

**THE CORPORATION OF THE VILLAGE OF ASHCROFT**

**FINANCIAL STATEMENTS**

**December 31, 2019**

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING	
INDEPENDENT AUDITOR'S REPORT	
CONSOLIDATED STATEMENT OF FINANCIAL POSITION	
CONSOLIDATED STATEMENT OF ACCUMULATED SURPLUS	
CONSOLIDATED STATEMENT OF OPERATIONS	
CONSOLIDATED STATEMENT OF CHANGE IN NET FINANCIAL ASSETS	
CONSOLIDATED STATEMENT OF CASH FLOWS	
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS	
CONSOLIDATED SCHEDULE OF TANGIBLE CAPITAL ASSETS	APPENDIX 1
STATEMENT OF FINANCIAL ACTIVITIES - SEGMENTED	APPENDIX 2

**SUPPLEMENTARY INFORMATION:**

**FUND STATEMENTS:**

GENERAL REVENUE FUND	SCHEDULES 1 - 3
WATER REVENUE FUND	SCHEDULES 4 - 5
SEWER REVENUE FUND	SCHEDULES 6 - 7
STATUTORY RESERVE FUNDS	SCHEDULE 8

## MANAGEMENT'S RESPONSIBILITY FOR REPORTING

The 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 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 residents. The Mayor and Council also consider the engagement of the external auditors.

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

On behalf of The Corporation of the Village of Ashcroft

  
\_\_\_\_\_  
Yoginder Bhalla, CFO

  
\_\_\_\_\_  
Date



# DALEY & COMPANY LLP

Chartered Professional Accountants

200-206 Seymour Street  
Kamloops, BC V2C 6P5

p. 250.374.5577

f. 250.374.5573

toll free. 1.877.374.5577

email. [admin@daleyllp.ca](mailto:admin@daleyllp.ca)

[www.daleyllp.ca](http://www.daleyllp.ca)

Norman Daley, FCPA, FCA  
Paul Mumford, CPA, CA  
Michael Parker, CPA, CA  
Maureen McCurdy, CPA, CA  
Sandra Blair, CPA, CA  
Shawn Birkenhead, CPA, CA  
Kevin Cooper, CPA, CA  
Incorporated Professionals

## INDEPENDENT AUDITOR'S REPORT

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

### **Opinion**

We have audited the accompanying consolidated financial statements of THE CORPORATION OF THE VILLAGE OF ASHCROFT (the Village), which comprise the consolidated statement of financial position as at December 31, 2019, and the consolidated statements of accumulated surplus, consolidated statement of operations, consolidated statement of change in net financial assets and consolidated statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of THE CORPORATION OF THE VILLAGE OF ASHCROFT as at December 31, 2019, and the results of its consolidated operations, consolidated changes in its net financial assets and its consolidated cash flows for the year then ended in accordance with Canadian public sector accounting standards.

### **Basis for Opinion**

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

### **Emphasis of Matter**

The recent outbreak of COVID-19, which has been declared by the World Health Organization as a pandemic has spread across the globe and is impacting worldwide economic activity. A public health pandemic such as COVID-19, poses the risk that employees, contractors, suppliers, and other partners may be prevented from conducting business activities for an indefinite period, including due to shutdowns that may be requested or mandated by governmental authorities. While it is not possible at this time to estimate the impact that COVID-19 could have on the Village's business, the continued spread of COVID-19 and the measures taken by governments could disrupt regular operations of the Village and adversely impact the Village's business, financial condition or results of operations. The extent to which the COVID-19 outbreak impacts the financial results will depend on future developments that are highly uncertain and cannot be predicted, including new information that may emerge concerning the severity of the virus and the actions to contain its impact. These financial statements do not reflect any adjustments or reclassification of assets and liabilities, resulting from the COVID-19 pandemic.

### **Responsibilities of Management and Those Charged with Governance for the 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.

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

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

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

Our objectives are to obtain reasonable assurance about whether the consolidated 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:

*(continues)*

- Identify and assess the risks of material misstatement of the consolidated 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 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 Village'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 Village'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 Village to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

*Daley & Company LLP*

Chartered Professional Accountants

Kamloops, BC  
March 25, 2020

### 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 CPA 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 CPA LLP.

**THE CORPORATION OF THE VILLAGE OF ASHCROFT  
CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
December 31, 2019**

<b>FINANCIAL ASSETS</b>	<b>2019</b>	<b>2018</b>
Cash (Note 4)	\$ 3,895	\$ 1,075,536
Restricted cash (Note 4)	3,708,718	3,495,963
Accounts receivable (Note 5)	1,489,510	1,450,442
Taxes and utilities receivable	<u>223,979</u>	<u>179,692</u>
	<u>5,426,102</u>	<u>6,201,633</u>
 <b>LIABILITIES</b>		
Accounts payable and accrued liabilities	379,562	714,680
Deferred revenue (Note 6)	25,733	969,946
Demand loans (Note 7)	<u>1,367,789</u>	<u>382,190</u>
	<u>1,773,084</u>	<u>2,066,816</u>
<b>NET FINANCIAL ASSETS</b>	<u>3,653,018</u>	<u>4,134,817</u>
 <b>NON-FINANCIAL ASSETS</b>		
Tangible capital assets (Note 8)	14,610,962	9,277,909
Prepaid expenses	<u>112,734</u>	<u>17,178</u>
	<u>14,723,696</u>	<u>9,295,087</u>
<b>ACCUMULATED SURPLUS (Note 9)</b>	<u>\$ 18,376,714</u>	<u>\$ 13,429,904</u>

COMMITMENTS AND CONTINGENCIES (Note 10)

APPROVED ON BEHALF OF MAYOR AND COUNCIL:

  
 \_\_\_\_\_  
 Yoginder Bhalla, CFO

See accompanying notes to financial statements.

**THE CORPORATION OF THE VILLAGE OF ASHCROFT**  
**CONSOLIDATED STATEMENT OF ACCUMULATED SURPLUS**  
**Year ended December 31, 2019**

---

	<b>2019</b>	2018
ACCUMULATED SURPLUS, beginning of year	<b>\$ 13,429,904</b>	\$ 11,097,761
ANNUAL SURPLUS	<u><b>4,946,810</b></u>	<u>2,332,143</u>
ACCUMULATED SURPLUS, end of year	<u><b>\$ 18,376,714</b></u>	<u>\$ 13,429,904</u>

See accompanying notes to financial statements.

