

**Old Massett Village Council  
Consolidated Financial Statements**  
*For the year ended March 31, 2019*

# Old Massett Village Council Contents

For the year ended March 31, 2019

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## **Management's Responsibility**

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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.

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 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.



E-SIGNED by Carrie Samuels

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Finance Manager

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## Independent Auditors' Report

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To the Members of Old Massett Village Council:

### **Qualified Opinion**

We have audited the consolidated financial statements of Old Massett Village Council (the "Village Council"), which comprise the consolidated statement of financial position as at March 31, 2019, and the consolidated statements of operations and accumulated surplus, changes in net financial assets, cash flows and the related schedules for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, except for the effects of the matters described in the Basis for Qualified Opinion section of our report, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Village Council as at March 31, 2019, and the results of its consolidated operations, changes in its consolidated net financial assets and its consolidated cash flows for the year then ended in accordance with Canadian public sector accounting standards.

### **Basis for Qualified Opinion**

The 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 Village Council and we were not able to determine whether any adjustments might be necessary to cash, revenue, accumulated surplus, assets and net assets. Additionally, the consolidated financial statements include budgeted information as required by Canadian public sector accounting standards. However, we were unable to obtain sufficient appropriate audit evidence to verify whether the budgeted information has been approved by Chief and Council or the community members.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Village Council in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

### **Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements**

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

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

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

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Village Council's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Village Council's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Village Council to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Village Council to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Surrey, British Columbia

July 26, 2019

*MNP LLP*

Chartered Professional Accountants

**MNP**

**Old Massett Village Council**  
**Consolidated Statement of Financial Position**  
*As at March 31, 2019*

	<b>2019</b>	<b>2018</b>
<b>Financial assets</b>		
Cash resources (Note 4)	1,618,658	3,671,213
Accounts receivable (Note 5)	2,294,730	1,277,689
Portfolio investments (Note 6)	4,988,861	1,962,425
Investment in joint venture (Note 7)	1	1
Funds held in trust (Note 8)	431,725	415,217
<b>Total of financial assets</b>	<b>9,333,975</b>	7,326,545
<b>Financial liabilities</b>		
Accounts payable and accruals (Note 9)	830,870	960,916
Deferred revenue (Note 10)	4,382,527	2,714,708
Long-term debt (Note 11)	969,595	880,361
<b>Total of financial liabilities</b>	<b>6,182,992</b>	4,555,985
<b>Net financial assets</b>	<b>3,150,983</b>	2,770,560
<b>Contingencies (Note 12)</b>		
<b>Non-financial assets</b>		
Tangible capital assets (Schedule 1)	15,214,809	15,752,523
Prepaid expenses	104,773	135,958
<b>Total non-financial assets</b>	<b>15,319,582</b>	15,888,481
<b>Accumulated surplus (Note 13)</b>	<b>18,470,565</b>	18,659,041

Approved on behalf of the Council

 E-SIGNED by Donald Edgars

Councilor

 E-SIGNED by Harold Yeltatzie

Councilor

**Old Massett Village Council**  
**Consolidated Statement of Operations and Accumulated Surplus**  
*For the year ended March 31, 2019*

	<i>Schedules</i>	<i>2019 Budget</i>	<i>2019</i>	<i>2018</i>
<b>Revenue</b>				
Indigenous Services Canada		6,351,213	7,189,952	6,756,286
Gwaii Trust		126,200	357,765	160,577
Tribal Resources Investment Corporation		28,812	6,853	31,418
First Nations Health Authority		3,756,478	4,402,085	3,667,221
Province of British Columbia		951,000	994,484	1,034,158
Government of Canada		249,935	241,135	703,390
Interest and investment income		50,000	60,651	84,990
Other income		1,743,013	1,800,761	1,738,204
		<b>13,256,651</b>	<b>15,053,686</b>	<b>14,176,244</b>
<b>Expenses</b>				
Administration	3	901,881	1,226,460	1,001,918
Capital and Maintenance Operations	4	1,033,018	1,582,911	1,683,320
Economic Development	5	987,493	1,261,049	1,582,514
Education	6	3,803,384	4,354,155	4,146,256
Enterprise Fund	7	-	-	13,198
Health	8	3,652,133	4,733,406	4,040,389
Housing	9	197,550	734,438	346,231
Social Assistance	10	1,304,002	1,349,743	1,323,590
		<b>11,879,461</b>	<b>15,242,162</b>	<b>14,137,416</b>
<b>Surplus (deficit)</b>		<b>1,377,190</b>	<b>(188,476)</b>	<b>38,828</b>
<b>Accumulated surplus, beginning of year</b>		<b>18,659,041</b>	<b>18,659,041</b>	<b>18,620,213</b>
<b>Accumulated surplus, end of year</b>		<b>20,036,231</b>	<b>18,470,565</b>	<b>18,659,041</b>

