



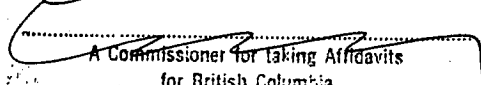
Financial Statements

(Unaudited)

The Golf Club at The Rise Ltd.

November 30, 2007

This is Exhibit "D" referred to in the affidavit of Deborah Hamann-Tro sworn before me at Vancouver this 14 day of December 2008.


A Commissioner for Taking Affidavits
for British Columbia

Contents

	Page
Review engagement report	1
Balance sheet	2
Statements of loss and deficit	3
Statement of cash flows	4
Notes to the financial statements	5-10



Review engagement report

Grant Thornton LLP
200 - 1633 Ellis Street
Kelowna, BC
V1Y 2A8

T (250) 712-6800
(800) 661-4244 (Toll Free)
F (250) 712-6850
www.GrantThornton.ca

To the directors of
The Golf Club at The Rise Ltd.

We have reviewed the balance sheet of The Golf Club at The Rise Ltd. as at November 30, 2007 and the statements of loss and deficit and cash flows for the year then ended. Our review was made in accordance with Canadian generally accepted standards for review engagements and accordingly consisted primarily of enquiry, analytical procedures and discussion related to information supplied to us by the Company.

A review does not constitute an audit and consequently we do not express an audit opinion on these financial statements.

Based on our review, nothing has come to our attention that causes us to believe that these financial statements are not, in all material respects, in accordance with Canadian generally accepted accounting principles.

Kelowna, BC

May 16, 2008

Grant Thornton LLP

Chartered accountants

Partners
Kevin Crookes, CA, CBV
Paul E.S. Gallo, CA
...more, CA, CFP
...Grant, MBA, CA
Bill McTavish, CGA, CA
Anne C. Postlewaite, CA
Dan Vass, CA
J. Kim Ward, CA, CFP
Bill Winters, CA, CFP

The Golf Club at The Rise Ltd.

Balance sheet

November 30
(Unaudited) 2007 2006

Assets

Current

Cash	\$ 14,081	\$ 4,297
Receivables	24,141	329,166
	<u>38,222</u>	<u>333,463</u>

Golf course development costs	11,698,367	8,010,504
	<u>\$ 11,736,589</u>	<u>\$ 8,343,967</u>

Liabilities

Current

Payables and accruals	\$ 735,703	\$ 425,172
Membership deposits	548,000	153,000
Due to related parties (Note 3)	860,717	2,669,593
	<u>2,144,420</u>	<u>3,247,765</u>

Long term debt (Note 4)	4,921,000	1,150,000
Due to founding members (Note 5)	1,875,660	1,138,868
Due to shareholders (Note 6)	3,104,184	2,826,743
	<u>12,045,264</u>	<u>8,363,376</u>

Deficiency

Share capital (Note 7)	992	992
Deficit	(309,667)	(20,401)
	<u>(308,675)</u>	<u>(19,409)</u>

	<u>\$ 11,736,589</u>	<u>\$ 8,343,967</u>
--	----------------------	---------------------

Commitment (Note 9)

On behalf of the Board



Director



Director

See accompanying notes to the financial statements

The Golf Club at The Rise Ltd.
Statements of loss and deficit

Year ended November 30 (Unaudited)	2007	2006
Revenue	<u>\$ 708</u>	<u>\$ 1,185</u>
Expenses		
General and administration	130,596	20,169
Wages and benefits	<u>159,378</u>	<u>1,417</u>
	<u>289,974</u>	<u>21,586</u>
Net loss	<u>\$ (289,266)</u>	<u>\$ (20,401)</u>
Deficit, beginning of year	\$ (20,401)	\$ -
Net loss	<u>(289,266)</u>	<u>(20,401)</u>
Deficit, end of year	<u>\$ (309,667)</u>	<u>\$ (20,401)</u>

See accompanying notes to the financial statements

The Golf Club at The Rise Ltd.

