

**LIL'WAT NATION
FINANCIAL STATEMENTS**
For the year ended March 31, 2017

LIL'WAT NATION
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For the year ended March 31, 2017

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Management's Responsibility for Financial Reporting

The accompanying financial statements of the Lil'wat Nation are the responsibility of management and have been approved by the Chiefs and Council.

The financial statements have been prepared by management using guidelines issued by the Public Sector Accounting Board ("PSAB") of the Chartered Professional Accountants of Canada. Financial statements are not precise since they include certain amounts based on estimates and when alternative accounting methods exist, management has chosen those it deems most appropriate in the circumstances, in order to ensure that the financial statements are presented fairly, in all material respects.

The Lil'wat Nation maintains systems of internal accounting and administrative controls of high quality, consistent with reasonable costs. Such systems are designed to provide reasonable assurance that the financial information is relevant, reliable and accurate and the First Nation's assets are appropriately accounted for and adequately safeguarded.

The Lil'wat Nation is responsible for ensuring that the management fulfills its responsibilities for financial reporting and is ultimately responsible for reviewing and approving the financial statements. The Chiefs and Council carry out this responsibility through the Finance and Audit Committee.

The Finance and Audit Committee reviews the financial statements and recommends their approval. They meet periodically with management, as well as the external auditors, to discuss internal controls over the financial reporting process, auditing matters and financial reporting issues, to satisfy themselves that each party is properly discharging their responsibilities, and to review the financial statements and external auditor's report. The Chiefs and Council also considers the engagement of the external auditors.

The financial statements have been audited by BDO Canada LLP in accordance with Canadian generally accepted auditing standards on behalf of the members. BDO Canada LLP have full and free access to the Chiefs and Council.

Approved on behalf of the Band Council

Dean Nelson Chief

John Gilchrist Chairperson of Finance and Audit Committee

Glenn Mullin Chief Operating Officer

Independent Auditor's Report

To the Members of the Lil'wat Nation

We have audited the accompanying financial statements of the Lil'wat Nation, which comprise the statement of financial position as at March 31, 2017, and the statement of financial activity, change in net financial assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these 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 financial statements are free from material misstatement.

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

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 financial statements present fairly, in all material respects, the financial position of the Lil'wat Nation as at March 31, 2017, and the results of its operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Other Matter

The Lil'wat Nation has also prepared another set of financial statements for the the year ended March 31, 2017 in accordance with Canadian public sector accounting standards. However, these financial statements include unaudited supplementary schedules which present detailed program revenues and expenditures prepared to assist management of the Lil'wat Nation to meet the reporting requirements of various funding agencies. Our audit report on the other set of financial statements was issued to the members of the Lil'wat Nation and was dated July 18, 2017.

BDO Canada LLP

Chartered Professional Accountants

Kelowna, British Columbia
July 18, 2017

LIL'WAT NATION
Statement of Financial Position

<u>March 31</u>	<u>2017</u>	<u>2016</u>
Financial Assets		
Restricted cash (Note 1)	\$ 2,295,633	\$ 2,505,459
Restricted temporary investments (Note 2)	7,011,760	6,885,901
Accounts receivable (Note 3)	3,097,256	1,293,464
Due from related entities (Note 4)	171,428	222,514
Investment in business enterprises and partnerships (Note 5)	22,499,471	8,324,822
Ottawa Trust Funds	<u>293,854</u>	<u>276,752</u>
	<u>35,369,402</u>	<u>19,508,912</u>
Financial Liabilities		
Bank indebtedness (Note 6)	1,489,244	1,216,730
Accounts payable and accrued liabilities (Note 7)	2,000,846	2,184,553
Deferred revenue (Note 8)	2,454,414	3,767,187
Due to related entities (Note 4)	425,582	552,199
Obligation under capital lease (Note 9)	427,476	90,179
Long term debt (Note 10)	<u>10,952,539</u>	<u>7,808,085</u>
	<u>17,750,101</u>	<u>15,618,933</u>
Net Financial Assets	17,619,301	3,889,979
Non - Financial Assets		
Tangible capital assets (Note 11)	34,071,323	44,170,906
Prepaid expenses	<u>137,212</u>	<u>114,677</u>
	<u>34,208,535</u>	<u>44,285,583</u>
Accumulated Surplus (Note 12)	\$51,827,836	\$ 48,175,562

Approved on behalf of the Band Council

Dean Nelson Chief

Ken Ogle Chairperson of Finance and Audit Committee

Mark Miller Chief Operating Officer

LIL'WAT NATION
Statement of Financial Activity

For the year ended March 31	Budget	2017	2016
Revenue			
Indigenous and Northern Affairs Canada	\$ 8,903,899	\$ 8,591,402	\$ 8,698,324
Canada Mortgage and Housing Corporation	228,438	198,227	157,396
Department of Fisheries and Oceans Canada	302,000	323,500	323,000
First Nations Education Steering Committee	393,474	1,016,833	370,464
First Nations Health Authority	2,464,969	2,387,986	2,129,396
Province of British Columbia	1,166,893	1,619,071	1,212,666
Rental income	898,575	840,907	828,789
Sto:Lo Aboriginal Skills & Employment Training	342,500	321,651	344,871
Other income	4,832,984	5,196,373	2,990,226
Income from business enterprises and partnerships	3,300,000	674,908	1,770,619
Royalty income	524,000	2,913,812	447,870
Ottawa Trust Fund	-	6,656	-
Interest income	-	5,599	8,562
BC special grant	-	5,059	5,028
	<hr/>	<hr/>	<hr/>
	23,357,732	24,101,984	19,287,211
Expenses (Note 18)			
Operations Fund	14,536,494	14,825,660	13,446,450
Capital Fund	628,840	695,980	684,265
Xit'olacw Housing Fund	550,066	596,835	515,758
Xit'olacw Community School Fund	3,543,505	4,295,479	3,625,052
Funding agency recoveries	-	-	15,829
CMHC approved expenditures	-	35,756	48,288
	<hr/>	<hr/>	<hr/>
	19,258,905	20,449,710	18,335,642
Annual surplus	<hr/>	<hr/>	<hr/>
Accumulated surplus, beginning of year	4,098,827	3,652,274	951,569
	<hr/>	<hr/>	<hr/>
Accumulated surplus (Note 12), end of year	\$ 52,274,389	\$ 51,827,836	\$ 48,175,562

