

**Ashcroft Indian Band  
Consolidated Financial Statements  
For the year ended March 31, 2014**

**Ashcroft Indian Band**  
**Consolidated Financial Statements**  
**For the year ended March 31, 2014**

---

	<b>Contents</b>
<b>Management's Responsibility for Financial Reporting</b>	<b>3</b>
<b>Independent Auditor's Report</b>	<b>4 - 5</b>
<b>Consolidated Financial Statements</b>	
Exhibit A - Consolidated Statement of Financial Position	6
Exhibit B - Consolidated Statement of Change in Net Financial Assets	7
Exhibit C - Consolidated Statement of Operations	8
Exhibit D - Consolidated Statement of Cash Flows	9
Summary of Significant Accounting Policies	10 - 11
Notes to Consolidated Financial Statements	12 - 23

---

## Management's Responsibility for Financial Reporting

---

The accompanying consolidated financial statements of the Ashcroft Indian Band are the responsibility of management and have been approved by the Chief and another Band Councilor of the Band Council.

The consolidated financial statements have been prepared by management in accordance with Canadian public sector accounting standards. Financial statements are not precise since they include certain amounts based on estimates and judgments. When alternative accounting methods exist, management has chosen those it deems most appropriate in the circumstances, in order to ensure that the financial statements are presented fairly, in all material respects.

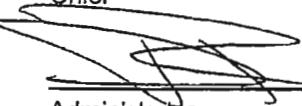
The Ashcroft Indian Band maintains systems of internal accounting and administrative controls of high quality, consistent with reasonable cost. Such systems are designed to provide reasonable assurance that the financial information is relevant, reliable and accurate and the Band's assets are appropriately accounted for and adequately safeguarded.

The Ashcroft Indian Band Council is responsible for ensuring that management fulfills its responsibilities for financial reporting and is ultimately responsible for reviewing and approving the financial statements. Council carries out this responsibility principally through the Band's Council.

The Chief and Council review the Band's consolidated financial statements and recommend their approval. The Chief and Council meet periodically with management, as well as the external auditors, to discuss internal controls over the financial reporting issues, to satisfy themselves that each party is properly discharging their responsibilities, and to review the annual report, the financial statements and the external auditors' report. The Chief and Council takes this information into consideration when approving the financial statements for issuance to the members. The Chief and Council also appoint the external auditors.

The consolidated financial statements have been audited by BDO Canada LLP in accordance with Canadian generally accepted auditing standards on behalf of the members. BDO Canada LLP has full access to the Band Council.

  
\_\_\_\_\_  
Chief

  
\_\_\_\_\_  
Administrator

---

## Independent Auditor's Report

---

### To the Members of Ashcroft Indian Band

We have audited the accompanying consolidated financial statements of Ashcroft Indian Band, which comprise the consolidated statement of financial position as at March 31, 2014 and the consolidated statements of change in net financial assets, operations and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

#### **Management's Responsibility for the Consolidated Financial Statements**

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

#### **Basis for Qualified Opinion**

As noted in the Summary of Significant Accounting Policies regarding tangible capital assets, the Social Housing tangible capital assets are required by Canada Mortgage and Housing Corporation to be amortized at a rate equivalent to the annual principal reduction of the related long term debt. This amortization policy is not in accordance with Canadian public sector accounting standards, which require that tangible capital assets be amortized over their estimated useful lives. The effect of this departure has not been determined on the net book value of tangible capital assets, the related amortization expense, annual surplus and equity in tangible capital assets.

In addition, we were unable to satisfy ourselves regarding the correct accounting treatment of the Band's investment in Nlaka'pamux Resources Limited Partnership due to incomplete information regarding ownership. As a result, we were unable to determine the value of the recorded investment and corresponding equity thereon, if any.



Ashcroft Indian Band derives revenue from one department through the racetrack activities the completeness of which is not susceptible to satisfactory audit verification. Accordingly, verification of these revenues was limited to the amounts recorded in the records. Therefore, we were not able to determine whether any adjustments might be necessary to racetrack income, annual surplus and cash flows from operations for the year ended March 31, 2014, financial assets and accumulated surplus as at March 31, 2014.

