

Consolidated financial statements of

Nisga'a Lisims Government

March 31, 2017

Nisga'a Lisims Government

March 31, 2017

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Management’s responsibility for financial reporting

The consolidated financial statements of the Nisga’a Lisims Government (the “Government”) and related information contained in these consolidated financial statements is the responsibility of management.


The consolidated financial statements have been prepared in accordance with the accounting policies set out in Note 2 to the consolidated financial statements and comply with the recommendations of the Public Sector Accounting Board (“PSAB”) of the Chartered Professional Accountants of Canada and the Nisga’a Financial Administration Act of the Nisga’a Lisims Government, except as referenced to in note 12 of the consolidated financial statements. When alternative accounting methods exist, management has chosen those that are more appropriate. Where required, management’s best estimates and judgments have been applied in the preparation of these financial statements.

The Government fulfills its accounting and reporting responsibilities through the Office of the Secretary Treasurer and Chief Financial Officer by maintaining a system of financial management and internal control. The systems are continually enhanced and modified to provide reasonable assurance that transactions are appropriately authorized and accurately recorded, to safeguard and control the Government’s assets, and to ensure all transactions are in accordance with the Nisga’a Financial Administration Act.

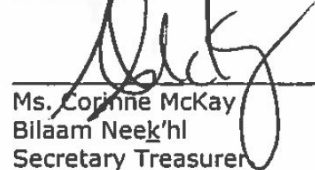
Wilp Si’ayuukhl Nisga’a (“WSN”) (the Government’s legislative assembly), the Executive and the Finance Committee are responsible for ensuring that management fulfills its responsibilities for financial reporting, and WSN is ultimately responsible for reviewing and approving the consolidated financial statements.

WSN, the Executive and the Finance Committee meet periodically with management, as well as the auditors, to discuss internal controls over the financial reporting issues, to satisfy themselves that each party is properly discharging their responsibilities, and to review the consolidated financial statements and the independent auditor’s report. They take this information into consideration when approving the consolidated financial statements for issuance to the citizens of Nisga’a Nation. WSN, the Executive and the Finance Committee also consider the engagement of the external auditors.

Deloitte LLP performs an annual audit on the consolidated financial statements in order to express an opinion as to whether the consolidated financial statements present fairly, in all material respects, the financial position of the Government and the results of its operations, changes in its net financial assets and its cash flows for the year in accordance with Canadian public sector accounting standards for issuance to the citizens of the Nisga’a Nation.



Ms. Eva Clayton
Nox Wil lu gamiks thloks
President



Ms. Corinne McKay
Bilaam Neek’hl
Secretary Treasurer



Mr. Terry Holt
Chief Financial Officer

Independent Auditor's Report

To the Wilp Si'ayuuḱhl Nisga'a of
the Nisga'a Lisims Government

We have audited the accompanying consolidated financial statements of Nisga'a Lisims Government, which comprise the consolidated statement of financial position as at March 31, 2017, and the consolidated statements of operations and accumulated surplus, changes in net financial assets and cash flows for the year then ended, and the notes to the consolidated financial statements.

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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the 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.

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of Nisga'a Lisims Government as at March 31, 2017 and the results of its operations, changes in its net financial assets and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Deloitte LLP

Chartered Professional Accountants
July 26, 2017
Vancouver, British Columbia

Nisga'a Lisims Government

Consolidated statement of operations and accumulated surplus year ended March 31, 2017

| | Budget 2017 | 2017 | 2016 |
|---|--------------------|--------------------|--------------------|
| | \$ | \$ | \$ |
| Revenue | | | |
| Fiscal Financing Agreement and related funding | 66,105,664 | 65,663,536 | 63,230,432 |
| Investment income | 8,375,977 | 13,278,812 | 14,283,720 |
| Tax revenue (Note 16) | 4,993,927 | 2,493,439 | 9,544,384 |
| Other revenue (Notes 17 and 20) | 6,305,949 | 4,613,485 | 4,830,010 |
| Share of commercial entities' revenue (Note 21) | - | 1,595,630 | 3,074,991 |
| Contribution from Lisims Fisheries Conservation Trust | 550,000 | 550,000 | 550,000 |
| Targeted funding - INAC | 25,000 | 91,000 | 163,201 |
| Share of business enterprise income (Note 7) | - | 90,175 | 536,592 |
| | 86,356,517 | 88,376,077 | 96,213,330 |
| Expenses (Note 18) | | | |
| Nass Area strategy | 1,711,582 | 1,986,111 | 6,969,479 |
| Own source revenue taxation | 2,677,526 | 2,622,110 | 6,664,275 |
| Administration | 7,777,741 | 7,725,185 | 5,869,831 |
| Programs and services | 7,003,037 | 6,400,496 | 5,791,628 |
| Share of commercial entities' expenses (Note 21) | - | 3,825,727 | 5,336,275 |
| Governance | 4,651,438 | 4,072,145 | 3,628,788 |
| Fish, wildlife and migratory birds | 3,330,639 | 3,050,522 | 2,834,613 |
| Lands and resources | 3,403,090 | 2,035,053 | 1,786,440 |
| Settlement Fund | 1,250,000 | 1,426,170 | 1,401,799 |
| Elders payments | 1,125,000 | 930,000 | 1,290,000 |
| Amortization | 1,120,500 | 1,493,680 | 1,153,054 |
| Commercial development | 423,000 | 422,989 | 1,053,696 |
| | 34,473,553 | 35,990,188 | 43,779,878 |
| Transfers and operating grants | | | |
| Nisga'a Village Governments | 24,389,957 | 25,746,435 | 25,612,786 |
| Nisga'a Valley Health Authority | 16,083,655 | 16,308,562 | 16,164,921 |
| Nisga'a School Board #92 | 7,672,448 | 8,292,274 | 8,304,271 |
| Nisga'a Urban Locals | 2,021,215 | 1,966,616 | 2,008,712 |
| Wilp Wilxo'oskwhl Nisga'a | 1,015,604 | 934,532 | 794,802 |
| | 51,182,879 | 53,248,419 | 52,885,492 |
| | 85,656,432 | 89,238,607 | 96,665,370 |
| Excess (deficiency) of revenue over expenses | 700,085 | (862,530) | (452,040) |
| Accumulated surplus, beginning of year | 244,531,343 | 244,531,343 | 244,983,383 |
| Accumulated surplus, end of year | 245,231,428 | 243,668,813 | 244,531,343 |


The accompanying notes to the consolidated financial statements are an integral part of this consolidated financial statement.