**Old Massett Village Council**  
**Consolidated Statement of Changes in Net Financial Assets**  
*For the year ended March 31, 2019*

	<b>2019 Budget</b>	<b>2019</b>	<b>2018</b>
<b>Surplus (deficit)</b>			
Acquisition of tangible capital assets	1,377,190	(188,476)	38,828
Amortization of tangible capital assets	-	(446,352)	(100,859)
Proceeds of disposal of tangible capital assets	30,060	984,066	958,134
Loss on disposal of tangible capital assets	-	-	10,000
Acquisition of prepaid expenses	-	-	(27,978)
Use of prepaid expenses	-	31,185	-
 <b>Increase in net financial assets</b>	 1,407,250	 380,423	 879,781
 <b>Net financial assets, beginning of year</b>	 2,770,560	 2,770,560	 1,890,779
 <b>Net financial assets, end of year</b>	 4,177,810	 3,150,983	 2,770,560

**Old Massett Village Council**  
**Consolidated Statement of Cash Flows**  
*For the year ended March 31, 2019*

	<b>2019</b>	<b>2018</b>
<b>Cash provided by (used for) the following activities</b>		
<b>Operating activities</b>		
Surplus (deficit)	(188,476)	38,828
Non-cash items		
Amortization	984,066	958,134
Loss on disposal of tangible capital assets	-	1,656
	<b>795,590</b>	998,618
Changes in working capital accounts		
Accounts receivable	(1,017,041)	38,339
Accounts payable and accruals	(130,046)	(259,770)
Deferred revenue	1,667,819	2,280,367
Prepaid expenses	31,185	(27,978)
	<b>1,347,507</b>	3,029,576
<b>Financing activities</b>		
Advances of long-term debt	192,429	631,550
Repayment of long-term debt	(103,195)	(144,786)
	<b>89,234</b>	486,764
<b>Capital activities</b>		
Acquisition of tangible capital assets	(446,352)	(100,859)
Proceeds of disposal of tangible capital assets	-	10,000
	<b>(446,352)</b>	(90,859)
<b>Investing activities</b>		
Increase in portfolio investments	(3,026,436)	(371,995)
Increase in funds held in trust	(16,508)	(15,924)
	<b>(3,042,944)</b>	(387,919)
<b>Increase (decrease) in cash resources</b>	<b>(2,052,555)</b>	3,037,562
<b>Cash resources, beginning of year</b>	<b>3,671,213</b>	633,651
<b>Cash resources, end of year</b>	<b>1,618,658</b>	3,671,213

# Old Massett Village Council

## Notes to the Consolidated Financial Statements

For the year ended March 31, 2019

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### 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 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 Indigenous Services Canada. Significant aspects of the accounting policies adopted by the Village Council are as follows:

#### ***Reporting entity***

The 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:

- 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 but not dependent on the Village Council for their continuing operations, are included in the consolidated 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.

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

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 the assets, liabilities, revenue, and expenses that are subject to shared control have been combined on a line-by-line basis with similar items of the Village Council.

#### ***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.

#### ***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.

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**Old Massett Village Council**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2019*

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

**Cash resources**

Cash resources include cash and term deposit securities with maturities of three months or less.

**Portfolio investments**

Long-term investments in entities that are not owned, controlled or influenced by the Village Council reporting entity are accounted for using the cost method. They are recorded at cost, less any provision for other than temporary impairment.

**Funds held in trust**

Funds held in trust on behalf of Village Council members by the Government of Canada in the Ottawa Trust Fund are reported on the consolidated statement of financial position with an offsetting amount in accumulated surplus. Trust moneys consist of:

- Capital trust moneys derived from non-renewable resource transactions on the sale of land or other Village Council tangible capital assets; and
- Revenue trust moneys generated primarily through land leasing transactions or interest earned on deposits held in trust.

**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**

Assets under construction are not amortized until the asset becomes available for use. Other 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:

	<b>Method</b>	<b>Rate</b>
Buildings	declining balance	5 %
Equipment	declining balance	20 %
Infrastructure	declining balance / straight-line	4 to 5 %
Vehicles	straight-line	20 %
Water treatment plant	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 operations for the year.

**Old Massett Village Council**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2019*

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

***Net financial assets***

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

***Revenue recognition***

**Funding**

Revenue is recognized as it becomes receivable under the terms of applicable funding agreements. Funding received under funding arrangements that relate to a subsequent fiscal period are reflected as deferred revenue on the consolidated statement of financial position in the year of receipt.

