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To the Board of Directors and Members
Meridian Lake Park Corporation

May 15, 2006

The accompanying balance sheets-income tax basis of Meridian Lake Park Corporation, as of March 31, 2006 and the related statements of revenue and expenses and changes in fund balance-income tax basis for the period ended March 31, 2006, have been compiled by us.

The compilation is in accordance with standards established by the American Institute of Certified Public Accountants (Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants). The financial statements have been prepared on the accounting basis used by the corporation for income tax purposes, which is a comprehensive basis of accounting other than generally accepted accounting principles.

A compilation is limited to presenting in the form of financial statements, information that is the representation of the 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.

Management has elected to omit substantially all of the disclosures required by generally accepted accounting principles, and a statement of cash flows. 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 cash flows. Accordingly, these financial statements are not designed for those who were not informed about such matters.

Douglas B. Gorman
Certified Public Accountant

**MERIDIAN LAKE PARK COPORATION
BALANCE SHEET
AS OF MARCH 31, 2006**

	OPERATING FUND	CAPITAL RESERVE	CAPITAL IMP. PROJECT	TOTALS 3/31/06	TOTALS 3/31/05
ASSETS					
Cash in Bank	\$44,632.00	\$24,796.00	\$220,234.00	\$289,662.00	\$359,254.00
Accounts Receivable	(241.00)			(241.00)	8759.00
Due to Oper. From CIP Fund	629.00		(629.00)		
Due to Capital Res. From Oper.	(214.00)	\$ 214.00			
CIP Financing A/R Prepayments			(6,736.00)	(6,736.00)	
CIP Financing A/R LT			181,171.00	181,171.00	220,302.00
CIP Financing A/R ST					4432.00
TOTAL ASSETS	\$44,806.00	\$25,010.00	\$394,040.00	\$463,856.00	\$592,747.00
LIABILITIES & FUND BALANCE					
Deposits- Construct. Cleanup	\$18,500.00			\$18,500.00	\$11,750.00
Accounts Payable	1,798.00			1,798.00	1,699.00
Member Financing Loan			176,083.00	176,083.00	244,800.00
TOTAL LIABILITIES	20,298.00	0.00	176,083.00	196,381.00	258,249.00
FUND BALANCES	24,508.00	25,010.00	217,957.00	267,475.00	334,498.00
TOTAL LIABILITIES AND FUND BALANCE	\$44,806.00	\$25,010.00	\$394,040.00	\$463,856.00	\$592,747.00

**MERIDIAN LAKE PARK CORPORATION
SCHEDULE OF OPERATIONS
FOR THE PERIOD APRIL 1, 2005 TO MARCH 31, 2006**

	PERIOD ENDED 3/31/06 ACTUAL	BUDGET	VARIANCE Favorable (Unfavorable)
REVENUES			
Association Dues-Homes	\$30,996.00	\$31,488.00	(\$492.00)
Association Dues-Vacant Lots	10,230.00	10,080.00	150.00
Building Application Fees	900.00	800.00	100.00
Late Charges	157.00	0.00	157.00
Misc. Assessments	0.00	0.00	0.00
Interest Income	283.00	200.00	83.00
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TOTAL REVENUES	\$42,566.00	\$42,568.00	(\$2.00)
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EXPENSES			
Accounting Fees	\$700.00	\$650.00	(\$50.00)
Bank Charges	101.00	0.00	(101.00)
Contract Labor-Assoc. Mgr	9,600.00	9,600.00	0.00
Insurance	2,832.00	2,700.00	(132.00)
Legal Fees	4,154.00	4,600.00	446.00
Office Expense	1,072.00	1,200.00	128.00
Postage	760.00	900.00	140.00
Repairs & Maintenance	249.00	200.00	(49.00)
Miscellaneous Expense	100.00	400.00	300.00
Website	373.00	900.00	527.00
Telephone	462.00	500.00	38.00
Trash Removal	18,315.00	16,384.00	(1931.00)
Utilities	170.00	120.00	(50.00)
Architectural Review	0.00	200.00	200.00
Annual Meeting Expenses	358.00	500.00	142.00
Recreation	3815.00	3,500.00	(315.00)
Fencing	345.00	0.00	(345.00)
Landscaping-Sign	36.00	0.00	(36.00)
Capital Reserve Allocations	214.00	214.00	0.00
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TOTAL EXPENSES	\$43,656.00	\$42,568.00	(\$1,088.00)
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EXCESS OF REVENUES OVER EXPENSES	(\$1,090.00)	\$0.00	(\$1,090.00)

MERIDIAN LAKE PARK CORPORATION
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND BALANCE
FOR THE PERIOD APRIL 1, 2005 TO MARCH 31, 2006

	OPERATING FUND	CAPITAL RESERVE	CAPITAL IMP. FUND	TOTALS
REVENUES				
Association Dues-Homes	\$30,996.00			\$30,996.00
Association Dues-Vacant Lots	10,230.00			10,230.00
Late Charges	157.00			157.00
Interest Income	283.00	239.00	7968.00	8,490.00
Building App. Fees	900.00			900.00
Misc. Assessments	0.00			0.00
Capital Reserve Assessments		214.00		214.00
Special Assessments			0.00	0.00
Atmos Rebates			3,705.00	3,705.00
CIP Finance Fees			2,888.00	2,888.00
CIP Finance Charges			13,490.00	13,490.00
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TOTAL REVENUES	\$42,566.00	\$453.00	\$28,051.00	\$71,070.00
 EXPENSES				
Capital Reserve Expenditures:				
Fencing		\$2,099.00		\$ 2,099.00
Computer Purchase		1,988.00		1,988.00
Landscaping		2,498.00		2,498.00
Sign Expense		125.00		125.00
Capital Imp. Fund Expenditures				
Accounting			697.00	697.00
Atmos Energy			442.00	442.00
Excavation & Piping			10,350.00	10,350.00
Legal			36.00	36.00
Loan Interest			14,520.00	14,520.00
Project Management			5,055.00	5,055.00
Road Paving			55,535.00	55,535.00
Weed Abatement			1,077.00	1,077.00
Postage/ Copies			15.00	15.00
Operating Fund Expenses-Total	43,656.00			43,656.00
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TOTAL EXPENSES	\$43,656.00	\$6,710.00	\$87,727.00	\$138,093.00
 EXCESS OF REVENUES OVER EXPENSES (EXPENSES OVER REVENUES)	 (\$1,090.00)	 (\$6,257.00)	 (\$59,676.00)	 (\$67,023.00)
 BEGINNING FUND BALANCES	 25,598.00	 31,267.00	 277,633.00	 334,498.00

MERIDIAN LAKE PARK CORPORATION
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND BALANCE
FOR THE PERIOD APRIL 1, 2005 TO MARCH 31, 2006

Transfers Between Funds				0.00
ENDING FUND BALANCES	\$24,508.00	\$25,010.00	\$217,957.00	\$267,475.00