Nisga'a Lisims Government

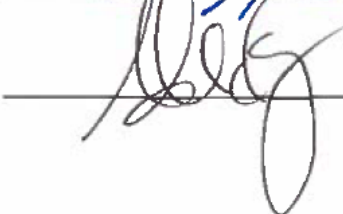
Consolidated statement of financial position as at March 31, 2017

| | 2017 | 2016 |
|---|--------------------|--------------------|
| | \$ | \$ |
| Financial assets | | |
| Cash (Note 5(a)) | 3,564,218 | 2,244,962 |
| Accounts and loans receivable (Note 3) | 3,165,225 | 2,532,410 |
| Capital Finance Commission proceeds receivable | - | 3,614,634 |
| Designated cash (Note 5(b)) | 9,216,556 | 30,521,825 |
| Designated investments (Note 5(c)) | 26,002,058 | - |
| Designated trust funds (Note 6) | 248,475,765 | 241,536,294 |
| Investments in other entities (Note 7) | 764,756 | 1,321,063 |
| | 291,188,578 | 281,771,188 |
| Liabilities | | |
| Bank indebtedness (Note 8) | 189,737 | 140,824 |
| Accounts payable and accrued liabilities (Note 9) | 31,883,437 | 23,145,402 |
| Deferred revenue and deposits received (Note 10) | 3,076,304 | 3,074,034 |
| Funds held for silviculture (Note 22) | 1,806,076 | 1,629,767 |
| Capital Finance Commission deferred revenue (Note 4) | 34,858,417 | 33,786,473 |
| Long-term debt (Note 11) | 1,966,263 | 2,434,414 |
| | 73,780,234 | 64,210,914 |
| Net financial assets | 217,408,344 | 217,560,274 |
| Commitments and contingencies (Note 15) | | |
| Capital Finance Commission contingent asset (Note 15(b)(i)) | | |
| Non-financial assets | | |
| Tangible capital assets (Note 12 and Schedule 1) | 25,903,252 | 26,360,437 |
| Prepaid expenses (Note 13) | 357,217 | 610,632 |
| | 26,260,469 | 26,971,069 |
| Accumulated surplus | 243,668,813 | 244,531,343 |

On behalf of Wilp Si'ayuukhl Nisga'a



Member



Member

The accompanying notes to the consolidated financial statements are an integral part of this consolidated financial statement.

Nisga'a Lisims Government

Consolidated statement of changes in net financial assets year ended March 31, 2017

| | Budget | | |
|---|--------------------|--------------------|-------------|
| | 2017 | 2017 | 2016 |
| | \$ | \$ | \$ |
| Excess (deficiency) of revenue over expenses | 700,085 | (862,530) | (452,040) |
| Amortization of tangible capital assets | 1,120,500 | 1,682,010 | 1,240,415 |
| Acquisition of tangible capital assets | - | (1,347,906) | (1,348,202) |
| Impairment of tangible capital assets | - | 62,500 | 1,302,904 |
| Disposal of tangible capital assets | - | 60,581 | 3,057 |
| Change in prepaid expenses | - | 253,415 | 108,935 |
| Increase (decrease) in net financial assets | 1,820,585 | (151,930) | 855,069 |
| Net financial assets, beginning of the year | 217,560,274 | 217,560,274 | 216,705,205 |
| Net financial assets, end of the year | 219,380,859 | 217,408,344 | 217,560,274 |

The accompanying notes to the consolidated financial statements are an integral part of this consolidated financial statement.

Nisga'a Lisims Government

Consolidated statement of cash flows year ended March 31, 2017

| | 2017 | 2016 |
|---|---------------------|---------------------|
| | \$ | \$ |
| Operating activities | | |
| Deficiency of revenue over expenses | (862,530) | (452,040) |
| Items not involving cash | | |
| Amortization of tangible capital assets | 1,682,010 | 1,240,415 |
| Share of business enterprise income | (90,175) | (536,592) |
| Impairment of tangible capital assets | 62,500 | 1,302,904 |
| Loss on disposal of tangible capital assets | 60,581 | 3,057 |
| | 852,386 | 1,557,744 |
| Changes in non-cash working capital | | |
| Accounts and loans receivable | (632,815) | 612,923 |
| Accounts payable and accrued liabilities | 8,738,035 | 5,884,941 |
| Deferred revenue and deposits received | 2,270 | 1,821,056 |
| Funds held for silviculture | 176,309 | 5,312 |
| Capital Finance Commission deferred revenue | 1,071,944 | (455,109) |
| Prepaid expenses | 253,415 | 108,935 |
| | 10,461,544 | 9,535,802 |
| Capital activity | | |
| Acquisition of tangible capital assets | (1,347,906) | (1,348,202) |
| Investing activities | | |
| Decrease (increase) in designated cash | 21,305,269 | (3,245,556) |
| Increase in designated investments | (26,002,058) | - |
| Increase in designated trust funds | (6,939,471) | (12,685,843) |
| Investments in other entities | 646,482 | (7,323) |
| | (10,989,778) | (15,938,722) |
| Financing activities | | |
| Capital Finance Commission receivable | 3,614,634 | 3,614,634 |
| Repayment of long-term debt | (468,151) | (486,013) |
| Increase in bank indebtedness | 48,913 | 140,824 |
| Advances from other entities | - | (32,675) |
| | 3,195,396 | 3,236,770 |
| Net cash inflow (outflow) | 1,319,256 | (4,514,352) |
| Cash, beginning of year | 2,244,962 | 6,759,314 |
| Cash, end of year | 3,564,218 | 2,244,962 |
| Supplemental cash flow information | | |
| Interest paid | 472,613 | 427,423 |
| Interest received | 2,997,247 | 3,230,398 |

The accompanying notes to the consolidated financial statements are an integral part of this consolidated financial statement.

Nisga'a Lisims Government

Notes to the consolidated financial statements

March 31, 2017

1. Operating authority

The Nisga'a Lisims Government (the "Government") operates under the authority of the Constitution of the Nisga'a Nation and under the Nisga'a Final Agreement Act in Canada. The members of the Nisga'a Nation ratified a Final Agreement ("Agreement") on November 9, 1998. The Government of Canada and the Province of British Columbia ratified the Agreement through the Legislature and the House of Commons enacting their respective Acts to give effect to the Agreement. The Agreement came into effect on May 11, 2000 in the area of the Nass Valley in British Columbia, Canada.

The Government comprises:

- (a) an elected Legislative House known as Wilp Si'ayuukhl Nisga'a through which the Nisga'a Nation enacts legislation and performs the duties, functions and obligations of Government;
- (b) an Executive which receives delegated authority from Wilp Si'ayuukhl Nisga'a and authority from the Constitution of the Nisga'a Nation to conduct the duties, functions, and obligations of Government; and
- (c) a Council of Elders which may advise the Government on traditional matters.

2. Summary of significant accounting policies

The consolidated financial statements of the Government are prepared by management in accordance with Canadian public sector accounting standards, and in accordance with the Nisga'a Financial Administration Act of the Nisga'a Nation. The significant accounting policies are as follows:

(a) Principles of consolidation

The consolidated financial statements include the accounts of the Government and organizations controlled by the Government. Organizations considered to be Government business enterprises are accounted for using the modified equity method. Under this method, the Government only reports its investment in and advances to and the net income or loss of the organization. Other Government organizations are consolidated in the financial statements after eliminating any intercompany transactions and balances.

Trust funds under the Government's control are incorporated directly into the Government's accounts while those not under the Government's control, or trusts administered on behalf of other parties, are excluded from the consolidated Government reporting entity.

