



Lheidli T'enneh

LHEIDLI T'ENNEH
2017 ANNUAL REPORT



Lheidli T'enneh
Annual Report 2017
October 2017

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LHEIDLI T'ENNEH AGAIN THE "HOST FIRST NATION"

Among the many groups providing services to evacuees in an official capacity are countless organizations and individuals around Prince George just lending a helping hand however they are able. Elders Veronica Seymour and Albert Chingee were among those people earlier this week, preparing bags of treats for children who have been evacuated.

They were in the Lheidli T'enneh tent, which was set up in the courtyard at CNC soon after the emergency reception centre was established. Their presence is akin to being the Host First Nation, providing support and a cultural connection for many of the evacuees now in Prince George. Lheidli T'enneh members have donated food and offered rides to get groceries or attend medical appointments. There is also an Elders' room in the College where evacuees gather, make traditional food, and participate in arts and crafts. Elder Darlene McIntosh also hosts a daily smudge for evacuees.

The Lheidli T'enneh made history in 2015 when they were the first Host First Nation for a Canada Games. The role of host is one they are fulfilling again in 2017.

(excerpt from City of Prince George website)

**BUTTON BLANKETS
ABORIGINAL DAY 2017**



WE ARE THE LHEIDLI T'ENNEH

...rooted in our past, and here since the beginning of time! What makes us Lheidli T'enneh is the strength of our people, our community, and our family ties! We acknowledge that 2017 is Canada's celebration for 150 years! And we want to wish Canada her 150 years of celebration, and state that we are a resilient people. We are still here today and will flourish well into the future.

Lheidli T'enneh has advanced and reaffirmed its rightful place, and is at the forefront on local, regional, provincial and national levels. On June 21, 2017 we had signed five (5) Memoranda of Understandings in the area of culture/history, post-secondary education, health and wellness, government-to-government relations, and trades. On July 28, 2017, we also signed a Local Education Agreement with School District #57 to look at affirming our goals and aspirations for better education standards for our children. This is all about Nation building, looking at making our presence known to the mainstream society, and establishing strategic partnerships that will see the quality of life improve for our Lheidli T'enneh Citizens.

As I reflect on the past year, I want to give thanks to the prior Chief and Council Members for their years of service to our community:

- Councillor Louella Nome
- Councillor Shirley Wiltermuth
- Councillor Dolleen Logan
- Councillor Vanessa West

As well, to acknowledge the newly elected Chief and Council that are currently serving:

- Councillor Dolleen Logan (re-elected)
- Councillor Vanessa West (re-elected)
- Councillor Clayton Pountney (new)
- Councillor Shirley Gustafson (new)

The vision for our community is also deeply rooted with the values listed in the Lheidli T'enneh Constitution. We acknowledge the work that has been done to develop a community constitution, and it is also our job to ensure that we continue to review it, refine it, and make the document relevant again. The process of constitutional development is also seen as a Nation building tool, a tool that we are taking steps for governance and planning for our future.

As you know, we are moving towards a second treaty ratification vote. Our job as Chief and Council is to make sure that you have an informed choice, a choice that will shape our future for the positive. With or without the final treaty ratification, at the end of the day, we are still one community – one people!

I have seen many changes for Lheidli T'enneh and it has been a collective effort to want to see positive changes for our communities! I would like to thank my respective Councils that I had the fortunate to serve with for the past seven consecutive terms as your elected Chief Councillor. I am truly honored to have been given the mandate once again to move our community forward.

As well, to thank the Executive Director, the Lead Executive Assistant, the Managers, and the all the staff who continue to make this organization function with ease.

YOUR CHIEF AND COUNCIL

Lheidli T'enneh is governed by an elected Chief and Council by the registered membership, once every two years. As of March 1, 2017, the members included:

- Chief Dominic Frederick
- Councillor Dolleen Logan
- Councillor Vanessa West
- Councillor Louella Nome
- Councillor Shirley Wiltermuth

Chief Dominic “Domo” Frederick was elected Chief of Lheidli T'enneh in March 2005 and was re-elected for a seventh consecutive term in April 2017. He previously was a Lheidli T'enneh Councillor for six terms.

With his leadership Lheidli T'enneh has solidified its role as the host First Nation in land management, economic development, health care, education and cultural activities throughout its traditional territory from the headwaters of the Fraser River downstream to Hixon Creek, a vast area including the Robson Valley and the City of Prince George.

Lheidli T'enneh has established partnerships with the City of Prince George, the Regional District of Fraser - Fort George, the University of Northern BC, the College of New Caledonia, Canfor and other government agencies and businesses throughout the region.

Chief Frederick is also board member of LTN Contracting Ltd., the largest logging company in Prince George, a company 50 percent owned by Lheidli T'enneh.

