

Old Massett Village Council
Consolidated Financial Statements
March 31, 2016

Old Massett Village Council

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For the year ended March 31, 2016

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Management's Responsibility

To the Members of Old Massett Village Council:

The accompanying consolidated financial statements of Old Massett Village Council are the responsibility of management and have been approved by the Chief and Council.

Management is responsible for the preparation and presentation of the accompanying consolidated financial statements, including responsibility for significant accounting judgments and estimates in accordance with Canadian public sector accounting standards. This responsibility includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgment is required.

In discharging its responsibilities for the integrity and fairness of the consolidated financial statements, management designs and maintains the necessary accounting systems and related internal controls to provide reasonable assurance that transactions are authorized, assets are safeguarded and financial records are properly maintained to provide reliable information for the preparation of consolidated financial statements.

The Old Massett Village Council's Chief and Council is responsible for overseeing management in the performance of its financial reporting responsibilities, and for approving the consolidated financial statements. The Chief and Council fulfils these responsibilities by reviewing the financial information prepared by management and discussing relevant matters with management and external auditors. The Chief and Council is also responsible for recommending the appointment of the Village Council's external auditors.

MNP LLP is appointed by the Chief and Council to audit the consolidated financial statements and report directly to them; their report follows. The external auditors have full and free access to, and meet periodically and separately with, both the Chief and Council and management to discuss their audit findings.

July 27, 2016



Councillor



Councillor

Independent Auditors' Report

To the Members of Old Massett Village Council:

We have audited the accompanying consolidated financial statements of Old Massett Village Council, which comprise the consolidated statement of financial position as at March 31, 2016, and the consolidated statements of operations and accumulated surplus, changes in net financial assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated 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 financial statements that are free from material misstatement, 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 auditors' 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 consolidated 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.

Basis of Qualified Opinion

Old Massett Village Council derives a portion of its revenues from cash sales, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, our verification of these revenues was limited to the amounts recorded in the records of the organization and we were not able to determine whether any adjustments might be necessary to cash, revenues, accumulated surplus, assets and net assets.

Qualified Opinion

In our opinion, except for the possible effects of the matter described in the Basis of Qualified Opinion paragraph, the consolidated financial statements present fairly, in all material respects, the financial position of Old Massett Village Council as at March 31, 2016 and the results of its operations, changes in net financial assets and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Surrey, British Columbia

July 27, 2016

MNP LLP

Chartered Professional Accountants

Old Massett Village Council

Consolidated Statement of Financial Position

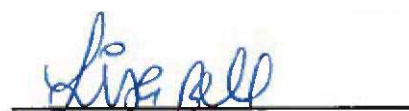
As at March 31, 2016

	2016	2015
Financial assets		
Cash (Note 3)	1,183,344	859,761
Portfolio investments (Note 4)	1,559,477	1,519,786
Funds held in trust (Note 5)	384,866	370,159
Accounts receivable (Note 6)	637,370	458,013
Investment in joint venture (Note 7)	1,414,792	1,619,442
Total of financial assets	5,179,849	4,827,161
Financial liabilities		
Accounts payable and accruals (Note 8)	606,527	703,994
Deferred revenue (Note 9)	308,151	177,530
Long-term debt (Note 10)	607,097	880,977
Total of financial liabilities	1,521,775	1,762,501
Net financial assets	3,658,074	3,064,660
Contingent liabilities (Note 11)		
Non-financial assets		
Tangible capital assets (Note 12)	16,252,293	17,257,801
Prepaid expenses	394,768	136,298
Total non-financial assets	16,647,061	17,394,099
Accumulated surplus	20,305,135	20,458,759

Approved on behalf of the Council



Councillor



Councillor

Old Massett Village Council
Consolidated Statement of Operations and Accumulated Surplus
For the year ended March 31, 2016

	<i>Schedules</i>	<i>2016 Budget</i>	<i>2016</i>	<i>2015</i>
Revenue				
Indigenous and Northern Affairs Canada (INAC)		6,771,755	6,608,197	6,458,051
Canada Mortgage and Housing Corporation (CMHC)		-	-	11,641
First Nations Health Authority (FNHA)		2,903,321	3,050,243	2,437,881
Government of Canada		161,936	237,152	163,435
Gwaii Trust		65,000	76,302	1,177,145
Income (loss) from investment in joint venture		-	(204,626)	13,234
Province of British Columbia		910,862	858,410	698,619
TRICORP		65,080	84,066	176,172
Interest and investment income		75,000	54,886	104,915
Other income		1,788,931	1,609,915	2,438,412
		12,741,885	12,374,545	13,679,505
Expenses				
Administration	3	829,557	836,086	781,900
Capital and Maintenance Operations	4	759,336	1,257,495	2,022,839
Economic Development	5	1,255,570	1,453,588	1,129,236
Education	6	4,053,335	3,905,536	4,225,505
Enterprise Fund	7	-	(112,992)	104,967
Health	8	3,087,851	3,037,962	2,705,633
Housing	9	634,631	780,438	892,030
Social Assistance	10	1,345,945	1,370,056	1,376,593
		11,966,225	12,528,169	13,238,703
Surplus (deficit)		770,660	(153,624)	440,802
Accumulated surplus, beginning of year		20,458,759	20,458,759	20,017,957
Accumulated surplus, end of year		21,229,419	20,305,135	20,458,759

