

Package #1

PENELAKUT TRIBE
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2016

Brynjolfson & Company
Chartered Professional Accountant

PENELAKUT TRIBE
CONSOLIDATED FINANCIAL STATEMENTS
MARCH 31, 2016

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MANAGEMENT'S REPORT

Management's Responsibility for the Consolidated Financial Statements

The accompanying consolidated financial statements of Penelakut Tribe are the responsibility of management and have been approved by Chief and Council.

The consolidated financial statements have been prepared by management in accordance with Canadian public sector accounting standards prescribed for governments as recommended by the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants and as such include amounts that are the best estimates and judgments of management.

Management is responsible for the integrity and objectivity of these statements and for implementing and maintaining a system of internal controls to provide reasonable assurance that reliable financial information is produced.


Chief and Council are responsible for ensuring that management fulfills its responsibilities for financial reporting and internal control and is ultimately responsible for reviewing and approving the consolidated financial statements.

Chief and Council meet periodically with management, as well as the external auditor, to discuss internal controls over the financial reporting process, auditing matters and financial reporting issues, to satisfy themselves that each party is properly discharging their responsibilities, and to review the financial statements and the external auditor's report.

The external auditors, Brynjolfson & Company, conduct an independent examination, in accordance with Canadian auditing standards, and express their opinion on the consolidated financial statements. The external auditors have full and free access to financial management of Penelakut First Tribe and meet when required.

On behalf of Penelakut Tribe:

Date July 25/16.


Band Administrator



Brynjolfson & Co.
Chartered Professional Accountant

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INDEPENDENT AUDITOR'S REPORT

To the Members of Penelakut Tribe:

I have audited the accompanying financial statements of Penelakut Tribe, which comprise the consolidated statement of financial position as at March 31, 2016, and the consolidated statement of operations, consolidated statement of change in net debt, and consolidated statement of cash flow 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 financial statements in accordance with Canadian generally accepted accounting principles, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the 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 financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the financial statements present fairly, in all material respects, the financial position of Penelakut Tribe as at March 31, 2016, and its financial performance and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

The supplementary information contained in the accompanying schedules is presented for purposes of additional information to the membership and Indian and Northern Affairs Canada and do not form part of the financial statements. The schedules have not been audited other than in the course of my audit of the financial statements to the extent necessary to allow me to render an opinion thereon.



Date: July 12, 2016
Victoria, B.C.


Chartered Professional Accountant

PENELAKUT TRIBE
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
March 31, 2016

	2016	2015
Financial Assets		
Cash	884,204	949,550
Restricted Cash, Note 10	942,164	899,984
Accounts Receivable, Note 2	<u>509,576</u>	<u>453,532</u>
	<u>2,335,944</u>	<u>2,303,066</u>
Liabilities		
Accounts Payable and accrued liabilities, Note 7	375,418	413,180
Demand loans	820,116	124,679
Deferred revenue	-	10,400
Replacement and Operation Reserves	770,112	762,427
Long Term Debt, Note 5	<u>4,904,188</u>	<u>4,361,784</u>
	<u>6,869,834</u>	<u>5,672,470</u>
Net Debt	(4,533,890)	(3,369,404)
Non-financial assets		
Tangible capital assets, Note 4	12,375,489	11,067,689
Prepaid Expenses	<u>6,887</u>	<u>82,761</u>
	<u>12,382,376</u>	<u>11,150,450</u>
Accumulated surplus/(deficit)	<u>7,848,486</u>	<u>7,781,046</u>
<i>Contingencies, Note 13</i>		

Approved by:

 Chief
 _____ Councillor
 Councillor

 Councillor
 Councillor
 Council

PENELAKUT TRIBE
CONSOLIDATED STATEMENT OF OPERATIONS
For the year ended March 31, 2016

