

May 9, 2017

FILE #2170

Local Government Infrastructure and Finance  
Ministry of Community Services  
PO Box 9838 Stn Prov Govt  
Victoria, BC V8W 9T1

Dear Sir or Madam:

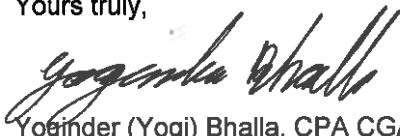
**Re: Financial Information Act – 2016 Year End Reports**

Enclosed you will find our 2016 Financial Information Report. The report consists of the following:

1. Statement of Guarantee & Indemnity Agreements
2. Statement of Remuneration & Expenses
3. Schedule of Payments for Goods & Services
4. Approval of Financial Information
5. Completed Checklist
6. Audited Financial Statements

This report was presented to Council at their regular meeting on Monday, May 8th, 2017 and was approved as presented. Should you require additional information, please contact me at 250-453-9161.

Yours truly,



Yoginder (Yogi) Bhalla, CPA CGA  
Chief Financial Officer

enc.

**MEMO TO:** Mayor Jeyes and Council

**MEMO FROM:** Yoginder (Yogi) Bhalla, Chief Financial Officer

**DATE:** April 28th, 2017

**SUBJECT:** 2016 STATEMENT OF FINANCIAL INFORMATION REPORT

**BACKGROUND:**

The Village is required to file a statement of Financial Information report on an annual basis with the Ministry.

**DISCUSSION:**

Attached are the schedules that, when attached to our audited financial statements, form the complete report. Section 9 of the regulation requires that the report must be approved by the Council and the Chief Financial Officer. Once approved, this package must be made available to members of the public for viewing and/or purchase.

**RECOMMENDATION:**

That Council approve the report as presented and the report then be forwarded to the Ministry as required under the regulations.

Respectfully submitted,

A handwritten signature in dark ink, appearing to read "Yoginder Bhalla", is written over a horizontal line.

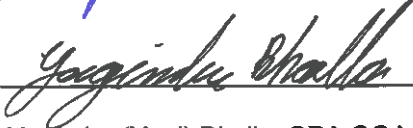
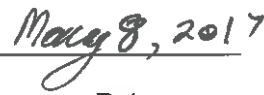
Yoginder (Yogi) Bhalla,  
Chief Financial Officer

THE CORPORATION OF THE VILLAGE OF ASHCROFT  
Financial Information Act

THE CORPORATION OF THE VILLAGE OF ASHCROFT  
Financial Information Act

**Statement of Financial Information Approval  
for the Year Ended December 31, 2016**

The undersigned, as authorized by the Financial Information Regulation, Schedule 1, subsection 9(2), approves all the statements and schedules included in the Statement of Financial Information, produced under the Financial Information Act.


  
\_\_\_\_\_  
John C. (Jack) Jeyes  
Mayor  
\_\_\_\_\_  
Yoginder (Yogi) Bhalla, CPA CGA  
Chief Financial Officer  
\_\_\_\_\_  
Date

THE CORPORATION OF THE VILLAGE OF ASHCROFT  
Financial Information Act

**Statement of Guarantee & Indemnity Agreements  
for the Year Ended December 31, 2016**

This Corporation has not given any guarantees or indemnities under the Guarantees and Indemnities Regulations.


  
Yoginder Bhalla CPA, CGA  
Chief Financial Officer


  
Date

THE CORPORATION OF THE VILLAGE OF ASHCROFT  
Financial Information Act

**Statement of Severance Agreements  
for the Year Ended December 31, 2016**

There were no severance agreements made between the Corporation of the Village of Ashcroft and its non-unionized employees during the 2016 fiscal year.

  
Yoginder Bhalla, CPA, CGA  
Chief Financial Officer

  
Date

THE CORPORATION OF THE VILLAGE OF ASHCROFT  
Financial Information Act

**Schedule Showing the Remuneration & Expenses  
Paid to or on behalf of Each Employee  
for Year Ending December 31, 2016**

**1. Elected Officials**

<b>Name</b>	<b>Position</b>	<b>Remuneration</b>	<b>Expenses</b>
Jeyes, Jack	Mayor	\$13,542.00	4,435.00
Lambert, Doreen	Councillor	7,326.00	2,411.00
Kormendy, Helen	Councillor	1,831.50	20.00
Mertens, Al	Councillor	3,663.00	1,011.00
Roden, Barb	Councillor	7,326.00	3,542.00
Trill, Alf	Councillor	7,326.00	2,514.00
<b>Total paid to Elected Officials</b>		<b>\$41,015</b>	<b>13,933.00</b>

**2. Other Employees (excluding those listed in Part 1 above)**


<b>Name</b>	<b>Remuneration</b>	<b>Expenses</b>
<b>Employees with Remuneration &amp; Expenses exceeding \$75,000.</b>		
Allen, Michelle	\$110,368	6,158.00
Bhalla, Yoginder	77,782	6,364.00
Aie, Edwin	76,263	2,438.00
Battel, Oscar	78,076	1,776.00
Oliver, Ronald	75,478	3,718.00
Sidwell, Robert	75,623	396.00
<b>Consolidated total of other employees with remuneration and expenses of \$75,000 or less</b>	<b>564,673</b>	<b>9,357.00</b>
<b>Total Paid to Other Employees</b>	<b>\$1,058,263</b>	<b>30,207.00</b>

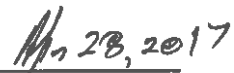
THE CORPORATION OF THE VILLAGE OF ASHCROFT  
Financial Information Act

**3. Reconciliation**

Total Paid to Elected Officials	\$41,015	T4'S
Total Paid to Other Employees	\$1,058,263	
<b>Subtotal</b>	<b>\$1,099,278</b>	
Reconciling Items	See Note	
<b>Total per Statement of Revenue and Expenditure</b>	<b>See Note</b>	
<b>Variance</b>	<b>See Note</b>	

Note: The Village of Ashcroft does not report remunerations on the Financial Statements as a separate line item, rather expenditures are recorded by object. As part of the auditing process our Auditors do perform a reconciliation involving T4 statements, payroll records, etc.