Old Massett Village Council
Consolidated Statement of Changes in Net Financial Assets
For the year ended March 31, 2016

	<i>2016 Budget</i>	<i>2016</i>	<i>2015</i>
Annual surplus (deficit)	770,660	(153,624)	440,802
Acquisition of tangible capital assets	-	(17,500)	(463,110)
Amortization of tangible capital assets	1,000,000	1,023,000	1,019,350
Proceeds of disposal of tangible capital assets	-	-	6,323
Gain on sale of tangible capital assets	-	-	(154)
	1,000,000	1,005,500	562,409
Acquisition of prepaid expenses	(420,000)	(381,980)	(169,120)
Use of prepaid expenses	102,000	123,518	102,061
	(318,000)	(258,462)	(67,059)
Increase in net financial assets	1,452,660	593,414	936,152
Net financial assets, beginning of year	3,064,660	3,064,660	2,128,508
Net financial assets, end of year	4,517,320	3,658,074	3,064,660

Old Massett Village Council
Consolidated Statement of Cash Flows
For the year ended March 31, 2016

	2016	2015
Cash provided by (used for) the following activities		
Operating activities		
Surplus (deficit)	(153,624)	440,802
Non-cash items		
Amortization	1,023,000	1,019,350
Gain on sale of capital assets	-	(154)
Joint venture equity pick-up	204,626	(13,234)
	1,074,002	1,446,764
Changes in working capital accounts		
Accounts receivable	(179,357)	128,684
Prepaid expenses	(258,462)	(67,059)
Accounts payable and accruals	(97,467)	(104,113)
Deferred revenue	130,621	98,363
	669,337	1,502,639
Financing activities		
Advances of long-term debt	-	34,579
Repayment of long-term debt	(273,880)	(1,127,355)
	(273,880)	(1,092,776)
Capital activities		
Acquisition of tangible capital assets	(17,500)	(463,110)
Proceeds of disposal of tangible capital assets	-	6,323
	(17,500)	(456,787)
Investing activities		
Increase in portfolio investments	(39,667)	(74,136)
Increase (decrease) in cash resources	338,290	(121,060)
Cash resources, beginning of year	1,229,920	1,350,980
Cash resources, end of year	1,568,210	1,229,920
Cash resources are composed of:		
Cash and cash equivalents	1,183,344	859,761
Trust funds held by federal government	384,866	370,159
	1,568,210	1,229,920

Old Massett Village Council

Notes to the Consolidated Financial Statements

For the year ended March 31, 2016

1. Operations

Old Massett Village Council (the "Village Council") is a First Nations village government located in Old Massett, Haida Gwaii, British Columbia. The Village Council is responsible for the well-being of its community and enacts legal policies and programs in the areas of Capital, Economic Development, Education, Membership, Health, and Social Assistance. The Village Council is also mandated to take actions to protect the well-being of members and the community, and to establish cultural programs and undertake initiatives in economic development.

2. Significant accounting policies

These consolidated financial statements are the representations of management, prepared in accordance with Canadian public sector accounting standards established by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada and are consistent with the accounting policies set out by the Indigenous and Northern Affairs Canada. Significant aspects of the accounting policies adopted by the Village Council are as follows:

Reporting entity

Old Massett Village Council reporting entity includes the First Nation government and all related entities which are accountable to the Village Council and are either owned or controlled by the Village Council.

The financial statements consolidate the financial activities of all entities and departments comprising the Village Council reporting entity, except for Village Council business entities.

The Village Council has consolidated the assets, liabilities, revenue and expenses of the following entities and departments:

- Kluu Laanas Community Development Corporation (inactive);
- Haida Ecological and Land Trust Society (inactive);
- Old Massett Economic Development Corporation; and
- Old Massett Economic Development Limited Partnership.

All inter-entity balances have been eliminated on consolidation; however, transactions between departments have not been eliminated in order to present the results of operations for each specific department.

Old Massett Village Council business entities, owned or controlled by the Village Council's Council but not dependent on the Village Council for their continuing operations, are included in the financial statements using the modified equity method. Under the modified equity method, the equity method of accounting is modified only to the extent that the business entity accounting principles are not adjusted to conform to those of the Village Council. Thus, the Village Council's investment in these entities is recorded at acquisition cost and is increased for the proportionate share of post acquisition earnings and decreased by post acquisition losses and distributions received. Entities accounted for by the modified equity basis include the commercial enterprises which meet the definition of a government business enterprise.