	<u>2016</u>	<u>2015</u>
	Budget	Actual
	\$	\$
Revenue		
Aboriginal Affairs and Northern Dev. Canada	5,689,417	5,663,004
Other	4,812,377	4,818,921
Social Housing - CMHC Subsidy	246,056	246,056
Social Housing - Rent Income	<u>269,059</u>	<u>298,916</u>
	<u>11,016,909</u>	<u>11,026,897</u>
		<u>8,648,924</u>
Expenditures		
Administration	736,342	736,754
Community Operations	708,520	733,278
Education	2,941,117	2,875,501
Social Development	1,427,427	1,405,455
Health	920,137	919,790
Canada Employment & Job Creation	306,301	288,879
Band Funds and Other Programs	1,163,549	1,248,893
Capital Operations	2,215,433	2,034,484
Social Housing	<u>548,258</u>	<u>581,972</u>
	<u>10,967,084</u>	<u>10,825,006</u>
		<u>8,640,179</u>
Surplus/(deficit), current	<u>49,825</u>	201,891
		8,745
Surplus/(Deficit), Beginning of Year		868,385
		1,046,817
Less: Adjustment/Recovery of Funds		<u>(202,729)</u>
		<u>(187,177)</u>
Surplus/(deficit), end of year		<u>867,547</u>
		<u>868,385</u>

The accompanying notes are an integral part of these financial statements.

PENELAKUT TRIBE
CONSOLIDATED STATEMENT OF CHANGE IN NET DEBT
For the year ended March 31, 2016

	2016 Actual \$	2015 Actual \$
Annual surplus/(deficit) – Operations	(838)	(178,432)
– Capital Equity	61,803	(308,107)
– Ottawa Trust	6,474	7,033
Acquisition of tangible capital assets	(1,112,800)	(59,732)
Acquisition of tangible capital assets Social Housing Fund	(789,588)	(761,014)
Amortization of tangible capital assets charged against Capital Fund	338,647	367,840
Amortization of tangible capital assets charged against Social Housing Fund	255,942	222,163
Acquisition of prepaid asset	(6,887)	(82,761)
Use of prepaid asset	<u>82,761</u>	<u>127,525</u>
(Increase)/decrease in net debt	(1,164,484)	(665,485)
Net debt, beginning of year	<u>(3,369,404)</u>	<u>(2,703,919)</u>
Net debt, end of year	<u>(4,533,890)</u>	<u>(3,369,404)</u>

The accompanying notes are an integral part of these financial statements.

PENELAKUT TRIBE
CONSOLIDATED STATEMENT OF CASH FLOW
For the year ended March 31, 2016

	2016 Actual \$	2015 Actual \$
OPERATING ACTIVITIES		
Excess of Revenue over Expenditures	201,891	8,745
AANDC Reimbursement and Other Adjustments	(202,729)	(187,177)
Increase in Ottawa Trust Account	6,474	7,033
Adjustment for Capital and Investment Transactions included in operations:		
Principal repayment on long term debt expensed in CMHC housing fund	255,942	222,163
Capital assets acquired from band operations	1,112,800	59,732
Demand loan - office building construction	(712,350)	-
Decrease (increase) in non-cash operating Net assets	<u>(11,889)</u>	<u>163,788</u>
FINANCING ACTIVITIES		
Repayment of long term debt CMHC housing program	(255,942)	(222,163)
INVESTING ACTIVITIES		
Purchase of Band Capital Assets	<u>(1,112,800)</u>	<u>(59,732)</u>
Increase (decrease) in cash during year	(718,603)	(7,611)
Cash at beginning of year	<u>1,724,855</u>	<u>1,732,466</u>
Cash at end of year	<u><u>1,006,252</u></u>	<u><u>1,724,855</u></u>
Represented by:		
Cash	884,204	949,550
Restricted Cash	942,164	899,984
Bank Demand Loans	<u>(820,116)</u>	<u>(124,679)</u>
	<u><u>1,006,252</u></u>	<u><u>1,724,855</u></u>

The accompanying notes are an integral part of these financial statements.

PENELAKUT TRIBE
NOTES TO THE FINANCIAL STATEMENTS
March 31, 2016

1. Significant Accounting Policies

a) Basis of Accounting

These Consolidated Financial Statements have been prepared in accordance with generally accepted accounting principles for the public sector as recommended by the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants which encompasses the following principles:

b) Reporting Entity and Principles of Financial Reporting

The Penelakut First Nation reporting entity includes the Penelakut Tribe government and all related entities which are accountable to the First Nation and are controlled by the First Nation.

c) Principles of Consolidation

All controlled entities are fully consolidated on a line-by-line basis except for the commercial enterprises which meet the definition of government business enterprise, which are included in the Notes to the Consolidated Financial Statements on a modified equity basis. Inter-organizational balances and transactions are eliminated upon consolidation.