His current and past involvement included: President of Chunzoolh Forest Products Ltd., a Director of the Prince George Metis Housing Society, a Director of Resources North Association, a Director for Exploration Place, a Director of the PTP First Nations Limited Partnership, a Director of the Prince George Nechako Aboriginal Employment and Training Association, and presently Chairperson of the Lheidli T'enneh Lands Authority and the Tano T'enneh Limited Partnership.

He worked in the forest industry for 12 years, in fisheries management for 20 years, and is a veteran hunter who provides meat for Elders and shares hunting techniques and traditional knowledge with Aboriginal youth.

ELECTED COUNCILLORS AS OF MARCH 1, 2017



**COUNCILLOR
DOLLEEN LOGAN**



**COUNCILLOR
LOUELLA NOME**



**COUNCILLOR
VANESSA WEST**



**COUNCILLOR
SHIRLEY WILTERMUTH**

ELECTED COUNCILLORS AS OF APRIL 12, 2017

RE-ELECTED: COUNCILLOR DOLLEEN LOGAN (PICTURED ABOVE)
RE-ELECTED: COUNCILLOR VANESSA WEST (PICTURED ABOVE)



**NEW COUNCILLOR
CLAYTON POUNTNEY**



**NEW COUNCILLOR
SHIRLEY GUSTASON**

The leadership have delegated the management responsibilities to Mr. Jason Morgan, Executive Director who has been employed with them for six (6) years. Therefore, separating the roles of elected leadership from day-to-day operations to one person providing oversight and reporting back to Chief and Council on a regular basis.



CHIEF FREDERICK IS A MEMBER OF THE FROG CLAN AND A MEMBER OF THE FREDERICK FAMILY WHOSE KEYOH (TRADITIONAL FAMILY TERRITORY) INCLUDES THE NECHAKO RIVER VALLEY FROM THE FRASER RIVER UPSTREAM TO THE CHILAKO RIVER, NORTH TO GREAT BEAVER LAKE.

MESSAGE FROM THE EXECUTIVE DIRECTOR

ON BEHALF OF THE ADMINISTRATION, I WOULD LIKE TO TAKE THIS OPPORTUNITY TO THANK CHIEF AND COUNCIL FOR THEIR CONTINUED SUPPORT! AS WELL ALL THE STAFF, CONTRACTORS AND MANAGEMENT FOR CONTINUOUSLY PROVIDING KEY ADVISORY AND PROGRAM DELIVERY TO THE LHEIDLİ T'ENNEH CITIZENS!

AS I LOOK BACK, THE LAST FIVE YEARS HAS BEEN AN INCREDIBLE JOURNEY! IT IS TRULY A BLESSING TO BE WORKING FOR THE COMMUNITY AS YOUR EXECUTIVE DIRECTOR, AND SEEING LHEIDLİ T'ENNEH CONTINUE TO EXERT ITS JURISDICTION AND PRESENCE TO MAINSTREAM SOCIETY!

I am forever indebted to Lheidli T'enneh by supporting me for my education leave to pursue my Executive MBA at Simon Fraser University. I had the privilege of going to Tuscan, Arizona to spend two weeks at the internationally renowned Native Nations Institute at University of Arizona to look at the socio-economic and political readiness for Nation-building for Indigenous Communities. This allowed me to look at all aspects of courses enrolled and to apply those lessons and make it relevant to Lheidli T'enneh. I made a commitment to share all the papers and reports with Chief and Council and the Staff.

My annual report will look at referencing a report that was published in December 2004, "In Pursuit of Capable Governance: A report to the Lheidli T'enneh First Nation" (Cornell, Goodswimmer, and Jorgensen). How do we measure

change, and how do we move forward as a Nation? I hope that my qualitative analysis of the Administration will describe the readiness of the Lheidli T'enneh poised for more growth and capitalizing on economic opportunities.

Thank you again,

Jason Morgan
Executive Director



EXECUTIVE SUMMARY

In Pursuit of Capable Governance: A report to the Lheidli T'enneh First Nation Part 2 – 2017 Edition

The journey I have been on as your Executive Director has been a dynamic adventure and a time to look back at the last five years as positive reflection. Lheidli T'enneh has seen many doors of possibilities to see change and growth for the community. I started on my first day with Lheidli T'enneh on April 12, 2012. This administration report will focus on the last five years of the collective works started, achieved, and in progress to date. In order to do that, the baseline for the work was already done by Dr. Stephen Cornell, Dr. Cheryl Goodswimmer, and Dr. Miriam Jorgensen from the Native Nations Institute with the University of Arizona in December 2004. This past January 2017, both myself and my fellow cohort, Mrs. Regina Toth had an opportunity to take in part of their Indigenous Governance Program through an affiliation accord with Simon Fraser University as part of our MBA program. This was a life-changing program and has helped me immensely with my career path and the pursuit of higher education.

