

THE CORPORATION OF THE VILLAGE OF ASHCROFT

FINANCIAL STATEMENTS

December 31, 2008

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MANAGEMENT'S RESPONSIBILITY FOR REPORTING

The financial statements have been prepared by management in accordance with Canadian generally accepted accounting principles. 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.

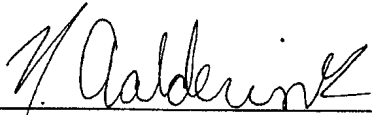
The Village maintains systems of internal accounting and administrative controls of high quality, consistent with reasonable cost. Such systems are designed to provide reasonable assurance that the financial information is relevant, reliable and accurate and the Village's assets are appropriately accounted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

The Village Council is responsible for ensuring that management fulfills its responsibilities for financial reporting and is ultimately responsible for reviewing and approving the financial statements.

The Audit Committee reviews the Village's financial statements and recommends their approval to Village Council. The Audit Committee meets 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 financial statements and the external auditors' report. The Mayor and Council take this information into consideration when approving the financial statements for issuance to the ratepayers. The Mayor and Council also consider the engagement of the external auditors.

The financial statements have been audited by Daley & Company Chartered Accountants LLP in accordance with Canadian generally accepted auditing standard on behalf of the ratepayers. Daley & Company Chartered Accountants LLP has full access to the Council and management.

On behalf of The Corporation of the Village of Ashcroft



Natalie Aalderink, CFO

Mar 17/09

Date



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AUDITORS' REPORT

To the Mayor and Council,
THE CORPORATION OF THE VILLAGE OF ASHCROFT

We have audited the consolidated statement of financial position of THE CORPORATION OF THE VILLAGE OF ASHCROFT as at December 31, 2008 and the consolidated statements of financial equity, financial activities and cash flows for the year then ended. These consolidated financial statements are the responsibility of the Village's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audit.

We have conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall consolidated financial statement presentation.

In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of the Village as at December 31, 2008 and the results of its financial activities and cash flows for the year then ended, in accordance with Canadian generally accepted accounting principles.

Daley & Co LLP

Chartered Accountants

Kamloops, BC
February 11, 2009

Disclaimer of Liability


These consolidated financial statements were examined and this Audit Opinion issued solely for the use of THE CORPORATION OF THE VILLAGE OF ASHCROFT. Daley & Company Chartered Accountants LLP makes no representations of any kind to any other person in respect of these consolidated financial statements and accepts no responsibility for their use by any other person in the absence of the written consent of Daley & Company Chartered Accountants LLP.

**THE CORPORATION OF THE VILLAGE OF ASHCROFT
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
December 31, 2008**

FINANCIAL ASSETS	2008	2007
Cash and short-term investments (Note 4)	\$ 2,509,626	\$ 2,127,352
Accounts receivable	118,399	67,366
Taxes and utilities receivable	<u>87,586</u>	<u>76,954</u>
	<u>2,715,611</u>	<u>2,271,672</u>
 LIABILITIES		
Accounts payable and accrued liabilities	246,377	202,232
Deferred revenue (Note 5)	<u>274,968</u>	<u>157,416</u>
	<u>521,345</u>	<u>359,648</u>
NET FINANCIAL ASSETS	2,194,266	1,912,024
PROPERTY AND EQUIPMENT (Note 6)	<u>13,053,777</u>	<u>12,988,846</u>
	<u>\$15,248,043</u>	<u>\$14,900,870</u>
 EQUITY AND RESERVES		
Financial Equity:		
Surplus from operations	\$ 973,296	\$ 743,769
Statutory reserve fund	307,735	305,002
Reserve for future expenditure	<u>913,235</u>	<u>863,253</u>
	<u>2,194,266</u>	<u>1,912,024</u>
Capital equity	<u>13,053,777</u>	<u>12,988,846</u>
	<u>\$15,248,043</u>	<u>\$14,900,870</u>

COMMITMENTS AND CONTINGENCIES (Note 7)

APPROVED ON BEHALF OF MAYOR AND COUNCIL:



Natalie Aalderink, CFO

THE CORPORATION OF THE VILLAGE OF ASHCROFT
CONSOLIDATED STATEMENT OF FINANCIAL EQUITY
Year ended December 31, 2008

	2008	2007
EQUITY, beginning of year	<u>\$14,900,870</u>	<u>\$14,535,708</u>
FINANCIAL EQUITY:		
Change in statutory reserve fund	2,733	(149,452)
Change in reserves for future expenditures	49,982	14,359
Operating surplus for the year	<u>229,527</u>	<u>287,454</u>
Net change in financial equity	<u>282,242</u>	<u>152,361</u>
CAPITAL EQUITY:		
Capital expenditures	64,931	218,142
Cost of assets disposed	<u>-</u>	<u>(5,341)</u>
Net change in capital equity	<u>64,931</u>	<u>212,801</u>
EQUITY, end of year	<u>\$15,248,043</u>	<u>\$14,900,870</u>