Penelakut Development Society, Penelakut Seafoods Ltd. and Penelakut Logging, which are owned and controlled by Penelakut Tribe and which are not dependent of the First Nation for their continuing operation, are included in the Notes to the Financial Statements using the modified equity method.

d) Asset Classification

Assets are classified as either financial or non-financial. Financial assets are assets that could be used to discharge existing liabilities or finance future operations. Non-financial assets are acquired, constructed or developed assets that do not provide resources to discharge existing liabilities but are employed to deliver government services, may be consumed in normal operations and are not for resale. Non-financial assets include tangible capital assets and prepaid expenses.

e) Cash

Cash includes cash on hand and balances with banks net of bank overdraft.

PENELAKUT TRIBE
NOTES TO THE FINANCIAL STATEMENTS
March 31, 2016

a) Tangible Capital Assets

Tangible capital assets include acquired, built, developed and improved tangible capital assets, whose useful life extends beyond one year and which are intended to be used on an ongoing basis for producing goods or delivering services.

Tangible capital assets are reported at net book value. Contributions received specifically to assist in the acquisition of tangible capital assets are reported as deferred revenue and amortized to income at the same rate as the related asset.

Certain assets which have historical or cultural value, including works of art, historical documents and historical and cultural artifacts, are not recognized as tangible capital assets.

Assets under construction are not amortized until the asset is available to be put into service.

b) Amortization

Capital Assets are amortized annually with a corresponding reduction in Equity in Capital Assets. Assets are amortized on the diminishing balance basis as follows:

Building	5%
Equipment	20%
Vehicle	30%
Vessel	5%
Infrastructure	4%

Social Housing assets acquired under C.M.H.C. sponsored housing programs are amortized at a rate equivalent to the annual principal reduction in related long term debt, as required for C.M.H.C. reporting purposes under the operating agreement.

c) Revenue Recognition

All revenue is recorded on the accrual basis whereby amounts received or recorded as receivable but not earned by the end of the fiscal year are recorded as deferred revenue. Funding received under the terms of contribution agreements with the federal government is recognized as revenue once eligibility criteria have been met. Funding is recorded as deferred revenue if it has been restricted by the federal government for a stated purpose, such as a specific program or the purchase of tangible capital assets. Deferred revenue is recognized in revenue over time as the recognition criteria are met.

PENELAKUT TRIBE
NOTES TO THE FINANCIAL STATEMENTS
March 31, 2016

a) Measurement Uncertainty

In preparing financial statements for the government of Penelakut Tribe, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and reported amounts of revenue and expenses during the year. Significant areas of estimation include allowance for doubtful accounts, estimated useful lives of tangible capital assets, impairment of long-lived assets, accrued liabilities, and disclosure of contingencies. Actual results could differ from those estimates.

b) Financial Instruments

Penelakut Tribe's financial instruments consist of cash, accounts receivable, accounts payable and accrued liabilities. Unless otherwise noted, it is management's opinion that Penelakut Tribe is not exposed to significant interest, or credit risks arising from financial instruments. The fair value of these financial instruments approximates their carrying values, unless otherwise noted.

c) Net Debt

The First Nation's financial statements are presented so as to highlight net debt as the measurement of financial position. The net debt of the First Nation is determined by its liabilities less its financial assets. Net debt is comprised of two components, non-financial and accumulated surplus.

2. <u>Accounts Receivable</u>		<u>2016</u>	<u>2015</u>
AANDC		118,795	-
C.S.E.T.S.		51,024	43,758
FNESC		12,639	32,555
Dept. of Fisheries and Oceans		7,368	45,476
CMHC Housing subsidies		21,929	17,466
Treaty Group		113,538	4,748
Prov of BC		22,000	-
Kinder Morgan		-	77,500
Other		<u>162,283</u>	<u>232,029</u>
		<u>509,576</u>	<u>453,532</u>

PENELAKUT TRIBE
NOTES TO THE FINANCIAL STATEMENTS
March 31, 2016

3. Ottawa Trusts Moneys

Trust fund accounts arise from monies derived from capital or revenue sources as outlined in Section 62 of the Indian Act. These funds are held in trust in the Consolidated Revenue Fund of the Government of Canada. The management of these funds is primarily governed by Section 63 to 69 of the Indian Act.