LIL'WAT NATION
Statement of Change in Net Financial Assets

For the year ended March 31	Budget	2017	2016
Annual surplus	\$ 4,098,827	\$ 3,652,274	\$ 951,569
Acquisition of tangible capital assets (Note 11)	(2,577,541)	(2,936,831)	(1,687,026)
Amortization of tangible capital assets (Note 11)	1,293,135	1,445,188	1,362,243
Adjusted cost base of land transfers (Note 11)	-	11,591,226	-
Change in prepaid expenses	-	(22,535)	119,798
	<hr/>	<hr/>	<hr/>
	2,814,421	13,729,322	746,584
Net financial assets, beginning of year	<hr/>	<hr/>	<hr/>
	3,889,979	3,889,979	3,143,395
Net financial assets, end of year	<hr/>	<hr/>	<hr/>
	\$ 6,704,400	\$ 17,619,301	\$ 3,889,979

LIL'WAT NATION
Statement of Cash Flows

For the year ended March 31	2017	2016
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Cash flows provided by (used in) operating activities		
Cash receipts from all funding sources	\$ 20,094,568	\$ 17,431,837
Cash paid to employees and suppliers	(18,276,347)	(15,920,216)
Interest paid	<u>(297,130)</u>	<u>(250,789)</u>
	<u>1,521,091</u>	<u>1,260,832</u>
Cash flows provided by (used in) capital activities		
Purchase of tangible capital assets	<u>(2,936,831)</u>	<u>(1,687,026)</u>
Cash flows provided by (used in) investing activities		
Change in long term investments	(2,167,451)	-
Change in short term restricted temporary investments	(125,859)	(122,613)
Change in Ottawa trust funds	<u>(17,102)</u>	<u>(13,466)</u>
	<u>(2,310,412)</u>	<u>(136,079)</u>
Cash flows provided by (used in) financing activities		
Issuance of long term debt	4,522,104	537,433
Repayment of long term debt	(1,119,266)	(712,969)
Repayment of capital leases	(60,021)	(33,227)
Advances (to) from related parties	<u>(99,005)</u>	<u>288,123</u>
	<u>3,243,812</u>	<u>79,360</u>
Decrease in cash and bank indebtedness	(482,340)	(482,913)
Cash and bank indebtedness, beginning of year	<u>1,288,729</u>	<u>1,771,642</u>
Cash and bank indebtedness, end of year	<u>\$ 806,389</u>	<u>\$ 1,288,729</u>
Represented by:		
Restricted cash	2,295,633	2,505,459
Bank indebtedness	<u>(1,489,244)</u>	<u>(1,216,730)</u>
	<u>\$ 806,389</u>	<u>\$ 1,288,729</u>

LIL'WAT NATION

Summary of Significant Accounting Policies

March 31, 2017

Basis of Presentation	It is the policy of the Lil'wat Nation (the "First Nation") to follow accounting principles generally accepted for First Nations in the Province of British Columbia. They have been prepared using guidelines issued by the Public Sector Accounting Board ("PSAB") of the Chartered Professional Accountants of Canada. The First Nation provides services such as band government, public works, social development, community health, advanced education, economic development, land and resources, housing and community school.
Reporting Entity	The Lil'wat Nation reporting entity includes the Lil'wat Nation Council and all related entities which are accountable for the administration of their financial affairs and resources to the First Nation and are either owned or controlled by the First Nation.
Principles of Financial Reporting	These financial statements include on a modified equity basis the assets, liabilities and results of operations of the following organizations which use accounting principles which lend themselves to combine on a modified equity basis with the Lil'wat Nation: <ul style="list-style-type: none">- Lil'wat Holdings Limited Partnership- 0773099 BC Ltd.- 0780174 BC Ltd.- 0780176 BC Ltd.- 0780179 BC Ltd.- 0780182 BC Ltd.- 0780185 BC Ltd.- 0781316 BC Ltd.- 0781242 BC Ltd.- 0915799 BC Ltd.- Baxter Creek Limited Partnership
Fund Accounting	The Lil'wat Nation is segregated into various funds for accounting and financial reporting purposes. Each fund is treated as a separate entity with responsibility for stewardship of the assets allocated to it. The funds and enterprises of the Lil'wat Nation are as follows: <ul style="list-style-type: none">- Operations Fund- Capital Fund- Xit'olacw Housing Fund- Xit'olacw Community School Fund
Cash and Cash Equivalents	Cash and cash equivalents includes cash and investments in money market funds with maturity dates within one year.

LIL'WAT NATION
Summary of Significant Accounting Policies

March 31, 2017

Leased Assets	Leases entered into, that transfer substantially all the benefits and risks associated with ownership, are recorded as the acquisition of a tangible capital asset and the incurrence of an obligation. The asset is amortized in a manner consistent with tangible capital assets owned by the First Nation, and the obligation, including interest thereon, is liquidated over the term of the lease. All other leases are accounted for as operating leases, and the rental costs are expensed as incurred.
Government Transfers	Government transfers, which include legislative grants, are recognized in the financial statements in the period in which events giving rise to the transfers occur, providing the transfers are authorized, any eligibility criteria have been met, and reasonable estimates of the amount can be made.
Budget Figures	The budget figures are approved annually by the Chiefs and Council. They have been reallocated to conform to PSAB financial statement presentation. Subsequent amendments have been made by the Chiefs and Council to reflect changes in the budget, as required.
Tangible Capital Assets	Tangible capital assets are recorded at cost less accumulated amortization. Cost includes all costs directly attributable to acquisition or construction of the tangible capital asset including transportation costs, installation costs, design and engineering fees, legal fees and site preparation costs. Contributed tangible capital assets are recorded at fair value at the time of the donation, with a corresponding amount recorded as revenue. Amortization is recorded on a straight-line basis over the estimated life of the tangible capital asset commencing once the asset is available for productive use as follows:

Buildings	25 years
Community infrastructure	20 - 75 years
Equipment	5 - 20 years
Assets under construction	Nil