**THE CORPORATION OF THE VILLAGE OF ASHCROFT**  
**CONSOLIDATED STATEMENT OF OPERATIONS**  
Year ended December 31, 2019

	Budget (Note 15)	<b>2019</b>	2018
<b>REVENUES:</b>			
Municipal taxation (Note 12)	\$ 1,477,211	<b>\$ 1,474,508</b>	\$ 1,444,716
Sales of services	976,437	<b>1,057,668</b>	1,157,292
Government grants	7,486,767	<b>5,363,783</b>	2,562,129
Borrowings, licences, permits, penalties and fines	113,550	<b>153,747</b>	187,384
	<u>10,053,965</u>	<u><b>8,049,706</b></u>	<u>5,351,521</u>
<b>EXPENSES:</b>			
General government services	484,109	<b>431,955</b>	452,685
Protective services	173,295	<b>154,943</b>	195,389
Transportation services	650,507	<b>533,534</b>	589,436
Environmental and public health services	349,101	<b>370,611</b>	289,133
Recreational and cultural services	756,826	<b>734,365</b>	699,310
Water and sewer services	878,790	<b>877,488</b>	793,425
	<u>3,292,628</u>	<u><b>3,102,896</b></u>	<u>3,019,378</u>
<b>ANNUAL SURPLUS</b>	<b>\$ 6,761,337</b>	<b>\$ 4,946,810</b>	<b>\$ 2,332,143</b>

See accompanying notes to financial statements.

**THE CORPORATION OF THE VILLAGE OF ASHCROFT**  
**CONSOLIDATED STATEMENT OF CHANGE IN NET FINANCIAL ASSETS**  
**Year ended December 31, 2019**

	Budget	2019	2018
ANNUAL SURPLUS	\$ 6,761,337	<b>\$ 4,946,810</b>	\$ 2,332,143
Acquisition of tangible capital assets	(6,942,000)	<b>(5,620,488)</b>	(2,914,912)
Amortization of tangible capital assets	296,146	<b>287,435</b>	306,750
Change in prepaid expenses	-	<b>(95,556)</b>	33,406
	<hr/>	<hr/>	<hr/>
INCREASE (DECREASE) IN NET FINANCIAL ASSETS	115,483	<b>(481,799)</b>	(242,613)
NET FINANCIAL ASSETS, beginning of year	<hr/> 4,134,817	<hr/> <b>4,134,817</b>	<hr/> 4,377,430
NET FINANCIAL ASSETS, end of year	<hr/> \$ 4,250,300	<hr/> <b>\$ 3,653,018</b>	<hr/> \$ 4,134,817

See accompanying notes to financial statements.



**THE CORPORATION OF THE VILLAGE OF ASHCROFT**  
**CONSOLIDATED STATEMENT OF CASH FLOWS**  
Year ended December 31, 2019

	2019	2018
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Annual surplus	\$ 4,946,810	\$ 2,332,143
Non-cash changes to operations:		
Amortization	287,435	306,750
(Increase) decrease in:		
Accounts receivable	(39,068)	(1,200,609)
Taxes and utilities receivable	(44,287)	(66,736)
Prepaid expenses	(95,556)	33,406
Increase (decrease) in:		
Accounts payable	(335,118)	333,433
Deferred revenue	(944,213)	93,639
Cash flows from operations	<u>3,776,003</u>	<u>1,832,026</u>
<b>CASH FLOWS FROM CAPITAL ACTIVITIES:</b>		
Acquisition of tangible capital assets	<u>(5,620,488)</u>	<u>(2,914,912)</u>
Cash flows used in capital	<u>(5,620,488)</u>	<u>(2,914,912)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
Proceeds from demand loan	1,000,000	-
Repayment of demand loan	<u>(14,401)</u>	<u>(14,908)</u>
Cash flows from financing	<u>985,599</u>	<u>(14,908)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Statutory reserve fund	(198,446)	(192,747)
Reserve for future expenditures	<u>(14,309)</u>	<u>(202,393)</u>
Cash flows used in investing	<u>(212,755)</u>	<u>(395,140)</u>
<b>DECREASE IN CASH RESOURCES</b>	<b>(1,071,641)</b>	<b>(1,492,934)</b>
<b>CASH RESOURCES, beginning of year</b>	<b><u>1,075,536</u></b>	<b><u>2,568,470</u></b>
<b>CASH RESOURCES, end of year</b>	<b>\$ 3,895</b>	<b>\$ 1,075,536</b>

See accompanying notes to financial statements.

**THE CORPORATION OF THE VILLAGE OF ASHCROFT**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**December 31, 2019**

---

**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:

These consolidated financial statements have been prepared by management in accordance with Canadian generally accepted accounting principles for governments established by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada. These consolidated financial statements include the operations of the General, Water, Sewer, and Reserve Funds.

Basis of Accounting:

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

- a) **General Revenue Fund:**  
The purpose of the General Revenue Fund is to reflect the operating activities, administration, protection, transportation, environmental & public health, and recreation and cultural services functions of the Village.
- b) **Water Revenue Fund:**  
The purpose of the Water Revenue Fund is to reflect the operating activities related to the treatment and distribution of water throughout the Village.
- c) **Sewer Revenue Fund:**  
The purpose of the Sewer Revenue Fund is to reflect the operating activities related to the treatment of sewage and transportation network of sewer mains and pump stations.
- d) **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.

Principles of Consolidation:

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

Cash and Short-term Investments:

The Village's cash equivalents and pooled bond funds are recorded at cost, which approximates market value. Short-term investments are held with the Municipal Finance Authority and are held in short term bonds and a money market fund.

**THE CORPORATION OF THE VILLAGE OF ASHCROFT**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**December 31, 2019**

---

**NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (continued):**

Non-financial Assets:

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives extending beyond the current year and are not intended for sale in the ordinary course of operations. The change in non-financial assets during the year, together with the annual surplus, provides the Change in Net Financial Assets for the year.

a) **Tangible Capital Assets:**

Tangible capital assets are recorded at cost which includes all amounts that are directly attributable to acquisition, construction, development or betterment of the asset. The cost, less residual value, of the tangible capital assets are amortized on a straight-line basis over their estimated useful lives as follows:

Major Asset Category

Buildings	20 to 70 years
Machinery and equipment	5 to 25 years
Pool, arena and other facilities	50 to 100 years
Roads	25 to 75 years
Storm sewer	100 years
Plants and facilities	20 to 70 years
Underground networks	100 years

The Village reviews the useful lives and the carrying values of its tangible capital assets at least annually or more frequently if events or changes in circumstances indicate that the assets might be impaired, by reference to the assets' contribution to the Village's ability to provide services. When assets no longer have any long-term service potential to the Village, the assets are considered to be impaired. An impairment loss is measured at the amount by which the carrying amount of the assets exceeds their fair value, which is estimated as the expected service potential of the assets.

b) **Contributions of Tangible Capital Assets:**

Tangible capital assets received as contributions are recorded at their fair value at the date of receipt.

c) **Leases:**

Leases are classified as capital or operating leases. Leases which transfer substantially all of the benefits and risks incidental to ownership of property are accounted for as capital leases. All other leases are accounted for as operating leases and the related lease payments are charged to expenses as incurred.

