UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION
June 9, 2004

ADMINISTRATIVE PROCEEDING
File No. 3-11516

In the Matter of

JAMES H. PEACH,
CHARTERD ACCOUNTANT,

Respondent.

ORDER INSTITUTING ADMINISTRATIVE PROCEEDINGS PURSUANT TO RULE 102(e)(1) OF THE COMMISSION'S RULES OF PRACTICE

I.

The Securities and Exchange Commission ("Commission") deems it appropriate that public administrative proceedings be, and hereby are, instituted pursuant to Rule 102(e)(1) of the Commission's Rules of Practice [17 C.F.R. § 201.102(e)(1)] against James H. Peach, a Canadian chartered accountant ("Peach" or "Respondent"), to determine whether Peach engaged in improper professional conduct pursuant to Rule 102(e)(1) of the Commission's Rules of Practice.[1]

II.

The Division of Enforcement and the Office of the Chief Accountant allege that:

A. Peach, age 48, is a resident of Coquitlam, British Columbia, Canada, and is licensed to practice as a Chartered Accountant in British Columbia.

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1 Rule 102(e)(1) of the Commission's Rules of Practice provides in pertinent part that:

> The Commission may censure a person or deny, temporarily or permanently, the privilege of appearing or practicing before it in any way to any person who is found by the Commission after notice and opportunity for hearing in the matter…:
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> > (ii) To be lacking in character or integrity or to have engaged in unethical or improper professional conduct…; (iv) With respect to persons licensed to practice as accountants, "improper professional conduct: under §201.102(e)(1)(ii) means: (A) Intentional or knowing conduct, including reckless conduct, that results in a violation of applicable professional standard; or (B) Either of the following two types of negligent conduct: (1) A single instance of highly unreasonable conduct that results in a violation of applicable professional standards in circumstances in which an accountant knows, or should know, that heightened scrutiny is warranted. (2) Repeated instances of unreasonable conduct, each resulting in a violation of applicable professional standards, that indicate a lack of competence to practice before the Commission.

B. LASV Enterprises, Inc. ("LASV") is a Delaware corporation located in British Columbia. Between 1993 and April 2004, its common stock was registered with the Commission pursuant to Section 12(g) of the Securities Exchange Act of 1934. LASV filed periodic reports with the Commission from 1994 through 2001.

C. Peach audited and reported on LASV's financial statements for the year ended September 30, 2000, which were included in LASV's Form 10-KSB and Amended Form 10-KSB filed with the Commission on January 12, 2001, and April 4, 2001, respectively. These financial statements materially overstated LASV's assets and liabilities, specifically:

   1. LASV recorded a Dominican Republic real estate property as its sole asset on its balance sheet with a value of $2.825 million. LASV, in fact, did not own the property as of September 30, 2000, the date of the audited financial statements. LASV had merely indirectly paid $875,000 to enter into a purchase agreement for the property that required LASV to pay the $1.95 million purchase price balance by October 19, 2000. LASV never paid the purchase price balance and never acquired the property; and

   2. LASV also recorded a "note payable" as a liability on its September 30, 2000, balance sheet with a value of $1.95 million. The financial statements notes described the note as "non-interest bearing" with "no specific terms of repayment." In fact, LASV had no such note payable, and the $1.95 million referenced in the balance sheet was merely the purchase price balance for the Dominican property.

D. With respect to the audit referenced in paragraph II.C. above, Peach issued an audit report which represented that LASV's financial statements presented fairly, in all material respects, the financial position of the company in conformity with generally accepted accounting principles ("GAAP"), when, in fact, those financial statements were materially false. Peach also represented in his audit report that his audit of LASV's financial statements was conducted in accordance with generally accepted auditing standards ("GAAS"), when it was not.