#### **Qualified Opinion**

In our opinion, except for the possible effects of the matters described in the Basis for Qualified Opinion paragraphs, the consolidated financial statements present fairly, in all material respects, the financial position of Ashcroft Indian Band as at March 31, 2014 and the results of its operations, changes in net financial assets and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

#### **Other Matters**

Ashcroft Indian Band has also prepared another set of consolidated financial statements for the year ended March 31, 2014 in accordance with Canadian public sector accounting standards. However, these consolidated financial statements include unaudited supplementary exhibits and schedules which present detailed program revenues and expenditures prepared to assist management of Ashcroft Indian Band to meet the reporting requirements of various funding agencies. In addition, these consolidated financial statements have expanded disclosures for Chief and Council. Our audit report on the other set of consolidated financial statements was issued to Chief and Council of Ashcroft Indian Band and was dated July 25, 2014.

*BDO Canada LLP*

**Chartered Accountants**

**Kamloops, British Columbia**  
**July 25, 2014**

**Ashcroft Indian Band**  
**Exhibit A - Consolidated Statement of Financial Position**

As at March 31	2014	2013
<b>Financial Assets</b>		
Cash (Note 2)	\$ 39,549	\$ 25,181
Restricted cash (Note 3)	127,427	1,590
Accounts receivable (Note 4)	93,329	380,609
Investments (Note 6)	106,398	26,554
Due from related party (Note 7)	<u>1,314,424</u>	-
	<u>1,681,127</u>	433,934
<b>Liabilities</b>		
Accounts payable	344,944	220,974
Deferred revenue (Note 8)	248,905	123,314
Due to social housing reserves (Note 9)	38,263	212,429
Long term debt (Note 10)	<u>648,438</u>	505,529
	<u>1,280,550</u>	1,062,246
<b>Net Financial Assets (Debt)</b>	<u>400,577</u>	(628,312)
<b>Non-financial Assets</b>		
Prepaid expenses	30,950	47,899
Tangible capital assets (Note 11)	<u>2,592,123</u>	2,518,930
	<u>2,623,073</u>	2,566,829
<b>Accumulated Surplus (Note 12)</b>	<u>\$ 3,023,650</u>	\$ 1,938,517

**Commitments (Note 13)**

Approved on behalf of the Band Council:

  
 \_\_\_\_\_

Chief

  
 \_\_\_\_\_

Councillor

**Ashcroft Indian Band**  
**Exhibit B - Consolidated Statement of Change in Net Financial Assets**

<u>For the year ended March 31</u>	<u>2014</u>	<u>2013</u>
<b>Annual surplus (deficit)</b>	<b>\$ 1,056,746</b>	<b>\$ (9,288)</b>
Acquisition of tangible capital assets	(448,410)	(235,319)
Amortization of tangible capital assets	194,862	193,914
	<u>803,198</u>	<u>(50,693)</u>
Change in prepaid expenses	16,949	(14,721)
Equity change in Ottawa Trust	837	(56,968)
Equity change in funded reserves	125,005	(125,002)
Equity change in investments	79,844	-
Equity transfer to operating reserves	3,056	3,542
	<u>208,742</u>	<u>(178,428)</u>
<b>Change in net financial assets (debt)</b>	<b>1,028,889</b>	<b>(243,842)</b>
<b>Net debt, beginning of year</b>	<b>(628,312)</b>	<b>(384,470)</b>
<b>Net financial assets (debt), end of year</b>	<b>\$ 400,577</b>	<b>\$ (628,312)</b>