Revenue Recognition:

Taxation for municipal purposes is recorded as revenue in the period the taxes are levied. Interest is recorded on the accrual basis and is recognized when earned. Government grants are recorded when they are receivable and amounts can be reasonably determined. All other sources of revenue are recorded as services are provided.

Government Transfers:

Government transfers are recognized as revenue in the financial statements when the transfer is authorized and any eligibility criteria are met, except to the extent that transfer stipulations give rise to an obligation that meets the definition of a liability. Transfers are recognized as deferred revenue when transfer stipulations give rise to a liability. Transfer revenue is recognized in the statement of operations as the stipulation liabilities are settled.

**THE CORPORATION OF THE VILLAGE OF ASHCROFT**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**December 31, 2019**

---

**NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (continued):**

Retirement Benefits:

The Village's contributions due during the period to its multi-employer defined benefit plan are expensed as incurred. See Note 10 for further details.

Demand Loans/Callable Debt:

The Village's demand loans are classified as current liabilities because the lender has the right to demand repayment within one year.

Expense Recognition:

Expenses are recorded on the accrual basis and are 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:

Grants, contributions and other amounts are received from third parties pursuant to legislation, regulation or agreement and may only be used in the conduct of certain programs, in the completion of specific work or for the purchase of tangible capital assets. In addition, certain user charges and fees are collected for which the related services have yet to be performed. Revenue is recognized in the period when the related expenses are incurred, services performed, or the tangible capital assets are acquired.

Use of Estimates:

The preparation of financial statements in conformity with Canadian public sector accounting standards 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. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Actual results could differ from these estimates. A significant area requiring management estimates includes the recoverable amount of tangible capital assets. Management reviews these estimates on a periodic basis and, where necessary, makes adjustments prospectively.

Contaminated sites

Governments are required to accrue a liability for the costs to remediate a contaminated site. Liabilities are recognized when an environmental standard exists, contamination exceeds the standard, the government has responsibility for remediation, future economic benefits will be given up and a reasonable estimate can be made. The Village has not recognized any liabilities for remediation of contaminated sites.

**NOTE 3. FINANCIAL INSTRUMENTS:**

Fair Values of Financial Assets and Financial Liabilities:

The carrying values of cash and restricted cash, accounts receivable, and accounts payable and accruals approximate their fair value due to the relatively short periods to maturity of these items. Unless otherwise noted, it is management's opinion that the Village is not exposed to significant currency or credit risks arising from its financial instruments.

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. In seeking to minimize the risks from interest rate fluctuations, the Village manages exposure through its normal operation and financing activities. It is management's opinion that the Village is not exposed to significant interest rate risk by its demand loan.

**THE CORPORATION OF THE VILLAGE OF ASHCROFT**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**December 31, 2019**

NOTE 4. <b>CASH AND RESTRICTED CASH:</b>	<b>2019</b>	2018
Statutory Reserve Fund	<b>\$ 2,056,794</b>	\$ 1,858,348
Reserve for future expenditures	<b>1,651,924</b>	1,637,615
Restricted cash	<b>3,708,718</b>	3,495,963
Unrestricted cash	<b>3,895</b>	1,075,536
	<b><u>\$ 3,712,613</u></b>	<b><u>\$ 4,571,499</u></b>
Consists of:		
Cash	<b>\$ 2,187,896</b>	\$ 3,082,751
Investments in pooled bond funds (Market Value: \$1,491,839)	<b>1,524,717</b>	1,488,748
	<b><u>\$ 3,712,613</u></b>	<b><u>\$ 4,571,499</u></b>
NOTE 5. <b>ACCOUNTS RECEIVABLE:</b>	<b>2019</b>	2018
Province of BC - Water Treatment Plant grant	<b>\$ 1,342,677</b>	\$ 1,240,216
Province of BC - Sewer Treatment Plant grant	<b>-</b>	16,497
Other	<b>146,833</b>	193,729
	<b><u>\$ 1,489,510</u></b>	<b><u>\$ 1,450,442</u></b>
NOTE 6. <b>DEFERRED REVENUE:</b>	<b>2019</b>	2018
Federal Gas Tax Agreement - Community Works Fund:		
Opening balance of unspent funds	<b>\$ 849,097</b>	\$ 710,594
Add: Amount received during the year	<b>247,765</b>	127,060
Interest earned	<b>16,637</b>	11,443
Less: Revenue recognized during the year	<b>(1,107,766)</b>	-
Closing balance of unspent funds	<b><u>5,733</u></b>	<u>849,097</u>
Other Funding:		
Interior Health - Heat Alert & Response Planning Project	<b>12,500</b>	12,500
Union of BC Municipalities - Housing Needs Assessment Project	<b>7,500</b>	-
	<b><u>20,000</u></b>	<u>12,500</u>
Sewer Revenue - Clean Water and Wastewater Fund:		
Opening balance of unspent funds	<b>108,349</b>	126,713
Less: Revenue recognized during the year	<b>(108,349)</b>	(18,364)
Closing balance of unspent funds	<b><u>-</u></b>	<u>108,349</u>
Total	<b><u>\$ 25,733</u></b>	<b><u>\$ 969,946</u></b>

**THE CORPORATION OF THE VILLAGE OF ASHCROFT**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**December 31, 2019**

**NOTE 6. DEFERRED REVENUE (continued):**

a) Community Works Fund:

Community Works 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. Community Works funding may be used towards designated public transit, community energy, water, wastewater, solid waste and capacity building projects, as specified in the funding agreements.

b) Other Funding:

Other funding has been deferred until related expenses are incurred.

**NOTE 7. DEMAND LOANS:**

	<b>2019</b>	<b>2018</b>
Municipal Finance Authority of BC loan, repayable in monthly installments of \$1,979, maturing December 13, 2021, with a daily floating interest rate of 2.5% (rate effective as of December 31, 2019).	<b>\$ 367,789</b>	\$ 382,190
Municipal Finance Authority of BC loan, repayable in monthly interest payments only at daily floating interest rate of 2.6% (rate effective as of December 31, 2019). The principal amount is due on the maturity date of February 4, 2024.	<u><b>1,000,000</b></u>	<u>-</u>
	<u><b>\$ 1,367,789</b></u>	<u><b>\$ 382,190</b></u>

Principal repayment terms are approximately:

2019	\$	16,091
2020		16,404
2021		16,767
Thereafter		<u>1,318,527</u>
		<u><b>\$ 1,367,789</b></u>

Under a short term loan arrangement with the Municipal Finance Authority of BC, the Village may borrow up to a maximum amount of \$2 million. The amount currently unused as at December 31, 2019 was \$1 million.

