

Ashcroft Indian Band
Consolidated Financial Statements
For the year ended March 31, 2018

Ashcroft Indian Band
Consolidated Financial Statements
For the year ended March 31, 2018

	Contents
Management's Responsibility for Financial Reporting	3
Independent Auditor's Report	4 - 5
Consolidated Financial Statements	
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 - 25

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 sufficient 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 auditor's 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.



Councilor



Finance Manager

Independent Auditor's Report

To the Chief and Council of Ashcroft Indian Band

We have audited the accompanying consolidated financial statements of Ashcroft Indian Band (the "Band"), which comprise the consolidated statement of financial position as at March 31, 2018 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.

Auditor's 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 auditor's 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 and fair presentation 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 as at March 31, 2018 and 2017, the related amortization expense and annual surplus for the years ended March 31, 2018 and 2017, and equity in tangible capital assets as at March 31, 2018 and 2017.

In addition, we were unable to satisfy ourselves regarding the correct accounting treatment of the Band's investment in Nlaka'pamux Resources Limited Partnership (the "Limited Partnership") due to incomplete information regarding ownership. As a result, management was unable to determine whether the investment in the Limited Partnership should be recorded on a cost or modified equity basis. Management was unable to quantify the impact of this limitation on the value of its investments as at March 31, 2018 and 2017, the related investment income for the years ended March 31, 2018 and 2017, and the equity in investments as at March 31, 2018 and 2017.

During the 2018 year, the reserve suffered a loss due to a forest fire. As a part of the fire, there were some buildings as well as some historical accounting records that were stored in these buildings that were destroyed. Included in tangible capital assets were buildings with a net book value of \$693,833, which includes the buildings that were destroyed as well as other buildings that survived the fire. As a result of the lost accounting records, we were unable to determine the value of the specific buildings lost in the fire, and consequently were unable to determine the value of buildings that were lost and should be written down. The effect of the write-down has not been determined, which impacted the net book value of tangible capital assets as at March 31, 2018, the related loss on write-down and annual surplus for the year ended March 31, 2018, and equity in tangible capital assets as at March 31, 2018.

Qualified Opinion

In our opinion, except for the 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, 2018 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.

BDO Canada LLP

Chartered Professional Accountants
Kamloops, British Columbia
July 27, 2018

Ashcroft Indian Band
Exhibit A - Consolidated Statement of Financial Position

As at March 31	2018	2017
Financial Assets		
Cash (Note 2)	\$ 5,530,418	\$ 1,295,062
Restricted cash (Note 3)	4,105	4,477
Accounts receivable (Note 4)	380,022	685,176
Investments (Note 6)	29,279	29,279
Due from Ashcroft Indian Band Development LLP (Note 7)	2,460,101	2,355,141
	<u>8,403,925</u>	<u>4,369,135</u>
Liabilities		
Accounts payable (Note 8)	514,363	308,969
Deferred revenue (Note 9)	4,527,398	2,301,529
Due to social housing reserves (Note 10)	-	27,890
Long term debt (Note 11)	-	370,130
	<u>5,041,761</u>	<u>3,008,518</u>
Net Financial Assets	<u>3,362,164</u>	<u>1,360,617</u>
Non-financial Assets		
Prepaid expenses	23,209	35,768
Tangible capital assets (Note 12)	2,951,885	2,266,229
	<u>2,975,094</u>	<u>2,301,997</u>
Accumulated Surplus (Note 13)	<u>\$ 6,337,258</u>	<u>\$ 3,662,614</u>
Commitments (Note 14)		
Contingencies (Note 15)		

Approved on behalf of the Band Council:




Councilor

Councilor

Ashcroft Indian Band

Exhibit B - Consolidated Statement of Change in Net Financial Assets

	2018	2017
Annual surplus	\$ 2,646,030	\$ 16,226
Acquisition of tangible capital assets	(897,028)	(110,699)
Amortization of tangible capital assets	181,251	175,493
Disposal of tangible capital assets	30,122	-
	1,960,375	81,020
Change in prepaid expenses	12,559	(5,333)
Equity change in Ottawa Trust	718	685
Equity change in funded reserves	-	(25,000)
Equity transfer from housing replacement reserve	27,895	-
	28,613	(24,315)
Change in net financial assets	2,001,547	51,372
Net financial assets, beginning of year	1,360,617	1,309,245
Net financial assets, end of year	\$ 3,362,164	\$ 1,360,617

