<u>332,905</u>	<u>318,946</u>
EXCESS OF EXPENSES OVER REVENUE - BEFORE OTHER OPERATING, CAPITAL GRANT, AMORTIZATION, & OTHER	<u>(107,200)</u>	<u>(469,820)</u>	<u>(346,505)</u>
OTHER OPERATING:			
Government transfers - operating grant (Note 4)	306,407	306,400	306,400
Government transfers - marketing grant (Note 4)	-	175,000	175,000
Business interruption insurance proceeds	-	-	125,449
Marble Villa water maintenance	-	(103,697)	(84,027)
	<u>306,407</u>	<u>377,703</u>	<u>522,822</u>
EXCESS OF EXPENSES OVER REVENUE - BEFORE CAPITAL GRANT, AMORTIZATION, & OTHER	<u>199,207</u>	<u>(92,117)</u>	<u>176,317</u>
CAPITAL GRANT, AMORTIZATION, & OTHER:			
Government transfers - capital grant (Note 4)	-	400,000	450,000
Amortization of tangible capital assets	-	(1,410,006)	(1,471,166)
Amortization of uniforms	-	-	(9,261)
Forgivable loan (Note 4)	-	-	300,000
Gain on disposal of tangible capital assets	-	3,115	19,182
	<u>-</u>	<u>(1,006,891)</u>	<u>(711,245)</u>
ANNUAL SURPLUS (DEFICIT)	<u>199,207</u>	<u>(1,099,008)</u>	<u>(534,928)</u>
ACCUMULATED SURPLUS, BEGINNING OF YEAR	<u>13,432,303</u>	<u>13,432,303</u>	<u>13,967,231</u>
ACCUMULATED SURPLUS, END OF YEAR	<u>\$ 13,631,510</u>	<u>\$ 12,333,295</u>	<u>\$ 13,432,303</u>

The accompanying notes are an integral part of these financial statements

MARBLE MOUNTAIN DEVELOPMENT CORPORATION
STATEMENT OF CHANGE IN NET DEBT
Year Ended April 30, 2017

	<u>2017</u>	<u>2016</u>
ANNUAL SURPLUS (DEFICIT)	\$ (1,099,008)	\$ (534,928)
Acquisition of tangible capital assets	(283,394)	(967,186)
Amortization of tangible capital assets	1,410,006	1,471,166
Loss (gain) on disposal of capital assets	(3,115)	(19,182)
Proceeds on disposal of tangible capital assets	10,039	31,195
Disposal of asset under capital lease	-	16,933
Increase in prepaid expenses	(5,313)	(58,145)
Decrease (increase) in inventories held for use	6,787	(11,391)
	<u>1,135,010</u>	<u>463,390</u>
CHANGE IN NET FINANCIAL ASSETS	36,002	(71,538)
NET DEBT, BEGINNING OF YEAR	(2,215,830)	(2,144,292)
NET DEBT, END OF YEAR	<u>\$ (2,179,831)</u>	<u>\$ (2,215,830)</u>

The accompanying notes are an integral part of these financial statements

MARBLE MOUNTAIN DEVELOPMENT CORPORATION
STATEMENT OF CASH FLOW
Year Ended April 30, 2017

	<u>2017</u>	<u>2016</u>
OPERATING ACTIVITIES		
Annual surplus	\$ (1,099,008)	\$ (534,928)
Items not affecting cash		
Amortization of tangible assets	1,410,006	1,471,166
Amortization of uniforms	-	(9,261)
Gain on disposal of capital assets	(3,115)	(19,182)
Forgiveness of long-term debt	-	(300,000)
Changes in non-cash items		
Accounts receivable	(586,672)	134,391
Accounts payable and accrued liabilities	145,311	(280,468)
Deferred revenue	19,660	12,540
Prepaid expenses	(5,313)	(48,884)
Inventory	6,787	(11,391)
	<u>(112,344)</u>	<u>413,983</u>
CAPITAL ACTIVITIES		
Cash used to acquire tangible capital assets	(205,129)	(544,264)
Proceeds on disposal of tangible capital assets	10,039	7,195
	<u>(195,090)</u>	<u>(537,069)</u>
FINANCING ACTIVITIES		
Repayment of obligations under capital lease	(194,960)	(83,606)
	<u>(194,960)</u>	<u>(83,606)</u>
INCREASE (DECREASE) IN CASH POSITION	(502,394)	(206,692)
CASH DEFICIENCY, BEGINNING OF YEAR	(1,440,453)	(1,233,761)
CASH DEFICIENCY, END OF YEAR	\$ (1,942,847)	\$ (1,440,453)
REPRESENTED BY		
Cash	\$ 4,500	\$ 3,000
Bank indebtedness	(1,947,347)	(1,443,453)
	<u>\$ (1,942,847)</u>	<u>\$ (1,440,453)</u>