LIL'WAT NATION
Summary of Significant Accounting Policies

March 31, 2017

Impairment of Long Lived Assets	In the event that facts and circumstances indicate that the First Nation's long-lived assets may be impaired, an evaluation of recoverability would be performed. Such an evaluation entails comparing the estimated future undiscounted cash flows associated with the asset to the asset's carrying amount to determine if a write-down to market value or discounted cash flow value is required. The First Nation considers that no circumstances exist that would require such an evaluation.
Revenue Recognition	<p>Government funding is recognized as it becomes receivable under the terms of applicable funding agreements. Revenue received under funding agreements which relates to a subsequent fiscal period is recognized as revenue in the period in which the resources are used for the purpose or purposes specified.</p> <p>Rental revenue is recognized as it becomes receivable under the terms of the rental agreement.</p> <p>Sales of service and other revenue is recognized on an accrual basis.</p> <p>All other revenue is recognized as it is earned.</p>
Deferred Revenue	Funds received for specific purposes which are externally restricted by legislation, regulation or agreement and are not available for general purposes are accounted for as deferred revenue on the statement of financial position. The revenue is recognized in the statement of financial activity in the year in which it is used for the specified purpose.
Financial Instruments	The First Nation recognizes and measures financial assets and financial liabilities on the statement of financial position when it becomes a party to the contractual provisions of a financial instrument. All transactions related to financial instruments are recorded on a trade date or settlement date basis. All financial instruments are measured at fair value on initial recognition. Financial instruments are subsequently measured at amortized cost as the First Nation has not entered into any derivative contracts and it does not hold any investments in equity instruments quoted on an active market. Since no financial instruments are measured at fair value after initial recognition, a Statement of Remeasurement Gains and Losses has not been presented in these financial statements.
Use of Estimates	The preparation of financial statements in accordance with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from management's best estimates as additional information becomes available in the future.

LIL'WAT NATION
Notes to Financial Statements

March 31, 2017

1. Restricted Cash

	2017	2016
Xit'olacw Housing Operations		
Replacement reserve (Note 13)	\$ 461,518	\$ 461,307
Operating reserve (Note 14)	55,802	40,801
Funds held in trust	4,505	-
Restricted funds	<u>8,785,568</u>	<u>8,889,252</u>
	<u>\$ 9,307,393</u>	<u>\$ 9,391,360</u>

Restricted Cash is represented by:

Restricted cash	\$ 2,295,633	\$ 2,505,459
Restricted temporary investments (Note 2)	<u>7,011,760</u>	<u>6,885,901</u>
	<u>\$ 9,307,393</u>	<u>\$ 9,391,360</u>

2. Restricted Temporary Investments

Included in the restricted cash amounts in Note 1 are short term investments. The First Nation holds guaranteed investment certificates ("GIC's") in a chartered bank with the following terms:

	2017	2016
Investment cash account	\$ 2,679,274	\$ 798
High-interest savings account	16,057	-
Short-term investment, interest paid at 2.00%, matures February 26, 2018	500,972	495,932
Short-term investment, interest paid at 2.10%, matures March 3, 2018	496,720	496,805
Short-term investment, matured during the year	-	499,789
GIC, interest paid on maturity at 1.75% on July 17, 2017	582,140	582,148
GIC, interest paid on maturity at 1.80% on March 13, 2018	500,444	500,444
GIC, interest paid on maturity at 1.65% on March 19, 2018	1,231,723	1,231,723
GIC, interest paid on maturity at 1.95% on November 5, 2019	503,900	503,916
GIC, interest paid on maturity at 2.15% on March 13, 2020	500,530	500,530
GIC's, matured during the year	-	2,073,816
	<u>\$ 7,011,760</u>	<u>\$ 6,885,901</u>

Funds held in temporary investments represent those monies that the Lil'wat Nation has committed for expenditures for future capital and economic development projects of the First Nation.

LIL'WAT NATION
Notes to Financial Statements

March 31, 2017

3. Accounts Receivable

	2017	2016
Current	\$ 4,926,756	\$ 2,929,027
Long term	500,194	500,194
	<hr/>	<hr/>
Allowance for doubtful accounts	5,426,950	3,429,221
	(2,329,694)	(2,135,757)
	<hr/>	<hr/>
	\$ 3,097,256	\$ 1,293,464
	<hr/>	<hr/>

4. Due To/From Related Entities

Due From Related Entities

	2017	2016
Lil'wat Construction Enterprises Limited Partnership	\$ -	\$ 93,656
Lil'wat Capital Assets Limited Partnership	162,594	128,858
Lil'wat Management Services Limited Partnership	4,263	-
Lil'wat Retail Operations Limited Partnership	4,571	-
	<hr/>	<hr/>
	\$ 171,428	\$ 222,514

Due To Related Entities

	2017	2016
Lil'wat Construction Enterprises Limited Partnership	\$ 4,624	\$ -
Lil'wat Forestry Ventures Limited Partnership	153,159	152,904
Lil'wat Management Services Limited Partnership	-	16,125
0915799 BC Ltd.	1	1
Lil'wat Retail Operations Limited Partnership	-	2,134
Squamish Lil'wat Cultural Centre	267,798	381,035
	<hr/>	<hr/>
	\$ 425,582	\$ 552,199

LIL'WAT NATION
Notes to Financial Statements

March 31, 2017

4. Due To/From Related Entities (continued)

Related Party Transactions

During the year, the Lil'wat Nation received administration fees from a related party, Lil'wat Management Services Limited Partnership, in the amount of \$82,320 (2016 - \$77,942).

During the year, the Lil'wat Nation received administration fees from a related party, Lil'wat Construction Enterprises Limited Partnership, in the amount of \$7,392 (2016 - \$5,859).

During the year, the Lil'wat Nation received a contribution towards the Wedge Creek Project from a related party, Lil'wat Construction Enterprises Limited Partnership, in the amount of \$Nil (2016 - \$95,266).

During the year, the Lil'wat Nation received land lease income from a related party, Lil'wat Capital Assets Limited Partnership, for land held in trust in the amount of \$26,000 (2016 - \$82,374).

During the year, the Lil'wat Nation received royalty and other income from a related party, Lil'wat Forestry Ventures Limited Partnership, in the amount of \$119,380 (2016 - \$52,239).

During the year, the Lil'wat Nation received other income from a related party, Lil'wat Retail Limited Partnership, in the amount of \$12,232 (2016 - \$Nil).

During the year, the Lil'wat Nation received partnership distributions from a related party, Lil'wat Holdings Limited Partnership, in the amount of \$800,000 (2016 - \$280,000).