**NOTE 8. TANGIBLE CAPITAL ASSETS:**

	<b>2019</b>	<b>2018</b>
Tangible capital assets consist of the following:		
Land	<b>\$ 600,280</b>	\$ 600,280
Pool, arena and other facilities	<b>957,502</b>	992,426
Buildings	<b>381,096</b>	395,810
Machinery and equipment	<b>1,051,285</b>	1,141,862
Roads	<b>491,644</b>	535,425
Storm sewer	<b>372,717</b>	377,961
Plants and facilities	<b>9,766,894</b>	4,268,614
Underground networks	<b>989,544</b>	965,531
	<u><b>\$ 14,610,962</b></u>	<u><b>\$ 9,277,909</b></u>

For additional information, see the Consolidated Schedule of Tangible Capital Assets (Appendix 1).

**THE CORPORATION OF THE VILLAGE OF ASHCROFT**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**December 31, 2019**

NOTE 9. <b>ACCUMULATED SURPLUS:</b>	<b>2019</b>	2018
Accumulated surplus consists of individual fund surpluses and reserves as follows:		
Surplus from operations	<u>\$ 1,424,823</u>	<u>\$ 1,038,222</u>
Invested in tangible capital assets	<u>13,243,173</u>	<u>8,895,719</u>
Statutory reserve funds:		
Capital works reserve	1,896,488	1,701,130
Machinery and equipment replacement reserve	<u>160,306</u>	<u>157,218</u>
	<u>2,056,794</u>	<u>1,858,348</u>
Reserves for future expenditure:		
General	360,500	360,500
Fire department	333,649	331,358
Curling club	56,940	55,842
Transit	77,769	66,849
Water	706,966	706,966
Sewer	<u>116,100</u>	<u>116,100</u>
	<u>1,651,924</u>	<u>1,637,615</u>
	<u><u>\$ 18,376,714</u></u>	<u><u>\$ 13,429,904</u></u>

**NOTE 10. 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, 2019, are as follows:

2020	4,237
2021	1,059
	<u>\$ 5,296</u>

b) Operation and Maintenance Agreement:

The Village has an operating and maintenance agreement for the water treatment plant.

Future minimum monthly payments as at December 31, 2019, are as follows:

2020	\$ 40,800
2021	40,800
2022	23,800
	<u>\$ 105,400</u>

**THE CORPORATION OF THE VILLAGE OF ASHCROFT**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**December 31, 2019**

---

**NOTE 10. COMMITMENTS AND CONTINGENCIES (continued):**

- c) The employer and its employees contribute to the Municipal Pension Plan (a jointly trustee pension plan). The board of trustees, representing plan members and employers, is responsible for administering the plan, including investment of assets and administration of benefits. The plan is a multi-employer defined benefit pension plan. Basic pension benefits are based on a formula. As at December 31, 2018, the plan has about 205,000 active members and approximately 101,000 retired members. Active members include approximately 40,000 contributors from local governments.

Every three years, an actuarial valuation is performed to assess the financial position of the plan and adequacy of plan funding. The actuary determines an appropriate combined employer and member contribution rate to fund the plan. The actuary's calculated contribution rate is based on the entry-age normal cost method, which produces the long-term rate of member and employer contributions sufficient to provide benefits for average future entrants to the plan. This rate may be adjusted for the amortization of any actuarial funding surplus and will be adjusted for the amortization of any unfunded actuarial liability

The most recent valuation for the Municipal Pension Plan as at December 31, 2018, indicated a \$2.866 million funding surplus for basic pension benefits on a going concern basis.

The Village paid \$85,633 (2018 - \$91,452) for employer contributions to the plan in 2019. Active members include approximately 12 contributors from the Village.

The next valuation will be as at December 31, 2021, with results available in 2022.

Employers participating in the plan record their pension expense as the amount of employer contributions made during the fiscal year (defined contribution pension plan accounting). This is because the plan records accrued liabilities and accrued assets for the plan in aggregate, resulting in no consistent and reliable basis for allocating the obligation, assets and cost to individual employers participating in the plan.

- d) The Village was approved for a Small Communities Fund grant in 2017 for construction of a water treatment plant. The total project is expected to cost \$9.873 million over four years, with the grant covering 2/3 of this amount for a total of \$5.725 million. Cumulative costs on this project to the year-end date are \$7.764 million. Cumulative grant amounts received from the Small Communities Fund to the year-end date are \$5.113 million. The remaining cost of the project is to be covered by Village sources, including borrowings of \$1 million.



**THE CORPORATION OF THE VILLAGE OF ASHCROFT**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**December 31, 2019**

**NOTE 11. 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 consolidated financial statements. Details of the trust funds are as follows:

	<b>2019</b>	<b>2018</b>
BALANCE, beginning of year	\$ 58,349	\$ 54,191
Add:		
Proceeds from sale of plots and monuments	2,074	3,288
Interest earned	1,143	870
	<b>\$ 61,566</b>	<b>\$ 58,349</b>
The perpetual care trust fund is represented by:		
Cash and short-term investments	\$ 61,466	\$ 58,249
Due from General Revenue Fund	100	100
	<b>\$ 61,566</b>	<b>\$ 58,349</b>

**NOTE 12. TAXATION REVENUE:**

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

	<b>2019</b>	<b>2018</b>
Tax collected:		
General purposes	\$ 1,474,508	\$ 1,444,716
Collections for other governments	1,013,526	1,066,966
	<b>2,488,034</b>	<b>2,511,682</b>
Less transfers to other governments:		
Province of BC - school taxes	629,456	644,652
Thompson-Nicola Regional District	202,870	239,136
Thompson Regional Hospital District	96,896	101,822
Municipal Finance Authority	43	40
BC Assessment Authority	10,492	10,990
Policing	73,769	70,326
	<b>1,013,526</b>	<b>1,066,966</b>
	<b>\$ 1,474,508</b>	<b>\$ 1,444,716</b>

**THE CORPORATION OF THE VILLAGE OF ASHCROFT**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**December 31, 2019**

---

**NOTE 13. SEGMENTED INFORMATION:**

The Village of Ashcroft is a diversified municipal government institution that provides a wide range of services to its citizens. Distinguishable functional segments have been separately disclosed. The nature of the segments and the activities they encompass are as follows:

Government Services – Mayor & Council, Finance, and Human Resources:

The Departments within General Government Services are responsible for adopting bylaws; adopting administrative policy; levying taxes; acquiring, disposing and managing Village assets; ensuring effective financial management; monitoring performance and ensuring that high quality service standards are met.