The accompanying notes are an integral part of these financial statements

MARBLE MOUNTAIN DEVELOPMENT CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
Year Ended April 30, 2017

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, 2017

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 and accounts payable 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 use in the normal course of operations.

MARBLE MOUNTAIN DEVELOPMENT CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
Year Ended April 30, 2017

2. Bank indebtedness

The line of credit has an authorized limit in the amount of \$2,087,000 (2016- \$2,087,000) and bears interest at the bank's prime rate. It is secured by a Provincial Government guarantee and a letter of indemnity and an overdraft agreement signed by the Board of Directors.

3. Obligations under capital lease

	2017	2016
National Leasing lease bearing interest at 0% per annum, repayable in monthly blended payments of \$6,399. The lease matures on February 1, 2021 and is secured by a charge over specific equipment.	\$ 247,410	\$ 324,202
National Leasing lease bearing interest at 6.485% per annum, repayable in monthly blended payments of \$1,532. The lease matures on December 15, 2020 and is secured by a charge over specific equipment.	61,059	-
National Leasing lease bearing interest at 0% per annum, repayable in monthly blended payments of \$384. The lease matures on December 23, 2019 and is secured by a charge over specific equipment.	12,295	-
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.	31,595	51,813
National Leasing lease terminated during the year.	-	93,040
	\$ 352,359	\$ 469,055

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

2018	\$ 119,482
2019	111,635
2020	99,780
2021	21,462

The Organization has purchase options for all capital leases.

MARBLE MOUNTAIN DEVELOPMENT CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
Year Ended April 30, 2017

4. Government transfers

	2017	2016
Provincial administrative operating grant	\$ 306,400	\$ 306,400
Capital grants	400,000	450,000
	706,400	756,400
Forgivable loan	-	300,000
Provincial marketing grant (Schedule 7)	175,000	175,000
	\$ 881,400	\$ 1,231,400

5. Patrol operating expenses

	2017	2016
Labour	\$ 83,158	\$ 71,147
Supplies	13,432	7,418
Telephone	670	790
Radio Rental	1,170	640
Sundry	875	2,477
	\$ 99,305	\$ 82,472

MARBLE MOUNTAIN DEVELOPMENT CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
Year Ended April 30, 2017

6. Financial instrument risk management

The organization is exposed through operations to credit risk, liquidity risk, and interest rate 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 cash and accounts receivable as presented on the statement of financial position.

At year end, the maturities of the amounts outstanding are as follows:

	<u>2017</u>	<u>2016</u>
Current	\$ 592,902	\$ 40,641
31 to 60 days	28,590	26,919
61 to 90 days	38,401	8,175
Over 90 days	33,116	30,602
	<u>\$ 693,009</u>	<u>\$ 106,337</u>

At year end, management has determined all accounts receivable are collectible.

There have not been any changes from the prior year in the organization's policies, procedures and methods it uses to manage and measure the risk. The organization's exposure to credit risk has increased significantly from prior year as the balance of accounts receivable outstanding has increased.

Liquidity risk

with financial liabilities. The organization is exposed to liquidity risk through its accounts payable and bank indebtedness.

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, 2017

6. Financial instrument risk management (continued)

All accounts payable mature within 6 months.

There have not been any changes from the prior year in the organization's policies, procedures and methods it uses to manage and measure the risk. The client's exposure to liquidity risk has increased from prior year as the balance of accounts payable and bank indebtedness has increased.