THE CORPORATION OF THE VILLAGE OF ASHCROFT
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
Year ended December 31, 2008

	Budget (unaudited)	2008	2007
REVENUE:			
Municipal taxation (Note 9)	\$ 995,600	\$ 987,201	\$ 960,168
Sales of services	656,350	659,032	648,883
Government grants	618,520	606,127	515,054
Borrowings, licences, permits, penalties, interest and fines	<u>153,750</u>	<u>187,092</u>	<u>218,921</u>
	<u>2,424,220</u>	<u>2,439,452</u>	<u>2,343,026</u>
EXPENDITURE:			
General government services	593,085	546,115	494,690
Protective services	116,147	100,931	105,593
Transportation services	493,676	476,315	397,295
Environmental and public health services	282,373	253,502	159,733
Recreation and culture services	620,929	609,195	697,800
Recreation and culture services property and equipment	240,000	64,931	218,142
Water and sewer services	<u>138,983</u>	<u>106,221</u>	<u>117,412</u>
	<u>2,485,193</u>	<u>2,157,210</u>	<u>2,190,665</u>
NET OPERATING ACTIVITY	\$ (60,973)	\$ 282,242	\$ 152,361

See accompanying notes to financial statements.

THE CORPORATION OF THE VILLAGE OF ASHCROFT
CONSOLIDATED STATEMENT OF CASH FLOWS
Year ended December 31, 2008

	2008	2007
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net operating activity	\$ 282,242	\$ 152,361
(Increase) decrease in:		
Accounts receivable	(51,033)	(30,051)
Taxes and utilities receivable	(10,632)	(4,141)
Increase in:		
Accounts payable	44,145	74,326
Deferred revenue	117,552	56,251
Adjustments for capital and investment transactions included in operations:		
Purchase of property and equipment	64,931	218,142
Cost of assets disposed	-	(5,341)
Cash flows from operations	<u>447,205</u>	<u>461,547</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of property and equipment	(64,931)	(218,142)
Cost of assets disposed	-	5,341
Cash flows used in investing	<u>(64,931)</u>	<u>(212,801)</u>
INCREASE IN CASH RESOURCES	382,274	248,746
CASH RESOURCES, beginning of year	<u>2,127,352</u>	<u>1,878,606</u>
CASH RESOURCES, end of year	<u>\$ 2,509,626</u>	<u>\$ 2,127,352</u>

See accompanying notes to financial statements.

THE CORPORATION OF THE VILLAGE OF ASHCROFT
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2008

NOTE 1. ENTITY:

The Corporation of the Village of Ashcroft was incorporated in 1952 under the Municipal Act, a statute of the Province of British Columbia. Its principal activities include the provision of local government services to the residents of the incorporated area. These services include administrative, protective, transportation, environmental, recreational, water, sewer and fiscal services.

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES:

Basis of Presentation:

It is the Village's policy to follow Canadian generally accepted accounting principles and to apply such principles consistently. These consolidated financial statements include the operations of the General, Water, Sewer, and Reserve Funds. They have been prepared using recommendations issued by the Public Sector Accounting Board (PSAB) of the Canadian Institute of Chartered Accountants.

Basis of Accounting:

The resources and operations of the Village have been separated for accounting and financial reporting purposes into seven funds. Each fund is treated as a separate entity which is identified in its statements of financial position and where applicable, its statements of financial activities and equity. Fund statements are presented as supplementary information to the consolidated financial statements.

a) **Capital Funds:**

The purpose of the Capital Funds is to reflect property and equipment and the related financing and equity therein.

b) **Revenue Funds:**

The purpose of the Revenue Funds is to reflect the operating activities, administration, and debt servicing functions of the Village.

c) **Reserve Funds:**

Under the Community Charter of British Columbia, the Council may, by bylaw, establish reserve funds for specified purposes. Money in a reserve fund, and interest earned thereon, must be expended by bylaw only for the purpose for which the fund was established. If the amount in a reserve fund is greater than required, the Council may, by bylaw, transfer all or part of the amount to another reserve fund.

The reserve for future expenditures resulted from the Municipal Finance Authority returning the cash portion for the debt reserve fund and canceling demand notes as the debenture issue had matured. These refunds have been returned to the appropriate fund for which the original deposit was provided from and can be used by Council for repayment of debt or capital expenditures, as authorized in the Annual Budget.

d) **Trust Funds:**

These funds account for assets which must be administered as directed by agreement or statute for certain beneficiaries. In accordance with PSAB recommendations on financial statement presentation for local governments, trust funds are not included in the Village's consolidated financial statements.

The Capital Funds and Revenue Funds have been segregated into the functions of sewer, water and general operations.