Nisga'a Government is comprised of the Nisga'a Lisims Government, which represents the Nisga'a Nation, and the four Nisga'a Village Governments, which represent the four Nisga'a Villages. The Nisga'a Nation and the Nisga'a Villages are separate and distinct legal entities. In addition, there are three Nisga'a Urban Locals, which provide liaison and contact between Nisga'a Government and Nisga'a citizens ordinarily residing within the Nisga'a Urban Local Areas. These financial statements include the consolidated financial affairs of the Government and do not include the financial affairs of the Nisga'a Village Governments and Nisga'a Urban Locals that are separate legal entities. The following are the organizations included in the Government reporting entity and how they are accounted for in the consolidated financial statements:

Consolidated

| | |
|---|--|
| 1014068 B.C. Ltd. (i) | Lisims Communications Limited Partnership (i) |
| 1014069 B.C. Ltd. (i) | Nass Area Properties Ltd. (i) |
| 1014071 B.C. Ltd. (i) | Nass Area Properties Limited Partnership (i) |
| 1014075 B.C. Ltd. (i) | Nisga'a Interim Settlement Trust |
| enTel Communications Limited Partnership (i) | Nisga'a Fisheries Ltd. (i) |
| K'alii Aks Construction Ltd. (i) | Nisga'a Fisheries Limited Partnership (i) |
| Lisims Backcountry Adventures Inc. (i) | Nisga'a Pacific Ventures Ltd. (i) |
| Lisims Backcountry Adventures Limited Partnership (i) | Nisga'a Pacific Ventures Limited Partnership (i) |
| Lisims Communications Inc. (i) | Nisga'a Guide Outfitting Ltd. (i) |
| K'alii Aks Construction Limited Partnership (i) | Nisga'a Guide Outfitting Limited Partnership (i) |

Nisga'a Lisims Government

Notes to the consolidated financial statements

March 31, 2017

2. Summary of significant accounting policies (continued)

(a) Principles of consolidation (continued)

Modified equity

Lisims Forest Resource Limited Partnership (i)

(i) These entities are included in the Nisga'a Pacific Ventures Group.

(b) Recognition of revenues and expenses

Government transfers from the federal and provincial governments that do not include stipulations are recognized as revenue when the transfers have been authorized, eligibility criteria have been met and a reasonable estimate of the amount can be made. Government transfers with stipulations are recognized as revenue in the period the transfers are authorized, and eligibility criteria and stipulations are met.

Taxation revenues are recognized when authorized by the Government, the taxable event has occurred, and the definition of an asset is met.

Other revenues are accounted for in the period in which the transactions or events occur that give rise to the revenues. Funds from external parties and earnings thereon restricted by agreement or legislation are accounted for as deferred revenue until used for the purposes specified. Investment income is recognized on an accrual basis when earned.

Publicly traded equities received as consideration are recognized at the fair value when received or receivable.

Expenditures are accounted for in the period the goods and services are acquired and a liability is incurred or transfers are due.

Transfers to other governments are recognized as an expense in the period the transfer is authorized by the Government and all eligibility criteria, if any, have been met by the recipient.

(c) Accumulated surplus

Funds within the accumulated surplus include the following as provided for under Section 44(1) of the Nisga'a Financial Administration Act. These funds are not presented separately and are presented on a consolidated basis with any inter-fund balances and transactions eliminated, but are separated for the purposes of segmented reporting in Schedule 2.

(i) Government and Administration Fund

This fund consists of the operations and administration of general Government.

(ii) Commercial Fisheries Fund

This fund consists of the operations of the commercial fisheries programs under Schedule G of the Nisga'a Final Agreement.

(iii) Business Development Fund

This fund consists of the operations conducted under the Nisga'a Business Development Fund Act.

(iv) Capital Transfer Fund

This fund consists of the receipts and transfers of the capital transfer monies under the Nisga'a Final Agreement.

(v) Investment Fund

This fund consists of the Government's investments in various business and non-business ventures.

Nisga'a Lisims Government

Notes to the consolidated financial statements

March 31, 2017

2. Summary of significant accounting policies (continued)

(c) *Accumulated surplus (continued)*

(vi) Tangible Capital Asset Fund

This fund consists of the tangible capital assets under the management of the Government. This includes tangible capital assets received as part of settlement and tangible capital assets constructed and acquired.

(vii) Capital Finance Commission Fund

This fund consists of the operations of the Capital Finance Commission under the Nisga'a Capital Finance Commission Act.

(viii) Land Title Assurance Fund

This fund is required under a Torrens title system and guarantees title in cases of fraud or error. The fund is used to compensate individuals who are deprived of their title.

(d) *Cash, designated cash and designated trust funds*

Cash and portfolio investments are recorded at cost, less any provision for impairment where investments are considered to be other-than-temporarily impaired.

(e) *Foreign currency translation*

Amounts denominated in foreign currencies are translated into Canadian dollars at the prevailing exchange rate at year end and transactions are translated into Canadian dollars at the prevailing rate at the transaction date. Gains and losses arising from translation of foreign currency balances are recognized in the statement of operations in the period incurred.

(f) *Loans receivable*

Loans receivable are stated at the lower of cost and management's best estimate of net recoverable value. Valuation allowances, which are recorded to reduce loans receivable, are based on past events, current conditions and all circumstances known at the date of the preparation of the financial statements. Interest revenue is recognized when earned. Interest revenue is not accrued when the collectability of either principal or interest is not reasonably assured.

(g) *Tangible capital assets*

Tangible capital assets are recorded at cost, except for contributed lands, natural resources and cultural resources which are recorded at a nominal value of \$1 each.

Tangible capital assets are amortized at the following rates and methods:

| | | |
|--|-----------|-------------------|
| Buildings and mobile homes | 4% and 5% | declining balance |
| Boats and vessels | 7% | declining balance |
| Automotive | 30% | declining balance |
| Machinery and equipment | 20% | declining balance |
| Furniture, fixtures and office equipment | 20% | declining balance |
| Computer equipment | 30% | declining balance |
| Communications infrastructure | 12% | declining balance |
| Fibre optic network | 25 years | straight line |

Assets under construction are not amortized until they are brought into use.

When conditions indicate that a tangible capital asset no longer contributes to the ability to provide goods or services, or that the value of future economic benefits is less than its book value, the carrying value of the asset is reduced to reflect the decline in value.

Nisga'a Lisims Government

Notes to the consolidated financial statements

March 31, 2017

2. Summary of significant accounting policies (continued)

(h) *Income taxes*

The fully consolidated entities of the Nisga'a Pacific Ventures Group (Note 2(a)) use the liability method of accounting for income taxes. Under this method, current income taxes are recognized for the estimated income taxes payable for the current year. Deferred income tax assets and liabilities are recognized for temporary differences between the tax and accounting bases of assets and liabilities and are calculated using tax rates anticipated to be in effect in the periods that the temporary differences are expected to reverse. The effect of a change in the income tax rates on deferred income tax assets and liabilities is recognized in operations in the period the change becomes substantively enacted. Deferred income tax assets are recognized to the extent that such benefits are likely to be realized.