**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.

**Externally restricted revenue**

The Village Council recognizes externally restricted inflows as revenue in the period the resources are used for the purpose specified in accordance with an agreement or legislation. Until this time, the Village Council records externally restricted inflows in deferred revenue.

**Funds held in trust**

The Village Council recognizes revenue of the Capital and Revenue Trust Fund at the time funds are contributed from the accounts held in Ottawa. Interest revenue is recognized when earned.

**Other revenue**

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

Investment income reported on investments in entities that are not owned, controlled or influenced is recorded as revenue when received or receivable.

***Measurement uncertainty (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.

**Old Massett Village Council**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2019*

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

***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, 2019.

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, 2019, no liability for contaminated sites exists.

***Loan guarantees***

The Village Council records a provision for losses on loan guarantees when it determines that a loss is likely.

The provision is determined based on the current circumstances of the individual borrowers and is reviewed on an ongoing basis as new events occur, as more experience is acquired, or as additional information is obtained. Any changes in the provision is charged or credited to expenses. A provision for loss on a loan guarantee is removed from the Village Council's consolidated statement of financial position when the guaranteed loan has been discharged or the term of the loan guarantee has expired.

***Segments***

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

- facilitate the achievement of the Village Council's long-term objectives to aid in resource allocation decisions, and to assess operational performance;
- 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.

**Old Massett Village Council**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2019*

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**3. Change in accounting policies**

Effective April 1, 2018, the Village Council adopted the recommendations relating to the following Section, as set out in the CPA Canada Public Sector Accounting Handbook:

- PS 3430 *Restructuring Transactions*

Pursuant to the recommendations, the changes were applied prospectively, and prior periods have not been restated. There was no material impact on the consolidated financial statements of adopting the new Section.

**4. Cash resources**

The Village Council has available a \$500,000 (2018 - \$500,000) revolving line of credit with interest charged at the Northern Savings Credit Union prime rate plus 1% per annum. As at March 31, 2019, the outstanding line of credit balance was \$NIL (2018 - \$NIL). Prime at March 31, 2019 was 3.95% (2018 - 3.45%).

**5. Accounts receivable**

	<b>2019</b>	<b>2018</b>
Indigenous Services Canada	196,305	175,233
First Nations Health Authority	1,472,132	587,523
Housing	592,431	595,693
Other accounts receivable	626,293	514,933
	<hr/>	<hr/>
Less: Allowance for doubtful accounts	2,887,161	1,873,382
	592,431	595,693
	<hr/>	<hr/>
	<b>2,294,730</b>	<b>1,277,689</b>

**6. Portfolio investments**

Portfolio investments include ten guaranteed investment certificates totaling \$4,988,861 (2018 - seven totaling \$1,962,425) with interest rates ranging from 1.25% to 1.90% and maturity dates ranging from June 2019 to November 2021.

Included in portfolio investments are externally restricted term deposits of \$22,917 (2018 - \$22,917). The restricted term deposit is for the park use permit.

**Old Massett Village Council**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2019*

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**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. During the year, there was an impairment of the joint venture in the amount of \$271,885 (2018 - \$185,450).

	<i>Investment cost</i>	<i>Cumulative share of earnings (loss)</i>	<i>Impairment of investment in joint venture</i>	<i>2019</i>
				<i>Total investment</i>
<b>First Nation Business Partnerships – Modified Equity:</b>				
Haida Gwaii Forest Products - 50%	1,600,000	(1,328,114)	(271,885)	1
	<i>Investment cost</i>	<i>Cumulative share of earnings (loss)</i>	<i>Impairment of investment in joint venture</i>	<i>2018</i>
				<i>Total investment</i>
<b>First Nation Business Partnerships – Modified Equity:</b>				
Haida Gwaii Forest Products - 50%	1,600,000	(1,414,549)	(185,450)	1

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, 2019 and 2018:

<i>Haida Gwaii Forest Products Joint Venture As at March 31, 2019</i>	<i>Haida Gwaii Forest Products Joint Venture As at March 31, 2018</i>
<b>Balance Sheet</b>	
Cash	124,664
Accounts receivable	22,998
Inventory	120,308
Property and equipment	453,462
<b>Total assets</b>	<b>721,432</b>
Total liabilities	446,240
Venturers' equity	275,192
<b>Total liabilities and venturers' equity</b>	<b>721,432</b>
<b>Statement of Operations</b>	
Total revenue	317,083
Total expenses	230,648
<b>Comprehensive income (loss)</b>	<b>86,435</b>

**Old Massett Village Council**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2019*

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**8. Funds held in trust**

Funds held in trust include the Ottawa Trust accounts which arise from moneys 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 and are subject to audit by the Office of the Auditor General of Canada. The management of these funds is primarily governed by Sections 63 to 69 of the *Indian Act*. Capital and revenue trust moneys are transferred to the Village Council on the authorization of the Minister of Indigenous Services Canada, with the consent of the Village Council's Council.