Investments in Village Council partnerships are accounted for using the proportionate consolidation method. The Village Council's pro-rata share of the assets, liabilities, revenue, and expenses of the Village Council partnership have been combined on a line-by-line basis with similar items of the Village Council.

Entities that are controlled, but not fully owned, which meet the definition of a governmental unit are included in the consolidated financial statements on a proportionate consolidation basis, whereby a government's pro rata share of each of the assets, liabilities, revenues and expenses that are subject to shared control, is combined on a line-by-line basis with similar items in the government's consolidated financial statements

Basis of presentation

Sources of revenue and expenses are recorded on the accrual basis of accounting. The accrual basis of accounting recognizes revenue as it becomes available and measurable; expenses are recognized as they are incurred and measurable as a result of the receipt of goods or services and the creation of a legal obligation to pay.

2. Significant accounting policies *(Continued from previous page)*

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 normally provide resources to discharge existing liabilities but are employed to deliver government services, may be consumed in normal operations and are not for resale in the normal course of operations. Non-financial assets include tangible capital assets and prepaid expenses.

Cash

Cash include cash and term deposit securities with maturities of three months or less. Cash subject to restrictions that prevent its use for current purposes is included in restricted cash.

Portfolio investments

Portfolio investments for which significant influence does not exist are recorded at carrying value.

Investment in joint venture

The investment in joint venture is included in the consolidated financial statements on a modified equity basis.

Tangible capital assets

Tangible capital assets are initially recorded at cost which includes all amounts that are directly attributable to acquisition, construction, development or betterment of the asset.

Contributed tangible capital assets are recorded at fair value at the date of contribution.

All intangibles and items inherited by right of the Village Council, such as reserve lands, forests, water, and mineral resources, are not recognized as assets in the Village Council's consolidated financial statements.

Historic works of art and treasures are not recorded as assets in these consolidated financial statements.

Amortization

Tangible capital assets are amortized annually using the following methods at rates intended to amortize the cost of the assets over their estimated useful lives:

	Method	Rate
Buildings	declining balance	5 %
Infrastructure	declining balance/ straight-line	4 to 5 %
Equipment	declining balance	20 %
Vehicles	straight-line	20 %
Water treatment plan	straight-line	5 %

Long-lived assets

Long-lived assets consist of tangible capital assets. Long-lived assets held for use are measured and amortized as described in the applicable accounting policies.

The Village Council performs impairment testing on long-lived assets held for use whenever events or changes in circumstances indicate that the carrying amount of an asset, or group of assets, may not be recoverable. The carrying amount of a long-lived asset is not recoverable if the carrying amount exceeds the sum of the undiscounted future cash flows from its use and disposal. Impairment is measured as the amount by which the asset's carrying amount exceeds its fair value. Fair value is measured using prices for similar items. Any impairment is included in surplus for the year.

Net financial assets

The Village Council's consolidated financial statements are presented so as to highlight net financial assets as the measurement of financial position. The net financial assets of the Village Council is determined by its financial assets less its liabilities. Net financial assets combined with non-financial assets comprise a second indicator of financial position, accumulated surplus.

2. Significant accounting policies *(Continued from previous page)*

Budgets

Budget information has been included when the information is available. These budgets have been prepared by department managers and approved by Chief and Council.

Revenue recognition

Government Transfers

The Village Council recognizes a government transfer as revenue when the transfer is authorized and all eligibility criteria, if any, have been met. A government transfer with stipulations giving rise to an obligation that meets the definition of a liability is recognized as a liability. In such circumstances, the Village Council recognizes revenue as the liability is settled. Transfers of non-depreciable assets are recognized in revenue when received or receivable.

Other Revenue

Other revenue is recognized when services have been provided, all significant contractual obligations have been satisfied and collectibility is reasonably assured.

Investment income reported on investments not subject to significant influence is recorded as revenue in the period earned.

Use of estimates

The preparation of consolidated financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements, and the reported amounts of revenue and expenses during the reporting period.

Accounts receivable are stated after evaluation as to their collectability and an appropriate allowance for doubtful accounts is provided where considered necessary. Amortization is based on the estimated useful lives of tangible capital assets.

Liability for contaminated sites

A liability for remediation of a contaminated site is recognized at the best estimate of the amount required to remediate the contaminated site when contamination exceeding an environmental standard exists, the Village Council is either directly responsible or accepts responsibility, it is expected that future economic benefits will be given up, and a reasonable estimate of the amount is determinable. The best estimate of the liability includes all costs directly attributable to remediation activities and is reduced by expected net recoveries based on information available at March 31, 2016.

At each financial reporting date, the Village Council reviews the carrying amount of the liability. Any revisions required to the amount previously recognized is accounted for in the period revisions are made. The Village Council continues to recognize the liability until it is settled or otherwise extinguished. Disbursements made to settle the liability are deducted from the reported liability when they are made. As at March 31, 2016 no liability for contaminated sites exists.