Ashcroft Indian Band

Exhibit C - Consolidated Statement of Operations

	2018	2017
Revenue		
Indigenous and Northern Affairs Canada	\$ 1,789,735	\$ 848,502
First Nations Health Authority	318,158	260,346
Canada Mortgage and Housing Corporation	-	56,620
CMHC Subsidy	-	12,387
Province of B.C.	764,595	83,772
Nlaka'pamux Legacy Trust	50,000	340,000
Miscellaneous income	715,592	541,526
Racetrack income	-	5,771
Rental income	38,940	77,600
Insurance proceeds	1,601,949	-
	5,278,969	2,226,524
Expenses		
Community Welfare	822,085	201,558
Administration	1,047,225	896,118
Operations & Maintenance	313,993	227,546
Education	126,391	99,327
Natural Resources & Economic Development	237,608	640,333
Capital	41,803	67,366
Social Housing	43,834	78,050
	2,632,939	2,210,298
Annual surplus	\$ 2,646,030	\$ 16,226

Ashcroft Indian Band
Exhibit D - Consolidated Statement of Cash Flows

For the year ended	2018	2017
Operating activities		
Cash receipts from various sources	\$ 7,734,202	\$ 3,626,518
Cash paid to employees and suppliers	(2,228,531)	(1,927,761)
Interest paid	(4,523)	(5,673)
Cash flows from operating activities	5,501,148	1,693,084
Capital activity		
Acquisition of tangible capital assets	(897,028)	(110,701)
Proceeds from sale of tangible capital assets	30,122	-
Investing activities		
Change in equity in Ottawa Trust	718	685
Loans and advances with related parties	(29,846)	(333,986)
Cash flows from investing activities	(29,128)	(333,301)
Financing activity		
Repayment of long term debt	(370,130)	(31,212)
Net increase in cash and cash equivalents	4,234,984	1,217,870
Cash and cash equivalents, beginning of year	1,299,539	81,669
Cash and cash equivalents, end of year	\$ 5,534,523	\$ 1,299,539
Represented by:		
Cash	\$ 5,530,418	\$ 1,295,062
Restricted cash	4,105	4,477
	\$ 5,534,523	\$ 1,299,539

Ashcroft Indian Band Summary of Significant Accounting Policies

March 31, 2018

Basis of Presentation These financial statements have been prepared in accordance with Canadian public sector accounting standards, as defined in the CPA Canada Public Sector Accounting Handbook, which encompasses the following principles.

**Reporting Entity and
Principles of Financial
Reporting**

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.

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:

- Ashcroft Indian Band Holding Corporation

All inter-entity balances have been eliminated on consolidation.

Revenue Recognition Government grants and transfers, which include Federal funding agreements, are recognized in the 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.

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.

Periodic revenue is recognized on an accrual basis in the period earned.

Ottawa Trust Funds 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, 2018

Investments

The Band accounts for its investments in All Nations Trust Company, Nlaka'pamux Resources Ltd. and Nlaka'pamux Resources Limited Partnership ("the partnership") using the cost method. Distributions received from the partnership and dividends from the corporations 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 recorded at cost less accumulated amortization. Cost includes all costs directly attributable to acquisition or construction of the tangible capital assets including transportation costs, installation costs, design and engineering fees, legal fees and site preparation costs. Contributed tangible capital assets are recorded at fair value at the time of the donation, with a corresponding amount recorded at revenue. Amortization is recorded on a declining balance basis over the estimated life of the tangible capital asset commencing once the asset is available for productive use as follows:

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

Leasehold improvements are amortized at a rate of 10% using a straight-line method.

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, 2018

1. Economic Dependence

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

2. Cash

	2018	2017
Operating Fund	\$ 5,530,418	\$ 1,270,383
Social Housing Project	-	24,679
	<u>\$ 5,530,418</u>	<u>\$ 1,295,062</u>

3. Restricted Cash

	2018	2017
Ottawa Trust Funds	\$ 4,105	\$ 3,387
Social housing replacement reserve	-	1,090
	<u>\$ 4,105</u>	<u>\$ 4,477</u>

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 Indigenous and Northern Affairs Canada and generally must be for projects of a capital nature.