E. Over the course of his audit engagement with LASV, Peach failed to determine that LASV recorded assets and liabilities in a manner that did not comply with GAAP. GAAP requires that a purchase agreement's value be recorded at cost, that is, the amount paid to acquire the purchase agreement, unless the acquisition is or becomes less than probable, at which time the cost is to be expensed.[2] LASV failed to comply with GAAP

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[2] FASB Statement of Financial Accounting Standards No. 67 Paragraph 4 states:

> Payments to obtain an option to acquire real property shall be capitalized as incurred. All other costs related to a property that are incurred before the enterprise acquires the property, or before the enterprise obtains an option to acquire it, shall be capitalized if all of the following conditions are met and otherwise shall be charged to expense as incurred: (a) The costs are directly identifiable with the specific property. (b) The costs would be capitalized if the property were already acquired. (c) Acquisition of the property or of an option to acquire the property is

because it recorded the Dominican property at its full value as if LASV already owned the property, instead of recording it at an amount equal to the cost to acquire the purchase agreement, or, if the acquisition was less than probable, zero as required by GAAP.

F. In the course of auditing LASV's financial statements, Peach failed to comply with GAAS, as follows:

1. Peach failed to prepare audit programs or to conduct audit risk assessments sufficient to determine the nature, timing, and extent of substantive tests needed for the audit;

2. Peach failed to obtain sufficient competent evidential matter upon which to base an opinion. Specifically, Peach failed to obtain, or plan to obtain, any evidence from third parties about LASV's purported ownership of the Dominican property or its purported note payable; and

3. Peach issued an audit report containing an unqualified opinion which stated that LASV's financial statements fairly presented the company's financial condition in conformity with GAAP when, in fact, they did not.

G. As a result of the conduct described above, Respondent Peach engaged in improper professional conduct within the meaning of Rule 102(e)(1) of the Commission's Rules of Practice.

III.

In view of the allegations made by the Division of Enforcement and the Office of the Chief Accountant, the Commission deems it appropriate that public administrative proceedings be, and hereby are instituted pursuant Rule 102(e)(1) of the Commission's Rules of Practice [17 C.F.R. § 201.102(e)(1)] to determine:

A. Whether the allegations set forth in Section II are true and, in connection therewith, to afford Peach an opportunity to establish any defenses to such allegations; and

B. Whether Peach should be censured by the Commission or temporarily or permanently denied the privilege of appearing or practicing before the Commission.

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probable. This condition requires that the prospective purchaser is actively seeking to acquire the property and has the ability to finance or obtain financing for the acquisition and that there is no indication that the property is not available for sale.

FASB Statement of Financial Accounting Standards No. 5 defines "probable" as "likely to occur."

IV.

IT IS ORDERED that a public hearing for the purpose of taking evidence on the questions set forth in Section III hereof shall be convened at a time and place to be fixed, and before an Administrative Law Judge to be designated by further order as provided by Rule 200 of the Commission's Rules of Practice, 17 C.F.R. § 201.200.

IT IS FURTHER ORDERED that Peach shall file an answer to the allegations contained in this Order within twenty (20) days after service of this Order, as provided by Rule 220 of the Commission's Rules of Practice, 17 C.F.R. § 201.220.

If Peach fails to file the directed answer, or fails to appear at a hearing after being duly notified, the Respondent may be deemed in default and the proceedings may be determined against him upon consideration of this Order, the allegations of which may be deemed to be true as provided by Rules 155(a), 220(f), 221(f) and 310 of the Commission's Rules of Practice, 17 C.F.R. §§ 201.155(a), 201.220(f), 221(f) and 201.310.

This Order shall be served upon Peach in accordance with the provisions of Rule 141 of the Commission's Rules of Practice, 17. C.F.R. § 201.141.

IT IS FURTHER ORDERED that the Administrative Law Judge shall issue an initial decision no later than 300 days from the date of service of this Order, pursuant to Rule 360(a)(2) of the Commission's Rules of Practice.

In the absence of an appropriate waiver, no officer or employee of the Commission engaged in the performance of investigative or prosecuting functions in this or any factually related proceeding will be permitted to participate or advise in the decision of this matter, except as witness or counsel in proceedings held pursuant to notice. Since this proceeding is not "rule making" within the meaning of Section 551 of the Administrative Procedure Act, it is not deemed subject to the provisions of Section 553 delaying the effective date of any final Commission action.

By the Commission.

Jonathan G. Katz
Secretary