Protective Services – Fire Protection:

Fire Protection includes all of the operating activities for fire prevention and suppression.

Transportation Services - Public Transit and Street Maintenance:

Public Transit and Street Maintenance involve the repair and maintenance of the road network and traffic services.

Environmental and Public Health Services - Waste Management:

Waste Management includes all of the revenue and expenses related to the collection and disposal of solid waste and community development, tourism and promotional activities.

Recreational and Cultural Services - Parks, Recreation and Culture:

The Parks, Recreation and Culture Department is responsible for providing, facilitating the development of, and maintaining high quality parks, recreation facilities, and cultural services.

Water Services - Water Department:

The Water Department includes all the operating activities related to the treatment and distribution of water throughout the Village.

Sewer Services - Sewer Department:

The Sewer Department operates network sewer mains and pump stations.

Reserve Funds - Statutory Reserve Funds:

The Statutory Reserve Fund is comprised of the machinery and equipment replacement reserve and capital works reserve.

The accounting policies used in these segments are consistent with those followed in the preparation of the consolidated financial statements as disclosed in Note 2. For additional information see the Statement of Financial Activities - Segmented (Appendix 2).

**NOTE 14. CASH FLOW INFORMATION:**

During the year, the Village received \$74,048 (2018 - \$84,923) in interest income.

**THE CORPORATION OF THE VILLAGE OF ASHCROFT**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**December 31, 2019**

**NOTE 15. BUDGET:**

The Financial Plan Bylaw adopted by Council included capital transactions such as acquisition of tangible capital assets, borrowing proceeds for the purchase of capital assets, and debt principal repayments. In addition, internal transfers between services, transfers to reserves, and transfers from surplus were included.

These capital transactions and transfers have been removed from the Financial Plan and presented as the budget in these Financial Statements as follows:

	Financial Plan Bylaw	Adjustments for capital transactions and transfers	Budget
<b>REVENUES:</b>			
Municipal taxation	\$ 1,477,211	\$ -	\$ 1,477,211
Sales of services	976,437	-	976,437
Government grants	7,486,767	-	7,486,767
Borrowings, licences, permits, penalties and fines	113,550	-	113,550
Transfer from Surplus	499,747	(499,747)	-
	<u>10,553,712</u>	<u>(499,747)</u>	<u>10,053,965</u>
<b>EXPENSES:</b>			
General government services	484,109	-	484,109
Protective services	173,295	-	173,295
Transportation services	650,507	-	650,507
Environmental and public health services	349,101	-	349,101
Recreational and cultural services	756,826	-	756,826
Water and sewer services	878,790	-	878,790
Debt principal repayment	58,550	(58,550)	-
Acquisition of tangible capital assets	6,942,000	(6,942,000)	-
Transfer to reserves	260,534	(260,534)	-
	<u>10,553,712</u>	<u>(7,261,084)</u>	<u>3,292,628</u>
<b>ANNUAL SURPLUS</b>	<u>\$ -</u>	<u>\$ 6,761,337</u>	<u>\$ 6,761,337</u>

**NOTE 16. COMPARATIVE FIGURES:**

Some of the comparative figures have been reclassified to conform to the current year's presentation.

**THE CORPORATION OF THE VILLAGE OF ASHCROFT**  
**CONSOLIDATED SCHEDULE OF TANGIBLE CAPITAL ASSETS**  
Year ended December 31, 2019

	General					Water		Sewer		Totals		
	Land	Pool, Arena and Other	Buildings	Machinery & Equipment	Roads	Storm Sewer	Plants & Facilities	Underground Networks	Plants & Facilities	Underground Networks	2019	2018
<b>Cost</b>												
Balance, beginning of year	\$ 600,280	\$ 2,203,106	\$ 1,747,086	\$ 2,534,039	\$ 7,268,341	\$ 530,323	\$ 4,695,464	\$ 1,305,053	\$ 1,750,937	\$ 771,997	\$ 23,406,626	\$ 20,556,128
Add: Additions during the year	-	-	-	32,798	-	-	4,802,613	-	740,391	44,686	5,620,488	2,914,912
Less: Disposals during the year	-	-	-	(18,017)	-	-	-	-	-	-	(18,017)	(64,414)
Balance, end of year	600,280	2,203,106	1,747,086	2,548,820	7,268,341	530,323	9,498,077	1,305,053	2,491,328	816,683	29,009,097	23,406,626
<b>Accumulated amortization</b>												
Balance, beginning of year	-	1,210,680	1,351,276	1,392,177	6,732,916	152,362	1,356,725	690,887	821,062	420,632	14,128,717	13,886,381
Add: Amortization	-	34,924	14,714	123,375	43,781	5,244	11,200	12,986	33,524	7,687	287,435	306,750
Less: Disposals during the year	-	-	-	(18,017)	-	-	-	-	-	-	(18,017)	(64,414)
Balance, end of year	-	1,245,604	1,365,990	1,497,535	6,776,697	157,606	1,367,925	703,873	854,586	428,319	14,398,135	14,128,717
<b>Net Book Value of Tangible Capital Assets</b>	<u>\$ 600,280</u>	<u>\$ 957,502</u>	<u>\$ 381,096</u>	<u>\$ 1,051,285</u>	<u>\$ 491,644</u>	<u>\$ 372,717</u>	<u>\$ 8,130,152</u>	<u>\$ 601,180</u>	<u>\$ 1,636,742</u>	<u>\$ 388,364</u>	<u>\$ 14,610,962</u>	<u>\$ 9,277,909</u>

Included in Plants & Facilities is \$7.764 million (2018 - \$3.054 million) of tangible capital assets under construction. These assets have not been amortized. The Village paid interest of \$19,558 (2018 - \$Nil) which has been added to the cost of Plant & Facilities (Water).