Statement of cash flows

Year ended November 30 (Unaudited)	2007	2006
Increase (decrease) in cash		
Operating		
Net loss	\$ (289,266)	\$ (20,401)
Changes in non-cash operating working capital		
Receivables	305,025	(329,166)
Payables and accruals	310,531	571,123
Membership deposits	395,000	153,000
	<u>721,290</u>	<u>374,556</u>
Financing		
Proceeds on issue of shares	-	992
Proceeds from the issue of long term debt	3,771,000	1,150,000
Advances (to) from related parties	(1,808,876)	2,669,593
Advances from shareholders	277,441	2,680,792
Proceeds on issue of founding memberships	736,792	1,138,868
	<u>2,976,357</u>	<u>7,640,245</u>
Investing		
Golf course development costs	(3,687,863)	(8,010,504)
Net increase in cash, end of year	9,784	4,297
Cash, beginning of year	<u>4,297</u>	<u>-</u>
Cash, end of year	<u>\$ 14,081</u>	<u>\$ 4,297</u>

See accompanying notes to the financial statements

The Golf Club at The Rise Ltd.

Notes to the financial statements

November 30, 2007

(Unaudited)

1. Nature of operations

The Company is developing a golf course in Vernon, BC.

2. Summary of significant accounting policies

Financial instruments

The Company's financial instruments consist of cash, receivables, payables and accruals, amounts due to related parties, long term debt, due to founding members and due to shareholders. Unless otherwise noted, it is management's opinion that the Company is not exposed to significant interest, currency or credit risks arising from these financial instruments. The fair values of these financial instruments approximate their carrying values, unless otherwise noted.

In April 2005, the CICA issued new accounting standards comprising Handbook Section 3855, Financial Instruments — Recognition and Measurement, Section 1530, Comprehensive Income and Section 3865, Hedges. The standards will increase harmonization with Canadian and international accounting standards. The new standards will be effective for fiscal years beginning on or after October 1, 2007. These standards will be adopted by the Company effective December 1, 2007.

Under the new standards, all financial assets must be classified as held-to-maturity, loans and receivables, held-for-trading or available-for-sale and all financial liabilities must be classified as held-for-trading and other. Financial instruments classified as held-for-trading will be measured at fair value with changes in fair value recognized in net income. Financial assets classified as held-to-maturity or as loans and receivables and financial liabilities not classified as held-for-trading will be measured at amortized cost. Available-for-sale financial assets will be measured at fair value with changes in fair value recognized in other comprehensive income ("OCI").

All derivative financial instruments will be reported on the balance sheet at fair value with changes in fair value recognized in net income unless the derivative is part of a hedging relationship that qualifies as a fair value hedge or a cash flow hedge. In a fair value hedging relationship, the hedging item is recorded at fair value with the related gain or loss recognized in net income. In a cash flow hedging relationship, the effective portion of the change in the fair value of the hedging item is recognized in OCI and the ineffective portion is recognized in net income. The amounts recognized in accumulated OCI will be reclassified to net income in the periods in which net income is affected by the variability in the cash flows of the hedged item.

(continued)

The Golf Club at The Rise Ltd.

Notes to the financial statements

November 30, 2007

(Unaudited)

2 Summary of significant accounting policies (continued)

Financial instruments (continued)

For fiscal years beginning on or after October 1, 2007, the Company will be required to present OCI and its components as well as the components of accumulated OCI in its financial statements. Major components of OCI include changes in fair value of financial assets classified as available-for-sale and the changes in fair value of effective cash flow hedging items.

Handbook Section 3862, Financial Instruments — Disclosures, and Handbook Section 3863, Financial Instruments — Presentation, both issued in December 2006, revise the current standards on financial instrument disclosure and presentation. Section 3862 places additional emphasis on disclosures regarding the risks associated with both recognized and unrecognized financial instruments and how these risks are managed. Section 3863 establishes standards for presentation of financial instruments and non-financial derivatives and provides additional guidance with classification of financial instruments between liabilities and equity from the perspective of the issuer. These standards will be adopted by the Company effective December 1, 2007.

The Company is assessing the impact that these sections will have on its 2008 financial statements.

Use of estimates

Management has made estimates and assumptions that affect the amounts reported in preparing these financial statements. Actual results could differ from those estimates.

Golf course development costs

Golf course development costs are recorded at the lower of cost and net realizable value, and include all expenditures incurred in connection with the acquisition, development, and construction of the property, and interest on general and specific debt. Expenditures specific to development of the project will continue to be capitalized until the course is operational.

The Golf Club at The Rise Ltd.

Notes to the financial statements

November 30, 2007

(Unaudited)

3. Due to related parties

The following balances with companies controlled by certain officers and/or directors were outstanding:

	<u>2007</u>	<u>2006</u>
Due to related parties		
Blackpaw Construction Inc.	\$ 532,200	\$ 2,569,122
Vineyard Homes at The Rise Ltd.	27	17,133
Bella Vista Landscaping Company Ltd.	88,490	83,338
Y-K Projects Ltd.	<u>240,000</u>	<u>-</u>
	<u>\$ 860,717</u>	<u>\$ 2,669,593</u>

These amounts have no fixed terms of repayment and payment of interest has been waived for the current year.