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 bank indebtedness.

There have not been any changes from the prior year in the organization's policies, procedures and methods it uses to manage and measure the risk. The client's exposure to interest rate risk has increased from prior year as the balance of bank indebtedness has increased.

7. Comparative figures

Some of the 2016 figures presented for 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, 2017

(Schedule 3)

										Total	
	Area Improvements	Buildings	Computer Equipment	Equipment Under Capital Lease	Furniture and Fixtures	Lifts	Rental Equipment	Signs	Vehicles	2017	2016
Cost											
Opening costs	\$ 10,757,200	\$ 10,863,674	\$ 164,333	\$ 1,834,721	\$ 850,113	\$ 7,470,807	\$ 140,990	\$ 94,782	\$ 8,340,782	\$ 39,776,361	\$ 39,313,370
Additions during the year	-	42,043	-	19,095	7,877	-	14,214	-	194,140	283,304	947,186
Disposals and write downs	-	-	-	-	-	-	-	-	(13,849)	(13,849)	(105,193)
Closing costs	<u>10,757,200</u>	<u>10,895,667</u>	<u>164,333</u>	<u>1,853,817</u>	<u>857,985</u>	<u>7,470,807</u>	<u>179,222</u>	<u>94,782</u>	<u>8,544,873</u>	<u>40,043,906</u>	<u>39,776,361</u>
Accumulated Amortization											
Opening accumulated amortization	7,905,347	5,190,372	164,333	470,780	839,573	2,354,342	136,133	94,782	7,048,130	24,243,814	23,149,896
Amortization	338,573	271,867	-	91,304	3,022	243,956	14,231	-	425,873	1,410,806	1,471,166
Disposals and write downs	-	-	-	-	-	-	-	-	(8,324)	(8,324)	(377,348)
Closing accumulated amortization	<u>8,243,920</u>	<u>5,462,239</u>	<u>164,333</u>	<u>562,084</u>	<u>844,377</u>	<u>2,600,298</u>	<u>154,364</u>	<u>94,782</u>	<u>7,464,279</u>	<u>25,646,296</u>	<u>24,243,814</u>
Net Book Value of Tangible Capital assets	<u>\$ 2,493,280</u>	<u>\$ 5,433,448</u>	<u>\$ -</u>	<u>\$ 1,291,733</u>	<u>\$ 1,013,608</u>	<u>\$ 4,870,509</u>	<u>\$ 14,858</u>	<u>\$ -</u>	<u>\$ 1,079,594</u>	<u>\$ 14,399,610</u>	<u>\$ 15,532,547</u>

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

MARBLE MOUNTAIN DEVELOPMENT CORPORATION
SCHEDULE OF LIFT OPERATIONS
Year Ended April 30, 2017

(Schedule 2)

	2017	2016
Revenue		
Lift ticket revenue	\$ 556,615	\$ 518,506
Season pass revenue	558,583	590,065
Children center revenue	12,219	8,591
Miscellaneous revenue	62,012	59,338
	<u>1,189,429</u>	<u>1,176,500</u>
Expenditures		
Children's center	16,012	13,022
Communications	12,079	10,739
Management contract	117,600	103,600
Equipment rental	8,136	3,411
Heating and electricity	86,297	128,189
Insurance	114,034	97,436
Interest and bank charges	30,268	33,372
Labour	476,094	406,034
Lift repairs	105,860	31,792
Maintenance		
Building	66,195	61,742
Slopes	79,166	69,909
Miscellaneous	32,288	42,956
Municipal fees	24,000	24,000
Security	299	299
Patrol expenses (Note 5)	99,305	82,472
Snow clearing	47,813	30,240
Snowmaking		
Electricity	33,077	81,534
Labour	9,114	39,862
Equipment maintenance	55,677	52,739
Supplies	49,560	38,942
Vehicle operating		
Repairs	31,661	57,112
Fuel	56,106	42,515
Uniforms	14,643	6,576
	<u>1,565,284</u>	<u>1,458,493</u>
Deficit from operations	\$ (375,855)	\$ (281,993)