**Ashcroft Indian Band**  
**Exhibit C - Consolidated Statement of Operations**

<b>For the year ended March 31</b>	<b>2014</b>	<b>2013</b>
<b>Revenue</b>		
Aboriginal Affairs and Northern Development Canada	\$ 573,995	\$ 686,088
AANDC reimbursement (recovery)	(5,939)	(1,972)
Health Canada	103,844	204,161
First Nations Health Authority	103,503	-
Canada Mortgage and Housing Corporation	55,004	27,470
Province of B.C.	190,637	160,249
Ottawa Trust Funds	1,095,000	58,773
Nlaka'pamux Legacy Trust	831,000	-
Miscellaneous income	882,241	1,094,717
	<hr/> <b>3,829,285</b>	<hr/> <b>2,229,486</b>
<b>Expenses</b>		
Community Welfare	212,860	193,082
Administration	831,023	1,058,584
Operations & Maintenance	300,849	278,776
Education	99,610	102,659
Natural Resources & Economic Development	1,123,512	458,745
Capital	49,821	2,178
Social Housing	154,864	144,750
	<hr/> <b>2,772,539</b>	<hr/> <b>2,238,774</b>
<b>Annual surplus (deficit)</b>	<b>\$ 1,056,746</b>	<b>\$ (9,288)</b>

**Ashcroft Indian Band**  
**Exhibit D - Consolidated Statement of Cash Flows**

For the year ended March 31	2014	2013
<b>Cash provided by (used for)</b>		
<b>Operating activities</b>		
Cash receipts from various sources	\$ 4,242,156	\$ 2,046,929
Cash paid to employees and suppliers	(2,471,272)	(2,188,801)
Interest paid	<u>(11,591)</u>	<u>(12,709)</u>
<b>Cash flows from operating activities</b>	<u>1,759,293</u>	<u>(154,581)</u>
<b>Capital activity</b>		
Purchase of tangible capital assets	<u>(448,410)</u>	<u>(235,319)</u>
<b>Investing activities</b>		
Change in equity in Ottawa Trust	837	(56,968)
Loans and advances with related parties	<u>(1,314,424)</u>	<u>-</u>
<b>Cash flows from investing activities</b>	<u>(1,313,587)</u>	<u>(56,968)</u>
<b>Financing activities</b>		
Repayment of long term debt	(44,668)	(47,804)
Proceeds from issuance of long term debt	<u>187,577</u>	<u>-</u>
<b>Cash flows from financing activities</b>	<u>142,909</u>	<u>(47,804)</u>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>140,205</b>	<b>(494,672)</b>
<b>Cash and cash equivalents, beginning of year</b>	<b>26,771</b>	<b>521,443</b>
<b>Cash and cash equivalents, end of year</b>	<b>\$ 166,976</b>	<b>\$ 26,771</b>
<b>Represented by:</b>		
Cash	\$ 39,549	\$ 25,181
Restricted cash	<u>127,427</u>	<u>1,590</u>
	<b>\$ 166,976</b>	<b>\$ 26,771</b>

---

## Ashcroft Indian Band Summary of Significant Accounting Policies

**March 31, 2014**

---

<b>Basis of Presentation</b>	These financial statements have been prepared in accordance with Canadian generally accepted accounting principles for government entities, as defined in the CICA Public Sector Accounting Handbook, which encompasses the following principles.
<b>Reporting Entity and Principles of Financial Reporting</b>	<p>The Ashcroft Indian Band reporting entity includes the Ashcroft Indian Band government and all related entities which are accountable to the Ashcroft Indian Band and are either owned or controlled by the Ashcroft Indian Band.</p> <p>These financial statements consolidate the assets, liabilities and results of operations for the following incorporated entity which uses accounting principles which lend themselves to consolidation:</p> <ul style="list-style-type: none"><li>- Ashcroft Indian Band Holding Corporation</li></ul> <p>All inter-entity balances have been eliminated on consolidation.</p>
<b>Revenue Recognition</b>	<p>Government grants and transfers, which include Federal funding agreements, are recognized in the financial statements in the period in which events giving rise to the transfers occur, provided the transfers are authorized, any eligibility criteria have been met and reasonable estimates of the amount can be made. When the eligibility criteria is not met, transfers received are reflected as deferred revenue in the year of receipt and classified as such on the Consolidated Statement of Financial Position.</p> <p>Rental revenue is recognized when a tenant commences occupancy and rent is due. Ashcroft Indian Band retains all benefits and risks of ownership of its property and, therefore, accounts for leases with its tenants as operating leases.</p> <p>Periodic revenue is recognized on an accrual basis commencing at the beginning of the month.</p>
<b>Ottawa Trust Funds</b>	Ashcroft Indian Band uses the accrual method of accounting for Ottawa Trust Fund revenues earned in the Fund. Trust monies are recognized in revenue of the Band upon withdrawal from the Ottawa Trust Fund.