Old Massett Village Council

Notes to the Consolidated Financial Statements

For the year ended March 31, 2016

2. Significant accounting policies *(Continued from previous page)*

Segments

The Village Council conducts its business through nine reportable segments: Administration, Capital and Maintenance Operations, Economic Development, Education, Enterprise Fund, Health, Housing, Social Assistance, and Trust Fund. These operating segments are established by senior management to:

- help users of the consolidated financial statements identify the resources allocated to support the major activities of the Village Council;
- help users of the consolidated financial statements make more informed judgements about the Village Council and about its major activities;
- help users of the consolidated financial statements better understand the manner in which the organizations in the Village Council are organized and how the Village Council discharges its accountability obligations;
- enhance the transparency of financial reporting; and
- help users of the consolidated financial statements better understand the performance of the segments and the Village Council.

For each reported segment, revenue and expenses represent both amounts that are directly attributable to the segment and amounts that are allocated on a reasonable basis. Therefore, certain allocation methodologies are employed in the preparation of segmented financial information.

The accounting policies used in these segments are consistent with those followed in the preparation of the consolidated financial statements.

3. Cash

The Village Council has available a \$500,000 revolving line of credit with interest charged at the Northern Savings Credit Union prime rate plus 1% per annum. At March 31, 2016, the outstanding line of credit balance was \$NIL (2015 - \$NIL), and is secured by a certain term deposit as described in (Note 4).

4. Portfolio investments

Included in portfolio investments are externally restricted term deposits of \$205,976 (2015 - \$183,059).

5. Funds held in trust

Capital and revenue trust monies are transferred to the Village Council on the authorization of INAC, with the consent of the Village Council's Council.

	2016	2015
Capital Trust		
Balance, beginning of year	3,294	3,294
Balance, end of year	3,294	3,294
Revenue Trust		
Balance, beginning of year	366,865	351,190
Additions	14,707	15,675
Balance, end of year	381,572	366,865
	384,866	370,159

Old Massett Village Council
Notes to the Consolidated Financial Statements
For the year ended March 31, 2016

6. Accounts receivable

	2016	2015
INAC	244,878	172,864
FNHA	228,034	-
Housing	506,426	466,253
Other accounts receivable	164,458	285,149
	1,143,796	924,266
Less: Allowance for doubtful accounts	506,426	466,253
	637,370	458,013

7. Investment in joint venture

The Village Council, through Old Massett Economic Development Limited Partnership, owns 50% of Haida Gwaii Forest Products Joint Venture. The joint venture's main activity is processing and sale of wood products.

The following provides the pro-rated share of the Village Council's ownership from the condensed financial information of Haida Gwaii Forest Products Joint Venture for the years ended March 31, 2016 and 2015:

	<i>Haida Gwaii Forest Products Joint Venture As at March 31, 2016</i>	<i>Haida Gwaii Forest Products Joint Venture As at March 31, 2015</i>
Balance Sheet		
Cash	77,595	49,480
Accounts receivable	10,557	436,992
Inventory	396,520	618,361
Deposits	21,481	21,481
Property and equipment	1,765,805	1,714,326
Total assets	2,271,958	2,840,640
Total liabilities	853,860	1,221,218
Venturers' equity	1,418,098	1,619,422
Total liabilities and venturers' equity	2,271,958	2,840,640
Statement of Operations		
Total revenue	784,013	1,700,941
Total expenses	988,639	1,687,707
	(204,626)	13,234

8. Accounts payable and accruals

	2016	2015
INAC	9,103	1,829
FNHA	170,042	62,946
Other accruals	185,940	172,793
Accounts payable	241,442	466,426
	606,527	703,994

Old Massett Village Council
Notes to the Consolidated Financial Statements
For the year ended March 31, 2016

9. Deferred revenue

	<i>Balance, beginning of year</i>	<i>Contributions received</i>	<i>Revenue recognized</i>	<i>Balance, end of year</i>
INAC	94,099	1,745,780	1,577,659	262,220
Other	83,431	138,613	176,113	45,931
	177,530	1,884,393	1,753,772	308,151

10. Long-term debt

	2016	2015
Northern Savings Credit Union - Mortgage repayable in monthly instalments of \$19,100, including fixed interest at 6.84% compounded semi-annually; due for renewal on April 9, 2018; secured by an environmental indemnity agreement.	284,332	486,794
Northern Savings Credit Union (Tlaga Gaw Tlass Housing) - Mortgage repayable in monthly instalments of \$2,075, including interest at 4.15% per annum; due May 6, 2017; guaranteed by INAC.	252,765	266,922
Northern Savings Credit Union (Family Centre) - Mortgage repayable in monthly instalments of \$1,940, including interest at 4.55% per annum; due November 23, 2016; secured by credit union term deposit in the amount of \$183,059.	15,227	37,274
McCarthy Motors (Terrace) Ltd. - Loan repayable in monthly instalments of \$648, including interest at 8.99% per annum; due May 3, 2018; secured by the specific vehicle.	15,631	22,120
General Motors Acceptance Corporation of Canada - Loan repayable in monthly instalments of \$660, including interest at 4.98% per annum; due September 1, 2019; secured by the specific vehicle.	32,166	38,303
General Motors Acceptance Corporation of Canada - Loan repayable in monthly instalments of \$600, including interest at 5.74% per annum; due March 25, 2017; secured by the specific vehicle.	6,976	13,564
Blue Carbon Solutions Inc. - Repaid in full during the year.	-	16,000
	607,097	880,977
Less: current portion	267,117	273,954
	339,980	607,023