	Opening Balance	Additions	Withdrawals	2016	2015
Revenue	36,327	6,477	-	42,804	36,327
Capital	<u>170,428</u>	-	-	<u>170,428</u>	<u>170,428</u>
Fund Total	<u>206,755</u>	<u>6,477</u>	-	<u>213,232</u>	<u>206,755</u>

4. Tangible Capital Assets

	Cost	Accumulative Amortization	2016 Net	2015 Net
Band Buildings	5,618,909	2,516,920	3,101,989	2,119,689
Equipment	801,634	653,649	147,985	158,731
Infrastructure	4,912,950	1,640,638	3,272,312	3,408,658
Vehicles	558,118	455,112	103,006	147,152
Vessel	174,869	114,166	60,703	77,611
First Nation Housing	6,834,228	1,938,798	4,895,430	4,361,784
Building-in-progress	<u>794,064</u>	-	<u>794,064</u>	<u>794,064</u>
	<u>\$19,694,772</u>	<u>7,319,283</u>	<u>12,375,489</u>	<u>\$11,067,689</u>

5. Debt

2016 2015

Mortgage payable with payments of \$3,112 per month including interest at 1.49%, secured by ministerial guarantee from Aboriginal Affairs and Northern Development Canada - 30,947

Mortgage payable with payments of \$2,719 per month including interest at 1.65%, secured by ministerial guarantee from Aboriginal Affairs and Northern Development Canada 29,702 61,594

PENELAKUT TRIBE
NOTES TO THE FINANCIAL STATEMENTS
March 31, 2016

	<u>2016</u>	<u>2015</u>
Mortgage payable with payments of \$2,282 per month including interest at 1.53%, secured by ministerial guarantee from Aboriginal Affairs and Northern Development Canada	248,230	271,658
Mortgage payable with payments of \$3,635 per month including interest at 1.67%, secured by ministerial guarantee from Aboriginal Affairs and Northern Development Canada	654,666	687,139
Mortgage payable with payments of \$3,498 per month including interest at 1.67%, secured by ministerial guarantee from Aboriginal Affairs and Northern Development Canada	630,007	661,257
Mortgage payable with payments of \$5,484 per month including interest at 1.83%, secured by ministerial guarantee from Aboriginal Affairs and Northern Development Canada	1,046,031	1,091,969
Mortgage payable with payments of \$ 4,503 per month including interest at 3.62%, secured by ministerial guarantee from Aboriginal Affairs and Northern Development Canada	770,577	796,206
Mortgage payable with payments of \$ 4,998 per month including interest at 1.08%, secured by ministerial guarantee from Aboriginal Affairs and Northern Development Canada	1,288,371	761,014
In-progress advances for construction of Phase 16 CMHC housing	<u>236,604</u>	<u>-</u>
Total Debt	<u>\$4,904,188</u>	<u>\$4,361,784</u>

Schedule of principal reduction is estimated as follows:

2017	238,247
2018	212,350
2019	216,239
2020	220,211
2021	224,268

PENELAKUT TRIBE
NOTES TO THE FINANCIAL STATEMENTS
March 31, 2016

6. Federal Assistance Payments

The social housing projects have received federal assistance through Canada Mortgage and Housing Corporation pursuant to Section 56.1 of the National Housing Act to enable the project to provide housing to low income individuals. The amount of assistance received in 2015/2016 was \$246,057 (20014/2015 - \$212,618).

7. Accounts Payable and Accrued Liabilities

	<u>2016</u>	<u>2015</u>
Comprised of the following:		
Trade payables	\$283,475	\$ 371,939
Accrued salaries and employee benefits payable	<u>91,943</u>	<u>41,241</u>
	<u>\$ 375,418</u>	<u>\$ 413,180</u>

8. Replacement Reserve

Under the terms of the agreement with CMHC, a replacement reserve is maintained to provide for future asset replacement. These funds, along with accumulated interest, must be held in a separate bank account. Use of these funds is restricted to expenditures approved by CMHC.