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, 2018

4. Accounts Receivable

Accounts receivable by program area is summarized as follows:

	2018	2017
Trade accounts receivable	\$ 350,138	\$ 252,302
INAC receivable	116,010	565,260
Employee loan receivable	145,245	98,145
Allowance for doubtful accounts	(237,191)	(237,191)
	374,202	678,516
Social Housing Project	-	840
Ashcroft Indian Band Holding Corporation	5,820	5,820
	\$ 380,022	\$ 685,176

Included in employee loans receivable is \$100,325 (2017 - \$53,225) in loans receivable from key management. These loans require bi-weekly repayments, are non-interest bearing, and repayable in full within thirty days if demanded.

5. Rent Receivable

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

	2018	2017
Rents receivable	\$ 75,790	\$ 75,153
Less: Allowance for doubtful accounts	(75,790)	(75,153)
	\$ -	\$ -

Ashcroft Indian Band

Notes to Consolidated Financial Statements

March 31, 2018

6. Investments

	2018	2017
Investment in All Nations Trust Co.	\$ 8,175	\$ 8,175
Investment in Nlaka'pamux Resources Ltd.	21,104	21,104
	\$ 29,279	\$ 29,279

Summary of the audited financial statements of Ashcroft Indian Band Development LLP for the year ended March 31, 2018 are as follows:

Statement of Financial Position

	2018	2017
Cash	\$ 76,444	\$ 16,436
Accounts receivable	121,188	112,881
Prepaid expenses	968,160	994,059
Tangible capital assets	3,461,671	3,175,056
Inventory	209,961	178,392
Franchise fees	35,500	16,000
	\$ 4,872,924	\$ 4,492,824
Line of credit	\$ 145,000	\$ 155,000
Accounts payable	132,599	152,083
Due to related parties	2,460,101	2,417,671
Long-term debt	3,350,610	2,883,346
Partners' deficiency	(1,215,386)	(1,115,276)
	\$ 4,872,924	\$ 4,492,824

Statement of Operations

	2018	2017
Revenue	\$ 5,726,140	\$ 4,221,275
Cost of sales	4,268,799	3,438,507
Gross profit	1,457,341	782,768
Expenses	1,617,931	1,058,433
Net loss for the year	\$ (160,590)	\$ (275,665)

The Band has not recorded an equity loss on the investment, as the Partnership agreement does not require the Band to fund any deficits; nor has the Partnership issued a capital call to its partners. In addition, during the year the Band received funding from INAC to assist with capital projects in the Partnership, and the Band distributed \$86,453 to the Partnership.

Ashcroft Indian Band Notes to Consolidated Financial Statements

March 31, 2018

7. Due From Related Party

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

8. Accounts Payable

	<u>2018</u>	<u>2017</u>
Operating Fund		
Trade payables and accruals	\$ 509,363	\$ 296,089
Social Housing Project	-	7,880
Ashcroft Indian Band Holding Corporation	<u>5,000</u>	<u>5,000</u>
	<u>\$ 514,363</u>	<u>\$ 308,969</u>

Ashcroft Indian Band

Notes to Consolidated Financial Statements

March 31, 2018

9. Deferred Revenue

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

	<u>2018</u>	<u>2017</u>
Operating Fund		
Indigenous and Northern Affairs Canada		
Basic Needs	\$ 16,185	\$ -
Service Delivery	3,656	4,429
Guardian Financial Assistance	497	497
Residential Rehabilitation Assistance Program	58,968	-
Emergency Social Services	139,120	-
Special Needs	9,631	15,513
In Home Care	19,079	33,561
Post Secondary Education	21,023	16,071
Lands & Economic Development Services Program	28,258	-
	<u>296,417</u>	70,071
Other deferred revenue	<u>173,872</u>	97,311
	<u>470,289</u>	167,382
Capital Fund		
Indigenous and Northern Affairs Canada		
Recreational Fields - CPMS #6067	934,044	685,004
Church Restoration - CPMS #6066	-	238,047
Elders Facility - CPMS #6232	1,186,809	1,129,252
Water - CPMS #10529	65,199	81,844
House replacement	1,871,057	-
	<u>4,057,109</u>	2,134,147
	<u>\$ 4,527,398</u>	<u>\$ 2,301,529</u>

Ashcroft Indian Band

Notes to Consolidated Financial Statements

March 31, 2018

10. Social Housing

During the year, the Band paid out its obligations under the terms of its agreement with Canada Mortgage and Housing Corporation. The related assets were transferred to Band owned tangible capital assets.

