

**Ashcroft Indian Band**  
**Consolidated Financial Statements**  
For the year ended March 31, 2024

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For the year ended March 31, 2024

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## Management's Responsibility for Financial Reporting

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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

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## Independent Auditor's Report

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To the Chief and Council of Ashcroft Indian Band

### Qualified Opinion

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, 2024 and the consolidated statements of change in net financial assets, operations and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the Band as at March 31, 2024, and its financial performance and its cash flows for the year then ended in accordance Canadian public sector accounting standards.

### Basis for Qualified Opinion

We were unable to satisfy ourselves regarding the appropriate accounting treatment of the Band's investment in Nlaka'pamux Resources Limited Partnership (the "Limited Partnership") due to an inability to access information regarding ownership. Management has recorded the investment at cost; however, we were unable to determine whether the investment in the Limited Partnership should be recorded on a cost or modified equity basis. Consequently, we were unable to determine whether any adjustments to these amounts were necessary. Management was unable to quantify the impact of this limitation on the value of its investments as at March 31, 2024 and 2023, the related investment income for the years ended March 31, 2024 and 2023, and the equity in investments as at March 31, 2024 and 2023.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Band in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

### Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of these 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 financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Band's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Band or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Band's financial reporting process.



## Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our qualified opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Band's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Band's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Band to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Band to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Chartered Professional Accountants

Kamloops, British Columbia  
August 1, 2024

## Ashcroft Indian Band Consolidated Statement of Financial Position

As at March 31	2024	2023
<b>Financial Assets</b>		
Cash and cash equivalents	\$ 5,964,696	\$ 3,704,759
Restricted cash (Note 3)	9,231	8,153
Accounts receivable (Note 4)	502,249	457,525
Investments (Note 5)	130,341	29,479
Due from Ashcroft Indian Band Development LLP (Note 6)	1,666,081	1,751,653
	<u>8,272,598</u>	<u>5,951,569</u>
<b>Liabilities</b>		
Accounts payable	181,751	346,394
Deferred revenue (Note 7)	1,255,655	879,829
	<u>1,437,406</u>	<u>1,226,223</u>
<b>Net Financial Assets</b>	<u>6,835,192</u>	<u>4,725,346</u>
<b>Non-financial Assets</b>		
Prepaid expenses	89,628	85,832
Tangible capital assets (Note 8)	12,291,745	12,289,768
	<u>12,381,373</u>	<u>12,375,600</u>
<b>Accumulated Surplus</b> (Note 9)	<u>\$ 19,216,565</u>	<u>\$ 17,100,946</u>
<b>Commitments</b> (Note 10)		
<b>Contingencies</b> (Note 11)		

Approved on behalf of the Band Council:

 _____	Councilor
 _____	Councilor

## Ashcroft Indian Band

### Consolidated Statement of Change in Net Financial Assets

	2024	2023
<b>Annual surplus</b>	<b>\$ 2,114,542</b>	<b>\$ 1,537,400</b>
Acquisition of tangible capital assets (Note 8)	<b>(582,190)</b>	(1,266,331)
Amortization of tangible capital assets (Note 8)	<b>580,212</b>	606,036
	<b>2,112,564</b>	877,105
Change in prepaid expenses	<b>(3,795)</b>	(9,301)
Equity change in Ottawa Trust	<b>1,077</b>	1,053
<b>Change in net financial assets</b>	<b>2,109,846</b>	868,857
<b>Net financial assets, beginning of year</b>	<b>4,725,346</b>	3,856,489
<b>Net financial assets, end of year</b>	<b>\$ 6,835,192</b>	<b>\$ 4,725,346</b>

## Ashcroft Indian Band Consolidated Statement of Operations

	2024	2023
<b>Revenue</b>		
Indigenous Services Canada	\$ 1,566,900	\$ 2,424,943
ISC reimbursement (recovery) ("ISC")	-	(32,652)
First Nations Health Authority	408,205	470,339
Province of B.C.	128,541	283,261
Canada Mortgage and Housing Corporation	3,529	-
Miscellaneous income	3,297,532	2,045,247
Elders rental income	32,500	58,000
Rental income	96,515	104,445
Contract income	-	524,757
Interest income	276,760	54,102
Income from Ashcroft Indian Bar	100,862	-
	<b>5,911,344</b>	<b>5,932,442</b>
<b>Expenses</b>		
Community Welfare	876,933	951,793
Administration	1,321,526	1,820,024
Operations & Maintenance	1,257,856	1,035,617
Education	222,759	185,107
Natural Resources & Economic Development	73,393	253,787
Capital	44,335	148,714
	<b>3,796,802</b>	<b>4,395,042</b>
<b>Annual surplus</b>	<b>\$ 2,114,542</b>	<b>\$ 1,537,400</b>