9. Operating Reserve

Under the terms of the agreement with CMHC, excess federal assistance payments received may be retained in an operating reserve fund. These funds along with accumulated interest, must be held in a separate bank account. The funds in this account may only be used to meet future years' deficits under the 1997 On-Reserve C.M.H.C. Housing Program.

10. Restricted Cash

	<u>2016</u>	<u>2015</u>
Comprised of the following:		
Social Housing	\$ 728,932	\$ 693,229
Ottawa Trust Fund	<u>213,232</u>	<u>206,755</u>
	<u>\$ 942,164</u>	<u>\$ 899,984</u>

PENELAKUT TRIBE
NOTES TO THE FINANCIAL STATEMENTS
March 31, 2016

11. Accumulated Surplus

Equity in Physical Assets	\$ 6,767,707	\$ 6,705,906
Equity in Trust Funds	213,232	206,755
Equity in Operating Funds	<u>867,547</u>	<u>868,385</u>
	<u>\$ 7,848,486</u>	<u>\$ 7,781,046</u>

12. Investment in First Nation Controlled Entity

	<u>2016</u>	<u>2015</u>
Penelakut Development Society (unaudited):		
- advances	13,653	9,451
- membership equity (net assets)	<u>4,352</u>	<u>42,153</u>
Total	<u>18,005</u>	<u>51,604</u>

Unaudited financial information for the year ended March 31, 2016 is as follows:

	<u>Assets</u>	<u>Liabilities</u>	<u>Revenues</u>	<u>Net Income</u>
Year ended March 31, 2016	<u>\$ 50,753</u>	<u>\$ 41,008</u>	<u>\$ 171</u>	<u>\$ (33,599)</u>

	<u>Aug. 31</u>	<u>Aug. 31</u>
	<u>2015</u>	<u>2014</u>
Penelakut Seafood Ltd. (unaudited):		
- advances	30,460	23,884
- share capital	801	801
- equity (loss)	<u>(8,938)</u>	<u>(17,378)</u>
Total	<u>22,323</u>	<u>7,307</u>

Financial information for the fiscal year ended August 31, 2014 prepared from unaudited financial statements is as follows:

	<u>Assets</u>	<u>Liabilities</u>	<u>Revenues</u>	<u>Profit</u>
Year ended August 31, 2015	<u>\$7,353</u>	<u>\$ 30,342</u>	<u>\$ 133,104</u>	<u>\$ 8,440</u>

PENELAKUT TRIBE
NOTES TO THE FINANCIAL STATEMENTS
March 31, 2016

13. Contingent Liabilities

- a) Restricted unexpended surpluses are recoverable by the funding agency.
- b) Treaty negotiations for the Penelakut Tribe are being carried on by the Hui'Qumi'Num Treaty Group. As at March 31, 2016, the Treaty Group was responsible to repay in excess of \$33,182,748 (2015 - \$31,716,028) to the Federal Government for advances made to the Treaty Group of which the Penelakut Tribe is a member.
- c) The Tribe has Ministerial Guarantees for loan balances outstanding. The contingent liability as at year-end amounts to \$4,899,315 (2015 - \$4,364,625), as per confirmation provided by Indian and Northern Affairs Canada.

14. Economic Dependence

The government of Penelakut Tribe receives a major portion of its revenue from Aboriginal Affairs and Northern Development Canada. The nature and extent of this revenue is of such significance that the First Nation is economically dependent on this source of revenue.

15. Comparative Figures

Prior year's comparative amounts have been reclassified where necessary to conform to the current year's presentation.