---

## Ashcroft Indian Band Summary of Significant Accounting Policies

**March 31, 2014**

---

**Investments** The Band accounts for its investments in Nlaka'pamux Resources Ltd. and Nlaka'pamux Resources Limited Partnership ("the partnership") using the cost method. Distributions received from the partnership are included in income as received.

The Band accounts for its 99.99% interest in Ashcroft Indian Band Development LLP using the modified equity method. Under the modified equity method the cost of this investment is adjusted by the earnings or losses of Ashcroft Indian Band Development LLP from the date of acquisition.

Inter-entity balances and transactions are not eliminated under the modified equity method.

**Tangible Capital Assets** Tangible capital assets are stated at cost less accumulated amortization and are recorded in the Capital Fund. The acquisition costs of tangible capital assets and payments on capital debt, which are not funded from capital financing sources are charged to operations through interfund transfers and matched with the applicable revenue source in the year of expenditure. Tangible capital asset acquisitions are also recorded as an addition to assets of the Capital Fund with a corresponding increase in equity in tangible capital assets.

Amortization is charged against tangible capital assets and equity in tangible capital assets on a declining balance basis at the following rates:

Automotive equipment	30%
Buildings	4%
Computer equipment	50%
Furniture and equipment	20%
Infrastructure	4%
Machinery	30%

Social housing assets acquired under Canada Mortgage and Housing Corporation sponsored housing programs are amortized at a rate equivalent to the annual principal reduction in the related long term debt, as required for Canada Mortgage and Housing Corporation reporting purposes.

**Use of Estimates** The preparation of financial statements in accordance with Canadian public sector accounting standards requires management to make assumptions and estimates that have an effect on the reported amounts of assets and liabilities and disclosure of assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the year. Actual results could be different from those estimates.

---

**Ashcroft Indian Band**  
**Notes to Consolidated Financial Statements**

**March 31, 2014**

---

**1. Economic Dependence**

The Band receives a significant portion of its revenue pursuant to a funding arrangement with Aboriginal Affairs and Northern Development Canada.

---

**2. Cash**

	<b>2014</b>	<b>2013</b>
Operating Fund	\$ 10,089	\$ 6,884
Social Housing Project	<u>29,460</u>	<u>18,297</u>
	<b>\$ 39,549</b>	<b>\$ 25,181</b>

---

**3. Restricted Cash**

	<b>2014</b>	<b>2013</b>
Ottawa Trust funds	\$ 1,335	\$ 498
Social Housing Project replacement reserve	<u>126,092</u>	<u>1,092</u>
	<b>\$ 127,427</b>	<b>\$ 1,590</b>

The Ottawa trust accounts arise from monies derived from capital or revenue sources as outlined in Section 62 of the *Indian Act*. These funds are held in trust in the Consolidated Revenue Fund of the Government of Canada and are subject to audit by the Office of the Auditor General of Canada. These funds are restricted in their use. The Band is permitted to use its revenue for any purpose that will promote the general progress and welfare of the Band and Band members. The expenditures of capital funds requires the consent of Aboriginal Affairs and Northern Development Canada and generally must be for projects of a capital nature. Withdrawals of revenue or capital funds are recorded as revenue in the applicable fund where the monies are expended. In the current year there was \$1,095,000 in Ottawa Trust revenue resulting from a 36 year lease of land to Ashcroft Indian Band Development LLP, a related party.

The Housing restricted cash is derived under the terms of the agreement with Canada Mortgage and Housing Corporation ("CMHC"), the account is to be credited annually. These funds along with accumulated interest, must be held in a separate bank account and/or invested only in accounts or instruments insured by the Canada Deposit Insurance Corporation.

