

LAKE TAHOE PARK ASSOCIATION  
COMPILATION BASIS FINANCIAL STATEMENTS  
DECEMBER 31, 2007

LAKE TAHOE PARK ASSOCIATION  
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To the Board of Directors  
Lake Tahoe Park Association  
Tahoe City, California

The accompanying comparative balance sheet of Lake Tahoe Park Association as of December 31, 2007 and 2006 and the related statements of revenue and expenses and fund balance for the years then ended, have been compiled by us in accordance with the Statements on Standards for Accounting and Review services established by the American Institute of Certified Public Accountants.

A compilation is limited to presenting in the form of financial statements information that is the representation of owners. We have not audited or reviewed the accompanying financial statements, and accordingly, do not express an opinion or any other form of assurance on them.

The Association owns certain real estate identified as 1790 West Lake Boulevard. This property was leased to various tenants and used as an Exxon Gas Station. The station was closed in 1986 due to gasoline soil contamination and demands were placed upon the Association to clean up the soil. As of the date of the accompanying financial statements and this Accountant's report, the clean up is still in progress. Expenditures to date on the clean up have exceeded the \$1,000,000 limit for such damages on the Association's insurance policy. Additional clean up costs mandated by the various governmental agencies have been and are being funded by the California State Clean up Fund, up to a maximum of \$1,000,000. If further costs are required, they will be the responsibility of the Lake Tahoe Park Association. The Board of Directors does not have an estimate of future contingent liabilities. Any additional costs incurred after the use of the state fund will necessitate funding by special assessment made upon the members of the Lake Tahoe Park Association.

Management has elected to omit substantially all of the disclosures required by generally accepted accounting principles. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the company's financial position, results of operations, and changes in financial position. Accordingly, these financial statements are not designed for those who are not informed about such matters.

Sitkoff / O'Neil Accountancy Corporation

Tahoe City, California  
March 15, 2008

LAKE TAHOE PARK ASSOCIATION  
BALANCE SHEETS  
DECEMBER 31, 2007 AND 2006

	2007	2006
<b>ASSETS</b>		
CASH IN BANK, OPERATING	\$ 8,330	\$ 6,005
CASH IN CASH MAXIMIZER	49,508	10,624
PREPAID TAXES	845	348
PROPERTY AND EQUIPMENT <i>(See Exhibit A, page 5)</i>	67,356	62,240
PLAYGROUND	19,620	19,620
RESTROOMS	131,057	131,057
PIERS <i>(See Exhibit A, page 5)</i>	54,424	62,375
FENCE <i>(See Exhibit A, page 5)</i>	67,807	33,583
ACCUMULATED DEPRECIATION <i>(See Exhibit A, page 5)</i>	(63,291)	(113,845)
<b>TOTAL ASSETS</b>	\$ 335,656	\$ 212,007
<b>LIABILITIES AND FUND BALANCES</b>		
<b>LIABILITIES</b>		
DEFERRED DUES	\$ -	\$ 110
WEDDING DEPOSITS	500	1,000
<b>TOTAL LIABILITIES</b>	500	1,110
<b>FUND BALANCES</b>		
TOTAL FUND BALANCES	335,156	210,897
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	\$ 335,656	\$ 212,007

SEE ACCOMPANYING ACCOUNTANT'S COMPILATION REPORT

LAKE TAHOE PARK ASSOCIATION  
 STATEMENTS OF REVENUE AND EXPENSES  
 FOR THE YEARS ENDED DECEMBER 31, 2007 AND DECEMBER 31, 2006

	2007	2006
<u>OPERATING REVENUE</u>		
DUES INCOME	\$ 157,178	\$ 152,016
BUOY RENTAL	54,100	51,251
SPECIAL ASSESSMENT	137,570	1,829
FIRST YEAR ASSESSMENT	37,500	40,625
KEY/KEYCARD SALES	2,950	1,850
KAYAK A-FRAME RENTAL	2,610	-
WEDDING FEE	1,500	-
LATE CHARGES	628	371
INTEREST INCOME	1,101	1,075
	395,137	249,017
<u>OPERATING EXPENSES</u>		
ACCOUNTING	1,600	1,250
AUTOMOBILE	458	-
BOOKKEEPING AND SECRETARIAL	22,013	14,663
BUOY REPAIR AND MAINTENANCE	4,085	6,328
CONTRACT LABOR	3,248	5,030
CORPORATION TAXES	-	228
DEPRECIATION	11,677	9,068
EQUIPMENT LEASE	2,000	1,000
INSURANCE	37,707	35,919
KEYS/KEYCARDS	14,564	4,457
LANDSCAPING	1,924	2,388
LEGAL	12,399	34,139
LOSS ON ABANDONED ASSET	144	-
MEETING EXPENSE	4,318	2,646
OFFICE EXPENSE	2,445	3,113
OPERATING SUPPLIES	7,496	10,668
PAYROLL TAXES	12,263	10,604
PRESIDENT'S SPECIAL ASST.	5,000	5,000
PROPERTY TAXES	733	690
REPAIRS AND MAINTENANCE	8,244	5,183
SALARIES AND WAGES	107,021	102,420
STATE LANDS LEASE FEE	685	685
TELEPHONE	1,249	974
TRASH	3,797	3,529
UNIFORMS	245	2,231
UTILITIES	4,449	3,603
WEB PAGE	1,114	1,115
	270,878	266,931
EXCESS OF REVENUE OVER EXPENSES	\$ 124,259	\$ (17,914)

SEE ACCOMPANYING ACCOUNTANT'S COMPILATION REPORT

LAKE TAHOE PARK ASSOCIATION  
 STATEMENTS OF FUND BALANCES  
 AS OF DECEMBER 31, 2007 AND 2006

	2007	2006
BALANCE - BEGINNING OF YEAR	\$ 210,897	\$ 228,811
EXCESS OF REVENUE OVER EXPENSES FOR YEAR	124,259	(17,914)
BALANCE - END OF YEAR	\$ 335,156	\$ 210,897
FUND BALANCES CONSIST OF THE FOLLOWING:		
NON-RESTRICTED CASH	\$ 57,838	\$ 16,629
	57,838	16,629
PROPERTY, EQUIPMENT AND OTHER ASSETS NET OF LIABILITIES	277,318	194,268
	\$ 335,156	\$ 210,897

SEE ACCOMPANYING ACCOUNTANT'S COMPILATION REPORT

LAKE TAHOE PARK ASSOCIATION  
 SCHEDULE OF ASSET ADDITIONS AND DELETIONS  
 FOR THE YEAR ENDED DECEMBER 31, 2007

EXHIBIT A

	BALANCE 1/1/2007	2007 ADDITIONS	2007 DELETIONS	BALANCE 12/31/07
PROPERTY AND EQUIPMENT	62,240	5,116	-	67,356
PLAYGROUND	19,620	-	-	19,620
RESTROOMS	131,057	-	-	131,057
PIERS	62,375	54,424	(62,375)	54,424
FENCE	33,583	34,224	-	67,807
ACCUMULATED TAX DEPRECIATION	(113,845)	(11,677)	62,231	(63,291)
TOTALS	195,030	82,087	(144)	276,973

SEE ACCOMPANYING ACCOUNTANT'S COMPILATION REPORT