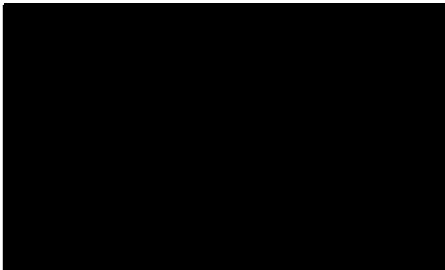
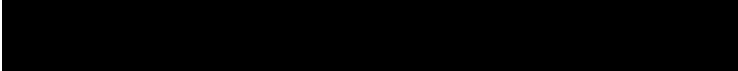


**SEA TO SKY FOUNDATION**

**FINANCIAL STATEMENTS**

**August 31, 2007**

COPY - COPY



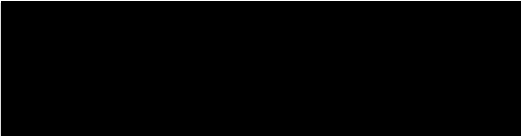
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NOTICE TO READER

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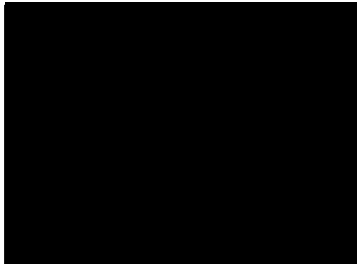
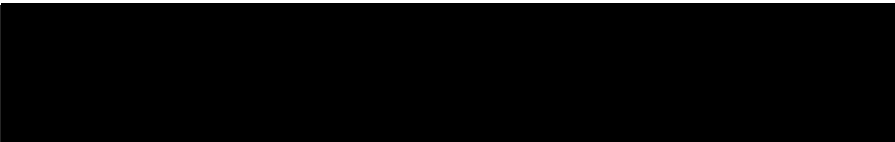
On the basis of information provided by management, we have compiled the statement of financial position of the Sea to Sky Foundation as at August 31, 2007 and the statements of operations, changes in net assets and cash flows for the year then ended.

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.



CHARTERED ACCOUNTANTS

Vancouver, B.C.  
February 25, 2008



## SEA TO SKY FOUNDATION

## STATEMENT OF FINANCIAL POSITION

August 31, 2007

(Unaudited – see Notice to Reader)

	2007	2006
<b>ASSETS</b>		
<b>CURRENT</b>		
Cash	\$ 82,526	\$ -
Short term investments	7,686,933	15,312,001
Accrued interest receivable	5,007	19,154
GST recoverable	732,017	457,861
	<u>8,506,483</u>	<u>15,789,016</u>
Accrued pension benefit asset	686,649	-
Land held for sale	2,702,244	10,019,266
Prepaid interest	-	72,957,808
Due from Quest University Canada	80,081,408	32,681,267
Equipment, net	2,516	639
Loan receivable	35,750,000	-
	<u>\$ 127,729,300</u>	<u>\$ 128,939,632</u>
<b>LIABILITIES</b>		
<b>CURRENT</b>		
Cheques issued in excess of deposits	\$ -	\$ 90,057
Accounts payable and accrued liabilities	6,736,541	2,523,275
Accrued loan interest payable	41,667	-
Accrued mortgage interest payable	-	1,660,274
Loan payable	5,000,000	-
Promissory Note	-	25,000
Deposit on land sale	4,000,000	-
	<u>15,778,208</u>	<u>4,298,606</u>
Mortgage payable	10,000,000	-
Loan payable	-	55,000,000
	<u>25,778,208</u>	<u>59,298,606</u>
<b>NET ASSETS</b>		
Net assets invested in equipment	2,517	639
Net assets, unrestricted	101,948,575	69,640,387
	<u>101,951,092</u>	<u>69,641,026</u>
	<u>\$ 127,729,300</u>	<u>\$ 128,939,632</u>

SEA TO SKY FOUNDATION

STATEMENT OF CHANGES IN NET ASSETS

Year Ended August 31, 2007

(Unaudited – see Notice to Reader)

	Net Assets Unrestricted	Net Assets Invested In Equipment	2007	2006
Balance at beginning of year	\$ 72,148,751	\$ 639	\$ 72,149,390	\$ 17,735,624
Prior Period Adjustment	-	-	-	(1,907,774)
Excess of revenues over expenditures	29,803,571	(1,869)	29,801,702	56,321,540
	101,952,322	(1,230)	101,951,092	72,149,390
Transfers:				
Equipment acquired, net	(3,747)	3,747	-	-
Balance at end of year	\$ 101,948,575	\$ 2,517	\$ 101,951,092	\$ 72,149,390

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## SEA TO SKY FOUNDATION

## STATEMENT OF REVENUE AND EXPENDITURES AND FUND BALANCE

Year Ended August 31, 2007

(Unaudited – see Notice to Reader)

	2007	2006
REVENUE		
Donations	\$ 54,125,400	\$ 68,010,476
EXPENDITURES		
Advertising and promotion	6,070	8,029
Amortization	1,869	259
Bank charges and interest	7,706	1,075
Donations	5,665,327	3,078,385
Consulting	168,045	680,094
Insurance	488	62,875
Interest on long-term debt	9,483,511	7,960,274
Legal and accounting	141,062	36,145
Office and miscellaneous	12,982	8,072
Pension	139,356	187,511
Planning	-	11,193
Rent	18,540	18,098
Salaries, wages and benefits	326,825	225,654
Telephone	3,998	2,637
Travel	15,072	8,172
	<u>15,990,851</u>	<u>12,288,473</u>
EXCESS OF REVENUE OVER EXPENDITURES FROM OPERATIONS	<u>38,134,549</u>	<u>55,722,003</u>
OTHER REVENUE AND EXPENDITURES		
Gain from the sale of land	233,966	-
Loss on transfer of land	(9,050,882)	-
Interest income	344,869	598,165
Impairment of loan receivable	-	-
Other revenue	-	1,372
Foreign exchange gain	139,200	-
	<u>(8,332,847)</u>	<u>599,537</u>
EXCESS OF REVENUE OVER EXPENDITURES FOR THE YEAR	<u>\$ 29,801,702</u>	<u>\$ 56,321,540</u>