16. Segment Disclosure

The presentation by segment is based on the same accounting policies as described in the summary of Significant Accounting Policies as described in Note 1. The following table presents the expenses incurred and the revenue generated by main object of expense and by major revenue type. The segment results for the period are as follows:

	ADMINISTRATION			COMMUNITY OPERATIONS			EDUCATION		
			Budget			Budget			Budget
	2016	2015	2016	2016	2015	2016	2016	2015	2016
Revenue									
Federal Govt.	476,744	441,085	421,718	528,971	445,649	528,971	2,809,634	2,330,834	2,809,634
Other Transfers	338,550	190,882	314,624	36,371	-	-	548,326	729,035	455,045
Total Revenue	815,294	631,967	736,342	565,342	445,649	528,971	3,357,960	3,059,869	3,264,679
Expense									
Salaries and benefits	357,923	299,446	311,462	340,428	287,737	292,061	1,550,130	1,510,242	1,563,709
Amortization	-	-	-	-	-	-	-	-	-
Debt servicing	-	-	-	-	-	-	-	-	-
Other expenses/transfers	378,831	388,564	424,880	392,850	353,315	416,459	1,519,296	1,455,132	1,377,408
Total expenses	736,754	688,010	736,342	733,278	641,052	708,520	3,069,426	2,965,374	2,941,117
Annual Surplus/(Deficit)	78,540	(56,043)	-	(167,936)	(195,403)	(179,549)	288,534	94,495	323,562
	SOCIAL DEVELOPMENT			EMPLOYMENT & JOB CREATION			BAND FUNDS / OTHER		
			Budget			Budget			Budget
	2016	2015	2016	2016	2015	2016	2016	2015	2016
Revenue									
Federal Govt.	1,415,426	1,491,610	1,415,426	71,443	122,387	71,443	-	-	-
Other	10,767	519	12,001	292,880	182,500	304,151	1,088,197	641,986	1,071,420
Adjustments/recoveries	(197,940)	-	-	(3,198)	-	(3,200)	-	-	-
Total Revenue	1,228,253	1,492,129	1,427,427	361,125	304,887	372,394	1,088,197	641,986	1,071,420
Expense									
Salaries and benefits	69,928	72,485	131,031	165,032	137,405	158,616	106,646	96,283	113,233
Amortization	-	-	-	-	-	-	-	-	-
Debt servicing	-	-	-	-	-	-	-	-	-
Other expenses/transfers	1,435,839	1,254,123	1,296,396	135,685	154,150	147,685	957,247	438,188	1,050,316
Total expenses	1,505,767	1,326,608	1,427,427	300,717	291,555	306,301	1,063,893	534,471	1,163,549
Annual Surplus/(Deficit)	(277,514)	165,521	-	60,408	13,332	66,093	24,304	107,515	(92,129)

16. Segment Disclosure (cont'd)

	CAPITAL		Budget	SOCIAL HOUSING		Budget	HEALTH		Budget
	2016	2015	2016	2016	2015	2016	2016	2015	2016
Revenue									
Federal Govt.	360,786	349,711	360,786	246,056	212,618	246,056	866,133	401,819	865,128
Capital equity fund	338,647	367,840	338,647	-	-	-	-	-	-
Other	1,516,321	762,267	1,516,000	408,142	346,022	269,059	33,509	-	20,000
Total Revenue	<u>2,215,754</u>	<u>1,479,818</u>	<u>2,215,433</u>	<u>654,198</u>	<u>558,640</u>	<u>515,115</u>	<u>899,642</u>	<u>401,819</u>	<u>885,128</u>
Expense									
Salaries and benefits	-	-	-	-	-	-	481,751	134,425	455,576
Amortization	338,647	367,840	338,647	255,942	222,163	247,185	-	-	-
Debt servicing	-	-	-	84,372	84,112	97,206	-	-	-
Reserve adjustments	-	-	-	107,913	94,340	64,647	-	-	-
Other expenses	1,881,596	1,212,789	1,876,786	133,745	175,552	139,220	492,802	269,728	464,561
Total expenses	<u>2,220,243</u>	<u>1,580,629</u>	<u>2,215,433</u>	<u>581,972</u>	<u>576,167</u>	<u>548,258</u>	<u>974,553</u>	<u>404,153</u>	<u>920,137</u>
Annual Surplus/(Deficit)	<u>(4,489)</u>	<u>(100,811)</u>	<u>-</u>	<u>72,226</u>	<u>(17,527)</u>	<u>(33,143)</u>	<u>(74,911)</u>	<u>(2,334)</u>	<u>(35,009)</u>