(i) *Employee benefits*

Under the terms and conditions of employment, Government employees may qualify and earn benefits for annual leave, elective leave, severance and other benefits. The estimated liability for these benefits is recorded as the benefits are earned by employees. Severance liabilities are recorded when employees are identified for lay-off.

(j) *Budgets*

The budget figures are the appropriations approved by Wilp Si'ayuukhl Nisga'a and the approved budgets for the consolidated entities, adjusted to eliminate transfers within inter-entity funds of the consolidated Government reporting entities. The budget figures represent the Government's budget for the year as approved by Wilp Si'ayuukhl Nisga'a.

(k) *Liability for contaminated sites*

The Government recognizes and measures a liability for remediation of contaminated sites where:

- An environmental standard exists;
- Contaminated levels exceed the environmental standard;
- The Government is directly responsible or accepts responsibility;
- It is expected that future economic benefits will be given up; and
- A reasonable estimate of the amount can be made.

The liability is based on the present value of the estimated costs directly attributable to the remediation and post-remediation activities.

(l) *Use of estimates*

The preparation of financial statements in accordance with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses and the disclosure of contingent assets and liabilities for the reporting period. Significant estimates used in the preparation of these financial statements include the estimate of own source revenue liability and tax revenues. Where uncertainty exists under the terms of the Own Source Revenue Agreement, the government has based its estimates on interpretations that it considers to be reasonable in the circumstances. Actual results could differ from those estimates, and the differences could be material.

Nisga'a Lisims Government

Notes to the consolidated financial statements

March 31, 2017

3. Accounts and loans receivable

| | 2017 | 2016 |
|---|------------------|-----------|
| | \$ | \$ |
| Government funding and grants | 550,777 | 277,655 |
| Goods and Services Tax and PST | 349,725 | 732,283 |
| Other accounts receivable | 1,285,852 | 1,268,598 |
| Accounts receivable - Government businesses | 918,942 | 233,204 |
| Business loans - various terms | 498,517 | 456,410 |
| Fishers loans - various terms | 247,877 | 247,877 |
| Gitlaxt'aamiks Village Government | 279,230 | 282,078 |
| | 4,130,920 | 3,498,105 |
| Allowance for doubtful accounts | (965,695) | (965,695) |
| | 3,165,225 | 2,532,410 |

The loan to Gitlaxt'aamiks Village Government is unsecured and bears interest at a rate equivalent to the Government's line of credit from a commercial bank.

4. Capital Finance Commission

Capital Finance Commission deferred revenue

| | 2017 | 2016 |
|--|-------------------|-------------|
| | \$ | \$ |
| Deferred revenue, beginning of year | 33,786,473 | 34,241,582 |
| Interest and inflation adjustment earned | 1,664,631 | 660,731 |
| Eligible expenditures | (592,687) | (1,115,840) |
| Deferred revenue, end of year | 34,858,417 | 33,786,473 |

Revenue is recognized when expenditures incurred meet the criteria under the terms of the fiscal financing agreement.

5. Cash, designated cash and designated investments

(a) Cash

During the year ended March 31, 2016, the Government's Executive approved funding in the amount of \$848,403 for each of the Village governments as an additional program under section 6 of the Nisga'a Capital (New Asset) Finance Commission Act to support existing and new housing programs on Nisga'a lands. Cash as at March 31, 2017 includes \$674,519 (2016 – 2,044,365) of the approved funding that had not yet been disbursed.

(b) Designated cash

| | 2017 | 2016 |
|---------------------------------|------------------|------------|
| | \$ | \$ |
| Capital Finance Commission Fund | 8,856,359 | 30,204,161 |
| Business Development Fund | 360,197 | 317,664 |
| | 9,216,556 | 30,521,825 |

Nisga'a Lisims Government

Notes to the consolidated financial statements

March 31, 2017

5. Cash, designated cash and designated investments (continued)

(c) Designated investments

During the year ended March 31, 2017, the Government invested \$25 million of capital finance commission funds in bond and equity pooled funds managed by Phillips, Hager and North Investment Management. The cost and market value of the investments as at March 31, 2017 were \$26,002,058 and \$25,951,640, respectively.

6. Designated trust funds

Nisga'a Settlement Trust

The Trust comprises:

| | 2017 | 2016 |
|---|--------------------|--------------------|
| | \$ | \$ |
| (a) Interest bearing cash account with RBC Investor Services Trust | 595,996 | 542,453 |
| (b) Portfolio investments held by RBC Investor Services Trust at cost (market value \$300,456,258 (2016 - \$276,493,902)) | 247,879,769 | 240,993,841 |
| | 248,475,765 | 241,536,294 |

The Government has contributed funds to this Trust to hold, protect and grow a portion of Nisga'a Final Agreement proceeds for the future benefit of the Nisga'a Nation.

Total appropriations from the Nisga'a Settlement Trust to the Government and Administration Fund were as follows:

| | \$ |
|------|-------------------|
| 2007 | 5,506,421 |
| 2008 | 7,815,414 |
| 2009 | 7,040,000 |
| 2010 | - |
| 2011 | 3,699,288 |
| 2012 | 5,578,714 |
| 2013 | 5,245,217 |
| 2014 | 5,295,678 |
| 2015 | 6,277,156 |
| 2016 | 4,677,249 |
| 2017 | 4,997,333 |
| | 56,132,470 |

These Funds have been appropriated by the WSN as a result of approved cash management strategies. The Government may draw down these Funds at a future point in time, consistent with best practices related to strategic cash management, and subject to the Nisga'a Financial Administration Act. During the year ended March 31, 2017, a distribution of \$Nil (2016 - \$Nil) was made out of the Trust monies.

Nisga'a Lisims Government

Notes to the consolidated financial statements

March 31, 2017

6. Designated trust funds (continued)

Total distributions from the Nisga'a Settlement Trust are as follows:

| | \$ |
|------|-------------------------|
| 2012 | 3,005,479 |
| 2013 | 6,845,000 |
| 2014 | 6,350,000 |
| 2015 | 4,300,000 |
| 2016 | - |
| 2017 | - |
| | <hr/> 20,500,479 |

Nisga'a Lisims Government

Notes to the consolidated financial statements

March 31, 2017

7. Investments in other entities

| | 2017 | | | 2016 | | |
|---|------------------|----------------|----------------|------------------|------------------|------------------|
| | Shares/ units | Investment | Total | Shares/ units | Investment | Total |
| | \$ | \$ | \$ | \$ | \$ | \$ |
| Lisims Forest Resource Limited Partnership | 10,000 | 83,286 | 83,286 | 10,000 | (6,889) | (6,889) |
| K'Alli Aks Construction Limited Partnership | - | - | - | 1,000 | 646,482 | 646,482 |
| Nisga'a West Coast Stevedoring (1999) Ltd. | 1 | - | - | 1 | - | - |
| Sim Gan Forest Corporation | 19 | 19 | 19 | 19 | 19 | 19 |
| Northern Native Fishing Corporation | 1 | 1 | 1 | 1 | 1 | 1 |
| Publicly traded equities | 82,500 | 681,450 | 681,450 | 82,500 | 681,450 | 681,450 |
| | 92,521 | 764,756 | 764,756 | 93,521 | 1,321,063 | 1,321,063 |