"The Lheidli T'enneh First Nation is involved in an extended and in many ways innovative effort to reclaim the right to govern itself and to exercise that right effectively. This effort is moving forward through the British Columbia Treaty Process, the development of a constitution, a governance agreement with federal and provincial governments, a set of protocols adopted by the Nation and other governing bodies in the region that specify relationships among them, and other steps undertaken by the Nation. Lheidli T'enneh has been aggressive at asserting control over its own affairs, particularly in the area of land use and resources, and is inclined to push against the apparent boundaries of jurisdiction and decision-making power." (Cornell, Goodswimmer, Jorgensen, Page i).

In 2004, Native Nations Institute found there to be issues that the Nation needs to bear in mind as it continues to move toward capable self-governance. Their findings include:

Structural/Organizational

We are not convinced that the discussion of governance structures is addressing in sufficient detail the need for a set of governmental tools capable of meeting the challenges facing Lheidli T'enneh First Nation. While we are not fully acquainted with the constitutional materials currently under discussion, our experience suggests that the constitution is a critical document at issue here, and we are concerned that certain key governmental functions may be ignored. One example: is the Nation making adequate provisions to ensure that its economic ventures are insulated from political pressures or other interferences with the potential to undermine enterprise success and sustainability?

Strategic

Does the Nation have a general strategic plan that identifies priorities and concerns as development plans move forward? For example, while the land selection process seems to be proceeding in a careful and deliberate manner, we are not sure whether its land base or is simply an effort by those involved to make sensible land decisions. While the latter goal is important and laudable, it is nonetheless different from, less ambitious than, and less stabilizing from the former.

Fiscal

The Nation is being admirably aggressive and resourceful on the issue of taxation; however, we are not convinced that Lheidli T'enneh is paying adequate attention to other primary sources of potential revenue: income from First Nation-owned enterprises or from assets other than land. Maximizing these sources of revenue will require close attention to the structure/organization of government and to the specific strategic goals of the community.

Human Resources

Lheidli T'enneh has an ambitious governance and development agenda, and it will require numerous people with substantial skills to accomplish it. Attention will need to be paid to a strategic plan for developing or recruiting - and retaining - the necessary talent and for developing the necessary skills. We are not sure such a plan presently exists.

Community Engagement Support

Based on our brief visit to Lheidli T'enneh, follow-up conversations, and a review of the documents, it has been difficult to estimate the extent of community support for and engagement in the current government's political and economic agenda. As the Nation moves forward in pursuit of its complex and ambitious goals, will it be able to retain broad-based community support? What plan is in place to do this?

Leadership

Lheidli T'enneh has benefited in recent years from visionary, capable leadership. But does the Nation have in place (1) a set of governing institutions that can protect it from less capable or honest leadership, should such leadership arise, and (2) a mentoring system that effectively prepares future leaders who can meet the Nation's needs?

In present day, the remainder of this report will look at where we have made some progress and has given us a roadmap for building a sustainable Nation.

WHO WE ARE

Lheidli T'enneh is a First Nations community situated north-centrally in British Columbia, whose homelands are situated at the heart of Prince George, B.C.

In order to describe Lheidli T'enneh, it is important to look at how the Lheidli T'enneh describe themselves both socially and politically

structured as a First Nation through their Constitution:

Lheidli T'enneh Constitution Preamble

Declaration of Lheidli T'enneh:

We are Lheidli T'enneh – the people from where the two rivers flow together. Like the rivers, we aspire to move ahead as an organized, highly motivated, determined, and self-reliant Nation. We are a proud, united people whose purpose is to ensure a future that will provide a better quality of life while flourishing with our environment. Our traditions and cultural beliefs are the driving force of our success and destiny.

WHEREAS Lheidli T'enneh aspires to implement the vision set out in the Declaration of Lheidli T'enneh;

AND WHEREAS the connection of families to their traditional Keyoh lands has been the basis of traditional Lheidli T'enneh authority;

AND WHEREAS the Final Agreement recognizes collective Lheidli T'enneh authority and responsibility for the stewardship, retention and sustainable use of Lheidli T'enneh Lands;

AND WHEREAS colonialism severed the connection between the people, the land, the culture and the traditional authority and ability to govern;

AND WHEREAS this Constitution is an expression of the contemporary restoration of the personal and community relationship to these lands;

AND WHEREAS research has affirmed the essential requirements of meaningful jurisdiction and governance capacity for creation of sustainable First Nation communities;

AND WHEREAS Lheidli T'enneh has entered into a treaty and land claims agreement with Canada and Government of British Columbia;

AND WHEREAS Lheidli T'enneh aspires to achievements by Lheidli T'enneh Citizens in the pursuit of education, health, housing, employment and socio-economic goals that are comparable to those achievable by other British Columbians;

NOW THEREFORE this Lheidli T'enneh Constitution is hereby enacted as the fundamental Law of Lheidli T'enneh." (Constitution of Lheidli T'enneh. Date referenced January 30, 2007, Lheidli T'enneh)

The Lheidli T'enneh Constitution tells a story of a First Nations' journey for self-determination and acting like a government. Having a community driven process in the formation of a community constitution is a great indicator for Nation-building and communicates to the outside world how they are structured. The important lesson is having it empowered and endorsed by the community to see value and pride in their governing documents. The process of constitutional development is also seen as a first step and critical tool for Nation-building. By having a constitution as the front and centre source document, this clearly demonstrates that the leadership (Chief and Council) has a roadmap that can demonstrate we are taking steps for governance and planning for our own future.