Principles of Consolidation:

The consolidated financial statements include the accounts of all funds of the Village. Interfund balances and transactions have been eliminated.

THE CORPORATION OF THE VILLAGE OF ASHCROFT
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2008

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (continued):

Cash and Short-term Investments:

The Village's cash equivalents and pooled bond funds are classified as held for trading and are recorded at fair value on the statement of financial position.

Property and Equipment:

Property and equipment are stated at cost. Amortization is not provided. Gains or losses are recorded in the year of sale.

Certain lands donated by residents have been recorded at cost.

Capital Equity:

Capital equity reflects the accumulated historical costs of property and equipment acquired, constructed or developed by the Village for which no outstanding debt remains. The costs for repairs and upgrading to property and equipment which do not materially add to the value or the life of the property and equipment are recorded in the financial statements as expenditures.

Revenue Recognition:

Property taxes and interest are recorded on the accrual basis and are recognized when they are earned.

Government grants are recorded when they are receivable and amounts can be reasonably determined.

Borrowings are recorded as the cash is received.

All other sources of revenue are recorded as services are provided.

Expenditure Recognition:

Expenditures are generally recognized as they are incurred as a result of the receipt of goods and services or the creation of a legal obligation to pay.

Deferred Revenue:

Revenue is deferred until the conditions of the funding received have been met and approved expenditures have been made.

Use of Estimates:

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting periods. By their nature, these estimates are subject to measurement uncertainty and the effect on the financial statements of changes in such estimates in future periods could be significant.

NOTE 3. FINANCIAL INSTRUMENTS:

Fair Values of Financial Assets and Financial Liabilities:

The carrying values of cash and short-term investments, accounts receivable and accounts payable and accruals approximate their fair value due to the relatively short periods to maturity of these items.

THE CORPORATION OF THE VILLAGE OF ASHCROFT
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2008

NOTE 4. CASH AND SHORT-TERM INVESTMENTS:	2008	2007
Statutory Reserve Fund	\$ 307,735	\$ 305,002
Reserve for future expenditures	<u>913,235</u>	<u>863,253</u>
Restricted cash	1,220,970	1,168,255
Unrestricted cash	<u>1,288,656</u>	<u>959,097</u>
	<u>\$ 2,509,626</u>	<u>\$ 2,127,352</u>
Consists of:		
Cash and short-term investments	\$ 1,378,255	\$ 1,062,527
Investments in pooled bond funds	<u>1,131,371</u>	<u>1,064,825</u>
	<u>\$ 2,509,626</u>	<u>\$ 2,127,352</u>

NOTE 5. DEFERRED REVENUE:	2008	2007
Federal Gas Tax Agreement Funds:		
Opening balance of unspent funds	\$ 157,416	\$ 93,665
Add: Amount received during the year	71,129	60,289
Interest earned	<u>4,918</u>	<u>3,462</u>
Closing balance of unspent funds	233,463	157,416
Other Funding:		
Union of British Columbia Municipalities	6,505	-
Northern Development Initiative Trust	<u>35,000</u>	<u>-</u>
Total	<u>\$ 274,968</u>	<u>\$ 157,416</u>

Federal Gas Tax Agreement Funds:

Gas Tax Agreement funding is provided by the Government of Canada. The use of the funding is established by a funding agreement between the local government and the Union of British Columbia Municipalities. Gas Tax Agreement funding may be used towards designated public transit, community energy, water, wastewater, solid waste and capacity building projects, as specified in the funding agreements.

Other Funding:

Union of British Columbia Municipalities (UBCM):

\$6,505 was received from UBCM representing 75% of an approved grant for the Community Tourism Program - Phase 2 Branding Assessment Strategy. This phase of the Program was not undertaken in 2008 and the funds can be used to complete it in 2009.

Northern Development Initiative Trust (NDIT):

\$35,000 was received from NDIT for the 2008 Economic Development Funding Program. The project was not undertaken in 2008 and approval has been obtained to use the funds toward the 2009 Economic Development Program.

THE CORPORATION OF THE VILLAGE OF ASHCROFT
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2008

NOTE 6. PROPERTY AND EQUIPMENT:

	General	Water	Sewer	2008 Total	2007 Total
Land	\$ 687,321	\$ -	\$ -	\$ 687,321	\$ 687,321
Buildings	1,679,815	-	46,156	1,725,971	1,725,971
Engineering structures	2,648,735	3,907,487	2,158,366	8,714,588	8,702,227
Machinery and equipment	<u>1,320,371</u>	<u>369,563</u>	<u>235,963</u>	<u>1,925,897</u>	<u>1,873,327</u>
	<u>\$ 6,336,242</u>	<u>\$ 4,277,050</u>	<u>\$ 2,440,485</u>	<u>\$13,053,777</u>	<u>\$12,988,846</u>

NOTE 7. COMMITMENTS AND CONTINGENCIES:

a) Lease Commitment:

The Village has operating lease agreements for the rental of equipment.