During the year, the Lil'wat Nation incurred expenses on behalf of Lil'wat Construction Enterprises Limited Partnership in the amount of \$65,520 (2016 - \$56,210).

During the year, the Lil'wat Nation paid management fees to Lil'wat Management Services Limited Partnership in the amount of \$Nil (2016 - \$23,120).

During the year, the Lil'wat Nation contributed \$233,371 (2016 - \$233,686) to the Squamish Lil'wat Cultural Centre.

The amounts due to and from related parties bear no interest and have no fixed terms of repayment. The transactions have occurred in the normal course of operations and are measured at the exchange value (the amount of consideration established and agreed to by the related parties).

LIL'WAT NATION
Notes to Financial Statements

March 31, 2017

5. Investment in Business Enterprises and Partnerships

	2017	2016
0773099 BC Ltd., 50% owned by the Lil'wat Nation	\$ 1	\$ 1
0775448 BC Ltd., transferred during the year	-	2
0780174 BC Ltd., 50% owned by the Lil'wat Nation	1	1
0780176 BC Ltd., 50% owned by the Lil'wat Nation	1	1
0780179 BC Ltd., 50% owned by the Lil'wat Nation	1	1
0780182 BC Ltd., 50% owned by the Lil'wat Nation	1	1
0780185 BC Ltd., 50% owned by the Lil'wat Nation	1	1
0781242 BC Ltd., 50% owned by the Lil'wat Nation	1	1
0781316 BC Ltd., 50% owned by the Lil'wat Nation	1	1
0915799 BC Ltd., wholly owned by the Lil'wat Nation	1	1
Baxter Creek Limited Partnership, 50% held by the Lil'wat Nation	2,500,000	2,500,000
Lil'wat Holdings Limited Partnership, 99.99% of partnership shares held by the Lil'wat Nation (i) (ii)	<u>19,999,462</u>	<u>5,824,811</u>
	<u>\$ 22,499,471</u>	<u>\$ 8,324,822</u>

(i) On December 20, 2016, Lil'wat Holdings Limited Partnership issued 1,181,596 partnership units to Lil'wat Nation in exchange for 12 parcels of land with a fair market value of \$12,074,900. Included in the \$12,074,900 was a loan of \$258,936 that was transferred to Lil'wat Holdings Limited Partnership. Amount remaining of \$11,815,964 was issued as partnership units at \$10 per unit.

(ii) On March 7, 2017, Lil'wat Holdings Limited Partnership issued 216,745 partnership units to the Lil'wat Nation for \$2,167,453. This was in exchange for 3 parcels of land that were purchased by Lil'wat Nation for Lil'wat Holdings Limited Partnership.

LIL'WAT NATION
Notes to Financial Statements

March 31, 2017

5. Investment in Business Enterprises and Partnerships (continued)

The following summary discloses the condensed financial information of the business enterprises and partnerships:

(a) Summary of Financial Position	2017	2016
Assets		
Cash and short term investments	\$ 1,321,627	\$ 1,871,237
Accounts receivable	935,990	682,994
Inventory	260,986	220,171
Prepays and other assets	24,234	181,786
Due from related party	4,444	-
Deferred logging and engineering expenses	1,757,956	1,003,571
Forestry licenses	879,804	879,804
Long term investments	503,665	761,865
Tangible capital assets	<u>18,670,384</u>	<u>4,393,367</u>
 Total Assets	 <u>24,359,090</u>	 <u>9,994,795</u>
Liabilities		
Accounts payable and accrued liabilities	587,537	767,616
Due to related party	-	38,045
Reforestation obligation	210,658	323,959
Long term debt	<u>578,710</u>	<u>542,415</u>
 Total Liabilities	 <u>1,376,905</u>	 <u>1,672,035</u>
 Net Assets	 <u>\$ 22,982,185</u>	 <u>\$ 8,322,760</u>

(b) Summary of Financial Activities	2017	2016
Total Revenues	\$ 16,218,532	\$ 16,384,393
Total Expenses	<u>14,743,624</u>	<u>14,333,765</u>
 Income for the year	 <u>\$ 1,474,908</u>	 <u>\$ 2,050,628</u>

6. Bank Indebtedness

The First Nation has a line of credit with a total credit limit of \$2,000,000 (2016 - \$1,100,000), bearing interest at prime plus 0.5% (2016 - prime plus 0.5%), secured by a general security agreement, payable in monthly payments of interest only. At March 31, 2017 the amount of line of credit utilized was \$1,910,000 (2016 - \$1,020,000).

LIL'WAT NATION
Notes to Financial Statements

March 31, 2017

7. Accounts Payable and Accrued Liabilities

	2017	2016
Trade accounts payable	\$ 890,656	\$ 858,965
INAC	194,941	474,301
Accrued wages and benefits payable	542,170	428,078
Accrued liabilities	174,581	262,650
Other	198,498	160,559
	<hr/> \$ 2,000,846	<hr/> \$ 2,184,553

The following amounts are repayable to Indigenous and Northern Affairs Canada ("INAC"):

	2017	2016
ACRS 2014	#3289	\$ 4,545
NP85-Basic Needs (2014/15)	#5147	\$ 76,836
NP85-Basic Needs (2015/16)	#5147	312,132
NP85-Basic Needs (2016/17)	73,062	-
NP87-Child Out Of Parental Home Allowance (2014/15) #5566	-	25,896
NP87-Child Out Of Parental Home Allowance (2015/16) #5566	44,412	44,412
NP8L-Special Needs (2015/16)	1,473	10,480
	<hr/> \$ 194,941	<hr/> \$ 474,301

8. Deferred Revenue

	2017	2016
Deferred INAC revenue		
Capital Surplus Projects	#5344	\$ 43,119
Wastewater (under \$1.5M) - IR#6 Sewage Disposal	#11694	\$ 21,973
NTM6 - Other Protection (Rockfall Mitigation)	29,621	-
NTF6 - A&C - Water - < \$1.5M	15,668	-
	<hr/> 110,381	<hr/> 108,224
Other deferred revenue		
Common Experience Payment Program	39,824	157,780
First Nations Health Authority	216,060	175,311
Insurance proceeds	-	109,113
Lil'wat Housing Legacy	1,755,839	3,141,775
Province of British Columbia	332,310	6,557
Ullus Funding - Lift	-	38,483
Other	-	29,944
	<hr/> 2,344,033	<hr/> 3,658,963
	<hr/> \$ 2,454,414	<hr/> \$ 3,767,187