  
Yoginder (Yogi) Bhalla  
Chief Financial Officer

  
Date

THE CORPORATION OF THE VILLAGE OF ASHCROFT  
Financial Information Act

**Schedule Showing Payments Made for the Provision of Goods or Services  
for the Year Ended December 31, 2016**

**1. Alphabetical list of suppliers who received aggregate payments exceeding \$25,000**

Supplier Name	Aggregate amount paid to supplier
Associated Electrical Services Ltd	103,160.63
B C Hydro & Power Authority	228,104.34
BC Transit	120,923.86
Columbia Fuels	28,589.84
Cu Credit	37,088.81
District of Barriere	40,000.00
Fortis Bc -Natural Gas	35,837.38
Guillevin International Co.	74,901.74
Hub Fire Engines & Equipment Ltd	448,514.59
Telus Communications (Bc) Inc.	25,810.91
Urban Systems Ltd	112,733.41
Valley First Insurance Services	91,346.00
<b>Total aggregate amount paid to suppliers</b>	<b>\$ 1,347,011.51</b>

**2. Consolidated total paid to suppliers who received aggregate payment of \$25,000 or less**

	<b>\$ 573,674.21</b>
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**3. Total of payments to suppliers for grants and contributions exceeding \$25,000**

Consolidated total of grants exceeding \$25,000	Nil
Consolidated total of contributions exceeding \$25,000	Nil
Consolidated total of all grants and contributions exceeding \$25,000	Nil

**4. Reconciliation**

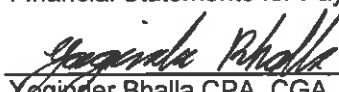
Total of aggregate payments exceeding \$25,000 paid to suppliers	\$ 1,347,011.51
Consolidated total of payments of \$25,000 or less paid to suppliers	\$ 567,875.22
Consolidated total of all grants and contributions exceeding \$25,000	\$ -
	<b>\$ 1,914,886.73</b>


Total per Statement of Revenue and Expenditure	\$ 2,706,929.00
Less: remuneration/transfers included in above	\$ (1,150,118.32)
Less: amortization included in above	\$ (319,543.00)
Add: Increase in Net Tangible Capital Assets	\$ 736,139.00
Add: debt payments	\$ -
	<b>\$ 1,973,406.68</b>

Variance \$ 58,519.95      2.97%

Reconciling items See note

Note: The Corporation does not report a separate line item in the Financial Statements for Payments of Goods and Services.

  
Yoginder Bhalla CPA, CGA  
Chief Financial Officer

  
Date



***VILLAGE OF ASHCROFT***

***STATEMENT OF FINANCIAL INFORMATION APPROVAL***

The undersigned, as authorized by the Financial Information Regulation, Schedule 1, subsection 9(2), approves all the statements and schedules included in this Statement of Financial Information, produced under the *Financial Information Act*.



Name           Yoginder Bhalla  
Position of     Financial Officer  
Date:           April 28<sup>th</sup>, 2017

Prepared pursuant to the Financial Information Regulation, Schedule 1, section 9

# Financial Information Regulation, Schedule 1

## Checklist – Statement of Financial Information (SOFI)

### For the Corporation:

Corporate Name: Village of Ashcroft Contact Name: Yoginder (Yogi) Bhalla  
 Fiscal Year End: 2016 Phone Number: (250) 453-9161  
 Date Submitted: May 9, 2017 E-mail: yoginder@ashcroftbc.ca

### For the Ministry:

Ministry Name: \_\_\_\_\_ Reviewer: \_\_\_\_\_  
 Date Received: \_\_\_\_\_ Deficiencies: 

Yes		No	
Yes		No	

  
 Date Reviewed: \_\_\_\_\_ Deficiencies Addressed: 

Yes		No	
Yes		No	

  
 Approved (SFO): \_\_\_\_\_ Further Action Taken: \_\_\_\_\_

Distribution: Legislative Library ☐ Ministry Retention ☐

FIR Schedule 1 Section	Item	Yes	No	N/A	Comments
<b>General</b>					
1 (1) (a)	Statement of assets and liabilities	X			Financial Statements
1 (1) (b)	Operational statement	X			Financial Statements
1 (1) (c)	Schedule of debts	X			Financial Statements
1 (1) (d)	Schedule of guarantee and indemnity agreements	X			Nothing to report
1 (1) (e)	Schedule of employee remuneration and expenses	X			
1 (1) (f)	Schedule of suppliers of goods and services	X			
1 (3)	Statements prepared on a consolidated basis or for each fund, as appropriate	X			
1 (4) 1 (5)	Notes to the financial statements for the statements and schedules listed above	X			

FIR Schedule 1 Section	Item	Yes	No	N/A	Comments
<b>Statement of Assets &amp; Liabilities</b>					
2	<ul style="list-style-type: none"> <li>A balance sheet prepared in accordance with GAAP or stated accounting principles / policies, and</li> <li>Show changes in equity and surplus or deficit due to operations</li> </ul>	X			
<b>Operational Statement</b>					
3 (1)	Prepared in accordance with GAAP or stated accounting principles / policies and consists of: <ul style="list-style-type: none"> <li>a Statement of Income or Statement of Revenue and Expenditures, and</li> <li>a Statement of Changes in Financial Position</li> </ul>	X			
3 (2) 3 (3)	<ul style="list-style-type: none"> <li>The Statement of Changes in Financial Position may be omitted if it provides no additional information</li> <li>The omission must be explained in the notes</li> </ul>	X			
3 (4)	Community colleges, school districts, and municipalities must prepare a Statement of Changes in Financial Position for the Capital Fund	X			Financial Statements
<b>Schedule of Debts</b>					
4 (1) (a) 4 (2)	List each long-term debt (secured by debentures, mortgages, bonds, etc.), stating the amount outstanding, the interest rate, and the maturity date	X			Financial Statements
4 (1) (b)	Identify debts covered by sinking funds or reserves and amounts in these accounts			X	
4 (3) 4 (4)	<ul style="list-style-type: none"> <li>The schedule may be omitted if addressed under section 2 or 5 and it provides no additional information</li> <li>The omission must be explained in a note to the schedule</li> </ul>			X	

<b>FIR Schedule 1 Section</b>	<b>Item</b>	<b>Yes</b>	<b>No</b>	<b>N/A</b>	<b>Comments</b>
<b>Schedule of Guarantee and Indemnity Agreements</b>					
5 (1)	List financial agreements that required government approval prior to being given (see Guarantees and Indemnities Regulation in FIA Guidance Package)	X			
5 (2)	State the entities involved, and the specific amount involved if known	X			Nothing to report
5 (3) 5 (4)	<ul style="list-style-type: none"> <li>The schedule may be omitted if addressed under section 2 or 4 and it provides no additional information</li> <li>The omission must be explained in a note to the schedule</li> </ul>	X			Nothing to report
<b>Schedule of Remuneration and Expenses</b> (See Guidance Package for suggested format)					
6 (2) (a)	List separately, by name and position, the total remuneration and the total expenses for each elected official, member of the board of directors, and employee appointed by Cabinet	X			
6 (2) (b)	List alphabetically each employee whose total remuneration exceeds \$75,000 and the total expenses for each [excluding the persons listed under 6 (2) (a)]	X			
6 (2) (c)	Include a consolidated total for employees whose remuneration is \$75,000 or less [excluding the persons listed under 6 (2) (a)]	X			
6 (2) (d)	Reconcile or explain any difference between total remuneration in this schedule and related information in the operational statement	X			
6 (3)	Exclude personal information other than name, position, function or remuneration and expenses of employees	X			