**THE CORPORATION OF THE VILLAGE OF ASHCROFT**  
**STATEMENT OF FINANCIAL ACTIVITIES - SEGMENTED**  
**Year ended December 31, 2019**

	Government Services	Protective Services	Transportation Services	Environmental & Public Health Services	Recreational & Cultural Services	Water Services	Sewer Services	Reserve Funds	Total 2019	Total 2018
<b>REVENUES:</b>										
Municipal taxation	\$ 1,307,053	\$ -	\$ -	\$ -	\$ -	\$ 84,380	\$ 83,075	\$ -	\$ 1,474,508	\$ 1,444,716
Sales of services	3,727	10,374	-	130,539	96,955	456,712	359,571	-	1,057,878	1,157,332
Government grants	502,997	24,000	2,256	230,390	-	4,116,644	487,496	-	5,363,783	2,562,129
Borrowings, licences, permits, penalties and fines	26,172	-	-	-	-	-	-	-	26,172	30,238
Interest income	44,493	-	-	-	-	13,514	931	15,110	74,048	84,923
Donations and miscellaneous	31,777	516	-	-	20,770	253	-	-	53,317	72,183
	<u>1,916,219</u>	<u>34,890</u>	<u>2,256</u>	<u>360,929</u>	<u>117,725</u>	<u>4,671,503</u>	<u>931,073</u>	<u>15,110</u>	<u>8,049,706</u>	<u>5,351,521</u>
<b>EXPENSES:</b>										
Consulting and professional	48,330	7,849	3,918	47,631	-	-	15,091	-	122,819	114,523
Grants	8,258	-	-	-	-	-	-	-	8,258	8,750
Insurance	17,623	2,679	400	-	26,401	18,616	8,861	-	74,580	54,491
Interest	-	9,393	-	-	-	-	-	-	9,393	6,635
Office and administration	194,369	2,741	-	31,105	410	3,213	1,956	-	233,794	228,409
Amortization	222,039	-	-	-	-	24,186	41,211	-	287,436	306,750
Repairs and maintenance	15,509	-	71,708	176,482	125,400	119,794	76,383	-	585,276	519,481
Salaries and benefits	463,154	3,975	294,116	64,409	341,537	92,596	117,814	-	1,377,601	1,363,072
Supplies and materials	-	92,421	77,262	932	2,543	507	1,513	-	175,178	235,442
Utilities and telephone	12,705	8,933	61,734	-	76,362	40,052	28,775	-	228,561	181,825
Overhead allocations	(550,032)	26,952	24,396	50,052	161,712	131,280	155,640	-	-	-
	<u>431,955</u>	<u>154,943</u>	<u>533,534</u>	<u>370,611</u>	<u>734,365</u>	<u>430,244</u>	<u>447,244</u>	<u>-</u>	<u>3,102,896</u>	<u>3,019,378</u>
<b>EXCESS (DEFICIENCY)</b>										
REVENUES OVER EXPENSES	1,484,264	(120,053)	(531,278)	(9,682)	(616,640)	4,241,259	483,829	15,110	4,946,810	2,332,143
<b>INTERFUND TRANSFERS</b>										
	<u>(1,460,989)</u>	<u>120,053</u>	<u>531,278</u>	<u>9,682</u>	<u>616,640</u>	<u>-</u>	<u>-</u>	<u>183,336</u>	<u>-</u>	<u>-</u>
<b>ANNUAL SURPLUS</b>										
	<u>\$ 23,275</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,241,259</u>	<u>\$ 483,829</u>	<u>\$ 198,446</u>	<u>\$ 4,946,810</u>	<u>\$ 2,332,143</u>

See accompanying notes to financial statements.

**THE CORPORATION OF THE VILLAGE OF ASHCROFT**  
**STATEMENT OF FINANCIAL ACTIVITIES - SEGMENTED**  
**Year ended December 31, 2018**

	Government Services	Protective Services	Transportation Services	Environmental & Public Health Services	Recreational & Cultural Services	Water Services	Sewer Services	Reserve Funds	Total 2018
<b>REVENUES:</b>									
Municipal taxation	\$ 1,276,255	\$ -	\$ -	\$ -	\$ -	\$ 84,959	\$ 83,502	\$ -	\$ 1,444,716
Sales of services	2,892	240,630	-	126,706	79,662	383,121	324,321	-	1,157,332
Government grants	557,203	22,000	1,393	223,960	1,519	1,702,820	53,234	-	2,562,129
Borrowings, licences, permits, penalties and fines	30,238	-	-	-	-	-	-	-	30,238
Interest income	57,192	-	-	-	-	12,680	873	14,178	84,923
Donations and miscellaneous	56,485	481	-	-	15,067	150	-	-	72,183
	<u>1,980,265</u>	<u>263,111</u>	<u>1,393</u>	<u>350,666</u>	<u>96,248</u>	<u>2,183,730</u>	<u>461,930</u>	<u>14,178</u>	<u>5,351,521</u>
<b>EXPENSES:</b>									
Consulting and professional	44,035	12,079	-	39,856	-	-	18,553	-	114,523
Grants	8,750	-	-	-	-	-	-	-	8,750
Insurance	14,943	2,318	421	-	17,899	10,521	8,389	-	54,491
Interest	-	6,635	-	-	-	-	-	-	6,635
Office and administration	212,977	1,218	91	7,093	410	4,264	2,356	-	228,409
Amortization	241,353	-	-	-	-	24,186	41,211	-	306,750
Repairs and maintenance	17,737	-	61,798	123,961	96,845	137,991	81,149	-	519,481
Salaries and benefits	458,150	1,804	344,731	66,729	348,762	56,367	86,529	-	1,363,072
Supplies and materials	-	127,142	102,250	1,585	1,154	1,167	2,144	-	235,442
Utilities and telephone	12,002	8,439	59,121	-	73,019	-	29,244	-	181,825
Overhead allocations	(548,376)	26,868	21,024	49,908	161,220	132,192	157,164	-	-
	<u>461,571</u>	<u>186,503</u>	<u>589,436</u>	<u>289,132</u>	<u>699,309</u>	<u>366,688</u>	<u>426,739</u>	<u>-</u>	<u>3,019,378</u>
<b>EXCESS (DEFICIENCY)</b>									
REVENUES OVER EXPENSES	1,518,694	76,608	(588,043)	61,534	(603,061)	1,817,042	35,191	14,178	2,332,143
<b>INTERFUND TRANSFERS</b>									
	(1,231,531)	(76,608)	588,043	(61,534)	603,061	-	-	178,569	-
<b>ANNUAL SURPLUS</b>									
	<u>\$ 287,163</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,817,042</u>	<u>\$ 35,191</u>	<u>\$ 192,747</u>	<u>\$ 2,332,143</u>

See accompanying notes to financial statements.