LIL'WAT NATION
Notes to Financial Statements

March 31, 2017

9. Obligation Under Capital Lease

	<u>2017</u>	<u>2016</u>
Royal Bank - Capital Fund - Payable in monthly payments of \$750 including interest at 4.72%, secured by specific assets, maturing March 2018	\$ 8,773	\$ 17,137
Royal Bank - Capital Fund - Payable in monthly payments of \$1,596 including interest at 4.71%, secured by specific assets, maturing August 2018	24,726	42,264
Royal Bank - Capital Fund - Payable in monthly payments of \$880 including interest at 3.59%, secured by specific assets, maturing April 2019	21,167	30,778
Royal Bank - Capital Fund - Payable in monthly payments of \$2,313 including interest at 4.10% secured by specific assets, maturing February 2024	165,227	-
Royal Bank - Capital Fund - Payable in monthly payments of \$2,056 including interest at 3.15%, secured by specific assets, maturing August 2021	99,572	-
Royal Bank - Capital Fund - Payable in monthly payments of \$1,760 including interest at 3.53%, secured by specific assets, maturing December 2022	<u>108,011</u>	-
	427,476	90,179
Less current portion	<u>97,730</u>	35,516
	<u>\$ 329,746</u>	<u>\$ 54,663</u>

The future minimum lease payments for the next five years and thereafter are as follows:

2018	\$ 112,253
2019	90,488
2020	74,424
2021	73,544
2022	57,097
Thereafter	<u>64,965</u>
	472,771
Less imputed interest	<u>(45,295)</u>
	<u>\$ 427,476</u>

LIL'WAT NATION
Notes to Financial Statements

March 31, 2017

10. Long Term Debt

	2017	2016
Lil'wat Nation - Operations Fund		
CIBC - renovation loan, repayable in monthly installments of \$778, including interest at 3.29% per annum, maturing July 1, 2019, secured by ministerial guarantee agreement and CMHC insurance.	\$ 52,748	\$ 60,216
Royal Bank - loan repayable in monthly installments of \$3,690, including interest at 3.25% per annum, maturing January 11, 2022, secured by assignment of assets.	646,088	-
Bank of Nova Scotia - loan repayable in monthly installments of \$4,692, including interest at 4.00% per annum, maturing April 1, 2017, secured by assignment of assets and a ministerial guarantee agreement.	256,476	305,842
Royal Bank - non-revolving demand loan, repayable in monthly installments of \$3,445, including interest at 2.38% per annum, maturing December 1, 2021, secured by assignment of assets and a ministerial guarantee agreement.	222,101	257,187
Peace Hills Trust - loan repayable in monthly installments of \$1,000, including interest at 3.95% per annum, renewal date of March 1, 2018, secured by assignment of assets and a ministerial guarantee agreement.	11,678	23,071
Bank of Montreal - non-revolving demand construction loan. Interest repayable only at prime plus 0.75% per annum for the first 12 months, secured by assignment of assets.	699,000	-
Bank of Montreal - non-revolving demand loan repayable in monthly installments of \$7,171, including interest at prime plus 0.75% per annum, secured by assignment of assets.	1,418,519	-
All Nations Trust Company - loan repayable in monthly installments of \$3,202, including interest at 5.24% per annum, maturing March 1, 2019, secured by ministerial guarantee agreement.	342,498	362,401
Balance carried forward	<u>\$ 3,649,108</u>	<u>\$ 1,008,717</u>

LIL'WAT NATION
Notes to Financial Statements

March 31, 2017

10. Long Term Debt (continued)

	2017	2016
Balance brought forward	\$ 3,649,108	\$ 1,008,717
Lil'wat Nation - Operations Fund		
Royal Bank - Non-revolving fixed rate term loan - repayable in monthly installments of \$27,700, including interest at 3.97% per annum, maturing January 31, 2018, secured by assignment of assets.	2,046,683	2,292,478
Royal Bank - 0775448 BC Ltd Loan - repaid in the year.	-	327,703
Xit'olacw Housing Operations		
All Nations Trust Company - Phase 14 mortgage repayable in monthly installments of \$331 including interest at 1.92% per annum, renewal date of April 1, 2019, maturing March 1, 2024, secured by ministerial guarantee.	25,988	29,427
All Nations Trust Company - Phase 14-2 mortgage repayable in monthly installments of \$1,680 including interest at 1.92% per annum, renewal date of April 1, 2019, maturing March 1, 2024, secured by ministerial guarantee.	131,943	149,398
All Nations Trust Company - Phase 15 mortgage repayable in monthly installments of \$2,142 including interest at 1.08% per annum, renewal date of August 1, 2020, maturing April 1, 2025, secured by ministerial guarantee.	198,917	222,348
All Nations Trust Company - Phase 16-2 mortgage repayable in monthly installments of \$755 including interest at 1.30% per annum, renewal date of December 1, 2020, maturing October 1, 2025, secured by ministerial guarantee.	73,523	81,571
All Nations Trust Company - Phase 16-4 mortgage repayable in monthly installments of \$1,476 including interest at 1.30% per annum, renewal date of December 1, 2020, maturing October 1, 2025, secured by ministerial guarantee.	<u>143,821</u>	<u>159,565</u>
Balance carried forward	<u>\$ 6,269,983</u>	<u>\$ 4,271,207</u>