<b>FIR Schedule 1 Section</b>	<b>Item</b>	<b>Yes</b>	<b>No</b>	<b>N/A</b>	<b>Comments</b>
<b>Schedule of Remuneration and Expenses</b> (See Guidance Package for suggested format)					
6 (6)	Report the employer portion of EI and CPP as a supplier payment to the Receiver General for Canada rather than as employee remuneration	X			
6 (7) (a) 6 (7) (b)	Include a statement of severance agreements providing: <ul style="list-style-type: none"> <li>the number of severance agreements under which payment commenced in the fiscal year being reported on for non-union employees, and</li> <li>the range of equivalent months' compensation for them</li> </ul> (see Guidance Package for suggested format)	X			None to report
6 (8)	Provide the reason for omitting a statement of severance agreements in a note to the schedule of remuneration and expenses	X			None to report
<b>Schedule of Suppliers of Goods or Services</b> (See Guidance Package for suggested format)					
7 (1) (a)	List in alphabetical order all suppliers of goods and services who received aggregate payments exceeding \$25,000	X			
7 (1) (b)	Include a consolidated total of all payments to suppliers who received \$25,000 or less	X			
7 (1) (c)	Reconcile or explain any difference between the consolidated total and related figures in the operational statement	X			See note on schedule
7 (2) (b)	Include a statement of payments for the purposes of grants or contributions	X			

### Inactive Corporations

8 (1)	The ministry reports for the corporation if the corporation is not operating to the extent required to produce a SOFI			X	
8 (2) (a)	The ministry's report contains the statements and schedules required under section 1 (1), to the extent possible			X	
8 (2) (b)	The ministry's report contains a statement of the operational status of the corporation (see Guidance Package regarding what to include)			X	

### Approval of Financial Information

9 (1)	Corporations other than municipalities – the SOFI is signed as approved by the board of directors or the governing body (see Guidance Package for example)			X	
9 (2)	Municipalities – the SOFI is approved by its council and by the officer assigned responsibility for financial administration (see Guidance Package for example)	X			
9 (3)	A management report is included, signed by the head and chief financial officer, or by the municipal officer assigned responsibility for financial administration (see examples in annual report at <a href="http://www.gov.bc.ca/cas/popt/">http://www.gov.bc.ca/cas/popt/</a> )	X			
9 (4)	The management report explains the roles and responsibilities of the board of directors or governing body, audit committee, management, and the auditors	X			
9 (5)	Signature approvals required in section 9 are for each of the statements and schedules of financial information, not just the financial statements	X			

**THE CORPORATION OF THE VILLAGE OF ASHCROFT**  
**FINANCIAL STATEMENTS**  
**December 31, 2016**

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING	
INDEPENDENT AUDITORS' 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:**

**INDEPENDENT AUDITORS' COMMENTS ON 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

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Kamloops, BC V2C 3J4  
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Michael Parker, CPA, CA  
Maureen McCurdy, CPA, CA  
Sandra Blair, CPA, CA  
Shawn Birkenhead, CPA, CA  
Kevin Cooper, CPA, CA  
Incorporated Professionals

## INDEPENDENT AUDITORS' REPORT

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

### ***Report on the Financial Statements***

We have audited the accompanying consolidated financial statements of THE CORPORATION OF THE VILLAGE OF ASHCROFT, which comprise the consolidated statement of financial position as at December 31, 2016, and the consolidated statement 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 a summary of significant accounting policies and other explanatory information.

### ***Management's Responsibility 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 misstatements, whether due to fraud or error.

### ***Auditors' Responsibility***

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

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

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

### ***Opinion***

In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of THE CORPORATION OF THE VILLAGE OF ASHCROFT as at December 31, 2016, 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.

*Daley + Company LLP*

Chartered Professional Accountants

Kamloops, BC  
March 13, 2017

### ***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, 2016**

<b>FINANCIAL ASSETS</b>	<b>2016</b>	<b>2015</b>
Cash (Note 4)	<b>\$ 2,347,377</b>	<b>\$ 1,986,152</b>
Restricted cash (Note 4)	<b>2,908,591</b>	<b>2,685,818</b>
Accounts receivable	<b>127,671</b>	<b>89,090</b>
Taxes and utilities receivable	<b>103,478</b>	<b>120,425</b>
	<b><u>5,487,117</u></b>	<b><u>4,881,485</u></b>
 <b>LIABILITIES</b>		
Accounts payable and accrued liabilities	<b>364,903</b>	<b>234,611</b>
Deferred revenue (Note 5)	<b>583,184</b>	<b>486,546</b>
Demand loan (Note 6)	<b>414,444</b>	<b>-</b>
	<b><u>1,362,531</u></b>	<b><u>721,157</u></b>
 <b>NET FINANCIAL ASSETS</b>	<b><u>4,124,586</u></b>	<b><u>4,160,328</u></b>
 <b>NON-FINANCIAL ASSETS</b>		
Tangible capital assets (Note 7)	<b>6,250,058</b>	<b>5,878,070</b>
Prepaid expenses	<b>76,345</b>	<b>31,737</b>
	<b><u>6,326,403</u></b>	<b><u>5,909,807</u></b>
 <b>ACCUMULATED SURPLUS (Note 8)</b>	<b><u>\$ 10,450,989</u></b>	<b><u>\$ 10,070,135</u></b>

**COMMITMENTS AND CONTINGENCIES (Note 9)**

**APPROVED ON BEHALF OF MAYOR AND COUNCIL:**

  
Joginder Bhalla, CFO

See accompanying notes to financial statements.

**THE CORPORATION OF THE VILLAGE OF ASHCROFT  
CONSOLIDATED STATEMENT OF ACCUMULATED SURPLUS  
Year ended December 31, 2016**

	<b>2016</b>	2015
ACCUMULATED SURPLUS, beginning of year	<b>\$ 10,070,135</b>	\$ 9,819,182
ANNUAL SURPLUS	<u>380,854</u>	<u>250,953</u>
ACCUMULATED SURPLUS, end of year	<u><b>\$ 10,450,989</b></u>	<u>\$ 10,070,135</u>

See accompanying notes to financial statements.