**THE CORPORATION OF THE VILLAGE OF ASHCROFT  
GENERAL REVENUE FUND  
STATEMENT OF FINANCIAL POSITION  
December 31, 2019**

<b>FINANCIAL ASSETS</b>	<b>2019</b>	<b>2018</b>
Cash	<u>\$ 2,187,896</u>	<u>\$ 3,082,751</u>
Investments in pooled bond funds	<u>315,618</u>	<u>309,203</u>
Receivables:		
Taxes and utilities	<u>223,979</u>	179,692
General	<u>146,833</u>	<u>193,731</u>
	<u>370,812</u>	<u>373,423</u>
	<u>2,874,326</u>	<u>3,765,377</u>
 <b>LIABILITIES</b>		
Accounts payable and accrued liabilities	<u>218,723</u>	534,124
Accrued wages and employee benefits	<u>160,854</u>	180,570
Deferred revenue	<u>25,733</u>	861,596
Demand loan	<u>367,789</u>	382,190
Due to (from) Own Funds:		
Water Revenue Fund	<u>(401,163)</u>	(748,017)
Sewer Revenue Fund	<u>171,398</u>	524,219
Machinery and Equipment Replacement Reserve Fund	<u>33,968</u>	33,968
Perpetual Care Trust Fund	<u>100</u>	100
Capital Works Reserve Fund	<u>1,404,678</u>	<u>1,221,342</u>
	<u>1,982,080</u>	<u>2,990,092</u>
 <b>NET FINANCIAL ASSETS</b>	<u>892,246</u>	<u>775,285</u>
 <b>NON-FINANCIAL ASSETS</b>		
Tangible capital assets	<u>3,854,524</u>	4,043,765
Prepaid expenses	<u>112,734</u>	<u>17,178</u>
	<u>3,967,258</u>	<u>4,060,943</u>
 <b>ACCUMULATED SURPLUS</b>	<u>\$ 4,859,504</u>	<u>\$ 4,836,228</u>

See accompanying notes to financial statements.

**THE CORPORATION OF THE VILLAGE OF ASHCROFT  
GENERAL REVENUE FUND  
STATEMENT OF OPERATIONS AND ACCUMULATED SURPLUS  
Year ended December 31, 2019**

	Budget	2019	2018
<b>REVENUES:</b>			
Municipal taxation	\$ 1,308,711	\$ <b>1,307,053</b>	\$ 1,276,255
Sales of services	217,875	<b>241,595</b>	449,890
Government Grants:			
Unconditional transfers from Provincial Government	437,000	<b>423,532</b>	411,939
Unconditional transfers from Local Government	225,000	<b>230,390</b>	223,960
Conditional transfers from regional and other governments	552,634	<b>105,721</b>	170,176
Borrowings, licences, permits, penalties and fines:			
Professional and business licences	10,000	<b>10,760</b>	11,070
Other	700	<b>516</b>	481
Animal violation	150	-	-
Municipal auto plates	400	-	353
Interest received	30,000	<b>44,493</b>	57,192
Penalties and interest on taxes	12,500	<b>26,172</b>	30,238
Rentals	12,500	<b>17,155</b>	12,529
Donations and other	31,000	<b>24,633</b>	47,600
	<u>2,838,470</u>	<u><b>2,432,020</b></u>	<u>2,691,683</u>
 EXPENSES (Schedule 3)	 <u>2,413,838</u>	 <u><b>2,225,408</b></u>	 <u>2,225,953</u>
 EXCESS OF REVENUES OVER EXPENSES	 424,632	 <b>206,612</b>	 465,730
 TRANSFER TO STATUTORY RESERVE FUNDS	 <u>(210,534)</u>	 <u><b>(183,336)</b></u>	 <u>(178,569)</u>
 ANNUAL SURPLUS	 214,098	 <b>23,276</b>	 287,161
 ACCUMULATED SURPLUS, beginning of year	 <u>4,836,228</u>	 <u><b>4,836,228</b></u>	 <u>4,549,067</u>
 ACCUMULATED SURPLUS, end of year	 <u>\$ 5,050,326</u>	 <u><b>\$ 4,859,504</b></u>	 <u>\$ 4,836,228</u>

See accompanying notes to financial statements.



**THE CORPORATION OF THE VILLAGE OF ASHCROFT**  
**GENERAL REVENUE FUND**  
**STATEMENT OF EXPENSES**  
Year ended December 31, 2019

	Budget	2019	2018
General Government Services:			
Legislative Expense:			
Council indemnities and expenses	\$ 46,875	\$ 47,435	\$ 43,646
General Administration Expenses:			
Office	79,300	50,799	40,380
Building operation and maintenance	23,500	28,935	29,737
Legal and professional	37,000	48,330	44,037
Salaries and employee benefits	494,250	463,154	458,150
Other General Government Expenses:			
Amortization	230,000	222,039	241,353
Asset management program	26,880	25,163	40,454
Travel	5,000	4,691	6,919
Insurance	20,631	17,623	14,943
Election and referendum	-	348	11,858
Grants to organizations	10,908	8,258	8,750
Sundry	59,800	65,209	60,834
Less amounts transferred to other services	(550,035)	(550,029)	(548,376)
	<u>484,109</u>	<u>431,955</u>	<u>452,685</u>
Protective Services:			
Administration	29,331	28,520	26,564
Volunteer stipends and benefits	25,100	22,206	18,753
Building operation and maintenance	10,700	8,933	8,439
Equipment	43,200	55,886	55,664
Emergency measures	27,200	1,578	49,330
Building inspection	4,414	4,414	4,414
Animal pest control	8,000	3,435	7,665
Sundry	25,350	29,971	24,560
	<u>173,295</u>	<u>154,943</u>	<u>195,389</u>
Transportation Services:			
Administration	333,940	280,011	308,733
Equipment operation and maintenance	74,000	69,718	94,554
Building operation and maintenance	69,500	66,948	37,686
Road and street maintenance	99,367	59,480	84,025
Street lighting	48,000	41,627	45,867
Traffic services	23,700	15,750	18,571
Sundry	2,000	-	-
	<u>650,507</u>	<u>533,534</u>	<u>589,436</u>
Environmental and Public Health Services:			
Garbage and waste collection	124,452	153,096	120,761
Cemetery	20,652	17,914	21,256
Planning and zoning	1,000	20,205	-
Community development	142,700	138,088	114,951
Natural resource development	18,796	15,011	9,711
Tourism and promotion	3,000	367	274
Sundry	38,501	25,930	22,180
	<u>349,101</u>	<u>370,611</u>	<u>289,133</u>
Recreational and Cultural Services:			
Administration	261,460	248,104	255,499
Community hall	17,400	11,310	9,990
Lady Minto building	21,410	16,239	16,741
Swimming pool	145,875	130,679	134,237
Arena	155,100	181,461	147,927
Parks and playgrounds	69,345	77,362	78,784
Historic sites	26,613	3,142	5,241
Museum	55,623	48,581	46,955
Curling club	4,000	17,487	3,936
	<u>756,826</u>	<u>734,365</u>	<u>699,310</u>
<b>TOTAL EXPENSES</b>	<b>\$ 2,413,838</b>	<b>\$ 2,225,408</b>	<b>\$ 2,225,953</b>

See accompanying notes to financial statements.