LIL'WAT NATION
Notes to Financial Statements

March 31, 2017

10. Long Term Debt (continued)

	2017	2016
Balance brought forward	\$ 6,269,983	\$ 4,271,207
Xit'olacw Housing Operations		
All Nations Trust Company - Phase 17 mortgage repayable in monthly installments of \$1,951 including interest at 1.31% per annum, renewal date December 1, 2021, maturing August 1, 2026, secured by ministerial guarantee.	207,337	227,634
All Nations Trust Company - Phase 18 mortgage repayable in monthly installments of \$2,196 including interest at 1.43% per annum, renewal date April 1, 2022, maturing November 1, 2026, secured by ministerial guarantee.	237,766	260,260
All Nations Trust Company - Elders Complex mortgage repayable in monthly installments of \$1,814 including interest at 1.65% per annum, renewal date June 1, 2017, maturing June 1, 2027, secured by ministerial guarantee.	205,231	223,473
All Nations Trust Company - Phase 19 mortgage repayable in monthly installments of \$9,200 including interest at 1.30% per annum, renewal date December 1, 2020, maturing November 1, 2035, secured by ministerial guarantee.	1,829,386	1,915,511
All Nations Trust Company - Phase 21 mortgage repayable in monthly installments of \$3,557 including interest at 1.21% per annum, renewal date May 1, 2021, maturing May 1, 2041, secured by ministerial guarantee.	894,396	910,000
All Nations Trust Company - Phase 22 mortgage repayable in monthly installments of \$5,192 including interest at 1.03% per annum, renewal date November 1, 2021, maturing November 1, 2041, secured by ministerial guarantee.	1,308,440	-
	10,952,539	7,808,085
Less current portion	<u>748,878</u>	<u>724,000</u>
	<u><u>\$ 10,203,661</u></u>	<u><u>\$ 7,084,085</u></u>

LIL'WAT NATION
Notes to Financial Statements

March 31, 2017

10. Long Term Debt (continued)

Principal repayments on long term debt for the next five years and thereafter are as follows, assuming mortgages are renewed on similar terms:

2018	\$ 748,878
2019	758,300
2020	779,000
2021	801,100
2022	823,700
Thereafter	<u>7,041,561</u>
	<u>\$ 10,952,539</u>

LIL'WAT NATION
Notes to Financial Statements

March 31, 2017

11. Tangible Capital Assets

	2017				
	Land	Buildings	Community infrastructure	Equipment	Assets under construction
Cost, beginning of year	\$ 17,107,661	\$ 30,241,308	\$ 13,755,158	\$ 2,406,093	\$ 1,410,886
Additions	-	205,451	85,891	499,999	2,145,490
Land transfer	(11,591,226)	-	-	-	2,936,831
Asset transfers	-	1,373,617	-	-	(11,591,226)
Cost, end of year	\$ 5,516,435	\$ 31,820,376	\$ 13,845,049	\$ 2,906,092	\$ 2,178,759
Accumulated amortization, beginning of year	\$ -	\$ 13,518,380	\$ 5,621,639	\$ 1,610,181	\$ 20,750,200
Amortization	-	925,477	365,294	154,417	-
Accumulated amortization, end of year	\$ -	\$ 14,443,857	\$ 5,986,933	\$ 1,764,598	\$ 1,445,188
Net carrying amount, end of year	\$ 5,516,435	\$ 17,376,519	\$ 7,858,116	\$ 1,141,494	\$ 2,178,759
					\$ 34,071,323

Assets under capital leases in the amount of \$602,799 (2016 - \$205,482) with related accumulated amortization of \$111,777 (2016 - \$59,975) are included in equipment.

During the year, land with a cost of \$11,591,226 and fair market value of \$12,074,900 was transferred to Lil'wat Holdings Limited Partnership from the Nation in exchange for 1,815,964 additional partnership units of equal value (Note 5).

LIL'WAT NATION
Notes to Financial Statements

March 31, 2017

11. Tangible Capital Assets (continued)

	2016				
	Land	Buildings	Community infrastructure	Equipment	Assets under construction
Cost, beginning of year	\$ 17,107,661	\$ 29,185,906	\$ 13,727,357	\$ 2,311,544	\$ 901,612
Additions	-	164,379	27,801	94,549	1,400,297
Asset transfers	-	891,023	-	-	(891,023)
Cost, end of year	\$ 17,107,661	\$ 30,241,308	\$ 13,755,158	\$ 2,406,093	\$ 1,410,886
Accumulated amortization, beginning of year	\$ -	\$ 12,656,066	\$ 5,260,259	\$ 1,471,632	\$ -
Amortization	-	862,314	361,380	138,549	-
Accumulated amortization, end of year	\$ -	\$ 13,518,380	\$ 5,621,639	\$ 1,610,181	\$ -
Net carrying amount, end of year	\$ 17,107,661	\$ 43,759,688	\$ 8,133,519	\$ 4,016,274	\$ 1,410,886
					\$ 44,170,906

LIL'WAT NATION
Notes to Financial Statements

March 31, 2017

12. Accumulated Surplus

The Lil'wat Nation segregates its accumulated surplus into the following categories:

	2017	2016
Equity in business enterprises and partnerships (Note 5)	\$ 22,499,471	\$ 8,324,822
Restricted equity for Xit'olacw Community School	231,384	231,384
Restricted equity - BC Hydro and Whistler Blackcomb MDA (Note 17)	8,343,065	5,719,904
Replacement reserve (Note 13)	470,716	445,040
Operating reserve (Note 14)	40,801	40,801
Equity in tangible capital assets (Note 15)	24,714,849	36,665,224
Equity in Ottawa Trust Funds (Note 16)	293,854	276,752
Deficit	<u>(4,766,304)</u>	<u>(3,528,365)</u>
	<u>\$ 51,827,836</u>	<u>\$ 48,175,562</u>

13. Replacement Reserve

	2017	2016
Balance, beginning of year	\$ 445,040	\$ 440,494
Add:		
Current year allocation	61,220	52,710
Interest	212	124
Less:		
Approved expenditures	<u>35,756</u>	<u>48,288</u>
Balance, end of year	470,716	445,040
Funded balance (Note 1)	<u>461,518</u>	<u>461,307</u>
Under (over) funded balance	<u>\$ 9,198</u>	<u>\$ (16,267)</u>

Under the terms of the agreement with Canada Mortgage and Housing Corporation, the Replacement Reserve account is to be credited in the amount of \$61,220 annually. These funds, along with accumulated interest, must be held in separate bank accounts and/or invested only in accounts or instruments insured by Canada Deposit Insurance Corporation, or as may otherwise be approved by Canada Mortgage and Housing Corporation. Withdrawals are credited to interest first and then principal.

LIL'WAT NATION
Notes to Financial Statements

March 31, 2017

14. Operating Reserve

	2017	2016
Balance, beginning of year	\$ 40,801	\$ 40,801
Balance, end of year	40,801	40,801
Funded balance (Note 1)	<u>55,802</u>	40,801
Unfunded (over funded) balance	\$ (15,001)	\$ -

Under the terms of the agreement with Canada Mortgage and Housing Corporation, any surplus from the Full Subsidy Program must be retained by the First Nation in an operating reserve fund. These funds along with the accumulating interest are to be held in a separate bank account and may only be used for the ongoing costs of the housing projects. Accordingly, future years deficits may be recovered from the operating reserve.