Future minimum lease payments as at December 31, 2008, are as follows:

2009	\$ 12,597
2010	11,331
2011	10,595
2012	<u>2,304</u>
	<u>\$ 36,827</u>

- b) The Village is a participant in the Municipal Insurance Association of British Columbia. Should the Association pay out claims in excess of premiums received, it is possible the Village, along with other participants, would be required to contribute towards the deficit.
- c) The Village, as a member of the Thompson Nicola Regional District, is liable for its proportion of any operating deficits or long-term debt related to functions in which it participates.
- d) The municipality and its employees contribute to the Municipal Pension Plan (Plan), a jointly trustee pension plan. The Board of Trustees, representing plan members and employers, is responsible for overseeing the management of the Plan, including investment of the assets and administration of benefits. The pension plan is a multi-employer contributory pension plan. Basic pension benefits provided are defined. The plan has about 150,000 active members and approximately 54,000 retired members. Active members include approximately 32,000 contributors from local government.

Every three years an actuarial valuation is performed to assess the financial position of the plan and the adequacy of plan funding. The most recent valuation as at December 31, 2006 indicated a surplus of \$438 million for basic pension benefits. The next valuation will be as at December 31, 2009 with results available in 2010. The actuary does not attribute portions of the surplus to individual employers. The Village paid \$46,782 (2007 \$47,200) for employer contributions to the plan in fiscal 2008.

- e) In December 2008, a crack in masonry was reported at the Drylands Arena. An engineering firm was hired to assess the crack. Their report states that the building appears to be structurally sound; however, they believe there may be a broken water line which will need to be fixed. They will not be able to determine the extent of damage or estimate the cost of repairs until the ground thaws and work can be started. Depending upon what caused the crack, insurance may cover the cost of repair, otherwise, the Village would be responsible for the cost.

THE CORPORATION OF THE VILLAGE OF ASHCROFT
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2008

NOTE 8. PERPETUAL CARE TRUST FUND:

The Village operates a cemetery in accordance with the Cemetery and Funeral Services Act. The Village is required to maintain a trust fund which is not included in these financial statements. Details of the trust funds are as follows:

	2008	2007
BALANCE, beginning of year	\$ 33,663	\$ 32,056
Add:		
Proceeds from sale of plots and monuments	963	613
Interest earned	<u>965</u>	<u>994</u>
BALANCE, end of year	<u>\$ 35,591</u>	<u>\$ 33,663</u>

The perpetual care trust fund is represented by:

Cash and short-term investments	\$ 34,591	\$ 33,627
Due from General Revenue Fund	<u>1,000</u>	<u>36</u>
	<u>\$ 35,591</u>	<u>\$ 33,663</u>

NOTE 9. TAXATION REVENUE:

2008 2007

The Village is required to collect taxes on behalf of and transfer these amounts to the government agencies noted below:

Tax collected:		
General purposes	\$ 987,201	\$ 960,168
Collections for other governments	<u>917,661</u>	<u>886,667</u>
	<u>1,904,862</u>	<u>1,846,835</u>
Less transfers to other governments:		
Province of BC - school taxes	587,333	582,258
Thompson Nicola Regional District	233,677	211,491
Thompson Nicola Regional Hospitals	34,892	34,930
Municipal Finance Authority	27	33
BC Assessment Authority	11,444	10,988
Policing	<u>50,288</u>	<u>46,967</u>
	<u>917,661</u>	<u>886,667</u>
	<u>\$ 987,201</u>	<u>\$ 960,168</u>

NOTE 10. EXPENDITURE BY OBJECT:

2008 2007

Capital expenditures	\$ 64,931	\$ 218,142
Insurance	56,624	57,685
Interest	-	307
Office and administration	291,215	186,831
Repairs and maintenance	678,673	768,377
Salaries and benefits	848,984	732,104
Supplies	44,147	56,792
Utilities	<u>172,636</u>	<u>170,427</u>
	<u>\$ 2,157,210</u>	<u>\$ 2,190,665</u>

THE CORPORATION OF THE VILLAGE OF ASHCROFT
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2008

NOTE 11. BUDGET FIGURES:

The budget information disclosed is for information purposes only, but has not been audited. Budget figures shown represent the Annual Budget Bylaw adopted by Council May 12, 2008.

NOTE 12. TANGIBLE CAPITAL ASSETS:

For the year ended December 31, 2009 the Village will be required to comply with Section 3150, Tangible Capital Assets of the Public Sector Accounting Board Handbook. Section 3150 requires the capitalization and amortization of tangible capital assets in the financial statements. As a transitional provision, Public Sector Guideline - 7, Tangible Capital Assets of Local Governments, requires disclosure of information for each major class of tangible capital asset for which all relevant information can be provided for the complete stock of tangible capital assets of that category. This work is underway, but as no one class of assets has been completed, values cannot be disclosed at this time.