Financial information for Government business enterprises is as follows:

| | 2017 | | | | | |
|--|---------|-------------|------------|-----------|-----------|------------|
| | Assets | Liabilities | Net assets | Revenue | Expenses | Net income |
| | \$ | \$ | \$ | \$ | \$ | \$ |
| Lisims Forest Resource Limited Partnership | 827,714 | 744,428 | 83,286 | 4,450,874 | 4,360,699 | 90,175 |

| | 2016 | | | | | |
|---|-----------|-------------|----------------------------|-----------|-----------|----------------------|
| | Assets | Liabilities | Net assets (deficiency) | Revenue | Expenses | Net income (loss) |
| | \$ | \$ | \$ | \$ | \$ | \$ |
| K'Alli Aks Construction Limited Partnership | 1,384,828 | 738,346 | 646,482 | 4,888,125 | 4,131,808 | 756,317 |
| Lisims Forest Resource Limited Partnership | 665,093 | 671,982 | (6,889) | 3,784,891 | 3,894,961 | (110,070) |

Nisga'a Lisims Government

Notes to the consolidated financial statements

March 31, 2017

8. Bank indebtedness

| | 2017 | 2016 |
|--|----------------|----------------|
| | \$ | \$ |
| Bank indebtedness | 189,737 | 125,000 |
| Cheques issued in excess of cash on hand | - | 15,824 |
| | 189,737 | 140,824 |

The Government has the following credit and borrowing facilities available:

- (a) A \$10,000,000 operating loan by way of prime rate less 0.25% loans or bankers acceptances;
- (b) A \$2,930,000 committed reduced term facility by way of a fixed rate term loan, floating rate term loan at prime rate less 0.25% or bankers acceptances;
- (c) A \$9,000,000 364 day committed revolving facility by way of prime rate less 0.25% loans or bankers acceptances; and
- (d) A \$9,000,000 committed term out provision facility by way of a fixed rate term loan, floating rate term loan at prime rate less 0.25% or bankers acceptances.

The facilities are secured by a general security agreement and the Government is required to maintain designated trust funds of not less than \$200 million.

As at March 31, 2017, the Government had drawn down \$Nil on these facilities.

Nisga'a Pacific Ventures Limited Partnership and Nisga'a Fisheries Limited Partnership each have a demand operating line of credit facility available of \$100,000 with a floating interest rate at prime. The line of credit facilities are secured by general security agreements.

9. Accounts payable and accrued liabilities

| | 2017 | 2016 |
|--|-------------------|-------------------|
| | \$ | \$ |
| Own source revenue liability | 22,618,201 | 19,996,091 |
| Personal income tax revenues repayable | 3,238,108 | - |
| Accounts payable and accrued liabilities - | | |
| Government businesses | 2,109,924 | 359,304 |
| Accounts payable and accrued liabilities | 1,969,679 | 1,242,435 |
| Elective leave and vacation liability | 1,085,512 | 1,041,961 |
| GST revenues repayable | 704,612 | - |
| Payroll liabilities | 157,401 | 452,207 |
| Nisga'a Village Governments and Institutions | - | 53,404 |
| | 31,883,437 | 23,145,402 |

Nisga'a Lisims Government

Notes to the consolidated financial statements

March 31, 2017

10. Deferred revenue and deposits received

Deferred revenue and deposits received consists of proceeds received for specific projects to be completed in the future and forestry bid deposits held. These amounts will be recognized in the period monies are used for the purpose specified.

| | 2017 | 2016 |
|--|------------------|------------------|
| | \$ | \$ |
| Deferred revenue and deposits received | 2,958,319 | 3,056,547 |
| Deferred revenue - Government businesses | 117,985 | 17,487 |
| | 3,076,304 | 3,074,034 |

11. Long-term debt

| | 2017 | 2016 |
|--|-----------|-----------|
| | \$ | \$ |
| Demand loan at bank prime rate, repayable at \$37,233 per month plus interest of 2.45% per annum on the outstanding balance, secured by a general security agreement | 1,966,263 | 2,434,414 |

Scheduled principal repayments required in the next five years, if otherwise not demanded, are as follows:

| | \$ |
|------|------------------|
| 2018 | 446,800 |
| 2019 | 446,800 |
| 2020 | 446,800 |
| 2021 | 446,800 |
| 2022 | 179,063 |
| | 1,966,263 |

12. Tangible capital assets (Schedule 1)

| | 2017 | 2016 |
|--|-------------------|-------------------|
| | Net book value | Net book value |
| | \$ | \$ |
| Contributed land, natural resources and cultural resources | 3 | 3 |
| Land | 634,931 | 634,931 |
| Buildings and mobile homes | 21,129,402 | 21,938,677 |
| Boats and vessels | 361,845 | 409,338 |
| Automotive | 469,564 | 375,076 |
| Machinery and equipment | 319,425 | 124,981 |
| Furniture, fixtures and office equipment | 148,334 | 256,875 |
| Computer equipment | 88,580 | 139,724 |
| Communications infrastructure | 525,401 | 168,159 |
| Fibre optic network | 1,584,846 | 1,981,171 |
| Construction in progress | 640,921 | 331,502 |
| | 25,903,252 | 26,360,437 |

Nisga'a Lisims Government

Notes to the consolidated financial statements

March 31, 2017

12. Tangible capital assets (Schedule 1) (continued)

Contributed land, natural resources and cultural resources are contributions from the Nisga'a Final Agreement that were recorded at \$1 each as a reasonable valuation of these assets was not available. This is a departure from the accounting required under Section 42 of the Nisga'a Financial Administration Act which requires that these assets be recorded at fair value. These assets include the following:

- Lands - Approximately 2,020 square kilometres of land comprising of 1,993 of Nisga'a lands in the lower Nass Valley and 27 of Category A and B lands held outside of Nisga'a lands
A commercial recreation tenure
- Natural resources - Timber, subsurface minerals, limited water, fish and wildlife
- Cultural resources - Heritage sites, artwork and artifacts

13. Prepaid expenses

| | 2017 | 2016 |
|--|----------------|----------------|
| | \$ | \$ |
| Prepaid expenses | 312,916 | 577,920 |
| Prepaid expenses - Government businesses | 44,301 | 32,712 |
| | 357,217 | 610,632 |

14. Tax losses carried forward

The Nisga'a Pacific Ventures Group has incurred non-capital losses of \$3,728,915 (2016 - \$3,725,912) for tax purposes which are available to reduce future taxable income. Such benefits will be recognized in the period it is determined that they are more likely than not to be realized. These losses expire as follows:

| | \$ |
|------|------------------|
| 2026 | 576,765 |
| 2027 | 613,990 |
| 2028 | 560,506 |
| 2029 | 761,981 |
| 2030 | 403,521 |
| 2031 | 286,766 |
| 2032 | 161,268 |
| 2033 | 110,791 |
| 2034 | 7,458 |
| 2035 | 241,528 |
| 2036 | 1,338 |
| 2037 | 3,003 |
| | 3,728,915 |

The Government has losses available for own source revenue purposes of approximately \$3,213,180 (2016 - \$1,894,000) which are available to reduce future own source revenue liabilities arising from commercial and investment activities. Such benefits will be recognized in the period it is determined that they are more likely than not to be realized.