**THE CORPORATION OF THE VILLAGE OF ASHCROFT**  
**CONSOLIDATED STATEMENT OF OPERATIONS**  
Year ended December 31, 2016

	Budget (Note 14)	2016	2015
<b>REVENUES:</b>			
Municipal taxation (Note 11)	\$ 1,367,424	<b>\$ 1,370,024</b>	\$ 1,356,162
Sales of services	740,625	<b>743,127</b>	706,953
Government grants	1,417,679	<b>797,919</b>	741,841
Borrowings, licences, permits, penalties and fines	125,774	<b>176,713</b>	140,005
	<u>3,651,502</u>	<u><b>3,087,783</b></u>	<u>2,944,961</u>
<b>EXPENSES:</b>			
General government services	429,264	<b>397,119</b>	408,317
Protective services	117,173	<b>102,388</b>	103,597
Transportation services	587,301	<b>545,791</b>	637,848
Environmental and public health services	274,754	<b>167,876</b>	184,874
Recreational and cultural services	835,202	<b>760,604</b>	691,073
Water and sewer services	741,224	<b>733,151</b>	668,299
	<u>2,984,918</u>	<u><b>2,706,929</b></u>	<u>2,694,008</u>
<b>ANNUAL SURPLUS</b>	<b>\$ 666,584</b>	<b>\$ 380,854</b>	<b>\$ 250,953</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, 2016**

	Budget	2016	2015
ANNUAL SURPLUS	\$ 666,584	\$ 380,854	\$ 250,953
Acquisition of tangible capital assets	(846,600)	(691,531)	(153,909)
Amortization of tangible capital assets	285,650	319,543	309,015
Change in prepaid expenses		(44,608)	17,937
INCREASE (DECREASE) IN NET FINANCIAL ASSETS	105,634	(35,742)	423,996
NET FINANCIAL ASSETS, beginning of year	4,160,328	4,160,328	3,736,332
NET FINANCIAL ASSETS, end of year	\$ 4,265,962	\$ 4,124,586	\$ 4,160,328

See accompanying notes to financial statements.

**THE CORPORATION OF THE VILLAGE OF ASHCROFT**  
**CONSOLIDATED STATEMENT OF CASH FLOWS**  
Year ended December 31, 2016

	2016	2015
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Annual surplus	\$ 380,854	\$ 250,953
Non-cash changes to operations:		
Amortization	319,543	309,015
(Increase) decrease in:		
Accounts receivable	(38,581)	(32,568)
Taxes and utilities receivable	16,947	42,138
Prepaid expenses	(44,608)	17,937
Increase (decrease) in:		
Accounts payable	130,292	(38,588)
Deferred revenue	96,638	109,022
Cash flows from operations	<u>861,085</u>	<u>657,909</u>
<b>CASH FLOWS FROM CAPITAL ACTIVITIES:</b>		
Acquisition of tangible capital assets	(691,531)	(153,909)
Cash flows used in capital	<u>(691,531)</u>	<u>(153,909)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
Proceeds from issuance of demand loan	563,244	-
Repayment of demand loan	(148,800)	(18,551)
Cash flows from (used in) financing	<u>414,444</u>	<u>(18,551)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Statutory reserve fund	(271,622)	(274,063)
Reserve for future expenditures	48,849	(115,077)
Cash flows used in investing	<u>(222,773)</u>	<u>(389,140)</u>
<b>INCREASE IN CASH RESOURCES</b>	<b>361,225</b>	<b>96,309</b>
<b>CASH RESOURCES, beginning of year</b>	<b><u>1,986,152</u></b>	<b><u>1,889,843</u></b>
<b>CASH RESOURCES, end of year</b>	<b><u>\$ 2,347,377</u></b>	<b><u>\$ 1,986,152</u></b>

See accompanying notes to financial statements.

**THE CORPORATION OF THE VILLAGE OF ASHCROFT  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
December 31, 2016**

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**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, 2016**

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**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:**

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. 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, 2016**

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

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.

**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.

**NOTE 4. CASH AND RESTRICTED CASH:**

	2016	2015
Statutory Reserve Fund	\$ 1,630,759	\$ 1,359,135
Reserve for future expenditures	<u>1,277,832</u>	<u>1,326,683</u>
Restricted cash	<b>2,908,591</b>	2,685,818
Unrestricted cash	<u><b>2,347,377</b></u>	<u>1,986,152</u>
	<u><b>\$ 5,255,968</b></u>	<u>\$ 4,671,970</u>
Consists of:		
Cash	<b>\$ 3,827,480</b>	\$ 3,271,745
Investments in pooled bond funds	<u><b>1,428,488</b></u>	<u>1,400,225</u>
	<u><b>\$ 5,255,968</b></u>	<u>\$ 4,671,970</u>

**THE CORPORATION OF THE VILLAGE OF ASHCROFT**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**December 31, 2016**

**NOTE 5. DEFERRED REVENUE:**

	2016	2015
Federal Gas Tax Agreement - Community Works Fund:		
Opening balance of unspent funds	\$ 486,546	\$ 366,404
Add: Amount received during the year	121,177	117,229
Interest earned	3,484	2,913
Less: Revenue recognized during the year	<u>(28,023)</u>	<u>-</u>
Closing balance of unspent funds	<u>\$ 583,184</u>	<u>\$ 486,546</u>

**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.

**NOTE 6. DEMAND LOAN:**

	2016	2015
Municipal Finance Authority of BC loan, repayable in monthly installments of \$1,979 starting January 2, 2017, maturing December 13, 2021, with a daily floating interest rate of 1.41%.	<u>\$ 414,444</u>	<u>\$ -</u>

Principal repayment terms are approximately:

2017	\$ 18,185
2018	18,279
2019	18,538
2020	18,801
2021	19,068
Thereafter	321,573
	<u>\$ 414,444</u>

**NOTE 7. TANGIBLE CAPITAL ASSETS:**

	2016	2015
Tangible capital assets consist of the following:		
Land	\$ 600,280	\$ 600,280
Pool, arena and other facilities	777,803	802,155
Buildings	379,481	394,765
Machinery and equipment	983,530	538,923
Roads	681,784	803,044
Storm sewer	388,443	392,310
Plants and facilities	1,431,860	1,319,222
Underground networks	<u>1,006,877</u>	<u>1,027,371</u>
	<u>\$ 6,250,058</u>	<u>\$ 5,878,070</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, 2016**

<b>NOTE 8. ACCUMULATED SURPLUS:</b>	<b>2016</b>	<b>2015</b>
Accumulated surplus consists of individual fund surpluses and reserves as follows:		
Surplus from operations	<u>\$ 1,706,784</u>	<u>\$ 1,506,245</u>
Invested in tangible capital assets	<u>5,835,614</u>	<u>5,878,070</u>
Statutory reserve funds:		
Capital works reserve	<u>1,478,824</u>	<u>1,252,466</u>
Machinery and equipment replacement reserve	<u>151,935</u>	<u>106,671</u>
	<u>1,630,759</u>	<u>1,359,137</u>
Reserves for future expenditure:		
General	<u>360,500</u>	<u>360,500</u>
Fire department	<u>137,651</u>	<u>207,052</u>
Curling club	<u>51,986</u>	<u>45,499</u>
Transit	<u>40,890</u>	<u>26,827</u>
Water	<u>664,010</u>	<u>664,010</u>
Sewer	<u>22,795</u>	<u>22,795</u>
	<u>1,277,832</u>	<u>1,326,683</u>
	<u><u>\$ 10,450,989</u></u>	<u><u>\$ 10,070,135</u></u>

**NOTE 9. 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, 2016, are as follows:

2017	\$ 4,237
2018	4,237
2019	4,237
2020	4,237
2021	1,059
	<u>\$ 18,007</u>

- b) 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, 2015, the plan has about 189,000 active members and approximately 85,000 retired members. Active members include approximately 37,000 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 is then adjusted to the extent there is amortization of any funding deficit.