---

**Ashcroft Indian Band**  
**Notes to Consolidated Financial Statements**

**March 31, 2014**

---

**4. Accounts Receivable**

Accounts receivable by program area is summarized as follows:

	<b>2014</b>	<b>2013</b>
<b>Operating Fund</b>		
Trade accounts receivable	\$ 37,709	\$ 343,108
Other loans receivable	73,423	40,003
Allowance for doubtful loans receivable	<u>(20,003)</u>	<u>(20,003)</u>
	<b>91,129</b>	363,108
<b>Capital Fund</b>		
Aboriginal Affairs and Northern Development Canada		
Water CPMS #10529	-	15,301
Social Housing Project	<b>2,200</b>	2,200
	<b>\$ 93,329</b>	<b>\$ 380,609</b>

---

**5. Rent Receivable**

Rents receivable are the accumulated arrears and vary in amount based on the unit being rented.

	<b>2014</b>	<b>2013</b>
Rents receivable	\$ 206,743	\$ 173,669
Less: Allowance for doubtful accounts	<u>(206,743)</u>	<u>(173,669)</u>
	<b>\$ -</b>	<b>\$ -</b>

---

## Ashcroft Indian Band

### Notes to Consolidated Financial Statements

**March 31, 2014**

---

#### 6. Investments

	2014	2013
Investment in Ashcroft Indian Band Development LLP	\$ 77,119	\$ -
Investment in All Nations Trust Co	8,175	5,450
Investment in Nlaka'pamux Resources Ltd.	<u>21,104</u>	21,104
	<b><u>\$ 106,398</u></b>	\$ 26,554

During the year, the band acquired a 99.99% partnership share in Ashcroft Indian Band Development LLP.

Summary of the audited financial statements of Ashcroft Indian Band Development LLP for the year ended March 31, 2014 are as follows:

#### Statement of Financial Position

	2014
Cash	\$ 401,415
Accounts receivable	209,652
Prepaid expenses	1,094,722
Tangible capital assets	1,181,938
Franchise fees	<u>11,111</u>
	<b><u>\$ 2,898,838</u></b>
Accounts payable	\$ 185,816
Due to Ashcroft Indian Band	1,314,424
Other current liabilities	6,465
Long-term debt	1,315,024
Partners' equity	<u>77,109</u>
	<b><u>\$ 2,898,838</u></b>

#### Statement of Operations

	2014
Revenue	\$ -
Expenses	<u>103,246</u>
Net loss	(103,246)
Surplus, beginning of year	-
Deficit, end of year	<b><u>\$ (103,246)</u></b>

---

**Ashcroft Indian Band**  
**Notes to Consolidated Financial Statements**

**March 31, 2014**

---

**7. Due From Related Party**

The advances to Ashcroft Indian Band Development LLP, a government business partnership, are non-interest bearing with no specific terms of repayment.

---

**8. Deferred Revenue**

Deferred revenue represents amounts received that relate to a subsequent period. A breakdown of deferred revenue is as follows:

	<b>2014</b>	<b>2013</b>
<b>Operating Fund</b>		
Aboriginal Affairs and Northern Development Canada		
Safe Water Operations Program	\$ 6,240	\$ -
Social Assistance for Employment and Training	-	2,075
Guardian Financial Assistance	1,986	11,237
National Child Benefit	11,590	960
Basic Needs	41,216	11,790
Special Needs	1,715	1,932
In Home Care	12,235	4,599
Negotiation Preparedness	-	906
Prevention Projects	-	1,812
Community Economic Development Program	-	5,465
	<b>74,982</b>	40,776
Other deferred revenue	<b>89,721</b>	-
	<b>164,703</b>	40,776
<b>Capital Fund</b>		
Aboriginal Affairs and Northern Development Canada		
Water - CPMS #10529	<b>84,202</b>	82,538
	<b>\$ 248,905</b>	\$ 123,314

---

**Ashcroft Indian Band**  
**Notes to Consolidated Financial Statements**

**March 31, 2014**

---

**9. Social Housing Reserves**

Under the terms of the agreement with Canada Mortgage and Housing Corporation, the Replacement Reserve account is to be credited in the amount of \$13,272 (2013 - \$13,272) annually. These funds along with accumulating interest are to be held in a separate bank account. The funds in this account may only be used for approved expenditures. Withdrawals are credited to interest first and then principal.