**THE CORPORATION OF THE VILLAGE OF ASHCROFT  
WATER REVENUE FUND  
STATEMENT OF FINANCIAL POSITION  
December 31, 2019**

<b>FINANCIAL ASSETS</b>	<b>2019</b>	<b>2018</b>
Investments in pooled bond funds	\$ 552,869	\$ 539,355
Accounts receivable	1,342,677	1,240,214
Due to Own Funds: General Revenue Fund	<u>(401,163)</u>	<u>(748,017)</u>
	<b>1,494,383</b>	1,031,552
 <b>LIABILITIES</b>		
Demand loan	<u>1,000,000</u>	<u>-</u>
<b>NET FINANCIAL ASSETS</b>	<b>494,383</b>	1,031,552
 <b>NON-FINANCIAL ASSETS</b>		
Tangible capital assets	<u>8,731,333</u>	<u>3,952,905</u>
<b>ACCUMULATED SURPLUS</b>	<b>\$ 9,225,716</b>	<b>\$ 4,984,457</b>

See accompanying notes to financial statements.

**THE CORPORATION OF THE VILLAGE OF ASHCROFT  
WATER REVENUE FUND  
STATEMENT OF OPERATIONS AND ACCUMULATED SURPLUS  
Year ended December 31, 2019**

	Budget	2019	2018
<b>REVENUES:</b>			
Municipal taxation - water levy	\$ 85,000	\$ 84,380	\$ 84,959
Sale of services	419,762	456,502	383,081
Government grants	4,445,133	4,116,644	1,702,820
Other revenues	13,300	13,977	12,870
	<u>4,963,195</u>	<u>4,671,503</u>	<u>2,183,730</u>
<b>EXPENSES:</b>			
Maintenance and administration	423,195	406,058	342,501
Amortization	24,935	24,186	24,186
	<u>448,130</u>	<u>430,244</u>	<u>366,687</u>
<b>ANNUAL SURPLUS</b>	4,515,065	<b>4,241,259</b>	1,817,043
<b>ACCUMULATED SURPLUS, beginning of year</b>	<u>4,984,457</u>	<u>4,984,457</u>	<u>3,167,414</u>
<b>ANNUAL SURPLUS</b>	\$ 9,499,522	<b>\$ 9,225,716</b>	\$ 4,984,457

See accompanying notes to financial statements.

**THE CORPORATION OF THE VILLAGE OF ASHCROFT  
SEWER REVENUE FUND  
STATEMENT OF FINANCIAL POSITION  
December 31, 2019**

<b>FINANCIAL ASSETS</b>	<b>2019</b>	<b>2018</b>
Investments in pooled bond funds	\$ 38,084	\$ 37,153
Account receivable	-	16,497
Due from Own Funds:		
General Revenue Fund	<u>171,398</u>	<u>524,219</u>
	<b>209,482</b>	<b>577,869</b>
 <b>LIABILITIES</b>		
Deferred revenue	<u>-</u>	<u>108,349</u>
<b>NET FINANCIAL ASSETS</b>	<u><b>209,482</b></u>	<u><b>469,520</b></u>
 <b>NON-FINANCIAL ASSETS</b>		
Tangible capital assets	<u><b>2,025,107</b></u>	<u>1,281,240</u>
<b>ACCUMULATED SURPLUS</b>	<u><b>\$ 2,234,589</b></u>	<u><b>\$ 1,750,760</b></u>

See accompanying notes to financial statements.

**THE CORPORATION OF THE VILLAGE OF ASHCROFT  
SEWER REVENUE FUND  
STATEMENT OF OPERATIONS AND ACCUMULATED SURPLUS  
Year ended December 31, 2019**

	Budget	2019	2018
<b>REVENUES:</b>			
Municipal taxation - sewer levy	\$ 83,500	\$ 83,075	\$ 83,502
Sale of services	338,800	359,571	324,321
Government grants	1,827,000	487,496	53,234
Other revenues	3,000	931	873
	<u>2,252,300</u>	<u>931,073</u>	<u>461,930</u>
<b>EXPENSES:</b>			
Maintenance and administration	389,449	406,033	385,527
Amortization	41,211	41,211	41,211
	<u>430,660</u>	<u>447,244</u>	<u>426,738</u>
<b>ANNUAL SURPLUS</b>	1,821,640	483,829	35,192
<b>ACCUMULATED SURPLUS, beginning of year</b>	<u>1,750,760</u>	<u>1,750,760</u>	<u>1,715,568</u>
<b>ACCUMULATED SURPLUS, end of year</b>	<u>\$ 3,572,400</u>	<u>\$ 2,234,589</u>	<u>\$ 1,750,760</u>

See accompanying notes to financial statements.

**THE CORPORATION OF THE VILLAGE OF ASHCROFT**  
**STATUTORY RESERVE FUNDS**  
**STATEMENT OF FINANCIAL POSITION**  
**December 31, 2019**

**FINANCIAL ASSETS**

	Machinery and Equipment Replacement Reserve	Capital Works Reserve	<b>Total 2019</b>	Total 2018
Investments in pooled bond funds	\$ 126,338	\$ 491,809	<b>\$ 618,147</b>	\$ 603,038
Due from General Revenue Fund	<u>33,968</u>	<u>1,404,679</u>	<b><u>1,438,647</u></b>	<u>1,255,310</u>
	<b>\$ 160,306</b>	<b>\$ 1,896,488</b>	<b>\$ 2,056,794</b>	<b>\$ 1,858,348</b>

**RESERVES**

BALANCE, beginning of year	\$ 157,218	\$ 1,701,130	<b>\$ 1,858,348</b>	\$ 1,665,601
REVENUE: Interest earned	3,088	12,022	<b>15,110</b>	14,178
TRANSFERS: From General Revenue	<u>-</u>	<u>183,336</u>	<b><u>183,336</u></b>	<u>178,569</u>
BALANCE, end of year	<b>\$ 160,306</b>	<b>\$ 1,896,488</b>	<b>\$ 2,056,794</b>	<b>\$ 1,858,348</b>

See accompanying notes to financial statements.