## Ashcroft Indian Band Consolidated Statement of Cash Flows

For the year ended March 31	2024	2023
<b>Operating activities</b>		
Cash receipts from various sources	\$ 6,141,584	\$ 4,990,540
Cash paid to employees and suppliers	<u>(3,385,030)</u>	<u>(2,882,555)</u>
<b>Cash flows from operating activities</b>	<u>2,756,554</u>	<u>2,107,985</u>
<b>Capital activity</b>		
Acquisition of tangible capital assets	<u>(582,189)</u>	<u>(1,266,330)</u>
<b>Investing activities</b>		
Change in equity in Ottawa Trust	1,078	1,054
Loans and advances with related parties	<u>85,572</u>	<u>641,316</u>
<b>Cash flows used in investing activities</b>	<u>86,650</u>	<u>642,370</u>
<b>Financing activity</b>		
Repayment of long term debt	<u>-</u>	<u>(562,239)</u>
<b>Net increase in cash and cash equivalents</b>	2,261,015	921,786
<b>Cash and cash equivalents, beginning of year</b>	<u>3,712,912</u>	<u>2,791,126</u>
<b>Cash and cash equivalents, end of year</b>	<u>\$ 5,973,927</u>	<u>\$ 3,712,912</u>
<b>Represented by:</b>		
Cash	\$ 5,964,696	\$ 3,704,759
Restricted cash	<u>9,231</u>	<u>8,153</u>
	<u>\$ 5,973,927</u>	<u>\$ 3,712,912</u>

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## Ashcroft Indian Band Notes to Consolidated Financial Statements

March 31, 2024

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### 1. Significant Accounting Policies

**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 (the "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 wholly-owned, 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 except to the extent that transfer stipulations give rise to an obligation that meets the definition of a liability 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.

**Cash and Cash  
Equivalents**

Cash and cash equivalents consist of cash on hand, bank balances and investments that are redeemable or with maturities of three months or less from the date of acquisition.

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## Ashcroft Indian Band

### Notes to Consolidated Financial Statements

March 31, 2024

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#### 1. Significant Accounting Policies (continued)

##### 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 its self-sustaining government business partnership, 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.

No amortization is taken on assets under construction until the asset is fully developed.

##### 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.

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## Ashcroft Indian Band

### Notes to Consolidated Financial Statements

March 31, 2024

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#### 1. Significant Accounting Policies (continued)

##### Deferred Revenue

Funds received for specific purposes which are externally restricted by legislation, regulation or agreement and are not available for general purposes are accounted for as deferred revenue on the statement of financial position. The revenue is recognized in the statement of operations in the year in which it is used for the specific purposes.

##### Segmented Disclosure

A segment is defined as a distinguishable activity or group of activities of a government for which it is appropriate to separately report financial information to achieve the objectives of the Band. The Band identifies its segments based on specific projects and funding arrangements. Revenue and expenses are allocated to these segments according to methods of identification.

##### Asset Retirement Obligations

A liability is recognized when, as at the financial reporting date:

- (a) there is a legal obligation to incur retirement costs in relation to a tangible capital asset;
- (b) the past transaction or event giving rise to the liability has occurred;
- (c) it is expected that future economic benefits will be given up; and
- (d) a reasonable estimate of time can be made.

There are no asset retirement obligations as at March 31, 2024 or 2023. Assumptions used in the calculations are reviewed annually.

##### Contaminated Sites

Contaminated sites are a result of contamination being introduced into air, soil, water or sediment of a chemical, organic or radioactive material or live organism that exceeds an environmental standard. The liability is recorded net of any expected recoveries. A liability for remediation of contaminated sites is recognized when a site is not in productive use all the following criteria are met:

- (a) an environmental standard exists
- (b) the Band:
  - is directly responsible; or
  - accepts responsibility;
- (c) it is expected future economic benefits will be given up; and
- (d) a reasonable estimate of the amount can be made.

The liability is recognized as management's estimate of the cost of post-remediation including operation, maintenance and monitoring that are an integral part of the remediation strategy for a contaminated site.

There are no contaminated sites as at March 31, 2024 or 2023.

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## **Ashcroft Indian Band**

### **Notes to Consolidated Financial Statements**

**March 31, 2024**

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#### **1. Significant Accounting Policies (continued)**

##### **Financial Instruments**

Cash and equity instruments quoted in an active market are measured at fair value (hierarchy level one – quoted market prices). All other financial instruments, are measured at cost or amortized cost. The carrying amount of each of these financial instruments is presented on the statement of financial position.