**THE CORPORATION OF THE VILLAGE OF ASHCROFT**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**December 31, 2016**

**NOTE 9. COMMITMENTS AND CONTINGENCIES (continued):**

The most recent valuation for the Municipal Pension Plan as at December 31, 2015, indicated a \$2,224 million funding surplus for basic pension benefits on a going concern basis.

The Village paid \$95,149 (2015 - \$86,689) for employer contributions to the plan in 2016. Active members include approximately 11 contributors from the Village.

The next valuation will be as at December 31, 2018, with results available in 2019.

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.

- c) The Village was approved for a Small Communities Fund grant in the current year for construction of a water treatment plant. The total project is expected to cost \$9.873 million over the next four years, with the grant covering 2/3 of this amount for a total of \$5.725 million. The remaining cost of the project is to be covered by Village sources, including borrowings of \$4.128 million. Total costs on this project to the year-end date are \$139,670. Total amounts received as revenue from the grant to the year-end date are \$93,120.

**NOTE 10. 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:

	2016	2015
BALANCE, beginning of year	\$ 51,310	\$ 48,314
Add:		
Proceeds from sale of plots and monuments	850	2,600
Interest earned	347	396
	<u>\$ 52,507</u>	<u>\$ 51,310</u>
BALANCE, end of year		
	<u>\$ 52,507</u>	<u>\$ 51,310</u>
The perpetual care trust fund is represented by:		
Cash and short-term investments	\$ 52,407	\$ 48,610
Due from General Revenue Fund	100	2,700
	<u>\$ 52,507</u>	<u>\$ 51,310</u>

**THE CORPORATION OF THE VILLAGE OF ASHCROFT**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
December 31, 2016

**NOTE 11. TAXATION REVENUE:**

**2016**

**2015**

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

**Tax collected:**

General purposes

**\$ 1,370,024**

**\$ 1,356,162**

Collections for other governments

**1,078,634**

**1,028,579**

**2,448,658**

**2,384,741**

**Less transfers to other governments:**

Province of BC - school taxes

**655,137**

**635,745**

Thompson-Nicola Regional District

**245,329**

**229,325**

Thompson Regional Hospital District

**91,915**

**81,608**

Municipal Finance Authority

**39**

**35**

BC Assessment Authority

**12,459**

**12,120**

Policing

**73,755**

**69,746**

**1,078,634**

**1,028,579**

**\$ 1,370,024**

**\$ 1,356,162**

**NOTE 12. 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.

**THE CORPORATION OF THE VILLAGE OF ASHCROFT**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**December 31, 2016**

**NOTE 12. SEGMENTED INFORMATION (continued):**

**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 13. CASH FLOW INFORMATION:**

During the year, the Village received \$51,319 (2015 - \$68,176) in interest income.

**NOTE 14. 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	\$ 1,367,424	\$ -	\$ 1,367,424
Sales of services	740,625	-	740,625
Government grants	1,417,679	-	1,417,679
Borrowings, licences, permits, penalties and fines	125,774	-	125,774
Borrowing proceeds - MFA	238,846	(238,846)	-
Transfers between services	80,000	(80,000)	-
DCC	285,170	(285,170)	-
Transfer from Surplus	123,280	(123,280)	-
	<u>4,378,798</u>	<u>(727,296)</u>	<u>3,651,502</u>
<b>EXPENSES:</b>			
General government services	429,264	-	429,264
Protective services	117,173	-	117,173
Transportation services	587,301	-	587,301
Environmental and public health services	274,754	-	274,754
Recreational and cultural services	835,202	-	835,202
Water and sewer services	741,224	-	741,224
Debt principal repayment	18,550	(18,550)	-
Acquisition of tangible capital assets	846,600	(846,600)	-
Transfer to reserves	528,730	(528,730)	-
	<u>4,378,798</u>	<u>(1,393,880)</u>	<u>2,984,918</u>
<b>ANNUAL SURPLUS</b>	<u>\$ -</u>	<u>\$ 666,584</u>	<u>\$ 666,584</u>

**THE CORPORATION OF THE VILLAGE OF ASHCROFT**  
**CONSOLIDATED SCHEDULE OF TANGIBLE CAPITAL ASSETS**  
Year ended December 31, 2016

	General				Water			Sewer			Totals	
	Land	Pool, Arena and Other	Buildings	Machinery & Equipment	Roads	Storm Sewer	Plants & Facilities	Underground Networks	Plants & Facilities	Underground Networks	2016	2015
<b>Cost</b>												
Balance, beginning of year	\$ 600,280	\$ 1,916,553	\$ 1,874,611	\$ 1,830,448	\$ 7,268,341	\$ 530,323	\$ 1,741,220	\$ 1,305,053	\$ 1,619,036	\$ 771,997	\$ 19,257,862	\$ 19,103,953
Add: Additions during the year	-	-	15,050	515,984	-	-	121,844	-	38,653	-	891,531	153,909
Less: Disposals during the year	-	-	-	(80,962)	-	-	-	-	-	-	(80,962)	-
Balance, end of year	600,280	1,916,553	1,889,661	2,265,470	7,268,341	530,323	1,863,064	1,305,053	1,657,689	771,997	19,868,431	19,257,862
<b>Accumulated amortization</b>												
Balance, beginning of year	-	1,114,398	1,279,846	1,291,525	6,465,297	138,013	1,317,964	651,127	723,070	398,552	13,379,792	13,070,777
Add: Amortization	-	24,352	30,334	71,377	121,260	3,967	16,914	13,788	30,945	6,706	319,543	309,015
Less: Disposals during the year	-	-	-	(80,962)	-	-	-	-	-	-	(80,962)	-
Balance, end of year	-	1,138,750	1,310,180	1,281,940	6,586,557	141,880	1,334,878	664,915	754,015	405,258	13,618,373	13,379,792
<b>Net Book Value of Tangible Capital Assets</b>	<b>\$ 600,280</b>	<b>\$ 777,803</b>	<b>\$ 379,481</b>	<b>\$ 983,530</b>	<b>\$ 681,784</b>	<b>\$ 388,443</b>	<b>\$ 528,186</b>	<b>\$ 640,138</b>	<b>\$ 903,674</b>	<b>\$ 366,739</b>	<b>\$ 6,250,058</b>	<b>\$ 5,878,070</b>

Included in Plants & Facilities is \$139,670 (2015 - \$17,826) of tangible capital assets under construction. These assets have not been amortized.