Old Massett Village Council
Notes to the Consolidated Financial Statements
For the year ended March 31, 2016

10. Long-term debt *(Continued from previous page)*

Principal repayments on long-term debt in each of the next four years, assuming all term debt is subject to contractual terms of repayment, are estimated as follows:

2017	267,118
2018	319,762
2019	8,406
2020	11,811
	<hr/>
	607,097

Interest on long-term debt amounted to \$45,151 (2015 - \$85,536).

11. Contingencies

Member housing loans

The Village Council is contingently liable for member housing loans provided to individual members for loans made by various financial institutions for purposes of acquiring on reserve housing. In the event that members default on their obligations under these loans, the Village Council would be required to pay the outstanding loan balance to the lenders. In the event that the Village Council is unable to pay on any defaulted member loans, these loans are guaranteed by INAC. The Village Council's guarantee is itself secured by the related real properties.

The balance outstanding as at March 31, 2016 is \$268,241 (0340-09-92575 - GL Northern Savings Credit Union).

Guarantor

The Village Council is a guarantor on a loan to Haida Gwaii Forest Product Joint Venture with an authorized borrowing limit of \$635,000. The balance outstanding as at March 31, 2016 is \$479,394 (2015 - \$580,846).

Contribution agreements

The Village Council has entered into contribution agreements with various federal government departments. Funding received under these contribution agreements is subject to repayment if the Village Council fails to comply with the terms and conditions of the agreements.

At year end, there is a potential reimbursement from FNHA in the amount of \$163,442. This amount has not been accrued in the consolidated financial statements as this reimbursement depends on the review of these consolidated financial statements by FNHA.

12. Tangible capital assets

The tangible capital assets reconciliation is included in Schedule 1.

13. Economic dependence

The Village Council receives some of its revenue from INAC as a result of funding agreements entered into with the Government of Canada. These funding agreements are administered by INAC under the terms and conditions of the Indian Act. The ability of the Village Council to continue operations is dependent upon the Government of Canada's continued financial commitments as guaranteed by these funding agreements.

14. Supplemental cash flow information

During the year, interest was paid by cash for a total of \$43,151 and cash interest was received for a total of \$54,886.

Old Massett Village Council
Notes to the Consolidated Financial Statements
For the year ended March 31, 2016

15. Annual surplus/deficit

	2016	2015
Investment in tangible capital assets	16,252,293	17,257,801
Externally restricted portfolio investments	205,976	183,059
Internally restricted funds	80,000	80,000
Trust funds held by federal government - capital account	3,294	3,294
Investment in joint venture	1,414,792	1,619,442
Surplus (deficit) available for operations	2,348,780	1,315,163
Accumulated surplus (deficit)	20,305,135	20,458,759

16. Segments

During the year, the Village Council had nine reportable segments listed below. These segments are differentiated by major activities.

Administration - This segment provides band support and administrative services for the operations of the Village Council, including various financial functions such as payroll, accounts receivable and accounts payable.

Capital and Maintenance Operations - This segment implements capital projects undertaken by the Village Council and maintains community infrastructure. Community infrastructure includes buildings, roads and bridges, fire protection, water and electrical systems and wastewater treatment.

Enterprise Fund - This segment is comprised of business activities that are performed in the pursuit of economic and business development.

Economic Development - This segment implements community economic development planning and capacity building initiatives pursued to benefit the Village Council's community by enhancing employment, income generation activities, use of land and resources, economic infrastructure and business opportunities.

Education - This segment is responsible for managing and delivering K to grade 12 education programs and services both on and off reserve. This includes Haida language and culture, employment counselling services and the management of post-secondary student funding and support programs.

Housing - This segment activities reflect housing rental units and repairs.

Social Assistance - This segment administers benefits and services to individuals and families living on reserve who are in need of support. Department services include income assistance, assisted living, family violence prevention and awareness, and national child benefit reinvestment.

Trust Fund - This segment reflects funds held in trust by INAC on behalf of the Old Massett Village Council community.

Health - This segment administers the delivery of the health programs and services.