Unrealized gains and losses from changes in the fair value of financial instruments are recognized in the statement of remeasurement gains and losses. Upon settlement, the cumulative gain or loss is reclassified from the statement of remeasurement gains and losses and recognized in the statement of operations. Interest and dividends attributable to financial instruments are reported in the statement of operations.

When investment income and realized and unrealized gains and losses from changes in the fair value of financial instruments are externally restricted, the investment income and fair value changes are recognized as revenue in the period in which the resources are used for the purpose specified.

For financial instruments measured using amortized cost, the effective interest rate method is used to determine interest revenue or expense.

All financial assets are tested annually for impairment. When financial assets are impaired, impairment losses are recorded in the statement of operations.

Transaction costs are added to the carrying value for financial instruments measured using cost or amortized cost. Transaction costs are expensed for financial instruments measured at fair value.

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#### **2. Economic Dependence**

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

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## Ashcroft Indian Band

### Notes to Consolidated Financial Statements

March 31, 2024

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#### 3. Restricted Cash

	<u>2024</u>		<u>2023</u>
	\$ 9,231	\$	8,153

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 Services Canada and generally must be for projects of a capital nature.

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#### 4. Accounts Receivable

Accounts receivable by program area is summarized as follows:

	<u>2024</u>		<u>2023</u>
Trade accounts receivable	\$ 451,042	\$	434,241
Employee loan receivable	51,207		68,294
Allowance for doubtful loans receivable	-		(45,010)
	<u>\$ 502,249</u>	<u>\$</u>	<u>457,525</u>

Included in employee loans receivable is \$51,207 (2023 - \$23,284) 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.

## Ashcroft Indian Band

### Notes to Consolidated Financial Statements

**March 31, 2024**

#### 5. Investments

	2024		2023
Investment in Ashcroft Indian Band Development LLP	\$ 101,062	\$	200
Investment in All Nations Trust Company	8,175		8,175
Investment in Nlaka'pamux Resources Limited Partnership	21,104		21,104
	<b>\$ 130,341</b>	<b>\$</b>	<b>29,479</b>

#### Ashcroft Indian Band Development LLP

Summary of the audited financial statements of Ashcroft Indian Band Development LLP, a government business partnership, for the year ended March 31, 2024 are as follows:

#### Statement of Financial Position

	2024		2023
Cash	\$ 379,741	\$	429,837
Accounts receivable	75,122		71,570
Prepaid expenses	799,166		831,702
Tangible capital assets	2,596,260		2,681,456
Inventory	286,008		272,570
Franchise fees	7,500		8,000
	<b>\$ 4,143,797</b>	<b>\$</b>	<b>4,295,135</b>
Accounts payable	237,034		139,348
Due to related parties	1,666,081		1,751,653
Long-term debt	2,139,830		2,585,205
Partners' equity (deficiency)	100,852		(181,071)
	<b>\$ 4,143,797</b>	<b>\$</b>	<b>4,295,135</b>

#### Statement of Operations

	2024		2023
Revenue	\$ 9,411,330	\$	10,392,219
Cost of sales	7,154,700		7,755,633
Gross profit	2,256,630		2,636,586
Expenses	1,974,707		1,871,535
Net income for the year	<b>\$ 281,923</b>	<b>\$</b>	<b>765,051</b>

## Ashcroft Indian Band

### Notes to Consolidated Financial Statements

**March 31, 2024**

#### 6. 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. This loan has been subordinated in favour of the bank loan the Band has guaranteed.

#### 7. Deferred Revenue

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

	<u>2024</u>	<u>2023</u>
Operating Fund		
Indigenous Services Canada		
Basic Needs	\$ 144,409	\$ 18,781
Institutional Care	4,078	2,888
Specific Claims Water Rights	66,881	66,881
Fire Prevention	309,371	113,124
	<u>524,739</u>	201,674
Other deferred revenue	<u>451,121</u>	375,220
	<u>975,860</u>	576,894
Capital Fund		
Indigenous Services Canada		
Pilot Shed	80,214	100,214
Water Diversion Program	70,015	90,715
Campground COVID-19 Relief	-	42,440
ACRS Road Top-up	69,566	69,566
Administration - Other Infrastructure	60,000	-
	<u>279,795</u>	302,935
	<u>\$ 1,255,655</u>	<u>\$ 879,829</u>