Included in Machinery & Equipment is \$49,468 (2015 - \$nil) of contributed tangible capital assets.

**THE CORPORATION OF THE VILLAGE OF ASHCROFT**  
**STATEMENT OF FINANCIAL ACTIVITIES - SEGMENTED**  
**Year ended December 31, 2016**

	Government Services	Protective Services	Transportation Services	Environmental & Public Health Services	Recreational & Cultural Services	Water Services	Sewer Services	Reserve Funds	Total 2016	Total 2015
<b>REVENUES:</b>										
Municipal taxation	\$ 1,201,771	\$ -	\$ -	\$ -	\$ -	\$ 84,816	\$ 83,437	\$ -	\$ 1,370,024	\$ 1,358,162
Sales of services	6,970	11,152	928	110,310	79,153	276,777	257,839	-	743,129	706,953
Government grants	457,930	10,000	1,353	219,377	28,023	81,236	-	-	797,919	741,841
Borrowings, licences, permits, penalties and fines	15,454	-	-	-	-	1,640	1,500	-	18,594	16,965
Interest income	26,775	-	-	-	-	11,223	773	12,548	51,319	68,176
Donations and miscellaneous	92,533	725	-	-	13,301	239	-	-	106,798	54,864
	<u>1,801,433</u>	<u>21,877</u>	<u>2,281</u>	<u>329,687</u>	<u>120,477</u>	<u>455,931</u>	<u>343,549</u>	<u>12,548</u>	<u>3,087,783</u>	<u>2,944,961</u>
<b>EXPENSES:</b>										
Consulting and professional	21,081	12,472	-	-	-	-	17,288	-	50,841	60,960
Grants	8,305	-	-	-	-	-	-	-	8,305	10,265
Insurance	20,578	2,240	366	-	17,199	10,217	8,145	-	58,745	74,574
Office and administration	138,602	-	250	6,725	493	10,470	1,552	-	158,092	122,099
Amortization	251,190	-	-	-	-	30,702	37,651	-	319,543	309,015
Repairs and maintenance	7,354	-	58,877	61,632	150,795	125,441	57,920	-	462,019	498,760
Salaries and benefits	430,541	2,540	314,593	53,797	352,467	56,733	84,586	-	1,295,257	1,287,097
Supplies and materials	-	52,930	87,401	952	3,722	3,338	1,421	-	149,764	189,942
Utilities and telephone	10,423	8,093	60,355	-	91,281	-	34,211	-	204,363	141,296
Overhead allocations	(492,000)	24,108	24,996	44,772	144,648	116,148	137,328	-	-	-
	<u>396,074</u>	<u>102,383</u>	<u>546,838</u>	<u>167,878</u>	<u>760,805</u>	<u>353,049</u>	<u>380,102</u>	<u>-</u>	<u>2,706,929</u>	<u>2,694,008</u>
<b>EXCESS (DEFICIENCY)</b>										
REVENUES OVER EXPENSES	1,405,359	(80,506)	(544,557)	161,809	(640,128)	102,882	(36,553)	12,548	380,854	250,953
<b>INTERFUND TRANSFERS</b>	<u>(1,442,459)</u>	<u>80,506</u>	<u>544,557</u>	<u>(161,809)</u>	<u>640,128</u>	<u>40,000</u>	<u>40,000</u>	<u>259,077</u>	<u>-</u>	<u>-</u>
<b>ANNUAL SURPLUS (DEFICIT)</b>	<u>\$ (37,100)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 142,882</u>	<u>\$ 3,447</u>	<u>\$ 271,625</u>	<u>\$ 380,854</u>	<u>\$ 250,953</u>

See accompanying notes to financial statements.



**THE CORPORATION OF THE VILLAGE OF ASHCROFT**  
**STATEMENT OF FINANCIAL ACTIVITIES - SEGMENTED**  
**Year ended December 31, 2015**

	Government Services	Protective Services	Transportation Services	Environmental & Public Health Services	Recreational & Cultural Services	Water Services	Sewer Services	Reserve Funds	Total 2015
<b>REVENUES:</b>									
Municipal taxation	\$ 1,187,681	\$ -	\$ -	\$ -	\$ -	\$ 84,930	\$ 83,551	\$ -	\$ 1,356,162
Sales of services	1,299	14,115	600	113,351	81,121	239,258	257,209	-	706,953
Government grants	497,301	10,000	1,746	220,910	-	11,884	-	-	741,841
Borrowings, licences, permits, penalties and fines	16,865	-	-	-	-	100	-	-	16,965
Interest income	42,255	-	-	-	-	11,853	816	13,252	68,176
Donations and miscellaneous	40,324	658	-	-	13,354	403	125	-	54,864
	<u>1,785,725</u>	<u>24,773</u>	<u>2,346</u>	<u>334,261</u>	<u>94,475</u>	<u>348,428</u>	<u>341,701</u>	<u>13,252</u>	<u>2,944,961</u>
<b>EXPENSES:</b>									
Consulting and professional	24,587	11,925	1,630	-	-	-	22,818	-	60,960
Grants	10,265	-	-	-	-	-	-	-	10,265
Insurance	20,215	2,230	7,483	-	23,415	10,308	10,923	-	74,574
Office and administration	106,335	288	-	9,972	1,343	2,133	2,028	-	122,099
Amortization	253,929	-	-	-	-	24,403	30,683	-	309,015
Repairs and maintenance	10,470	-	145,417	52,755	117,695	126,470	45,953	-	498,760
Salaries and benefits	398,371	3,921	343,676	77,693	325,765	50,856	86,815	-	1,287,097
Supplies and materials	53,607	53,047	73,178	774	3,815	3,890	1,631	-	189,942
Utilities and telephone	10,466	8,666	42,260	-	77,944	-	1,960	-	141,296
Overhead allocations	(479,928)	23,520	24,204	43,680	141,096	113,364	134,064	-	-
	<u>408,317</u>	<u>103,597</u>	<u>637,848</u>	<u>184,874</u>	<u>691,073</u>	<u>331,424</u>	<u>336,875</u>	<u>-</u>	<u>2,694,008</u>
<b>EXCESS (DEFICIENCY)</b>									
REVENUES OVER EXPENSES	1,377,408	(78,824)	(635,502)	149,387	(596,598)	17,004	4,826	13,252	250,953
<b>INTERFUND TRANSFERS</b>									
	(1,503,973)	78,824	636,732	(149,387)	596,993	40,000	40,000	260,811	-
<b>ANNUAL SURPLUS (DEFICIT)</b>	<u>\$ (126,565)</u>	<u>\$ -</u>	<u>\$ 1,230</u>	<u>\$ -</u>	<u>\$ 395</u>	<u>\$ 57,004</u>	<u>\$ 44,826</u>	<u>\$ 274,063</u>	<u>\$ 250,953</u>

See accompanying notes to financial statements.