Nisga'a Lisims Government

Notes to the consolidated financial statements

March 31, 2017

15. Commitments and contingencies

(a) Commitments

- (i) The Government enters into various contracts and agreements and is committed to various expenditures in the normal course of business.
- (ii) The Government is committed to provide various programs and services and to conduct various activities under the Nisga'a Final Agreement. The cost of completing all of these activities is substantial, although the cost cannot be readily determined.
- (iii) The nature of the Government's activities requires negotiation of contracts that are significant in relation to its current financial position and that may materially affect the level of future expenditures. These include contractual commitments pertaining to funding agreements with Nisga'a Village Governments, various Nisga'a institutions and various capital projects.

(b) Contingencies

- (i) Effective May 11, 2000, the Government entered into the first Nisga'a Nation Fiscal Financing Agreement (the "Agreement") with the Government of Canada and the Province of British Columbia for a five year period. A second Agreement was entered into on March 9, 2010 for a further five year period. The terms of the Agreement provide that every five years, or at longer intervals as agreed upon by the parties, the parties will negotiate and attempt to reach agreement on a fiscal financing agreement by which funding will be provided to the Nisga'a Nation to provide agreed-upon public programs and services to Nisga'a citizens. Funding provided under the first and second Agreements include amounts for the replacement and maintenance of certain agreed-upon tangible capital assets. The Government expects to receive approximately \$82.8 million, plus inflationary adjustments, for these tangible capital assets under future Agreements, of which approximately \$13.7 million, plus inflationary adjustments, relates to Government owned assets.
- (ii) The Government of Canada and the Government have set up the Lisims Fisheries Conservation Trust ("Trust") which is under the control of trustees independent from the Nisga'a Nation and the Government. The objectives of the trust are to promote conservation and protection of, to facilitate sustainable management of, and to promote and support Nisga'a participation in the stewardship of the Nass area fish species and stocks and the Nass area fisheries for the benefit of all Canadians. The trust financial results are not included in these financial statements. The Government received \$550,000 (2016 - \$550,000) from the Trust during the year.
- (iii) The Government is contingently liable to banks for housing loan guarantees provided in the amount of \$2,000,000 (2016 - \$1,908,653) under housing programs, and for a guarantee in the amount of \$704,000 (2016 - Nil) to a bank for a loan to the Village of Laxgalts'ap.
- (iv) Certain legal actions have been commenced against the Government in connection with various matters arising during the normal course of business activities. Management is of the opinion that the cost of settling and defending such actions will not be significant and, accordingly, no provision for losses has been reflected in these financial statements.
- (v) Lisims Communications Limited Partnership is contingently liable to a cellular services provider for the cost of cellphone towers for an amount up to \$873,743 in the event that the minimum commitment of 800 lines is not met, and the cellular services provider requests payment of all or a portion of this amount, or chooses to amend the pricing included in the contract.

Nisga'a Lisims Government

Notes to the consolidated financial statements

March 31, 2017

16. Tax revenue

| | 2017 | 2016 |
|--------------------------------|------------------|------------------|
| | \$ | \$ |
| Goods and Services Tax | 422,637 | 1,616,571 |
| Federal personal income tax | - | 6,185,199 |
| Provincial sales tax | 602,003 | 561,369 |
| Provincial personal income tax | 400,556 | 872,910 |
| Property taxes | 1,068,243 | 308,335 |
| | 2,493,439 | 9,544,384 |

17. Other revenues

| | 2017 | 2016 |
|----------------------------------|------------------|------------------|
| | \$ | \$ |
| Contract revenue | 2,456,048 | 3,376,436 |
| Other grants and contributions | 1,960,946 | 763,212 |
| Rental income | 104,742 | 101,491 |
| Stumpage and silviculture levies | 72,457 | 166,849 |
| Other | 16,688 | 397,041 |
| Levies, fees, permits and leases | 1,306 | 24,981 |
| Fish revenue | 1,298 | - |
| | 4,613,485 | 4,830,010 |

18. Expenses by object

| | 2017 | 2016 |
|---|-------------------|-------------------|
| | \$ | \$ |
| Purchased goods and services | 14,550,397 | 16,472,848 |
| Compensation and training | 12,951,782 | 10,851,582 |
| Own source revenue taxation | 2,622,110 | 6,664,275 |
| Amortization | 1,682,510 | 1,240,415 |
| Travel, accommodation and related costs | 1,462,008 | 1,256,842 |
| Personal Income Tax Adjustment | 965,834 | - |
| Elders payments | 930,000 | 1,290,000 |
| Other grants and contributions | 465,416 | 438,423 |
| Urban housing and renovation grants | 183,137 | 191,950 |
| Other interest and bank charges | 114,494 | 70,639 |
| Impairment of tangible capital assets | 62,500 | 1,302,904 |
| Acquisition of guide outfitting certificate | - | 4,000,000 |
| | 35,990,188 | 43,779,878 |

Nisga'a Lisims Government

Notes to the consolidated financial statements

March 31, 2017

19. Defined contribution plan

The Government participates in an individual defined contribution plan for its permanent employees. Permanent employees are required to contribute 5% of their earnings. An additional voluntary contribution up to 8% of earnings is permitted. The Government contributes amounts equal to the employee's required contribution of 5%. The Government contributed \$315,242 (2016 - \$280,091) to the plan during the year.

20. Related party transactions and balances

During the year ended March 31, 2017, the Government:

- Charged Lisims Forest Resource Limited Partnership ("LFRLP") \$204,060 (2016 - \$268,869) for stumpage fees related to logging rights given to LFRLP and silviculture levies;
- Charged LFRLP a management fee of \$275,001 (2016 - \$218,573);
- Had an outstanding balance due to LFRLP of \$237,271 (2016 - \$208,207) in relation to silviculture levies and royalties; and
- Recognized a credit for LFRLP of \$Nil (2016 - \$35,680) in respect of own-source revenue related to LFRLP's net income (loss) for the year.

The advances due from other entities are unsecured, interest free and have no fixed terms or repayment.

Amounts paid to and received from related parties were incurred in the normal course of business and are measured at the exchange amount, which is the amount agreed upon by the transacting parties.