NOTE 13. LOCAL GOVERNMENT REPORTING MODEL:

The CICA has issued Section PS 1200 which is currently applicable to federal, provincial and territorial governments. Effective for year ends beginning on or after January 1, 2009, with comparative presentation for 2008, the revised Section will apply to all levels of government. As a result, local governments will be required to prepare a statement of financial position which presents both net debt/net financial assets and accumulated surplus/deficit calculated on a full accrual basis of accounting. When reporting the accumulated surplus/deficit, it will be presented as a single line item. Funds and reserves are not permitted to be presented on the face of the financial statements. If the government chooses, they may be disclosed in the notes or schedules to the financial statements. Since these new standards specifically cover the presentation and disclosures to be provided, they will not affect the Village's results of operations or financial position.

NOTE 14. COMPARATIVE FIGURES:

Certain accounts in the prior year financial statements have been reclassified for comparative purposes to conform with the presentation in the current year financial statements.



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Incorporated Professionals

AUDITORS' REPORT

To the Mayor and Council,
THE CORPORATION OF THE VILLAGE OF ASHCROFT

We have audited and reported separately herein on the consolidated financial statements of THE CORPORATION OF THE VILLAGE OF ASHCROFT as at and for the year ended December 31, 2008.

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements taken as a whole. The current year's supplementary information included in Schedules 1 through 16 is presented for the purposes of additional analysis and is not a required part of the financial statements. Such supplementary information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and, in our opinion, is fairly stated in all material respects in relation to the consolidated financial statements taken as a whole.

Daley & Co LLP

Chartered Accountants

Kamloops, BC
February 11, 2009

Disclaimer of Liability

The financial information was examined and this Audit Opinion issued solely for the use of THE CORPORATION OF THE VILLAGE OF ASHCROFT. Daley & Company Chartered Accountants LLP makes no representations of any kind to any other person in respect of the financial information and accepts no responsibility for their use by any other person in the absence of the written consent of Daley & Company Chartered Accountants LLP.

**THE CORPORATION OF THE VILLAGE OF ASHCROFT
GENERAL REVENUE FUND
STATEMENT OF FINANCIAL POSITION
December 31, 2008**

FINANCIAL ASSETS	2008	2007
Cash	\$ <u>1,378,257</u>	\$ <u>1,062,527</u>
Investments in pooled bond funds	<u>398,552</u>	<u>361,721</u>
Receivables:		
Property taxes	87,586	76,954
Provincial Government	30,733	36,047
General	<u>87,666</u>	<u>31,319</u>
	<u>205,985</u>	<u>144,320</u>
Due from Sewer Revenue Fund	<u>103,145</u>	<u>74,178</u>
	<u>2,085,939</u>	<u>1,642,746</u>
LIABILITIES		
Trade accounts and accrued liabilities	170,902	149,596
Accrued wages and employee benefits	75,475	52,636
Deferred revenue	274,968	157,416
Due to Own Funds:		
Water Revenue Fund	952,188	663,983
Water Capital Fund	1,115	1,115
Perpetual Care Trust Fund	<u>1,000</u>	<u>36</u>
	<u>1,475,648</u>	<u>1,024,782</u>
NET FINANCIAL ASSETS	\$ 610,291	\$ 617,964
EQUITY AND RESERVES		
Reserve for future expenditures	\$ 291,127	\$ 241,145
Financial equity	<u>319,164</u>	<u>376,819</u>
	<u>\$ 610,291</u>	<u>\$ 617,964</u>

THE CORPORATION OF THE VILLAGE OF ASHCROFT
GENERAL REVENUE FUND
STATEMENT OF FINANCIAL ACTIVITIES
Year ended December 31, 2008

	Budget (unaudited)	2008	2007
REVENUE:			
Municipal taxation	\$ 827,800	\$ 818,912	\$ 792,352
Sales of services	150,550	148,719	148,856
Government Grants:			
Unconditional transfers from Provincial Government	380,000	375,514	324,812
Unconditional transfers from Local Government	123,000	123,191	123,191
Conditional transfers from regional and other governments	105,520	107,422	67,051
Borrowings, licences, permits, penalties, interest and fines:			
Professional and business licences	11,000	9,798	10,960
Other	1,000	799	815
Animal violation	150	-	120
Municipal auto plates	300	37	364
Curling rink	-	5	1,716
Interest received	50,000	52,022	56,760
Penalties and interest on taxes	15,000	14,992	11,160
Rentals	10,500	14,070	9,685
Donations and other	46,500	38,043	95,674
	<u>1,721,320</u>	<u>1,703,524</u>	<u>1,643,516</u>
EXPENDITURE (Schedule 3)	<u>1,703,220</u>	<u>1,583,066</u>	<u>1,471,251</u>
EXCESS OF REVENUE OVER EXPENDITURE	18,100	120,458	172,265
TRANSFER OF UNCONDITIONAL GRANT	(80,000)	(80,000)	(66,000)
TRANSFER TO GENERAL CAPITAL FUND	(240,000)	(64,931)	(218,142)
TRANSFER FROM MACHINERY AND EQUIPMENT REPLACEMENT RESERVE	35,700	16,800	163,900
TRANSFER TO RESERVE FOR FUTURE EXPENDITURES	<u>(41,000)</u>	<u>(49,982)</u>	<u>(14,359)</u>
INCREASE (DECREASE) IN FINANCIAL EQUITY	\$ <u>(307,200)</u>	(57,655)	37,664
FINANCIAL EQUITY, beginning of year		<u>376,819</u>	<u>339,155</u>
FINANCIAL EQUITY, end of year		\$ 319,164	\$ 376,819