4. Long term debt

	<u>2007</u>	<u>2006</u>
Business Development Bank of Canada (BDC), prime plus 2%, repayable in monthly interest only payments and additional monthly principal payments of \$26,500 from June 2009 to September 2009 and June 2010 to September 2010. Principal payments will increase to \$80,000 for the months June to September 2011 to 2025 with a final payment of \$68,000. The total amount to be advanced is authorized at \$5,000,000 and is due June 2026.	<u>\$ 4,921,000</u>	<u>\$ 1,150,000</u>

The BDC loan is secured by a first mortgage on specified property, personal guarantees and postponement of claim by the shareholders.

The aggregate principal payment required in each of the next five years, when the entire BDC loan is advanced, is as follows:

2008	\$ Nil
2009	\$ 106,000
2010	\$ 106,000
2011	\$ 320,000
2012	\$ 320,000

The Golf Club at The Rise Ltd.

Notes to the financial statements

November 30, 2007

(Unaudited)

5. Due to founding members

These amounts are due to the founding members no less than five years from the official opening day of the golf course and no more than 24 years from that same date. Repayments will take place over a five year period commencing from the date repayment is requested. The amounts are secured by debentures.

6. Due to shareholders

These amounts have no fixed terms of repayment and do not bear interest. The shareholders have indicated that they will not demand repayment prior to November 30, 2008.

7. Share capital

2007

2006

Authorized

Unlimited Class A voting, non-participating common shares without par value		
Unlimited Class B non-voting, participating common shares without par value		
Unlimited Class C non-voting, participating common shares without par value		
Unlimited Class D non-voting, participating common shares without par value		
Unlimited Class E non-voting, preferred shares with a par value of \$1.00 each		
Unlimited Class F non-voting, preferred shares with a par value of \$0.01 each		
Unlimited Class G non-voting preferred shares with a par value of \$0.01 each		
Unlimited Class H non-voting preferred shares with a par value of \$100 each		

Issued

92 Class A shares	\$	92	\$	92
900,000 Class B shares		900		900
		<u>992</u>		<u>992</u>
	\$	992	\$	992

The Golf Club at The Rise Ltd.

Notes to the financial statements

November 30, 2007

(Unaudited)

8. Related party transactions	<u>2007</u>	<u>2006</u>
(a) Included in receivables is:		
Okanagan Hills Development Corporation	\$ -	\$ 7,351
(b) During the year, the Company had the following transactions with related companies:		
Development costs paid to Black Paw Construction Inc.	\$ 4,890,731	\$ 3,460,039
Development costs paid to Okanagan Hills Development Corporation	\$ 186,187	\$ 734,288
Consulting fees paid to B.M.R. Golf Development Inc.	\$ 110,000	\$ 92,950
Development costs paid to Y-K Projects Ltd.	\$ 240,000	\$ -

The above noted companies are either shareholders or companies having direct or indirect shareholders in common.

Transactions with related parties are recorded at the exchange amount, the amount of consideration agreed to between the related parties.

9. Commitments

The Company has entered into a land purchase option agreement with Y-K Projects Ltd., a company with common shareholders, whereby the Company has agreed to pay Y-K Projects Ltd. an annual fee of \$120,000 for 10 years, at which time the Company has the option to purchase the land on which the golf course is situated for an amount of \$1,500,000. The next annual fee is due and payable on August 4, 2008.

The Company is a benefiting party to a specified area project completed by the City of Vernon. As such, the Company is committed to pay \$92,332 per annum in additional property taxes to the City of Vernon over a fifteen year period commencing in 2006.

The Company has entered into lease agreements with CIT Financial Ltd. for the lease of turf care equipment. Payments on the lease commence May 2008 at \$5,399 per month for 3 years and \$814 per month for 7 years. In each instance the payments are for the months of May to October each year.

The Golf Club at The Rise Ltd.
Notes to the financial statements

November 30, 2007
(Unaudited)

10. Income taxes

The Company has losses carried forward for tax purposes expiring in the following years:

2026	\$	20,401
2027		<u>289,266</u>
	\$	<u>309,667</u>

11. Comparative figures

Certain of the 2006 comparative figures have been reclassified to conform with current year presentation.