21. Commercial entities' revenue and expenses

| | | | | | | | 2017 |
|----------|-----------|-------------------------|-----------|---------------------------------------|--------------|---|-------------|
| | Fisheries | Nass Area Properties | Telecom | Guide Outfitting and Tourism | Construction | Nisga'a Pacific Ventures Limited Partnership | Total |
| | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| Revenue | 242,554 | 17,850 | 620,289 | 292,798 | 153,956 | 268,183 | 1,595,630 |
| Expenses | 351,680 | 100,049 | 819,374 | 268,260 | 700,183 | 1,586,181 | 3,825,727 |
| | (109,126) | (82,199) | (199,085) | 24,538 | (546,227) | (1,317,998) | (2,230,097) |

| | | | | | | | 2016 |
|----------|-----------|-------------------------|-----------|---------------------------------------|--------------|---|-------|
| | Fisheries | Nass Area Properties | Telecom | Guide Outfitting and Tourism | Construction | Nisga'a Pacific Ventures Limited Partnership | Total |
| | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| Revenue | 2,327,894 | 8,500 | 372,853 | 147 | 365,597 | 3,074,991 | |
| Expenses | 2,398,211 | 1,442,624 | 646,992 | 26,700 | 821,748 | 5,336,275 | |
| | (70,317) | (1,434,124) | (274,139) | (26,553) | (456,151) | (2,261,284) | |

Nisga'a Lisims Government

Notes to the consolidated financial statements

March 31, 2017

22. Funds held for silviculture

Under the Nisga'a Public Lands License ("License"), the Government receives a silviculture levy of \$3 per cubic metre in respect of timber harvested under the License or a Forest Development Plan or a road permit, including avoidable waste. The silviculture levies are maintained in interest bearing accounts in respect of each timbermark under which timber is harvested by Lisims Forest Resource Limited Partnership. As Lisims Forest Resource Limited Partnership performs its silviculture obligations under the Nisga'a Forest Act, it claims reimbursement from the applicable silviculture account.

Nisga'a Lisims Government

Consolidated schedule of tangible capital assets - Schedule 1 year ended March 31, 2017

| | Contributed land, natural resources and cultural resources | Land | Buildings and mobile homes | Boats and vessels | Automotive | Machinery and equipment | Furniture, fixtures and office equipment | Computer equipment | Communications infrastructure | Fibre optic network | Construction in progress | Total |
|---------------------------------|--|----------------|-------------------------------------|----------------------|------------------|-------------------------------|---|-----------------------|----------------------------------|------------------------|-----------------------------|-------------------|
| | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| Cost | | | | | | | | | | | | |
| As at April 1, 2016 | 3 | 634,931 | 30,524,996 | 938,355 | 1,252,280 | 404,317 | 798,322 | 872,344 | 709,135 | 2,063,717 | 1,187,600 | 39,386,000 |
| Additions | - | - | 149,830 | - | 228,385 | 226,912 | - | 3,430 | 379,349 | - | 360,001 | 1,347,906 |
| Disposals | - | - | - | (4,000) | (6,000) | - | - | - | - | - | (50,581) | (60,581) |
| | 3 | 634,931 | 30,674,826 | 934,355 | 1,474,665 | 631,229 | 798,322 | 875,774 | 1,088,484 | 2,063,717 | 1,497,020 | 40,673,325 |
| Accumulated amortization | | | | | | | | | | | | |
| As at April 1, 2016 | - | - | 8,586,319 | 529,017 | 877,204 | 279,336 | 541,447 | 732,620 | 540,976 | 82,546 | 856,098 | 13,025,563 |
| Additions | - | - | 896,605 | 43,493 | 127,897 | 32,469 | 108,541 | 54,574 | 22,106 | 396,325 | - | 1,682,010 |
| Impairment | - | - | 62,500 | - | - | - | - | - | - | - | - | 62,500 |
| | - | - | 9,545,424 | 572,510 | 1,005,101 | 311,805 | 649,988 | 787,194 | 563,082 | 478,871 | 856,098 | 14,770,073 |
| Net book value, | | | | | | | | | | | | |
| March 31, 2017 | 3 | 634,931 | 21,129,402 | 361,845 | 469,564 | 319,425 | 148,334 | 88,580 | 525,401 | 1,584,846 | 640,922 | 25,903,252 |
| Cost | | | | | | | | | | | | |
| As at April 1, 2015 | 3 | 634,931 | 30,524,096 | 938,355 | 1,179,545 | 384,336 | 679,614 | 773,363 | 698,135 | - | 2,272,424 | 38,084,802 |
| Additions | - | - | 900 | - | 119,739 | 19,981 | 118,708 | 98,981 | 11,000 | - | 978,893 | 1,348,202 |
| Transfers | - | - | - | - | - | - | - | - | - | 2,063,717 | (2,063,717) | - |
| Disposals | - | - | - | - | (47,004) | - | - | - | - | - | - | (47,004) |
| | 3 | 634,931 | 30,524,996 | 938,355 | 1,252,280 | 404,317 | 798,322 | 872,344 | 709,135 | 2,063,717 | 1,187,600 | 39,386,000 |
| Accumulated amortization | | | | | | | | | | | | |
| As at April 1, 2015 | - | - | 7,279,315 | 477,953 | 909,603 | 149,875 | 516,715 | 669,741 | 522,989 | - | - | 10,526,191 |
| Additions | - | - | 860,198 | 51,064 | 11,548 | 129,461 | 24,732 | 62,879 | 17,987 | 82,546 | - | 1,240,415 |
| Disposals | - | - | - | - | (43,947) | - | - | - | - | - | - | (43,947) |
| Impairment | - | - | 446,806 | - | - | - | - | - | - | - | 856,098 | 1,302,904 |
| | - | - | 8,586,319 | 529,017 | 877,204 | 279,336 | 541,447 | 732,620 | 540,976 | 82,546 | 856,098 | 13,025,563 |
| Net book value, | | | | | | | | | | | | |
| March 31, 2016 | 3 | 634,931 | 21,938,677 | 409,338 | 375,076 | 124,981 | 256,875 | 139,724 | 168,159 | 1,981,171 | 331,502 | 26,360,437 |

Nisga'a Lisims Government

Consolidated schedule of segment disclosure - Schedule 2 year ended March 31, 2017