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

**March 31, 2024**

**8. Tangible Capital Assets**

	<b>2024</b>								
	Assets under construction	Automotive equipment	Buildings	Computer equipment	Furniture and equipment	Infrastructure	Leasehold improvements	Machinery	Total
Cost, beginning of year	\$ 55,701	\$ 671,892	\$ 8,639,049	\$ 215,762	\$ 428,171	\$ 5,766,982	\$ 431,108	\$ 479,642	\$ 16,688,307
Additions	-	171,998	84,470	13,915	28,444	283,363	-	-	582,190
Cost, end of year	55,701	843,890	8,723,519	229,677	456,615	6,050,345	431,108	479,642	17,270,497
Accumulated amortization, beginning of year	-	426,218	2,363,008	196,440	309,654	342,435	350,643	410,141	4,398,539
Amortization	-	86,231	246,145	13,140	27,766	180,289	-	26,641	580,212
Accumulated amortization, end of year	-	512,449	2,609,153	209,580	337,420	522,724	350,643	436,782	4,978,751
Net carrying amount, end of year	\$ 55,701	\$ 331,441	\$ 6,114,366	\$ 20,097	\$ 119,195	\$ 5,527,621	\$ 80,465	\$ 42,860	\$ 12,291,746

Included in infrastructure are assets of \$1,258,019 (2023 - \$980,405) that are currently under construction and not in use. These assets are not being amortized.

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

**March 31, 2024**

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

	2023								
	Assets under construction	Automotive equipment	Buildings	Computer equipment	Furniture and equipment	Infrastructure	Leasehold improvements	Machinery	Total
Cost, beginning of year	\$ 55,701	\$ 581,892	\$ 8,587,531	\$ 209,412	\$ 382,488	\$ 4,694,202	\$ 431,108	\$ 479,642	\$ 15,421,976
Additions		90,000	51,518	6,350	45,683	1,072,780	-	-	1,266,331
Cost, end of year	55,701	671,892	8,639,049	215,762	428,171	5,766,982	431,108	479,642	16,688,307
Accumulated amortization, beginning of year	-	359,501	2,110,813	173,943	272,792	152,728	350,643	372,083	3,792,503
Amortization	-	66,717	252,195	22,497	36,862	189,707	-	38,058	606,036
Accumulated amortization, end of year	-	426,218	2,363,008	196,440	309,654	342,435	350,643	410,141	4,398,539
Net carrying amount, end of year	\$ 55,701	\$ 245,674	\$ 6,276,041	\$ 19,322	\$ 118,517	\$ 5,424,547	\$ 80,465	\$ 69,501	\$ 12,289,768

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## Ashcroft Indian Band

### Notes to Consolidated Financial Statements

**March 31, 2024**

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#### 9. Accumulated Surplus

Accumulated surplus of the Band is comprised of the following:

	<b>2024</b>	<b>2023</b>
Equity in investments (Note 5)	\$ 130,341	\$ 29,479
Equity in Ottawa Trust (Note 3)	9,231	8,153
Equity in tangible capital assets	12,291,745	12,289,768
Unrestricted surplus	6,785,248	4,773,546
	<b><u>\$ 19,216,565</u></b>	<b><u>\$ 17,100,946</u></b>

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#### 10. Commitments

Ashcroft Indian Band has entered into lease agreements for photocopiers and office space. Minimum annual lease payments due over the next three years, until expiry, are approximately as follows:

2025	15,093
2026	2,428
2027	1,812
	<u>19,333</u>
	<b><u>\$ 19,333</u></b>

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#### 11. Contingencies

Ashcroft Indian Band has signed a guarantee and postponement of claim for a loan made to Ashcroft Indian Band Development LLP. As at March 31, 2024, the loan had an outstanding balance of \$2,139,830 (2023 - \$2,585,206). The loan is secured by tangible capital assets with a carrying amount of \$2,521,867 (2023 - \$2,681,455).

The Band has an unused credit facility, with a limit of \$50,000, which when drawn upon bears interest at prime plus 2% and is unsecured.

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#### 12. 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.

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## Ashcroft Indian Band

### Notes to Consolidated Financial Statements

**March 31, 2024**

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#### 13. 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 \$149,466 (2023 - \$138,522).