Old Massett Village Council
Schedule 1 - Consolidated Schedule of Tangible Capital Assets
For the year ended March 31, 2016

	Land	Buildings	Equipment	Infrastructure	Vehicles	Subtotal
Cost						
Balance, beginning of year	641,372	14,877,507	1,206,432	7,045,900	427,698	24,198,909
Acquisition of tangible capital assets	-	17,500	-	-	-	17,500
Disposal of tangible capital assets	-	-	-	-	-	-
Balance, end of year	641,372	14,895,007	1,206,432	7,045,900	427,698	24,216,409
Accumulated amortization						
Balance, beginning of year	-	4,800,948	1,090,591	3,471,435	322,818	9,685,792
Annual amortization	-	494,663	29,986	202,585	46,258	773,492
Accumulated amortization on disposals	-	-	-	-	-	-
Balance, end of year	-	5,295,611	1,120,577	3,674,020	369,076	10,459,284
Net book value of tangible capital assets	641,372	9,599,396	85,855	3,371,880	58,622	13,757,125
2015 Net book value of tangible capital assets	641,372	10,076,559	115,841	3,574,465	104,880	14,513,117

Old Massett Village Council
Schedule 1 - Consolidated Schedule of Tangible Capital Assets
For the year ended March 31, 2016

	Subtotal	Water Treatment Plant	2016	2015
Cost				
Balance, beginning of year	24,198,909	4,990,329	29,189,238	29,053,699
Acquisition of tangible capital assets	17,500	-	17,500	1,919,241
Disposal of tangible capital assets	-	-	-	(1,783,702)
Balance, end of year	24,216,409	4,990,329	29,206,738	29,189,238
Accumulated amortization				
Balance, beginning of year	9,685,792	2,245,645	11,931,437	11,233,487
Annual amortization	773,492	249,516	1,023,008	1,019,351
Accumulated amortization on disposals	-	-	-	(321,401)
Balance, end of year	10,459,284	2,495,161	12,954,445	11,931,437
Net book value of tangible capital assets	13,757,125	2,495,168	16,252,293	17,257,801
2015 Net book value of tangible capital assets	14,513,117	2,744,684	17,257,801	

Old Massett Village Council
Schedule 2 - Schedule of Consolidated Expenses by Object
For the year ended March 31, 2016

	2016 Budget	2016	2015
Consolidated expenses by object			
Administration	133,450	138,240	132,793
Amortization	21,568	1,023,000	1,019,350
Bad debts	-	40,173	47,394
Bank charges and interest	5,108	25,491	12,291
Capital assets acquired	-	19,213	18,424
Contract services and professional fees	1,522,462	1,555,072	1,677,798
Delivery	167,337	162,500	164,517
Donations	1,500	5,481	2,350
Employee benefits	524,121	483,575	452,348
Equipment purchases	65,727	42,350	46,767
Honouraria	107,900	119,168	114,332
Insurance	145,555	68,314	164,087
Interest on long-term debt	42,105	37,831	81,317
Materials	856,468	808,207	781,863
Public relations	99,463	72,870	81,515
Rent	107,703	142,591	90,702
Repairs and maintenance	269,341	260,458	267,595
Salaries	3,063,010	2,661,702	2,778,096
Social assistance	847,199	911,939	857,024
Telephone and utilities	430,794	363,475	423,089
Travel	1,113,414	1,316,218	1,381,057
Tuition	2,411,228	2,265,866	2,603,381
Vehicle	30,772	15,651	5,177
Write up (down) of investment	-	(11,216)	35,436
	11,966,225	12,528,169	13,238,703

Old Massett Village Council
Administration
Schedule 3 - Consolidated Schedule of Revenue and Expenses
For the year ended March 31, 2016

	<i>2016 Budget</i>	<i>2016</i>	<i>2015</i>
Revenue			
Indigenous and Northern Affairs Canada (INAC)	619,371	619,371	633,602
Gwaii Trust	10,000	10,000	31,400
Province of British Columbia	-	-	61,912
Government of Canada	-	75,217	-
TRICORP	-	-	6,641
Interest and investment income	75,000	40,178	86,553
Other income	288,780	499,957	502,494
	993,151	1,244,723	1,322,602
Expenses			
Amortization	-	53,730	50,794
Bad debts (recoveries)	-	(3,261)	(3,261)
Bank charges and interest	800	1,254	778
Contract services and professional fees	50,000	39,972	34,608
Delivery	2,500	1,109	1,169
Donations	1,500	4,481	2,350
Employee benefits	69,362	63,011	57,168
Equipment purchases	5,000	-	2,957
Honouraria	107,900	119,168	114,332
Insurance	7,500	2,425	6,626
Materials	66,500	68,374	66,192
Public relations	17,000	8,386	21,446
Rent	15,000	13,977	10,654
Repairs and maintenance	12,500	1,292	9,407
Salaries	374,795	330,819	284,363
Telephone and utilities	73,100	72,636	74,460
Travel	26,100	58,713	47,857
	829,557	836,086	781,900
Surplus before transfers	163,594	408,637	540,702
Transfers between programs	-	(15,019)	1,058,950
Surplus	163,594	393,618	1,599,652