15. Equity in Tangible Capital Assets

	2017	2016
Balance, beginning of the year	\$ 36,665,224	\$ 36,164,905
Add:		
Purchases of tangible capital assets	2,936,831	1,687,026
Debt repayment	<u>805,968</u>	712,969
	3,742,799	2,399,995
Less:		
Amortization of tangible capital assets	1,445,188	1,362,243
Proceeds from new debt issuance	2,432,022	537,433
Transfer of land to Lil'wat Holdings LP	<u>11,815,964</u>	-
	15,693,174	1,899,676
	<u>\$ 24,714,849</u>	\$ 36,665,224

LIL'WAT NATION
Notes to Financial Statements

March 31, 2017

16. Equity in Ottawa Trust Funds

Trust funds on deposit with Indigenous and Northern Affairs Canada consist of the following:

	Revenue	Capital	2017 Total	2016 Total
Balance, beginning of year	\$ 43,726	\$ 233,026	\$ 276,752	\$ 263,286
Add:				
Interest on trust balances	5,387	-	5,387	8,438
BC Special Grant	5,059	-	5,059	5,028
Stumpage fees	-	6,656	6,656	-
	<hr/> 10,446	<hr/> 6,656	<hr/> 17,102	<hr/> 13,466
Balance, end of year	<hr/> \$ 54,172	<hr/> \$ 239,682	<hr/> \$ 293,854	<hr/> \$ 276,752

The Ottawa Trust Funds relate to capital or revenue sources 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.

17. Restricted Equity

BC Hydro

The Lil'wat Nation has internally restricted the BC Hydro settlement moneys for future capital and economic development projects of the First Nation. In 2017, \$7,175 (2016 - \$23,894) was withdrawn from the fund for the youth centre and sports field development.

Whistler Blackcomb Master Development Agreement

The Lil'wat Nation has internally restricted Whistler Blackcomb and Province of BC moneys for future capital and economic development projects of the First Nation.

LIL'WAT NATION
Notes to Financial Statements

March 31, 2017

18. Expenses By Object

	Budget	2017	2016
Administration	\$ 7,779	\$ 21,729	\$ 19,238
Advertising	6,800	10,383	13,479
Amortization	1,293,135	1,445,188	1,362,243
Bad debts	11,038	239,203	64,633
CMHC approved expenses	-	35,756	48,288
Consulting	639,861	551,842	598,766
Contribution to Squamish Lil'wat Cultural Centre	366,704	233,371	233,686
Funding agency recoveries	-	-	15,829
Honoraria	179,134	183,659	137,964
Insurance	453,071	416,296	440,220
Interest and bank charges	30,942	71,644	30,045
Interest on long term debt	259,314	225,486	220,744
Local revenue - property tax expenses	31,310	17,298	31,776
Office	165,889	123,281	314,910
Other services and materials	2,107,898	2,636,934	2,041,030
Professional fees	209,038	204,531	247,750
Rent	36,213	-	35,365
Repairs and maintenance	36,090	750,963	527,974
Social development	1,746,047	1,425,821	1,466,610
Student allowances	21,000	24,400	21,644
Supplies	646,595	1,113,817	605,387
Telephone and utilities	617,189	609,465	612,104
Training and workshops	626,698	399,006	492,940
Travel	678,450	861,114	694,363
Wages and benefits	9,088,710	8,848,523	8,058,654
 Total expenses for the year	 \$ 19,258,905	 \$ 20,449,710	 \$ 18,335,642

LIL'WAT NATION
Notes to Financial Statements

March 31, 2017

19. Economic Dependence

The Lil'wat Nation receives 36% (2016 - 45%) of its revenue pursuant to funding arrangements with INAC.

20. Contingencies and Commitments

- (a) The First Nation passed a resolution to guarantee a loan securing a \$2.5 million letter of credit given to the Resort Municipality of Whistler ("RMOW") by the Spo7ez Cultural Centre and Community Society ("Spo7ez"). Their bank issued a \$2.5 million letter of credit on behalf of Spo7ez to the RMOW to secure the construction of off-site services and accommodate the subdivision that created the Alpine North Lands. The First Nation delivers a guarantee and postponement of claim whereby the First Nation guarantees all present and future debts and liabilities, of Spo7ez limited to the sum of \$2.5 million and also assigns all present and future indebtedness of the Spo7ez to the First Nation as collateral security for the letter of credit.
- (b) The First Nation is contingently liable as guarantor of loans made to Band members. This contingent liability amounts to \$657,891 (2016 - \$746,929).
- (c) The First Nation is involved in various ongoing legal claims. In the opinion of management, the overall estimation of loss is not determinable. These claims have not been provided for in the financial statements. Settlement, if any, made with respect to these actions would be expected to be accounted for as a charge to expenses in the period in which realization is known.
- (d) The First Nation has a balance owing of \$266,677 to the Spo7ez Cultural Centre and Community Society ("Spo7ez"). Monthly payments of \$11,111 are being made until March 31, 2019.

21. Segmented Information

Lil'wat Nation is a First Nation community in the province of British Columbia that provides a wide range of services to its members. Certain functional areas have been combined and separately disclosed in the segmented information. The segments and the services they provide are as follows:

LIL'WAT NATION
Notes to Financial Statements

March 31, 2017

21. Segmented Information (continued)

The Lil'wat Nation is First Nation community of over 2,000 members located in the Pemberton Valley of British Columbia. The Lil'wat Nation provides a variety of services to community members, and receives funding from various federal and provincial government agencies to support the delivery of these services. Segmented reporting by program is used to account for the scope and significance of each service.

Band Housing Rentals

This program includes the revenues and expenses relating to the operation of the band housing rental units and the provision of various housing services to the Lil'wat Nation members.

Governance, Finance and Administration

This program includes revenues and expenses relating to governance activities undertaken by the Chiefs and Council, band membership activities, administrative services of the First Nation, and finance and accounting activities for the First Nation and its business ventures.

Public Works and the Capital Fund

These programs include the revenue and expenses relating to the construction, maintenance and operation of community infrastructure and buildings, and the provision of community services to the Lil'wat Nation members.