11. Long Term Debt

	<u>2018</u>	<u>2017</u>
<u>Social Housing Project Pre 1997 Phase 4 and 5</u>		
Loan, repaid during the year	-	59,482
<u>Social Housing Project Post 1997 Phase 1 and 2</u>		
Loan, repaid during the year	-	234,790
Loan, repaid during the year	-	75,858
	<u>\$ -</u>	<u>\$ 370,130</u>

Ashcroft Indian Band

Notes to Consolidated Financial Statements

March 31, 2018

12. Tangible Capital Assets

	2018		2017	
	Cost	Accumulated Amortization	Cost	Accumulated Amortization
Assets under construction	\$ 236,585	\$ -	\$ 130,247	\$ -
Automotive equipment	311,967	197,908	267,833	178,423
Buildings	2,775,101	1,363,109	1,877,016	1,336,326
Computer equipment	135,574	96,170	88,126	80,497
Furniture and equipment	313,525	234,256	269,413	219,061
Infrastructure	1,192,814	233,215	879,986	204,191
Leasehold improvements	431,108	350,643	431,108	321,783
Machinery	366,910	336,398	358,117	326,950
	5,763,584	2,811,699	4,301,846	2,667,231
Social Housing Project Buildings	-	-	959,926	328,312
	5,763,584	2,811,699	5,261,772	2,995,543
Net book value		\$ 2,951,885		\$ 2,266,229

Ashcroft Indian Band
Notes to Consolidated Financial Statements

March 31, 2018

12. Tangible Capital Assets (continued)

									2015
	Assets under construction	Automotive equipment	Buildings	Computer equipment	Furniture and equipment	Infrastructure improvements	Leasehold improvements	Machinery	Total
Cost, beginning of year	\$ 130,247	\$ 267,833	\$ 2,836,942	\$ 88,126	\$ 269,413	\$ 879,986	\$ 431,108	\$ 358,117	\$ 5,261,772
Additions	106,338	85,362	292,147	47,448	44,112	312,828	-	8,793	897,028
Disposals		(41,228)	-	-	-	-	-	-	(41,228)
Cost, end of year	236,585	311,967	3,129,089	135,574	313,525	1,192,814	431,108	366,910	6,117,572
Accumulated amortization, beginning of year	-	178,423	1,664,638	80,497	219,061	204,191	321,783	326,950	2,995,543
Amortization	-	30,591	52,459	15,673	15,195	29,024	28,860	9,448	181,250
Disposals	-	(11,106)	-	-	-	-	-	-	(11,106)
Accumulated amortization, end of year	-	197,908	1,717,097	96,170	234,256	233,215	350,643	336,398	3,165,687
Net carrying amount, end of year	\$ 236,585	\$ 114,059	\$ 1,411,992	\$ 39,404	\$ 79,269	\$ 959,599	\$ 80,465	\$ 30,512	\$ 2,951,885

Ashcroft Indian Band
Notes to Consolidated Financial Statements

March 31, 2018

12. Tangible Capital Assets (continued)

	2017								
	Assets under construction	Automotive equipment	Buildings	Computer equipment	Furniture and equipment	Infrastructure improvements	Leasehold improvements	Machinery	Total
Cost, beginning of year	\$ 56,351	\$ 245,905	\$ 2,836,942	\$ 84,018	\$ 267,152	\$ 879,986	\$ 431,108	\$ 349,611	\$ 5,151,073
Additions	73,896	21,928	-	4,108	2,261	-	-	8,506	110,699
Cost, end of year	130,247	267,833	2,836,942	88,126	269,413	879,986	431,108	358,117	5,261,772
Accumulated amortization, beginning of year	-	144,802	1,608,724	74,928	205,863	175,466	292,924	317,343	2,820,050
Amortization	-	33,621	55,914	5,569	13,198	28,725	28,859	9,607	175,493
Accumulated amortization, end of year	-	178,423	1,664,638	80,497	219,061	204,191	321,783	326,950	2,995,543
Net carrying amount, end of year	\$ 130,247	\$ 89,410	\$ 1,172,304	\$ 7,629	\$ 50,352	\$ 675,795	\$ 109,325	\$ 31,167	\$ 2,266,229

Ashcroft Indian Band

Notes to Consolidated Financial Statements

March 31, 2018

13. Accumulated Surplus

Accumulated surplus of the Band is comprised of the following:

	2018	2017
Funded reserves (Note 3)	\$ -	\$ 1,090
Equity in investments (Note 6)	29,479	29,479
Equity in Ottawa Trust (Note 3)	4,105	3,387
Equity in tangible capital assets	2,827,854	1,445,771
Contributed surplus - Social Housing Project	-	261,484
Unrestricted surplus	3,475,820	1,921,403
	<u>\$ 6,337,258</u>	<u>\$ 3,662,614</u>

14. Commitments

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

2019	\$ 8,148
2020	4,753
	<u>\$ 12,901</u>

15. Contingencies

Ashcroft Indian Band has signed a guarantee and postponement of claim in the amount of \$3,495,610 for a loan made to Ashcroft Indian Band Development LLP. The loan is secured by tangible capital assets with a carrying amount of \$3,461,671.