| | Government and Administration Fund | Commercial Fisheries Fund | Business Development Fund | Capital Transfer Fund | Investment Fund | Tangible Capital Asset Fund | Capital Finance Commission Fund | Land Title Assurance Fund | Interfund eliminations on consolidation | 2017 Consolidated |
|---|---|---------------------------------|---------------------------------|-----------------------------|--------------------|--------------------------------------|--|------------------------------------|--|----------------------|
| | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| Revenue | | | | | | | | | | |
| Fiscal Financing Agreement and related funding | 65,283,536 | - | 380,000 | - | - | - | - | - | - | 65,663,536 |
| Investment income | 13,246,470 | 366,000 | 32,342 | - | - | - | - | (366,000) | - | 13,278,812 |
| Tax revenue | 2,493,439 | - | - | - | - | - | - | - | - | 2,493,439 |
| Other revenue | 4,613,485 | (49,553) | - | - | - | - | - | 49,553 | - | 4,613,485 |
| Share of commercial entities' income | - | - | - | - | 1,595,630 | - | - | - | - | 1,595,630 |
| Contribution from Lisims Fisheries Conservation Trust | 550,000 | - | - | - | - | - | - | - | - | 550,000 |
| Targeted funding - INAC | 91,000 | - | - | - | - | - | - | - | - | 91,000 |
| Share of business enterprise income | - | - | - | - | 90,175 | - | - | - | - | 90,175 |
| | 86,277,930 | 316,447 | 412,342 | - | 1,595,630 | - | - | - | (316,447) | 88,376,077 |
| Expenses | | | | | | | | | | |
| Nass Area strategy | 1,986,111 | - | - | - | - | - | - | - | - | 1,986,111 |
| Own source revenue taxation | 2,622,110 | - | - | - | - | - | - | - | - | 2,622,110 |
| Administration | 8,041,632 | - | - | - | - | - | - | (316,447) | - | 7,725,185 |
| Programs and services | 6,400,496 | - | - | - | - | - | - | - | - | 6,400,496 |
| Share of commercial entities' expenses | - | - | - | - | 3,825,727 | - | - | - | - | 3,825,727 |
| Governance | 4,072,145 | - | - | - | - | - | - | - | - | 4,072,145 |
| Fish, wildlife and migratory birds | 3,050,522 | - | - | - | - | - | - | - | - | 3,050,522 |
| Lands and resources | 2,035,053 | - | - | - | - | - | - | - | - | 2,035,053 |
| Settlement Fund | 1,426,170 | - | - | - | - | - | - | - | - | 1,426,170 |
| Elders payment | 930,000 | - | - | - | - | - | - | - | - | 930,000 |
| Amortization | - | - | - | - | - | 1,493,680 | - | - | - | 1,493,680 |
| Commercial development | 1,492 | 61,030 | 360,467 | - | - | - | - | - | - | 422,989 |
| | 30,565,731 | 61,030 | 360,467 | - | 3,825,727 | 1,493,680 | - | - | (316,447) | 35,990,188 |
| Transfers and operating grants | | | | | | | | | | |
| Nisga'a Village Governments | 25,746,435 | - | - | - | - | - | - | - | - | 25,746,435 |
| Nisga'a Valley Health Authority | 16,308,562 | - | - | - | - | - | - | - | - | 16,308,562 |
| Nisga'a School Board #92 | 8,292,274 | - | - | - | - | - | - | - | - | 8,292,274 |
| Nisga'a Urban Locals | 1,966,616 | - | - | - | - | - | - | - | - | 1,966,616 |
| Wilp Wilxo'oskwhl Nisga'a | 934,532 | - | - | - | - | - | - | - | - | 934,532 |
| | 53,248,419 | - | - | - | - | - | - | - | - | 53,248,419 |
| | 83,814,150 | 61,030 | 360,467 | - | 3,825,727 | 1,493,680 | - | - | (316,447) | 89,238,607 |
| Deficiency of revenue over expenses | 2,463,780 | 255,417 | 51,875 | - | (2,230,097) | (1,493,680) | - | - | - | (862,530) |

Nisga'a Lisims Government

Consolidated schedule of segment disclosure - Schedule 2 year ended March 31, 2016

| | Government and Administration Fund | Commercial Fisheries Fund | Business Development Fund | Capital Transfer Fund | Investment Fund | Tangible Capital Asset Fund | Capital Finance Commission Fund | Land Title Assurance Fund | Interfund eliminations on consolidation | 2016 Consolidated |
|---|---|---------------------------------|---------------------------------|-----------------------------|--------------------|--------------------------------------|--|------------------------------------|--|----------------------|
| | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| Revenue | | | | | | | | | | |
| Fiscal Financing Agreement and related funding | 63,004,887 | - | 225,545 | - | - | - | - | - | - | 63,230,432 |
| Investment income | 14,271,353 | 366,000 | 12,367 | - | - | - | - | (366,000) | - | 14,283,720 |
| Tax revenue | 9,544,384 | - | - | - | - | - | - | - | - | 9,544,384 |
| Other revenue | 4,830,010 | - | - | - | - | - | - | - | - | 4,830,010 |
| Share of commercial entities' income | - | - | - | - | 3,074,991 | - | - | - | - | 3,074,991 |
| Interest income on Final Agreement | - | - | - | - | - | - | - | - | - | - |
| Contribution from Lisims Fisheries Conservation Trust | 550,000 | - | - | - | - | - | - | - | - | 550,000 |
| Targeted funding - INAC | 199,266 | - | - | - | - | - | (36,065) | - | - | 163,201 |
| Share of business enterprise income | - | - | - | - | 536,592 | - | - | - | - | 536,592 |
| | 92,399,900 | 366,000 | 237,912 | - | 3,611,583 | - | (36,065) | - | (366,000) | 96,213,330 |
| Expenses | | | | | | | | | | |
| Nass Area strategy | 6,969,479 | - | - | - | - | - | - | - | - | 6,969,479 |
| Own source revenue taxation | 6,664,275 | - | - | - | - | - | - | - | - | 6,664,275 |
| Administration | 6,235,831 | - | - | - | - | - | - | (366,000) | - | 5,869,831 |
| Programs and services | 5,791,628 | - | - | - | - | - | - | - | - | 5,791,628 |
| Share of commercial entities' expenses | - | - | - | - | 5,248,914 | - | - | - | - | 5,248,914 |
| Governance | 3,628,788 | - | - | - | - | - | - | - | - | 3,628,788 |
| Fish, wildlife and migratory birds | 2,834,613 | - | - | - | - | - | - | - | - | 2,834,613 |
| Lands and resources | 1,786,440 | - | - | - | - | - | - | - | - | 1,786,440 |
| Settlement Fund | 1,401,799 | - | - | - | - | - | - | - | - | 1,401,799 |
| Elders payment | 1,290,000 | - | - | - | - | - | - | - | - | 1,290,000 |
| Amortization | - | - | - | - | - | 1,240,415 | - | - | - | 1,240,415 |
| Commercial development | - | 275,103 | 778,593 | - | - | - | - | - | - | 1,053,696 |
| | 36,602,853 | 275,103 | 778,593 | - | 5,248,914 | 1,240,415 | - | - | (366,000) | 43,779,878 |
| Transfers and operating grants | | | | | | | | | | |
| Nisga'a Village Governments | 25,648,851 | - | - | - | - | - | (36,065) | - | - | 25,612,786 |
| Nisga'a Valley Health Authority | 16,164,921 | - | - | - | - | - | - | - | - | 16,164,921 |
| Nisga'a School Board #92 | 8,304,271 | - | - | - | - | - | - | - | - | 8,304,271 |
| Nisga'a Urban Locals | 2,008,712 | - | - | - | - | - | - | - | - | 2,008,712 |
| Wilp Wilxo'oskwhl Nisga'a | 794,802 | - | - | - | - | - | - | - | - | 794,802 |
| | 52,921,557 | - | - | - | - | - | (36,065) | - | - | 52,885,492 |
| | 89,524,410 | 275,103 | 778,593 | - | 5,248,914 | 1,240,415 | (36,065) | - | (366,000) | 96,665,370 |
| Deficiency of revenue over expenses | 2,875,490 | 90,897 | (540,681) | - | (1,637,331) | (1,240,415) | - | - | - | (452,040) |