Old Massett Village Council
Capital and Maintenance Operations
Schedule 4 - Consolidated Schedule of Revenue and Expenses
For the year ended March 31, 2016

	<i>2016 Budget</i>	<i>2016</i>	<i>2015</i>
Revenue			
Indigenous and Northern Affairs Canada (INAC)	949,324	872,754	636,125
Other income	60,012	66,012	821,828
	1,009,336	938,766	1,457,953
Expenses			
Administration	-	1,261	-
Amortization	-	560,804	554,337
Bank charges and interest	77	26	27
Contract services and professional fees	107,407	122,704	506,961
Delivery	138,800	134,859	131,181
Employee benefits	25,860	20,387	38,091
Equipment purchases	4,500	4,741	2,803
Insurance	26,999	16,374	48,852
Materials	50,330	30,739	66,110
Public relations	150	58	50
Rent	1,609	4,393	4,657
Repairs and maintenance	83,370	75,146	119,354
Salaries	152,000	151,786	340,739
Telephone and utilities	156,144	129,592	206,693
Travel	12,090	4,625	2,984
	759,336	1,257,495	2,022,839
Deficit before transfers	250,000	(318,729)	(564,886)
Transfers between programs	-	15,019	-
Deficit	250,000	(303,710)	(564,886)

Old Massett Village Council
Economic Development
Schedule 5 - Consolidated Schedule of Revenue and Expenses
For the year ended March 31, 2016

	<i>2016 Budget</i>	<i>2016</i>	<i>2015</i>
Revenue			
Indigenous and Northern Affairs Canada (INAC)	191,404	191,404	241,978
Gwaii Trust	-	-	911,575
TRICORP	8,780	20,776	112,591
Province of British Columbia	205,000	228,520	139,348
Government of Canada	161,936	161,935	163,435
Other income	927,657	434,912	237,464
	1,494,777	1,037,547	1,806,391
Expenses			
Amortization	-	102,972	110,814
Bank charges and interest	3,795	23,250	10,039
Capital assets acquired	-	19,213	18,424
Contract services and professional fees	232,838	295,927	162,356
Delivery	2,950	3,737	519
Employee benefits	66,639	66,385	57,109
Equipment purchases	13,000	21,277	2,515
Insurance	22,400	9,092	10,129
Interest on long-term debt	29,200	26,736	67,484
Materials	219,292	164,718	68,562
Public relations	12,800	6,336	6,866
Rent	31,500	34,160	15,232
Repairs and maintenance	65,320	87,968	70,280
Salaries	462,264	536,000	412,046
Telephone and utilities	54,800	21,614	14,866
Travel	16,000	26,303	98,110
Vehicle	22,772	7,900	3,885
	1,255,570	1,453,588	1,129,236
Surplus (deficit) before transfers	239,207	(416,041)	677,155
Transfers between programs	-	-	(910,000)
Deficit	239,207	(416,041)	(232,845)

Old Massett Village Council

Education

Schedule 6 - Consolidated Schedule of Revenue and Expenses

For the year ended March 31, 2016

	2016 Budget	2016	2015
Revenue			
Indigenous and Northern Affairs Canada (INAC)	3,382,723	3,243,282	3,413,026
Gwaii Trust	-	3,302	4,000
TRICORP	56,300	63,290	56,310
Province of British Columbia	473,670	430,789	381,757
Other income	128,300	62,887	122,054
	4,040,993	3,803,550	3,977,147
Expenses			
Amortization	21,568	89,956	84,572
Bank charges and interest	135	130	62
Contract services and professional fees	149,807	142,783	140,532
Delivery	1,400	1,127	1,664
Employee benefits	183,364	166,417	160,285
Equipment purchases	3,000	5,146	5,333
Insurance	15,500	8,404	17,884
Interest on long-term debt	1,712	1,233	2,474
Materials	187,394	141,797	160,458
Public relations	1,400	1,257	257
Rent	9,050	32,533	31,154
Repairs and maintenance	21,350	38,914	21,608
Salaries	935,871	878,251	868,581
Telephone and utilities	57,550	55,981	55,367
Travel	53,006	74,741	71,893
Tuition	2,411,228	2,265,866	2,603,381
Donations	-	1,000	-
	4,053,335	3,905,536	4,225,505
Deficit before transfers	(12,342)	(101,986)	(248,358)
Transfers between programs	-	-	166,214
Deficit	(12,342)	(101,986)	(82,144)

Old Massett Village Council
Enterprise Fund
Schedule 7 - Consolidated Schedule of Revenue and Expenses
For the year ended March 31, 2016