	<b>2019</b>	<b>2018</b>
<b>Capital Trust</b>		
Balance, beginning and end of year	<b>3,294</b>	3,294
<b>Revenue Trust</b>		
Balance, beginning of year	411,923	395,999
Additions	16,508	15,924
Balance, end of year	<b>428,431</b>	411,923
	<b>431,725</b>	415,217

**9. Accounts payable and accruals**

	<b>2019</b>	<b>2018</b>
Indigenous Services Canada	15,003	266,306
First Nations Health Authority	5,359	296,685
Other accounts payable and accruals	<b>810,508</b>	397,925
	<b>830,870</b>	960,916

**10. Deferred revenue**

	<i>Balance, beginning of year</i>	<i>Contributions received</i>	<i>Revenue recognized</i>	<i>Balance, end of year</i>
Indigenous Services Canada	2,700,833	1,140,315	181,874	3,659,274
First Nations Health Authority	-	696,823	-	696,823
Other	13,875	13,305	750	26,430
	<b>2,714,708</b>	<b>1,850,443</b>	<b>182,624</b>	<b>4,382,527</b>

**Old Massett Village Council**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2019*

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**11. Long-term debt**

	<b>2019</b>	<b>2018</b>
Northern Savings Credit Union (Tlaga Gaw Tlass Housing) - Mortgage repayable in monthly instalments of \$2,058, including interest at 4.00% per annum; due for renewal on May 6, 2020; guaranteed by Indigenous Services Canada.	206,301	222,461
Northern Savings Credit Union (Heating System) - Mortgage repayable in monthly instalments of \$5,781, including interest at 6.00% compounded monthly; due for renewal on May 3, 2021; secured by a first interest in specific equipment with a net book value of \$1,174,851 (2018 - \$1,223,803).	527,000	563,542
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 with a net book value of \$4,090 (2018 - \$12,270).	11,812	18,936
MacCarthy Motors (Terrace) Ltd. - Loan repayable in monthly instalments of \$541, including interest at 4.24% per annum; due August 5, 2021; secured by the specific vehicle with a net book value of \$17,712 (2018 - \$24,797).	14,773	20,507
General Motors Acceptance Corporation of Canada - Loan repayable in monthly instalments of \$572, including interest at 4.24% per annum; due August 9, 2021; secured by the specific vehicle with a net book value of \$15,411 (2018 - \$21,575).	15,630	21,696
MacCarthy Motors (Terrace) Ltd. - Loan repayable in bi-weekly instalments of \$343, including interest at 5.19% per annum; due May 17, 2022; secured by the specific vehicle with a net book value of \$29,102 (2018 - \$37,417).	25,850	33,219
Brandt Tractor Ltd. - Loan repayable in monthly instalments of \$3,122, including interest at 4.99% per annum, due June 5, 2023; secured by the specific equipment with a net book value of \$148,950.	143,224	-
Prairiecoast Equipment Ltd. - Loan repayable in monthly instalments of \$321, including interest at 0.21% per annum; due September 8, 2025; secured by the specific equipment with a net book value of \$29,661.	25,005	-
	<b>969,595</b>	880,361

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

2020	122,613
2021	116,116
2022	114,842
2023	105,186
2024	82,085
Thereafter	428,753
	<hr/>
	969,595
	<hr/>

Interest expense on long-term debt amounted to \$61,742 (2018 - \$60,863).

**Old Massett Village Council**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2019*

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**12. Contingencies**

***Guarantee***

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, 2019 is \$227,207 (2018 - \$357,482), the loan is in good standing and repayment is being made. As such, no accruals have been recorded with respect to this guarantee.

***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.

**13. Accumulated surplus**

	<b>2019</b>	<b>2018</b>
Investment in tangible capital assets	<b>14,245,214</b>	14,872,162
Externally restricted portfolio investments	22,917	22,917
Internally restricted funds	80,000	80,000
Trust funds held by federal government - capital account	3,294	3,294
Trust funds held by federal government - revenue account	<b>428,431</b>	411,923
Investment in joint venture	1	1
Surplus available for operations	<b>3,690,708</b>	3,268,744
Accumulated surplus	<b>18,470,565</b>	18,659,041

**Old Massett Village Council**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2019*

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**14. Segments**

During the year, the Village Council had eight 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.