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## INDEPENDENT AUDITORS' COMMENTS ON SUPPLEMENTARY INFORMATION

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, 2016.

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 8 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 & Company LLP*

Chartered Professional Accountants

Kamloops, BC  
March 13, 2017

### 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 CPA LLP makes no representations of any kind to any other person in respect of the financial information and accepts no responsibility for its use by any other person in the absence of the written consent of Daley & Company CPA LLP.

**THE CORPORATION OF THE VILLAGE OF ASHCROFT  
GENERAL REVENUE FUND  
STATEMENT OF FINANCIAL POSITION  
December 31, 2016**

<b>FINANCIAL ASSETS</b>	<b>2016</b>	<b>2015</b>
Cash	<u>\$ 3,827,480</u>	<u>\$ 3,271,745</u>
Investments in pooled bond funds	<u>299,496</u>	<u>295,776</u>
Receivables:		
Taxes and utilities	103,478	120,425
General	<u>95,137</u>	<u>77,206</u>
	<u>198,615</u>	<u>197,631</u>
	<u>4,325,591</u>	<u>3,765,152</u>
<b>LIABILITIES</b>		
Accounts payable and accrued liabilities	223,144	107,481
Accrued wages and employee benefits	141,770	127,140
Deferred revenue	583,184	486,546
Long-term debt	414,444	-
Due to (from) Own Funds:		
Water Revenue Fund	1,158,698	1,138,831
Sewer Revenue Fund	315,421	313,749
Machinery and Equipment Replacement Reserve Fund	33,968	(8,732)
Perpetual Care Trust Fund	100	2,700
Capital Works Reserve Fund	<u>1,019,599</u>	<u>803,222</u>
	<u>3,890,328</u>	<u>2,970,937</u>
<b>NET FINANCIAL ASSETS</b>	<u>435,263</u>	<u>794,215</u>
<b>NON-FINANCIAL ASSETS</b>		
Tangible capital assets	3,811,322	3,531,478
Prepaid expenses	<u>76,345</u>	<u>31,737</u>
	<u>3,887,667</u>	<u>3,563,215</u>
<b>ACCUMULATED SURPLUS</b>	<u>\$ 4,322,930</u>	<u>\$ 4,357,430</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, 2016**

	Budget	2016	2015
<b>REVENUES:</b>			
Municipal taxation	\$ 1,198,924	\$ 1,201,771	\$ 1,187,681
Sales of services	209,625	208,511	210,486
Government Grants:			
Unconditional transfers from Provincial Government	407,000	399,825	421,681
Unconditional transfers from Local Government	209,000	219,377	220,910
Conditional transfers from regional and other governments	237,279	97,481	87,366
Borrowings, licences, permits, penalties and fines:			
Professional and business licences	10,000	9,575	9,603
Other	700	715	658
Animal violation	150	10	-
Municipal auto plates	400	373	398
Interest received	30,000	26,775	42,255
Penalties and interest on taxes	15,000	15,454	16,865
Rentals	10,000	11,195	11,504
Donations and other	37,224	87,293	29,573
Collections from other governments	-	-	-
	<u>2,365,302</u>	<u>2,278,355</u>	<u>2,238,980</u>
<b>EXPENSES (Schedule 3)</b>	<u>2,243,694</u>	<u>1,973,778</u>	<u>2,025,709</u>
<b>EXCESS OF REVENUES OVER EXPENSES</b>	121,608	304,577	213,271
<b>TRANSFER OF UNCONDITIONAL GRANT</b>	(80,000)	(80,000)	(80,000)
<b>TRANSFER TO STATUTORY RESERVE FUNDS</b>	<u>(259,258)</u>	<u>(259,077)</u>	<u>(260,811)</u>
<b>ANNUAL DEFICIT</b>	(217,650)	(34,500)	(127,540)
<b>ACCUMULATED SURPLUS, beginning of year</b>	<u>4,357,430</u>	<u>4,357,430</u>	<u>4,484,970</u>
<b>ACCUMULATED SURPLUS, end of year</b>	<u>\$ 4,139,780</u>	<u>\$ 4,322,930</u>	<u>\$ 4,357,430</u>

See accompanying notes to financial statements.

**THE CORPORATION OF THE VILLAGE OF ASHCROFT**  
**GENERAL REVENUE FUND**  
**STATEMENT OF EXPENSES**  
**Year ended December 31, 2016**

	Budget	2016	2015
<b>General Government Services:</b>			
Legislative Expense:			
Council indemnities and expenses	\$ 44,500	\$ 41,975	\$ 44,337
General Administration Expenses:			
Office	56,500	48,213	52,199
Building operation and maintenance	40,500	18,823	22,343
Legal and professional	37,000	21,081	24,587
Salaries and employee benefits	422,250	430,541	398,592
Other General Government Expenses:			
Amortization	230,000	251,190	253,743
Travel	5,000	4,286	3,252
Insurance	20,631	20,578	20,215
Election and referendum	-	10,585	-
Grants to organizations	10,700	8,305	10,265
Sundry	54,200	33,542	58,712
Less amounts transferred to other services	(492,017)	(492,000)	(479,928)
	<u>429,264</u>	<u>397,119</u>	<u>408,317</u>
<b>Protective Services:</b>			
Administration	23,895	22,904	22,678
Volunteer stipends and benefits	25,100	17,319	18,588
Building operation and maintenance	9,600	8,099	8,666
Equipment	30,220	27,609	30,129
Emergency measures	2,200	1,245	1,670
Building inspection	4,414	4,414	4,414
Animal pest control	8,000	8,058	7,511
Sundry	13,744	12,740	9,941
	<u>117,173</u>	<u>102,388</u>	<u>103,597</u>
<b>Transportation Services:</b>			
Administration	313,874	315,635	315,342
Equipment operation and maintenance	71,000	61,114	65,859
Building operation and maintenance	44,000	41,448	23,073
Road and street maintenance	92,227	58,498	103,849
Street lighting	43,000	47,481	39,082
Traffic services	21,200	21,615	89,013
Sundry	2,000	-	1,630
	<u>587,301</u>	<u>545,791</u>	<u>637,848</u>
<b>Environmental and Public Health Services:</b>			
Garbage and waste collection	78,909	73,092	71,806
Cemetery	31,340	15,974	26,765
Planning and zoning	2,500	-	3,784
Community development	113,333	49,245	62,850
Natural resource development	8,796	9,064	8,796
Tourism and promotion	3,000	(15)	3,863
Sundry	36,876	20,516	7,010
	<u>274,754</u>	<u>167,876</u>	<u>184,874</u>
<b>Recreational and Cultural Services:</b>			
Administration	233,934	239,110	232,741
Community hall	37,900	23,229	13,430
Lady Minto building	21,410	13,570	12,264
Swimming pool	154,858	141,632	133,206
Arena	168,959	176,873	153,602
Parks and playgrounds	94,205	107,303	78,815
Historic sites	10,613	5,175	2,930
Museum	55,023	42,717	50,090
Curling club	58,300	10,995	13,995
	<u>835,202</u>	<u>760,604</u>	<u>691,073</u>
<b>TOTAL EXPENSES</b>	<b>\$ 2,243,694</b>	<b>\$ 1,973,778</b>	<b>\$ 2,025,709</b>