In addition, the agreement with Canada Mortgage and Housing Corporation requires that the surplus in operations be transferred into an operating reserve fund for all post-1997 housing phases.

The balance due to reserves at the end of the year is comprised of:

	<b>2014</b>	<b>2013</b>
Replacement reserve	\$ 12,934	\$ 184,044
Operating reserve	<u>25,329</u>	<u>28,385</u>
	<b><u>\$ 38,263</u></b>	<b><u>\$ 212,429</u></b>

The Band is not in compliance with the Canada Mortgage and Housing Corporation agreement as the replacement reserve is not fully funded.

---

**Ashcroft Indian Band**  
**Notes to Consolidated Financial Statements**

**March 31, 2014**

---

**10. Long Term Debt**

	<b>2014</b>	<b>2013</b>
<b><u>Social Housing Projects</u></b>		
Social Housing mortgages repayable in monthly instalments of \$4,621 including interest ranging from 1.64% to 2.63% per annum, due April 2014 to September 2017	460,861	505,529
<b><u>Ashcroft Indian Band Holding Corporation</u></b>		
Mortgage, repayable in monthly instalments of \$1,000 including interest at 4.0% per annum, secured by a general security agreement and a mortgage on specific property, due February 2016	187,577	-
	<hr/>	<hr/>
	<b>\$ 648,438</b>	<b>\$ 505,529</b>
	<hr/>	<hr/>

All Social Housing Project mortgages are secured by a ministerial guarantee from the federal government.

The estimated principal repayments on the above long term debt required over the next four years are as follows:

2015	\$ 34,694
2016	212,329
2017	325,542
2018	75,873
	<hr/>
	<b>\$ 648,438</b>

**Ashcroft Indian Band**  
**Notes to Consolidated Financial Statements**

**March 31, 2014**

**11. Tangible Capital Assets**

	2014		2013	
	Cost	Accumulated Amortization	Cost	Accumulated Amortization
Assets under construction	\$ 56,351	\$ -	\$ 221,706	\$ -
Automotive equipment	206,881	141,246	159,357	123,300
Buildings	649,929	300,688	649,929	279,871
Computer equipment	76,130	58,649	58,748	49,877
Furniture and equipment	266,761	170,988	259,923	147,899
Infrastructure	849,902	116,160	761,927	87,420
Leasehold improvements	431,108	235,203	406,121	207,593
Machinery	333,892	285,973	332,123	266,767
	<b>2,870,954</b>	<b>1,308,907</b>	<b>2,849,834</b>	<b>1,162,727</b>
 Social Housing Project				
Buildings	<b>1,995,635</b>	<b>1,208,480</b>	<b>1,995,635</b>	<b>1,163,812</b>
 Ashcroft Indian Band Holding Corporation				
Buildings	191,473	3,829	-	-
Furniture and equipment	1,850	185	-	-
Land	53,612	-	-	-
	<b>246,935</b>	<b>4,014</b>	<b>-</b>	<b>-</b>
	<b>5,113,524</b>	<b>2,521,401</b>	<b>4,845,469</b>	<b>2,326,539</b>
Net book value	<b>\$ 2,592,123</b>		<b>\$ 2,518,930</b>	

**Ashcroft Indian Band**  
**Notes to Consolidated Financial Statements**

**March 31, 2014**

**11. Tangible Capital Assets (continued)**

	<b>2014</b>								
	Assets under construction	Automotive equipment	Buildings	Land equipment	Computer equipment	Furniture and infrastructure	Leasehold improvements	Machinery	Total
Cost, beginning of year	\$ 221,706	\$ 159,357	\$ 2,645,564	\$ -	\$ 58,748	\$ 259,923	\$ 761,927	\$ 406,121	\$ 332,123
Additions	15,000	47,524	191,473	53,612	17,382	8,688	87,975	24,987	1,769
Transfers	(180,355)	-	-	-	-	-	-	-	(180,355)
Cost, end of year	<u>56,351</u>	<u>206,881</u>	<u>2,837,037</u>	<u>53,612</u>	<u>76,130</u>	<u>268,611</u>	<u>849,902</u>	<u>431,108</u>	<u>333,892</u>
Accumulated amortization, beginning of year	-	123,300	1,443,683	-	49,877	147,899	87,420	207,593	266,767
Amortization	-	17,946	69,314	-	8,772	23,274	28,740	27,610	19,206
Accumulated amortization, end of year	-	141,246	1,512,997	-	58,649	171,173	116,160	235,203	285,973
Net carrying amount, end of year	<u>\$ 56,351</u>	<u>\$ 65,635</u>	<u>\$1,324,040</u>	<u>\$ 53,612</u>	<u>\$ 17,481</u>	<u>\$ 97,438</u>	<u>\$ 733,742</u>	<u>\$ 195,905</u>	<u>\$ 47,919</u>
									<u>\$ 2,521,401</u>