**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.

**Enterprise Fund** - Comprised of business activities that are performed to pursue economic and business development.

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

**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.

**15. Economic dependence**

The Village Council receives a majority of its revenue from Indigenous Services Canada and First Nations Health Authority as a result of funding agreements entered into with the Government of Canada. These funding agreements are administered by Indigenous Services Canada and First Nations Health Authority 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.

**16. Defined contribution pension plan**

The Village Council has a defined contribution pension plan covering all full-time and part-time employees. Contributions to the plan are based on 100% of participants' contributions up to 3-5% of the gross wages per participant. The Village Council contributions and corresponding expense totaled \$289,383 (2018 - \$296,793). There were no changes to the pension plan during the year.

**Old Massett Village Council**  
**Schedule 1 - Consolidated Schedule of Tangible Capital Assets**  
*For the year ended March 31, 2019*

	<i>Land</i>	<i>Buildings</i>	<i>Equipment</i>	<i>Infrastructure</i>	<i>Vehicles</i>	<i>Water Treatment Plant</i>	<i>Subtotal</i>
<b>Cost</b>							
Balance, beginning of year	641,372	14,895,007	1,205,314	8,320,696	465,779	4,990,329	30,518,497
Acquisition of tangible capital assets	-	-	253,215	-	162,388	-	415,603
Construction-in-progress	-	-	-	-	-	-	-
Disposal of tangible capital assets	-	-	-	-	-	-	-
Balance, end of year	641,372	14,895,007	1,458,529	8,320,696	628,167	4,990,329	30,934,100
<b>Accumulated amortization</b>							
Balance, beginning of year	-	6,187,213	1,153,854	4,118,798	370,880	2,994,513	14,825,258
Annual amortization	-	408,696	35,258	240,455	50,141	249,516	984,066
Accumulated amortization on disposals	-	-	-	-	-	-	-
Balance, end of year	-	6,595,909	1,189,112	4,359,253	421,021	3,244,029	15,809,324
<b>Net book value of tangible capital assets</b>	<b>641,372</b>	<b>8,299,098</b>	<b>269,417</b>	<b>3,961,443</b>	<b>207,146</b>	<b>1,746,300</b>	<b>15,124,776</b>
Net book value of tangible capital assets 2018	641,372	8,707,794	51,460	4,201,898	94,899	1,995,816	15,693,239

**Old Massett Village Council**  
**Schedule 1 - Consolidated Schedule of Tangible Capital Assets**  
*For the year ended March 31, 2019*

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	<i>Subtotal</i>	<i>Assets Under Construction</i>	<i>2019</i>	<i>2018</i>
<b>Cost</b>				
Balance, beginning of year	30,518,497	59,284	30,577,781	30,515,774
Acquisition of tangible capital assets	415,603	-	415,603	100,859
Construction-in-progress	-	30,749	30,749	-
Disposal of tangible capital assets	-	-	-	(38,852)
Balance, end of year	<b>30,934,100</b>	<b>90,033</b>	<b>31,024,133</b>	<b>30,577,781</b>
<b>Accumulated amortization</b>				
Balance, beginning of year	14,825,258	-	14,825,258	13,894,320
Annual amortization	984,066	-	984,066	958,134
Accumulated amortization on disposals	-	-	-	(27,196)
Balance, end of year	<b>15,809,324</b>	<b>-</b>	<b>15,809,324</b>	<b>14,825,258</b>
<b>Net book value of tangible capital assets</b>	<b>15,124,776</b>	<b>90,033</b>	<b>15,214,809</b>	<b>15,752,523</b>
Net book value of tangible capital assets 2018	15,693,239	59,284	15,752,523	

**Old Massett Village Council**  
**Schedule 2 - Schedule of Consolidated Expenses by Object**  
*For the year ended March 31, 2019*

	<b>2019 Budget</b>	<b>2019</b>	<b>2018</b>
<b>Consolidated expenses by object</b>			
Amortization	<b>30,060</b>	<b>984,066</b>	958,134
Bad debt recoveries	-	(3,261)	(2,859)
Bank charges and interest	1,895	5,153	3,263
Contract services and professional fees	<b>1,225,493</b>	<b>1,546,479</b>	1,639,019
Delivery	155,035	174,017	152,422
Donations	2,800	2,600	5,262
Employee benefits	557,819	562,761	535,847
Equipment purchases	172,912	101,479	88,017
Honouraria	116,575	181,916	132,909
Insurance	86,932	138,286	152,193
Interest on long-term debt	51,360	61,741	60,863
Materials	867,160	1,272,899	962,506
Public relations	57,948	161,161	146,256
Rent	83,254	64,267	94,546
Repairs and maintenance	598,867	465,028	362,119
Salaries	<b>3,338,299</b>	<b>3,711,593</b>	3,416,145
Social assistance	843,570	1,001,714	896,617
Telephone and utilities	391,187	380,896	374,927
Travel	<b>1,156,280</b>	<b>2,128,453</b>	1,914,246
Tuition	<b>2,142,015</b>	<b>2,300,914</b>	2,243,132
Write up of investment	-	-	1,852
	<b>11,879,461</b>	<b>15,242,162</b>	14,137,416