THE CORPORATION OF THE VILLAGE OF ASHCROFT
GENERAL REVENUE FUND
STATEMENT OF EXPENDITURE
Year ended December 31, 2008

SCHEDULE 3

	Budget (unaudited)	2008	2007
General Government Services:			
Legislative Expense:			
Council indemnities and expenses	\$ 33,600	\$ 32,600	\$ 33,600
General Administration Expenses:			
Office	56,050	40,460	45,157
Building operation and maintenance	67,250	53,248	57,180
Legal and professional	32,235	39,118	13,697
Salaries and employee benefits	302,400	318,000	273,529
Other General Government Expenses:			
Travel	8,000	5,337	18,880
Insurance	20,500	18,396	20,495
Election and referendum	7,000	5,773	-
Grants to organizations	15,400	13,362	13,393
Sundry	50,650	19,821	18,759
Less amounts transferred to other services	<u>(402,990)</u>	<u>(402,992)</u>	<u>(383,860)</u>
	<u>190,095</u>	<u>143,123</u>	<u>110,830</u>
Protective Services:			
Administration	19,926	22,345	18,969
Salaries and employee benefits	26,500	14,962	18,813
Building operation and maintenance	8,800	8,104	8,205
Equipment	27,400	25,052	17,302
Emergency measures	2,000	694	460
Building inspection	4,500	4,500	4,500
Animal pest control	8,000	7,642	7,794
Sundry	19,021	17,632	29,550
	<u>116,147</u>	<u>100,931</u>	<u>105,593</u>
Transportation Services:			
Administration	275,976	245,926	169,936
Equipment operation and maintenance	79,000	84,691	90,692
Building operation and maintenance	26,500	30,358	25,374
Road and street maintenance	63,000	75,746	65,604
Street lighting	30,000	27,822	26,819
Traffic services	14,200	11,651	15,814
Sundry	5,000	121	3,056
	<u>493,676</u>	<u>476,315</u>	<u>397,295</u>
Environmental and Public Health Services:			
Garbage and waste collection	88,447	82,459	87,876
Cemetery	19,642	15,057	17,747
Planning and zoning	4,000	1,848	-
Community development	47,000	16,847	15,514
Natural resource development	7,500	6,307	7,103
Tourism and promotion	92,000	104,394	18,245
Sundry	23,784	26,590	13,248
	<u>282,373</u>	<u>253,502</u>	<u>159,733</u>
Recreation and Cultural Services:			
Administration	192,779	186,608	188,580
Community hall	18,000	14,056	15,605
Lady Minto building	16,600	18,063	13,460
Swimming pool	108,550	123,238	101,243
Arena	146,100	144,434	187,143
Parks and playgrounds	87,700	79,301	55,559
Historic sites	8,500	4,117	2,631
Museum	37,700	38,714	30,863
Curling club	5,000	664	102,716
	<u>620,929</u>	<u>609,195</u>	<u>697,800</u>
TOTAL EXPENDITURE	\$ 1,703,220	\$ 1,583,066	\$ 1,471,251

See accompanying notes to financial statements.

**THE CORPORATION OF THE VILLAGE OF ASHCROFT
GENERAL CAPITAL FUND
STATEMENT OF FINANCIAL POSITION
December 31, 2008**

PROPERTY AND EQUIPMENT	2008	2007
Engineering structures	\$ 2,648,735	\$ 2,636,374
Buildings	1,679,815	1,679,815
Machinery and equipment	1,320,371	1,267,801
Land	<u>687,321</u>	<u>687,321</u>
	\$ 6,336,242	\$ 6,271,311

EQUITY		
Capital equity	\$ 6,336,242	\$ 6,271,311

**THE CORPORATION OF THE VILLAGE OF ASHCROFT
GENERAL CAPITAL FUND
STATEMENT OF NET ASSETS INVESTED IN CAPITAL ASSETS
Year ended December 31, 2008**