	<i>2016 Budget</i>	<i>2016</i>	<i>2015</i>
Revenue			
Income (loss) from investment in joint venture	-	(204,626)	13,234
Other income	-	29,712	108
	-	(174,914)	13,342
Expenses			
Amortization	-	10,579	18,807
Bad debts	-	-	230
Bank charges and interest	-	479	1,015
Contract services and professional fees	-	34,536	43,142
Equipment purchases	-	-	4,460
Materials	-	33,422	990
Public relations	-	10,979	-
Salaries (SRED recoveries)	-	(193,701)	-
Telephone and utilities	-	1,930	887
Write up (down) of investment	-	(11,216)	35,436
	-	(112,992)	104,967
Deficit	-	(61,922)	(91,625)

Old Massett Village Council
Health

Schedule 8 - Consolidated Schedule of Revenue and Expenses

For the year ended March 31, 2016

	<i>2016 Budget</i>	<i>2016</i>	<i>2015</i>
Revenue			
Gwaii Trust	30,000	38,000	53,970
First Nations Health Authority (FNHA)	2,903,321	3,050,243	2,437,881
Province of British Columbia	170,000	132,500	50,300
Other income	139,147	167,798	155,211
	3,242,468	3,388,541	2,697,362
Expenses			
Administration	124,934	130,449	124,777
Amortization	-	58,456	55,065
Bank charges and interest	40	143	286
Contract services and professional fees	469,880	413,444	312,337
Delivery	3,800	3,862	2,458
Employee benefits	146,891	139,451	109,555
Equipment purchases	30,377	10,189	13,453
Insurance	44,500	10,958	46,806
Materials	164,123	213,688	118,585
Public relations	53,000	33,182	51,035
Rent	40,026	41,271	28,480
Repairs and maintenance	51,095	33,058	12,872
Salaries	896,427	741,267	632,845
Telephone and utilities	52,700	49,335	38,975
Travel	1,002,058	1,151,459	1,156,812
Vehicle	8,000	7,750	1,292
	3,087,851	3,037,962	2,705,633
Surplus (deficit) before transfers	154,617	350,579	(8,271)
Transfers between programs	(80,000)	(46,095)	(84,734)
Surplus (deficit)	74,617	304,484	(93,005)

Old Massett Village Council
Housing
Schedule 9 - Consolidated Schedule of Revenue and Expenses
For the year ended March 31, 2016

	<i>2016 Budget</i>	<i>2016</i>	<i>2015</i>
Revenue			
Indigenous and Northern Affairs Canada (INAC)	454,030	454,030	372,154
Canada Mortgage and Housing Corporation (CMHC)	-	-	11,641
Interest and investment income	-	-	2,687
Other income	204,815	300,480	390,469
	658,845	754,510	776,951
Expenses			
Administration	5,000	-	1,486
Amortization	-	146,503	144,961
Bad debts	-	43,434	50,425
Bank charges and interest	160	180	4
Contract services and professional fees	507,780	497,207	474,715
Delivery	400	1,577	11,962
Employee benefits	1,509	1,347	1,172
Equipment purchases	8,850	-	15,247
Insurance	23,556	18,935	28,791
Interest on long-term debt	11,193	9,861	11,359
Materials	26,340	27,361	115,940
Public relations	250	-	800
Rent	568	443	-
Repairs and maintenance	19,650	13,552	14,183
Salaries	12,000	3,392	6,115
Telephone and utilities	16,200	16,610	12,935
Travel	1,175	36	1,935
	634,631	780,438	892,030
Deficit before transfers	24,214	(25,928)	(115,079)
Transfers between programs	-	-	(328,511)
Deficit	24,214	(25,928)	(443,590)

Old Massett Village Council
Social Assistance
Schedule 10 - Consolidated Schedule of Revenue and Expenses
For the year ended March 31, 2016

	<i>2016 Budget</i>	<i>2016</i>	<i>2015</i>
Revenue			
Indigenous and Northern Affairs Canada (INAC)	1,174,903	1,227,356	1,161,166
Gwaii Trust	25,000	25,000	21,200
Province of British Columbia	62,192	66,602	65,302
Other income	40,220	26,110	35,863
	1,302,315	1,345,068	1,283,531
Expenses			
Administration	3,516	6,530	6,530
Bank charges and interest	100	34	82
Contract services and professional fees	4,750	8,500	3,146
Delivery	17,487	16,228	15,563
Employee benefits	30,496	26,577	28,967
Equipment purchases	1,000	997	-
Insurance	5,100	2,126	5,000
Materials	142,489	128,107	185,025
Public relations	14,863	12,671	1,062
Rent	9,950	15,813	525
Repairs and maintenance	16,056	10,527	19,891
Salaries	229,653	213,888	233,407
Social assistance	847,199	911,939	857,024
Telephone and utilities	20,300	15,778	18,906
Travel	2,986	341	1,465
	1,345,945	1,370,056	1,376,593
Deficit before transfers	(43,630)	(24,988)	(93,062)
Transfers between programs	75,000	46,095	98,081
Surplus	31,370	21,107	5,019