**Old Massett Village Council**  
**Administration**  
**Schedule 3 - Consolidated Schedule of Revenue and Expenses**  
*For the year ended March 31, 2019*

	<b>2019 Budget</b>	<b>2019</b>	<b>2018</b>
<b>Revenue</b>			
Indigenous Services Canada	717,883	792,783	684,092
Gwaii Trust	10,000	180,008	15,000
Province of British Columbia	-	-	419,518
Interest and investment income	50,000	60,651	84,990
Other income	378,498	160,068	263,238
	<b>1,156,381</b>	<b>1,193,510</b>	<b>1,466,838</b>
<b>Expenses</b>			
Amortization	-	77,977	69,782
Bad debt recoveries	-	(3,261)	(3,261)
Bank charges and interest	1,000	1,503	934
Contract services and professional fees	65,500	134,377	73,003
Delivery	4,500	3,177	1,372
Donations	2,800	600	3,762
Employee benefits	68,791	56,634	62,681
Equipment purchases	9,000	7,013	-
Honouraria	116,575	181,916	132,909
Insurance	11,000	12,260	10,741
Materials	75,000	243,725	89,751
Public relations	9,500	17,475	5,270
Rent	12,000	15,595	17,101
Repairs and maintenance	46,500	49,874	36,611
Salaries	378,790	291,839	332,264
Telephone and utilities	58,000	46,291	80,969
Travel	42,925	89,465	88,029
	<b>901,881</b>	<b>1,226,460</b>	<b>1,001,918</b>
<b>Surplus (deficit) before transfers</b>	<b>254,500</b>	<b>(32,950)</b>	<b>464,920</b>
<b>Transfers between programs</b>	<b>-</b>	<b>(10,172)</b>	<b>-</b>
<b>Surplus (deficit)</b>	<b>254,500</b>	<b>(43,122)</b>	<b>464,920</b>

**Old Massett Village Council**  
**Capital and Maintenance Operations**  
**Schedule 4 - Consolidated Schedule of Revenue and Expenses**  
*For the year ended March 31, 2019*

	<b>2019 Budget</b>	<b>2019</b>	<b>2018</b>
<b>Revenue</b>			
Indigenous Services Canada	1,090,879	966,524	1,163,225
Gwali Trust	-	-	10,000
Government of Canada	-	-	434,275
Other income	60,012	60,012	80,493
	<b>1,150,891</b>	<b>1,026,536</b>	<b>1,687,993</b>
<b>Expenses</b>			
Amortization	-	564,641	542,762
Bank charges and interest	50	347	20
Contract services and professional fees	206,331	202,843	469,142
Delivery	141,750	140,687	133,133
Employee benefits	27,939	27,925	19,198
Equipment purchases	18,108	28,305	16,508
Insurance	20,200	28,577	31,572
Interest on long-term debt	-	36,337	29,739
Materials	126,897	99,461	48,542
Public relations	17,423	14,834	12,890
Rent	6,418	7,062	7,811
Repairs and maintenance	81,394	58,822	66,209
Salaries	195,314	201,602	171,767
Telephone and utilities	171,152	148,210	119,960
Travel	20,042	23,258	14,067
	<b>1,033,018</b>	<b>1,582,911</b>	<b>1,683,320</b>
<b>Surplus (deficit) before transfers</b>	<b>117,873</b>	<b>(556,375)</b>	<b>4,673</b>
<b>Transfers between programs</b>	<b>-</b>	<b>210,303</b>	<b>19,403</b>
<b>Surplus (deficit)</b>	<b>117,873</b>	<b>(346,072)</b>	<b>24,076</b>

**Old Massett Village Council**  
**Economic Development**  
**Schedule 5 - Consolidated Schedule of Revenue and Expenses**  
*For the year ended March 31, 2019*