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

MARBLE MOUNTAIN DEVELOPMENT CORPORATION
SCHEDULE OF REPAIR SHOP OPERATIONS
Year Ended April 30, 2017

(Schedule 3)

	<u>2017</u>	<u>2016</u>
Revenue	\$ 54,181	\$ 51,889
Expenditures		
Labour	22,002	19,129
Supplies	811	1,034
	<u>22,813</u>	<u>20,163</u>
Income from operations	\$ 31,368	\$ 31,726

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

MARBLE MOUNTAIN DEVELOPMENT CORPORATION
SCHEDULE OF RENTAL OPERATIONS
Year Ended April 30, 2017

(Schedule 4)

	<u>2017</u>	<u>2016</u>
Revenue	\$ 166,140	\$ 160,521
Expenditures		
Communications	322	520
Labour	54,653	40,502
Interest and bank charges	3,148	2,643
Supplies	1,675	1,063
	<u>59,798</u>	<u>44,728</u>
Income from operations	\$ 106,342	\$ 115,793

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, 2017

(Schedule 5)

	2017	2016
Revenue	\$ 757,427	\$ 743,726
Cost of sales	350,378	315,337
Gross profit	407,049	428,389
Expenditures		
Communications	5,328	2,866
Entertainment	11,000	7,434
Interest and bank charges	8,217	6,392
Labour	264,998	234,534
Licenses and fees	87	800
Miscellaneous	15,258	22,356
Repairs and maintenance	11,217	7,773
Security	4,566	536
Supplies	23,404	28,070
Utilities	3,218	1,735
	347,293	312,496
Income from operations	\$ 59,756	\$ 115,893

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

MARBLE MOUNTAIN DEVELOPMENT CORPORATION
SCHEDULE OF SKI SCHOOL OPERATIONS
Year Ended April 30, 2017

(Schedule 6)

	<u>2017</u>	<u>2016</u>
Revenue	\$ 116,185	\$ 124,552
Expenditures		
Communications	678	798
Krunchers club	369	6,375
Labour	105,355	99,706
Miscellaneous	1,535	1,072
Supplies	557	2,350
Training	604	519
Uniforms	4,538	858
	<u>113,636</u>	<u>111,678</u>
Income from operations	\$ 2,549	\$ 12,874

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

MARBLE MOUNTAIN DEVELOPMENT CORPORATION
SCHEDULE OF MARKETING OPERATIONS
Year Ended April 30, 2017

(Schedule 7)

	2017	2016
Revenue		
Sponsorships	\$ 29,300	\$ 29,500
Advertising	9,348	34,520
	38,648	64,020
Expenditures		
Advertising - partnership contributions	500	1,085
Communications	3,160	3,446
Labour	66,258	82,671
Marketing agency	146,524	175,923
Membership fees	2,233	2,157
Office and postage	6,646	6,349
Ski shows and familiarization tours	246	4,296
Supplies	4,053	11,668
Travel and meetings	23	218
Uniforms	174	-
	229,817	287,813
LOSS FROM OPERATIONS		
- BEFORE MARKETING GRANT	(191,169)	(223,793)
Marketing grant (NOTE 4)	175,000	175,000
Loss from operations	\$ (16,169)	\$ (48,793)

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

MARBLE MOUNTAIN DEVELOPMENT CORPORATION
SCHEDULE OF MARBLE VILLA OPERATIONS
Year Ended April 30, 2017

(Schedule 8)

	<u>2017</u>	<u>2016</u>
Revenue	\$ 471,946	\$ 399,246
Expenditures		
Cable television	6,408	8,003
Communications	8,002	6,392
Heat and light	35,951	36,154
Labour	107,672	76,917
Insurance	18,090	6,116
Interest and bank charges	19,944	14,653
Laundry	127	87
Marketing	1,145	3,987
Miscellaneous	9,576	4,304
Repairs and maintenance	16,490	20,703
Supplies	18,447	19,989
	<u>241,852</u>	<u>197,305</u>
Income from operations	\$ 230,094	\$ 201,941

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