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#### 14. Comparative Figures

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

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#### 15. Expenses by Object

	2024	2023
Amortization	\$ 580,212	\$ 606,036
Bad debts	6,061	663,524
Bank charges	9,404	42,095
Contract services	46,702	42,989
Donations	-	54
Food	7,427	4,767
Fuel	52,251	87,619
Honoraria	234,923	231,364
Insurance	119,455	120,277
Materials and supplies	277,952	232,534
Office supplies	-	977
Professional fees	485,847	344,440
Program activities	185,208	204,834
Lease	20,955	19,556
Repairs and maintenance	82,276	129,975
Social development	251,312	274,737
Student allowances	51,600	55,572
Telephone	37,084	33,307
Training	26,325	9,084
Travel	85,617	50,394
Tuition	106,032	71,885
Utilities	30,223	36,510
Vehicle expenses	44,107	153,883
Wages and benefits	1,055,829	978,629
	<b>\$ 3,796,802</b>	<b>\$ 4,395,042</b>

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## Ashcroft Indian Band

### Notes to Consolidated Financial Statements

**March 31, 2024**

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#### **16. Financial Instruments**

The Band is potentially exposed to credit risk and liquidity risk from the Band's financial instruments. Qualitative and quantitative analysis of the significant risks from the Band's financial instruments is provided below by type of risk.

##### Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Band is exposed to credit risk through its cash and accounts receivable.

The credit risk on accounts receivables is mitigated by the agreement approval and monitoring processes. A majority of the accounts receivable balances are compliant with signed funding agreements and signed general agreements for recovery work which minimizes the risk of non-collection. The band also has deposited cash held with reputable financial institutions. The Band measures impairment based on how long the amounts have been outstanding.

The maximum exposure to credit risk at the financial statement date is the carrying value of its cash and accounts receivable as outlined in Note 4. Accounts receivable arise primarily from trade. Based on this knowledge, credit risk of cash and accounts receivable are assessed as low.

There have not been any changes from the prior year in the Band's exposure to above risks or the policies, procedures and methods it uses to manage and measure the risks.

##### Liquidity risk

Liquidity risk is the risk that the Band will encounter difficulty in meeting obligations associated with financial liabilities. The Band is exposed to liquidity risk through its accounts payable. The Band manages this risk by monitoring cash activities and expected outflows through regular review of financial information. It is management's opinion that the Band is not exposed to significant liquidity risk arising from its financial instruments. The Band measures its exposure to liquidity risk by ensuring that there are sufficient funds to meet its short-term requirements, taking into account its anticipated cash flows from operations and its holdings of cash and cash equivalents

There have not been any changes from the prior year in the Band's exposure to liquidity risk or the policies, procedures and methods it uses to manage and measure the risk.

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## **Ashcroft Indian Band**

### **Notes to Consolidated Financial Statements**

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#### **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 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.

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

**March 31, 2024**

**17. Segment Disclosure - continued**

**2024**

	Community Welfare	Administration	Operations & Maintenance	Education	Natural Resources & Economic Development	Capital	Total
<b>Revenue</b>							
ISC	\$ 633,034	\$ 480,556	\$ 248,657	\$ 184,653	\$ -	\$ 20,000	\$ 1,566,900
Other	986,808	1,841,975	533,261	-	916,371	66,029	4,344,444
Total	1,619,842	2,322,531	781,918	184,653	916,371	86,029	5,911,344
<b>Expenses</b>							
Wages & benefits	169,881	490,050	292,751	26,076	67,071	10,000	1,055,829
Purchases	707,052	831,476	384,893	196,683	6,322	34,335	2,160,761
Amortization	-	-	580,212	-	-	-	580,212
Total	876,933	1,321,526	1,257,856	222,759	73,393	44,335	3,796,802
Surplus (deficit)	\$ 742,909	\$ 1,001,005	\$ (475,938)	\$ (38,106)	\$ 842,978	\$ 41,694	\$ 2,114,542

**2023**

	Community Welfare	Administration	Operations & Maintenance	Education	Natural Resources & Economic Development	Capital	Total
<b>Revenue</b>							
ISC	\$ 1,551,793	\$ 437,188	\$ 227,045	\$ 182,367	\$ -	\$ 26,550	\$ 2,424,943
Other	1,293,923	1,029,970	19,680	-	1,080,337	83,589	3,507,499
Total	2,845,716	1,467,158	246,725	182,367	1,080,337	110,139	5,932,442
<b>Expenses</b>							
Wages & benefits	138,438	396,501	131,548	33,828	215,427	62,887	978,629
Purchases	813,355	1,423,523	298,033	151,279	38,360	85,827	2,810,377
Amortization	-	-	606,036	-	-	-	606,036
Total	951,793	1,820,024	1,035,617	185,107	253,787	148,714	4,395,042
Surplus (deficit)	\$ 1,893,923	\$ (352,866)	\$ (788,892)	\$ (2,740)	\$ 826,550	\$ (38,575)	\$ 1,537,400