The Band has an unused credit facility which when drawn upon bears interest at prime plus 2% and is unsecured.

16. 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.

Ashcroft Indian Band
Notes to Consolidated Financial Statements

March 31, 2018

17. Employee Benefits

The Band has a defined contribution plan providing pension benefits to certain employees. The pension cost charge represents contributions payable by the Band to the plan and amounts to \$42,725 (2017 - \$34,501).

18. Comparative Figures

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

Ashcroft Indian Band

Notes to Consolidated Financial Statements

March 31, 2018

19. Expenses by Object

	2018	2017
Allocation to replacement reserve	-	8,647
Amortization	181,251	175,493
Bad debts	(2,701)	16,774
Bank charges	5,768	6,421
Contract services	106,639	61,426
Donations	38,013	650
Economic development	13,395	195,480
Food	16,466	-
Fuel	26,184	-
Honoraria	83,105	147,488
Insurance	82,175	37,080
Interest on long term debt	4,523	5,673
Materials and supplies	125,304	159,090
Meals	9,092	-
Miscellaneous expense	766	6,021
Office supplies	3,290	1,286
Professional Fees	423,502	386,185
Program activities	276,055	93,614
Rent	28,196	13,314
Repairs and maintenance	176,422	107,002
Social development	162,504	166,084
Student allowances	35,600	27,123
Telephone	26,586	21,620
Training	1,056	24
Travel	109,722	52,779
Tuition	22,601	19,328
Utilities	79,435	66,360
Vehicle expenses	27,577	15,354
Wages and benefits	570,413	419,982
	\$ 2,632,939	\$ 2,210,298

Ashcroft Indian Band

Notes to Consolidated Financial Statements

March 31, 2018

20. 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, 2018

21. Segment Disclosure - continued

2018

	Community Welfare	Administration	Operations & Maintenance	Education	Natural Resources & Economic Development	Capital	Social Housing	Total
Revenue								
INAC	\$ 254,246	\$ 386,209	\$ 96,557	\$ 126,391	\$ 359,404	\$ 566,928	\$ -	\$ 1,789,735
Other	573,129	2,356,367	35,490	-	512,264	-	11,984	3,489,234
Total	827,375	2,742,576	132,047	126,391	871,668	566,928	11,984	5,278,969
Expenses								
Wages & benefits	214,961	214,502	74,898	56,552	9,500	-	-	570,413
Purchases	607,124	832,723	128,587	69,839	183,041	41,803	18,158	1,881,275
Amortization	-	-	110,508	-	45,067	-	25,676	181,251
Total	822,085	1,047,225	313,993	126,391	237,608	41,803	43,834	2,632,939
Surplus (deficit)	\$ 5,290	\$ 1,695,351	\$ (181,946)	\$ -	\$ 634,060	\$ 525,125	\$ (31,850)	\$ 2,646,030

2017

	Community Welfare	Administration	Operations & Maintenance	Education	Natural Resources & Economic Development	Capital	Social Housing	Total
Revenue								
INAC	\$ 191,749	\$ 277,588	\$ 97,637	\$ 99,302	\$ 108,330	\$ 73,896	\$ -	\$ 848,502
Other	7,330	439,173	27,691	-	777,786	80,755	45,287	1,378,022
Total	199,079	716,761	125,328	99,302	886,116	154,651	45,287	2,226,524
Expenses								
Wages & benefits	25,500	232,992	67,714	47,322	33,443	-	13,011	419,982
Purchases	176,058	663,126	61,879	52,005	560,563	67,366	33,826	1,614,823
Amortization	-	-	97,953	-	46,327	-	31,213	175,493
Total	201,558	896,118	227,546	99,327	640,333	67,366	78,050	2,210,298
Surplus (deficit)	\$ (2,479)	\$ (179,357)	\$ (102,218)	\$ (25)	\$ 245,783	\$ 87,285	\$ (32,763)	\$ 16,226