See accompanying notes to financial statements.

**THE CORPORATION OF THE VILLAGE OF ASHCROFT  
WATER REVENUE FUND  
STATEMENT OF FINANCIAL POSITION  
December 31, 2016**

<b>FINANCIAL ASSETS</b>	<b>2016</b>	<b>2015</b>
Investments in pooled bond funds	<b>\$ 516,239</b>	<b>\$ 505,016</b>
Accounts receivable	<b>32,534</b>	<b>11,884</b>
Due from Own Funds: General Revenue Fund	<u><b>1,158,698</b></u>	<u><b>1,138,831</b></u>
<b>NET FINANCIAL ASSETS</b>	<b>1,707,471</b>	<b>1,655,731</b>
<b>NON-FINANCIAL ASSETS</b>		
Tangible capital assets	<u><b>1,168,324</b></u>	<u><b>1,077,182</b></u>
<b>ACCUMULATED SURPLUS</b>	<u><b>\$ 2,875,795</b></u>	<u><b>\$ 2,732,913</b></u>

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, 2016

	Budget	2016	2015
REVENUES:			
Municipal taxation - water levy	\$ 85,000	\$ 84,816	\$ 84,930
Sale of services	276,000	276,777	239,258
Government grants	564,400	81,236	11,884
Other revenues	19,300	13,102	12,356
	<u>944,700</u>	<u>455,931</u>	<u>348,428</u>
EXPENSES:			
Maintenance and administration	363,946	322,347	307,021
Amortization	24,935	30,702	24,403
	<u>388,881</u>	<u>353,049</u>	<u>331,424</u>
EXCESS OF REVENUES OVER EXPENSES	555,819	102,882	17,004
TRANSFER OF UNCONDITIONAL GRANT	<u>40,000</u>	<u>40,000</u>	<u>40,000</u>
ANNUAL SURPLUS	595,819	142,882	57,004
ACCUMULATED SURPLUS, beginning of year	<u>2,732,913</u>	<u>2,732,913</u>	<u>2,675,909</u>
ACCUMULATED SURPLUS, end of year	<u>\$ 3,328,732</u>	<u>\$ 2,875,795</u>	<u>\$ 2,732,913</u>

See accompanying notes to financial statements.

**THE CORPORATION OF THE VILLAGE OF ASHCROFT**  
**SEWER REVENUE FUND**  
**STATEMENT OF FINANCIAL POSITION**  
**December 31, 2016**

<b>FINANCIAL ASSETS</b>	<b>2016</b>	<b>2015</b>
Investments in pooled bond funds	<b>\$ 35,560</b>	<b>\$ 34,787</b>
Due from Own Funds:		
General Revenue Fund	<u><b>315,421</b></u>	<u>313,749</u>
<b>NET FINANCIAL ASSETS</b>	<b>350,981</b>	<b>348,536</b>
<b>NON-FINANCIAL ASSETS</b>		
Tangible capital assets	<u><b>1,270,412</b></u>	<u>1,269,410</u>
<b>ACCUMULATED SURPLUS</b>	<u><b>\$ 1,621,393</b></u>	<u><b>\$ 1,617,946</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, 2016**

	Budget	2016	2015
REVENUES:			
Municipal taxation - sewer levy	\$ 83,500	\$ 83,437	\$ 83,551
Sale of services	255,000	257,839	257,209
Other revenues	3,000	2,273	941
	<u>341,500</u>	<u>343,549</u>	<u>341,701</u>
EXPENSES:			
Maintenance and administration	321,628	342,451	306,192
Amortization	30,715	37,651	30,683
	<u>352,343</u>	<u>380,102</u>	<u>336,875</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	(10,843)	(36,553)	4,826
TRANSFER OF UNCONDITIONAL GRANT	<u>40,000</u>	<u>40,000</u>	<u>40,000</u>
ANNUAL SURPLUS	29,157	3,447	44,826
ACCUMULATED SURPLUS, beginning of year	<u>1,617,946</u>	<u>1,617,946</u>	<u>1,573,120</u>
ACCUMULATED SURPLUS, end of year	<u>\$ 1,647,103</u>	<u>\$ 1,621,393</u>	<u>\$ 1,617,946</u>

See accompanying notes to financial statements.

**THE CORPORATION OF THE VILLAGE OF ASHCROFT**  
**STATUTORY RESERVE FUNDS**  
**STATEMENT OF FINANCIAL POSITION**  
**December 31, 2016**

**FINANCIAL ASSETS**

	Machinery and Equipment Replacement Reserve	Capital Works Reserve	Total 2016	Total 2015
Investments in pooled bond funds	\$ 117,968	\$ 459,225	\$ 577,193	\$ 564,645
Due (to) from General Revenue Fund	33,968	1,019,599	1,053,567	794,490
	<u>\$ 151,936</u>	<u>\$ 1,478,824</u>	<u>\$ 1,630,760</u>	<u>\$ 1,359,135</u>

**RESERVES**

BALANCE, beginning of year	<u>\$ 106,671</u>	<u>\$ 1,252,464</u>	<u>\$ 1,359,135</u>	<u>\$ 1,085,072</u>
REVENUE: Interest earned	<u>2,565</u>	<u>9,983</u>	<u>12,548</u>	<u>13,252</u>
TRANSFERS: (To) General Revenue	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
From General Revenue	<u>42,700</u>	<u>216,377</u>	<u>259,077</u>	<u>260,811</u>
	<u>42,700</u>	<u>216,377</u>	<u>259,077</u>	<u>260,811</u>
BALANCE, end of year	<u>\$ 151,936</u>	<u>\$ 1,478,824</u>	<u>\$ 1,630,760</u>	<u>\$ 1,359,135</u>

See accompanying notes to financial statements.