**Ashcroft Indian Band**  
**Notes to Consolidated Financial Statements**

**March 31, 2014**

**11. Tangible Capital Assets (continued)**

	2013							
	Assets under construction	Automotive equipment	Buildings equipment	Computer equipment	Furniture and equipment	Leasehold improvements	Machinery	Total
Cost, beginning of year	\$ 147,499	\$ 139,192	\$ 2,645,564	\$ 52,422	\$ 240,733	\$ 685,281	\$ 369,421	\$ 330,038
Additions	74,207	20,165	-	6,326	19,190	76,646	36,700	2,085
Cost, end of year	<u>221,706</u>	<u>159,357</u>	<u>2,645,564</u>	<u>58,748</u>	<u>259,923</u>	<u>761,927</u>	<u>406,121</u>	<u>332,123</u>
Accumulated amortization, beginning of year	-	112,166	1,374,063	44,194	122,293	60,912	178,657	240,340
Amortization	-	11,134	69,620	5,683	25,606	26,508	28,936	26,427
Accumulated amortization, end of year	<u>-</u>	<u>123,300</u>	<u>1,443,683</u>	<u>49,877</u>	<u>147,899</u>	<u>87,420</u>	<u>207,593</u>	<u>266,767</u>
Net carrying amount, end of year	<u>\$ 221,706</u>	<u>\$ 36,057</u>	<u>\$ 1,201,881</u>	<u>\$ 8,871</u>	<u>\$ 112,024</u>	<u>\$ 674,507</u>	<u>\$ 198,528</u>	<u>\$ 65,356</u>
								<u>\$ 2,518,930</u>

---

## Ashcroft Indian Band

### Notes to Consolidated Financial Statements

**March 31, 2014**

---

#### **12. Accumulated Surplus**

Accumulated surplus of the Band is comprised of the following:

	<b>2014</b>	<b>2013</b>
Funded reserves	\$ 126,092	\$ 1,092
Equity in investments	106,598	26,754
Equity in Ottawa Trust	1,335	498
Equity in tangible capital assets	1,438,013	1,563,074
Contributed surplus - Social Housing Project	231,145	231,145
Unrestricted surplus	<u>1,120,467</u>	<u>115,954</u>
	<b>\$ 3,023,650</b>	<b>\$ 1,938,517</b>

---

#### **13. Commitments**

Ashcroft Indian Band has entered into lease agreements for a truck and for a photocopier. Minimum annual lease payments due over the next five years, until expiry, are approximately as follows:

2015	\$ 14,576
2016	14,576
2017	8,148
2018	8,148
2019	<u>4,753</u>
	<b><u>\$ 50,201</u></b>

---

#### **14. Fiscal Plan**

Canadian public sector accounting standards requires that the Band's budget be presented in the financial statements. As the Band currently does not prepare a budget, no budgeted figures have been presented as otherwise required.

---

#### **15. Employee Benefits**

The Band has a defined contribution plan providing pension benefits to certain of its employees. The pension cost charge represents contributions payable by the Band to the plan and amounts to \$24,520 (2013 - \$22,472).

---

## Ashcroft Indian Band Notes to Consolidated Financial Statements

**March 31, 2014**

---

### **16. Comparative Figures**

Certain of the comparative figures have been reclassified to conform with the current year's basis of presentation.