	2008	2007
BALANCE, beginning of year	\$ 6,271,311	\$ 6,058,510
CHANGE IN GENERAL CAPITAL FUND BALANCE:		
Cost of capital asset disposals	-	(5,341)
Transfers from Own Funds:		
General Revenue Fund	<u>64,931</u>	<u>218,142</u>
BALANCE, end of year	<u>\$ 6,336,242</u>	<u>\$ 6,271,311</u>

**THE CORPORATION OF THE VILLAGE OF ASHCROFT
 GENERAL CAPITAL FUND
 STATEMENT OF CAPITAL FINANCING
 Year ended December 31, 2008**

	Budget (unaudited)	2008	2007
FINANCES ACQUIRED:			
Transfers from General Revenue Fund	\$ 240,000	\$ 64,931	\$ 218,142
<hr/> <hr/>			
FINANCES APPLIED:			
Additions to property and equipment	\$ 240,000	\$ 64,931	\$ 218,142
<hr/> <hr/>			

THE CORPORATION OF THE VILLAGE OF ASHCROFT
WATER REVENUE FUND
STATEMENT OF FINANCIAL POSITION
December 31, 2008

FINANCIAL ASSETS	2008	2007
Investments in pooled bond funds	\$ <u>397,689</u>	\$ <u>372,446</u>
Due from Own Funds:		
General Revenue Fund	<u>952,188</u>	663,983
Sewer Revenue Fund	<u>-</u>	<u>90,000</u>
	<u>952,188</u>	<u>753,983</u>
NET FINANCIAL ASSETS	\$ <u>1,349,877</u>	\$ <u>1,126,429</u>

EQUITY AND RESERVES		
Reserve for future expenditures	\$ <u>599,313</u>	\$ 599,313
Financial equity	<u>750,564</u>	<u>527,116</u>
	\$ <u>1,349,877</u>	\$ <u>1,126,429</u>

THE CORPORATION OF THE VILLAGE OF ASHCROFT
WATER REVENUE FUND
STATEMENT OF FINANCIAL ACTIVITIES
Year ended December 31, 2008

	Budget (unaudited)	2008	2007
REVENUE:			
Municipal taxation - water levy	\$ 84,500	\$ 84,783	\$ 84,547
Sale of services	240,800	245,360	240,801
Borrowings, licences, permits, penalties, interest and fines	<u>16,300</u>	<u>32,575</u>	<u>14,408</u>
	341,600	362,718	339,756
EXPENDITURE:			
Maintenance and administration	<u>289,350</u>	<u>269,270</u>	<u>244,119</u>
EXCESS OF REVENUE OVER EXPENDITURE			
	52,250	93,448	95,637
TRANSFER OF UNCONDITIONAL GRANT	40,000	40,000	33,000
TRANSFER FROM SEWER REVENUE FUND	<u>90,000</u>	<u>90,000</u>	<u>85,000</u>
INCREASE IN FINANCIAL EQUITY	<u>\$ 182,250</u>	223,448	213,637
FINANCIAL EQUITY, beginning of year		<u>527,116</u>	<u>313,479</u>
FINANCIAL EQUITY, end of year		\$ 750,564	\$ 527,116

THE CORPORATION OF THE VILLAGE OF ASHCROFT
WATER CAPITAL FUND
STATEMENT OF FINANCIAL POSITION
December 31, 2008

FINANCIAL ASSETS	2008	2007
Due from General Revenue Fund	\$ 1,115	\$ 1,115
 LIABILITIES		
Water capital reserve	<u>1,115</u>	<u>1,115</u>
NET FINANCIAL ASSETS	<u>-</u>	<u>-</u>
PROPERTY AND EQUIPMENT:		
Engineering structures	3,907,487	3,907,487
Equipment	<u>369,563</u>	<u>369,563</u>
	<u>4,277,050</u>	<u>4,277,050</u>
	\$ 4,277,050	\$ 4,277,050
<hr/> <hr/>		
EQUITY		
Capital equity	\$ 4,277,050	\$ 4,277,050
<hr/> <hr/>		

**THE CORPORATION OF THE VILLAGE OF ASHCROFT
 WATER CAPITAL FUND
 STATEMENT OF NET ASSETS INVESTED IN CAPITAL ASSETS
 Year ended December 31, 2008**

	2008	2007
BALANCE, beginning of year	\$ 4,277,050	\$ 4,277,050
CHANGE IN WATER CAPITAL FUND BALANCE:		
Transfers from Own funds:		
Water Revenue Fund	-	-
BALANCE, end of year	\$ 4,277,050	\$ 4,277,050

**THE CORPORATION OF THE VILLAGE OF ASHCROFT
 WATER CAPITAL FUND
 STATEMENT OF CAPITAL FINANCING
 Year ended December 31, 2008**