	<b>2019 Budget</b>	<b>2019</b>	<b>2018</b>
<b>Revenue</b>			
Indigenous Services Canada	-	<b>190,175</b>	190,842
Gwali Trust	-	-	67,110
Tribal Resources Investment Corporation	<b>5,812</b>	-	3,528
Province of British Columbia	<b>223,908</b>	<b>228,007</b>	200,007
Government of Canada	<b>249,935</b>	<b>241,135</b>	269,115
Other income	<b>640,825</b>	<b>548,083</b>	384,194
	<b>1,120,480</b>	<b>1,207,400</b>	1,114,796
<b>Expenses</b>			
Amortization	-	<b>76,410</b>	72,664
Bank charges and interest	<b>450</b>	<b>118</b>	1,738
Contract services and professional fees	<b>310,456</b>	<b>426,427</b>	372,573
Delivery	<b>350</b>	<b>3,977</b>	10,276
Employee benefits	<b>37,500</b>	<b>51,335</b>	65,107
Equipment purchases	<b>16,800</b>	<b>1,536</b>	13,460
Insurance	<b>15,882</b>	<b>16,852</b>	26,312
Interest on long-term debt	<b>33,000</b>	<b>10,708</b>	14,486
Materials	<b>154,500</b>	<b>131,026</b>	262,381
Public relations	<b>1,850</b>	<b>1,374</b>	9,944
Rent	<b>10,900</b>	<b>9,296</b>	27,907
Repairs and maintenance	<b>83,550</b>	<b>72,934</b>	101,293
Salaries	<b>301,325</b>	<b>445,112</b>	533,539
Telephone and utilities	<b>13,200</b>	<b>11,163</b>	26,953
Travel	<b>7,730</b>	<b>2,781</b>	43,881
	<b>987,493</b>	<b>1,261,049</b>	1,582,514
<b>Surplus (deficit) before transfers</b>	<b>132,987</b>	<b>(53,649)</b>	(467,718)
<b>Transfers between programs</b>	<b>-</b>	<b>(31,755)</b>	(19,403)
<b>Surplus (deficit)</b>	<b>132,987</b>	<b>(85,404)</b>	(487,121)

**Old Massett Village Council**  
**Education**  
**Schedule 6 - Consolidated Schedule of Revenue and Expenses**  
*For the year ended March 31, 2019*

	<b>2019 Budget</b>	<b>2019</b>	<b>2018</b>
<b>Revenue</b>			
Indigenous Services Canada	3,264,592	3,360,390	3,385,037
Gwali Trust	4,000	9,500	3,222
Tribal Resources Investment Corporation	23,000	6,853	27,890
Province of British Columbia	498,000	450,737	84,617
Other income	261,901	428,874	533,032
	<b>4,051,493</b>	<b>4,256,354</b>	<b>4,033,798</b>
<b>Expenses</b>			
Amortization	15,160	74,203	74,941
Bank charges and interest	160	278	13
Contract services and professional fees	165,279	53,044	142,355
Delivery	1,400	3,882	2,174
Donations	-	2,000	1,500
Employee benefits	186,439	189,956	181,330
Equipment purchases	22,703	22,724	2,033
Insurance	9,000	17,200	17,150
Interest on long-term debt	360	-	-
Materials	175,584	179,931	184,581
Public relations	2,000	5,837	3,547
Rent	10,050	6,701	20,575
Repairs and maintenance	35,350	60,472	77,282
Salaries	915,329	1,230,483	1,058,847
Telephone and utilities	55,800	78,563	57,251
Travel	66,755	127,967	79,545
Tuition	2,142,015	2,300,914	2,243,132
	<b>3,803,384</b>	<b>4,354,155</b>	<b>4,146,256</b>
<b>Surplus (deficit) before transfers</b>	<b>248,109</b>	<b>(97,801)</b>	<b>(112,458)</b>
<b>Transfers between programs</b>	<b>-</b>	<b>(106,082)</b>	<b>-</b>
<b>Surplus (deficit)</b>	<b>248,109</b>	<b>(203,883)</b>	<b>(112,458)</b>

**Old Massett Village Council**  
**Enterprise Fund**  
**Schedule 7 - Consolidated Schedule of Revenue and Expenses**  
*For the year ended March 31, 2019*

	<b>2019</b> <i>Budget</i>	<b>2019</b>	<b>2018</b>
<b>Revenue</b>			
Other income	-	-	89
<b>Expenses</b>			
Amortization	-	-	1,777
Bad debts	-	-	402
Bank charges and interest	-	-	146
Contract services and professional fees	-	-	6,804
Materials	-	-	468
Telephone and utilities	-	-	1,749
Write up of investment	-	-	1,852
	-	-	13,198
<b>Deficit</b>	-	-	(13,109)

**Old Massett Village Council**  
**Health**  
**Schedule 8 - Consolidated Schedule of Revenue and Expenses**  
*For the year ended March 31, 2019*