---

### **17. Segment Disclosure**

The Band is a diversified First Nations organization that provides a wide range of services to its members. Distinguishable functional segments have been separately disclosed in the segmented information. The nature of the segments and the activities they encompass are as follows:

#### **Community Welfare**

This service area provides services to help the Members by providing a variety of programs, community services and social assistance.

#### **Administration**

This item relates to the revenues and expenses that relate to the operations of the Band itself and cannot be directly attributed to a specific segment.

#### **Operations and Maintenance**

This service area provides services relating to the development, maintenance and service of the Band's assets, infrastructure and common property.

#### **Education**

This service area provides educational services through the operations of an on-reserve school, post secondary education support and the operations of various other educational programs. The goal of this segment is to enhance the educational opportunities of the Band's Members.

#### **Natural Resources and Economic Development**

This service area provides for the development of economic opportunities to the Members, along with the exploration of the development of natural resource revenues.

#### **Capital**

This service area provides for the development of new capital projects and infrastructure programs on the reserve.

#### **Social Housing**

This service area provides for social housing to the Members.

**Ashcroft Indian Band**  
**Notes to Consolidated Financial Statements**

**March 31, 2014**

**17. Segment Disclosure -  
continued**

		Community Welfare	Administration	Operations & Maintenance	Education	Natural Resources & Economic Development	Capital	Social Housing	Total
<b>2014</b>									
<b>Revenue</b>									
AANDC	\$ 235,779	\$ 163,967	\$ 74,109	\$ 114,106	\$ 6,762	\$ (26,667)	\$ -	\$ 568,056	
Other	-	356,381	25,401	-	2,711,805	29,100	138,542	3,261,229	
<b>Total</b>	<b>235,779</b>	<b>520,348</b>	<b>99,510</b>	<b>114,106</b>	<b>2,718,567</b>	<b>2,433</b>	<b>138,542</b>	<b>3,829,285</b>	
<b>Expenses</b>									
Wages & benefits	3,591	319,957	67,563	15,886	44,851	17,706	-	469,554	
Purchases	209,269	511,066	128,143	83,724	1,033,610	32,115	110,196	2,108,123	
Amortization	-	-	105,143	-	45,051	-	44,668	194,862	
<b>Total</b>	<b>212,860</b>	<b>831,023</b>	<b>300,849</b>	<b>99,610</b>	<b>1,123,512</b>	<b>49,821</b>	<b>154,864</b>	<b>2,772,539</b>	
<b>Surplus (deficit)</b>	<b>\$ 22,919</b>	<b>\$ (310,675)</b>	<b>\$ (201,339)</b>	<b>\$ 14,496</b>	<b>\$ 1,595,056</b>	<b>\$ (47,388)</b>	<b>\$ (16,322)</b>	<b>\$ 1,056,746</b>	
<b>2013</b>									
<b>Revenue</b>									
AANDC	\$ 177,115	\$ 169,156	\$ 75,189	\$ 76,508	\$ 74,094	\$ 112,054	\$ -	\$ 684,116	
Other	-	511,015	25,328	-	874,983	-	134,044	1,545,370	
<b>Total</b>	<b>177,115</b>	<b>680,171</b>	<b>100,517</b>	<b>76,508</b>	<b>949,077</b>	<b>112,054</b>	<b>134,044</b>	<b>2,229,486</b>	
<b>Expenses</b>									
Wages & benefits	26,500	310,826	77,392	11,006	70,213	-	-	495,937	
Purchases	166,582	747,758	98,157	91,653	345,650	2,178	96,945	1,548,923	
Amortization	-	-	103,227	-	42,882	-	47,805	193,914	
<b>Total</b>	<b>193,082</b>	<b>1,058,584</b>	<b>278,776</b>	<b>102,659</b>	<b>458,745</b>	<b>2,178</b>	<b>144,750</b>	<b>2,238,774</b>	
<b>Surplus (deficit)</b>	<b>\$ (15,967)</b>	<b>\$ (378,413)</b>	<b>\$ (178,259)</b>	<b>\$ (26,151)</b>	<b>\$ 490,332</b>	<b>\$ 109,876</b>	<b>\$ (10,706)</b>	<b>\$ (9,288)</b>	