	Budget (unaudited)	2008	2007
FINANCES ACQUIRED:			
Transfers from Water Revenue Fund	\$ -	\$ -	\$ -
<hr style="border-top: 3px double #000;"/>			
FINANCES APPLIED:			
Additions to property and equipment	\$ -	\$ -	\$ -
<hr style="border-top: 3px double #000;"/>			

**THE CORPORATION OF THE VILLAGE OF ASHCROFT
SEWER REVENUE FUND
STATEMENT OF FINANCIAL POSITION
December 31, 2008**

FINANCIAL ASSETS	2008	2007
Investments in pooled bond funds	\$ <u>27,393</u>	\$ <u>25,656</u>
 LIABILITIES		
Due to Own Funds:		
General Revenue Fund	103,145	74,178
Water Revenue Fund	<u>-</u>	<u>90,000</u>
	<u>103,145</u>	<u>164,178</u>
 NET FINANCIAL ASSETS (LIABILITY)	 \$ (75,752)	 \$ (138,522)
 EQUITY AND RESERVES		
Reserve for future expenditures	\$ 22,795	\$ 22,795
Financial equity	<u>(98,547)</u>	<u>(161,317)</u>
	\$ (75,752)	\$ (138,522)

THE CORPORATION OF THE VILLAGE OF ASHCROFT
SEWER REVENUE FUND
STATEMENT OF FINANCIAL ACTIVITIES
Year ended December 31, 2008

	Budget (unaudited)	2008	2007
REVENUE:			
Municipal taxation - sewer levy	\$ 83,300	\$ 83,506	\$ 83,269
Sale of services	265,000	264,953	259,226
Government grants	10,000	-	-
Borrowings, licences, permits, penalties, interest and fines	<u>3,000</u>	<u>4,254</u>	<u>2,811</u>
	361,300	352,713	345,306
EXPENDITURE:			
Maintenance and administration	<u>252,623</u>	<u>239,943</u>	<u>257,153</u>
EXCESS OF REVENUE OVER EXPENDITURE	108,677	112,770	88,153
TRANSFER OF UNCONDITIONAL GRANT	40,000	40,000	33,000
TRANSFER TO WATER REVENUE FUND	<u>(90,000)</u>	<u>(90,000)</u>	<u>(85,000)</u>
INCREASE IN FINANCIAL EQUITY	<u>\$ <u>58,677</u></u>	62,770	36,153
FINANCIAL EQUITY, beginning of year		<u>(161,317)</u>	<u>(197,470)</u>
FINANCIAL EQUITY, end of year		\$ (98,547)	\$ (161,317)

THE CORPORATION OF THE VILLAGE OF ASHCROFT
SEWER CAPITAL FUND
STATEMENT OF FINANCIAL POSITION
December 31, 2008

PROPERTY AND EQUIPMENT:	2008	2007
Engineering structures	\$ 2,158,366	\$ 2,158,366
Equipment	235,963	235,963
Buildings	<u>46,156</u>	<u>46,156</u>
	\$ 2,440,485	\$ 2,440,485

EQUITY		
Capital equity	\$ 2,440,485	\$ 2,440,485

THE CORPORATION OF THE VILLAGE OF ASHCROFT
SEWER CAPITAL FUND
STATEMENT OF NET ASSETS INVESTED IN CAPITAL ASSETS
Year ended December 31, 2008

	2008	2007
BALANCE, beginning of year	\$ 2,440,485	\$ 2,440,485
CHANGE IN SEWER CAPITAL FUND BALANCE		
Transfers from Own funds	<u> -</u>	<u> -</u>
BALANCE, end of year	\$ 2,440,485	\$ 2,440,485

THE CORPORATION OF THE VILLAGE OF ASHCROFT
STATUTORY RESERVE FUND
STATEMENT OF FINANCIAL POSITION
December 31, 2008

FINANCIAL ASSETS

	Machinery and Equipment Replacement Reserve	Capital Works Reserve	Total 2008	Total 2007
Investments in pooled bond funds	\$ 25,267	\$ 282,468	\$ 307,735	\$ 305,002

RESERVES

BALANCE, beginning of year	\$ <u>60,863</u>	\$ <u>244,139</u>	\$ <u>305,002</u>	\$ <u>454,454</u>
REVENUE: Interest earned	<u>1,604</u>	<u>17,929</u>	<u>19,533</u>	<u>14,448</u>
TRANSFERS: (To) General Revenue	(52,500)	-	(52,500)	(181,000)
From General Revenue	<u>15,300</u>	<u>20,400</u>	<u>35,700</u>	<u>17,100</u>
	<u>(37,200)</u>	<u>20,400</u>	<u>(16,800)</u>	<u>(163,900)</u>
BALANCE, end of year	\$ 25,267	\$ 282,468	\$ 307,735	\$ 305,002