	<b>2019 Budget</b>	<b>2019</b>	<b>2018</b>
<b>Revenue</b>			
Indigenous Services Canada	150,000	260,000	-
Gwali Trust	50,400	80,736	20,966
First Nations Health Authority	3,756,478	4,402,086	3,667,221
Province of British Columbia	161,816	248,464	262,740
Other income	71,922	395,249	278,798
	<b>4,190,616</b>	<b>5,386,535</b>	4,229,725
<b>Expenses</b>			
Amortization	-	65,098	63,853
Bank charges and interest	90	2,740	355
Contract services and professional fees	388,754	550,898	422,232
Delivery	3,250	4,540	3,234
Employee benefits	200,736	196,109	177,141
Equipment purchases	98,500	38,062	56,016
Insurance	6,000	35,483	37,786
Interest on long-term debt	8,000	6,161	7,416
Materials	178,213	326,243	234,458
Public relations	24,600	93,768	106,385
Rent	32,200	23,403	17,476
Repairs and maintenance	308,623	163,529	48,505
Salaries	1,330,154	1,291,503	1,120,895
Telephone and utilities	58,135	58,122	59,042
Travel	1,014,878	1,877,747	1,685,595
	<b>3,652,133</b>	<b>4,733,406</b>	4,040,389
<b>Surplus before transfers</b>	<b>538,483</b>	<b>653,129</b>	189,336
<b>Transfers between programs</b>	<b>-</b>	<b>(46,134)</b>	<b>-</b>
<b>Surplus</b>	<b>538,483</b>	<b>606,995</b>	189,336

**Old Massett Village Council**  
**Housing**  
**Schedule 9 - Consolidated Schedule of Revenue and Expenses**  
*For the year ended March 31, 2019*

	<b>2019 Budget</b>	<b>2019</b>	<b>2018</b>
<b>Revenue</b>			
Indigenous Services Canada	-	254,442	110,777
Gwali Trust	-	70,000	-
Other income	<b>228,888</b>	<b>203,097</b>	171,966
	<b>228,888</b>	<b>527,539</b>	282,743
<b>Expenses</b>			
Amortization	14,900	125,737	132,355
Bank charges and interest	60	29	6
Contract services and professional fees	<b>67,923</b>	<b>155,582</b>	130,305
Delivery	400	17,688	21
Employee benefits	1,434	14,411	193
Equipment purchases	6,600	3,538	-
Insurance	20,850	24,942	26,020
Interest on long-term debt	10,000	8,536	9,222
Materials	26,340	203,329	6,707
Public relations	250	5,612	-
Rent	568	225	2,738
Repairs and maintenance	<b>29,650</b>	<b>47,448</b>	23,372
Salaries	-	105,155	-
Telephone and utilities	17,700	18,445	15,292
Travel	875	3,761	-
	<b>197,550</b>	<b>734,438</b>	346,231
<b>Surplus (deficit) before transfers</b>	<b>31,338</b>	<b>(206,899)</b>	(63,488)
<b>Transfers between programs</b>	<b>-</b>	<b>(16,160)</b>	-
<b>Surplus (deficit)</b>	<b>31,338</b>	<b>(223,059)</b>	(63,488)

**Old Massett Village Council**  
**Social Assistance**  
**Schedule 10 - Consolidated Schedule of Revenue and Expenses**  
*For the year ended March 31, 2019*

	<b>2019 Budget</b>	<b>2019</b>	<b>2018</b>
<b>Revenue</b>			
Indigenous Services Canada	1,127,859	1,365,637	1,222,313
Gwaii Trust	61,800	17,522	44,278
Province of British Columbia	67,276	67,276	67,276
Other income	100,967	5,378	26,394
	<b>1,357,902</b>	<b>1,455,813</b>	<b>1,360,261</b>
<b>Expenses</b>			
Bank charges and interest	85	137	51
Contract services and professional fees	21,250	23,309	22,606
Delivery	3,385	65	2,212
Employee benefits	34,980	26,391	30,196
Equipment purchases	1,200	300	-
Insurance	4,000	2,972	2,612
Materials	130,627	89,184	135,617
Public relations	2,325	22,261	8,220
Rent	11,118	1,985	938
Repairs and maintenance	13,800	11,949	8,848
Salaries	217,387	145,900	198,834
Social assistance	843,570	1,001,714	896,617
Telephone and utilities	17,200	20,101	13,711
Travel	3,075	3,475	3,128
	<b>1,304,002</b>	<b>1,349,743</b>	<b>1,323,590</b>
<b>Surplus</b>	<b>53,900</b>	<b>106,070</b>	<b>36,671</b>