Social Development

This program includes the revenue and expenses relating to the delivery of social assistance programs to the Lil'wat Nation members, and the delivery of cultural activities in the community. Certain social development activities are funded through agreements with INAC and have specific eligibility criteria.

Community Health and Daycare

The Community Health program provides a variety of health services to the community pursuant to a funding agreement with First Nations Health Authority. The Community Health program also includes revenues and expenses relating to daycare and recreation activities for community members.

Advanced Education

This employment and training program includes the revenue and expenses relating to the provision of support services to community members for advanced education and skills training.

Economic Development

The economic development program provides support services for the economic development and land investment activities of the Lil'wat Nation.

LIL'WAT NATION
Notes to Financial Statements

March 31, 2017

21. Segmented Information (continued)

Lil'wat Lands & Resources

The lands and resources program includes the revenue and expenses relating to the First Nation's lands and fisheries programs.

Xit'olacw Housing Operations

The Xit'olacw Housing Operations program includes the revenues and expenses relating to the operation of the First Nation's CMHC Social Housing Units, including individual houses and multi family units.

Xit'olacw Community School

The Xit'olacw Community School program includes the revenues and expenses relating to the operation and maintenance of the Xit'olacw Community School located on the reserve lands of the Lil'wat Nation.

Local Revenue

The local revenue program includes revenue and expenses relating to Lil'wat Nation's property tax program.

22. Financial Instrument Risk

The Lil'wat Nation holds various forms of financial instruments. The nature of these instruments and the First Nation's operations expose the First Nation to interest, credit and liquidity risks. The Lil'wat Nation manages its exposure to these risks by operating in a manner that minimizes its exposure to the extent practical.

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The First Nation is exposed to this risk through certain variable rate long term debt, bank indebtedness and marketable securities that it holds. The following table summarizes the Lil'wat Nation's net exposure to loans and securities with variable interest rates:

	2017	2016
Long term debt and bank indebtedness (net exposure)	\$ (2,281,717)	\$ (1,594,364)
Restricted temporary investments	<u>7,011,760</u>	<u>6,885,901</u>
Net exposure	<u><u>\$ 4,730,043</u></u>	<u><u>\$ 5,291,537</u></u>

Management believes that changes in the market rate of interest will have an immaterial effect on the First Nation as a change in interest rate of 1% in either direction will increase or decrease interest by \$47,300 (2016 - \$52,915). There have been no changes from the previous year of policies, procedures and methods to measure this risk.

LIL'WAT NATION
Notes to Financial Statements

March 31, 2017

22. Financial Instrument Risk (continued)

Credit Risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss to the other party by failing to discharge an obligation. The First Nation is exposed to credit risk resulting from the possibility that a counterparty to a financial instrument defaults on their financial obligations and from concentration of transactions carried out with the same counterparty.

Default Credit Risk

The Lil'wat Nation's exposure to credit risk is represented by certain accounts receivable. The credit risk relating to accounts receivable is managed by having formal policies in place to assess the credit worthiness of customers and ensure timely collection of outstanding balances. The following table summarizes the aging of accounts receivable which provides an indication of possible credit risk:

	Current	31 to 60 days	Over 60 days	2017 Total
Accounts receivable	\$ 2,374,775	\$ 17,674	\$ 3,034,501	\$ 5,426,950
Allowance for doubtful accounts	- -	- -	(2,329,694)	(2,329,694)
<hr/>				
	<u>\$ 2,374,775</u>	<u>\$ 17,674</u>	<u>\$ 704,807</u>	<u>\$ 3,097,256</u>
	Current	31 to 60 days	Over 60 days	2016 Total
Accounts receivable	\$ 542,822	\$ 74,024	\$ 2,812,375	\$ 3,429,221
Allowance for doubtful accounts	- -	- -	(2,135,757)	(2,135,757)
<hr/>				
	<u>\$ 542,822</u>	<u>\$ 74,024</u>	<u>\$ 676,618</u>	<u>\$ 1,293,464</u>

Concentration of Credit Risk

As at March 31, 2017 there were no (2016 - Nil) counterparties holding more than 10% of net accounts receivables and in aggregate no amount (2016 - Nil) of net accounts receivables. Management believes that related party receivables and notes are not subject to default credit risk due to the tightly held nature of the group. There have been no changes from the previous year of policies, procedures and methods to measure this risk.

LIL'WAT NATION
Notes to Financial Statements

March 31, 2017

22. Financial Instrument Risk (continued)

Liquidity Risk

Liquidity risk is the risk that the Lil'wat Nation encounters difficulty in meeting its obligations associated with financial liabilities. Liquidity risk includes the risk that, as a result of operational liquidity requirements, the First Nation will not have sufficient funds to settle a transaction on the due date; will be forced to sell financial assets at a value, which is less than what they are worth; or may be unable to settle or recover a financial asset. Liquidity risk arises from accounts payable and accrued liabilities and long term debt and commitments. The following table summarizes the aging of the First Nation's financial obligations which provides an indication of possible liquidity risk:

	Current	30 to 364 days	Over 1 year	2017 Total
Bank indebtedness	\$ 1,489,244	\$ -	\$ -	\$ 1,489,244
Accounts payable and accrued liabilities	1,510,187	38,670	451,989	2,000,846
Obligation under capital lease	8,144	89,586	329,746	427,476
Long term debt	62,407	686,472	10,203,660	10,952,539
	\$ 3,069,982	\$ 814,728	\$ 10,985,395	\$ 14,870,105

	Current	30 to 364 days	Over 1 year	2016 Total
Bank indebtedness	\$ 1,216,730	\$ -	\$ -	\$ 1,216,730
Accounts payable and accrued liabilities	823,562	554,368	806,623	2,184,553
Obligation under capital lease	3,226	35,484	51,469	90,179
Long term debt	60,333	663,667	7,084,085	7,808,085
	\$ 2,103,851	\$ 1,253,519	\$ 7,942,177	\$ 11,299,547

See Note 20 for further information on possible liquidity risk arising from the Lil'wat Nation's contingencies and commitments. Management has determined that the Lil'wat Nation is not significantly exposed to liquidity risk given its strong operating cash flows and secured funding sources. There have been no changes from the previous year of policies, procedures and methods to measure the risk.

23. Comparative Information

The comparative amounts presented in the financial statements have been restated to conform to the current year's presentation.