Historical and Cultural Reference for Lheidli T'enneh

"We are the Lheidli T'enneh. Our name translates as 'people from where the rivers flow together'. The rivers spoken of are the Nee Incha Koh which means 'river with strong undercurrents' and the Ltha Koh, the Big Mouth River. These rivers are known as the Nechako and the Fraser. We were often called the Tanoten which means 'people a little to the north'.

According to our history, a large group of our people were led by Traditional Chiefs and Medicine People to the confluence of these two

rivers. Our ancestors traveled from the area of what is now known as the Blackwater River. We traveled throughout our territory, a territory that was once separated into keyohs. Each keyoh was the responsibility of an extended family. We hunted and gathered throughout our Traditional Territory. We traded with neighbouring communities. There were no permanent settlements like we think of them today. Instead, there were seasonal villages and camps along the lakes and rivers throughout our territory. Lheidli, the site of present-day Prince George, was one of these villages. It is clear to us that our ancestors occupied and used all of what we now know as our Traditional Territory. This is still true today."

It is important to recognize the significance of the territory, the land and the resources has on the Lheidli T'enneh.

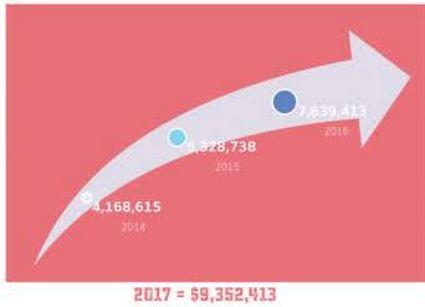
OUR ADMINISTRATION TEAM

Lheidli T'enneh is a distinct legal entity that was formed in 1892 as per the Indian Act by the Government of Canada.

Lheidli T'enneh is organized as a First Nations Government that administers and develops programs in the following areas:

- Administration
- Finance
- Community Economic Development
- Natural Resource Management / Referrals
- Fisheries and Wildlife Management
- Social Development and Income Supports
- Housing
- Education
- Capacity Development - Employment & Training
- Health & Wellness
- Family Development
- Lands Authority / Capital / Public Works
- Tax Authority
- Communications
- Treaty / Citizen Engagement

ANNUAL SURPLUSES



FINANCIAL RATIOS

RATIO	RATIO DEFINITION	2013	2014	2015	2016	2017	2013	2014	2015	2016	2017
Reliance on INAC Funding	INAC	\$ 996,952	\$ 1,161,104	\$ 1,084,957	\$ 1,517,499	\$ 1,156,894	29%	20%	16%	21%	14%
	Total Revenue	\$ 3,489,161	\$ 5,827,125	\$ 6,726,842	\$ 7,315,728	\$ 8,285,268					
Reliance on government funding	Government Funding	\$ 1,860,206	\$ 2,187,957	\$ 2,485,400	\$ 3,362,761	\$ 4,250,000	53%	38%	37%	46%	51%
	Total Revenue	\$ 3,489,161	\$ 5,827,125	\$ 6,726,842	\$ 7,315,728	\$ 8,285,268					
Self-generated Revenue	Self-generated Revenue	\$ 1,628,955	\$ 3,639,168	\$ 4,241,442	\$ 3,952,967	\$ 4,035,268	47%	62%	63%	54%	49%
	Total Revenue	\$ 3,489,161	\$ 5,827,125	\$ 6,726,842	\$ 7,315,728	\$ 8,285,268					
Self-sufficiency Ratio	Self-generated Revenue	\$ 1,860,206	\$ 3,639,168	\$ 4,241,442	\$ 3,952,967	\$ 4,035,268	51%	75%	78%	79%	61%
	Total Expenses	\$ 3,621,152	\$ 4,855,106	\$ 5,464,938	\$ 5,010,342	\$ 6,590,616					
Annual Surplus Margin	Annual Surplus	\$ 1,504,956	\$ 2,726,799	\$ 1,261,904	\$ 2,305,386	\$ 1,694,652	43%	47%	19%	32%	20%
	Total Revenue	\$ 3,489,161	\$ 5,827,125	\$ 6,726,842	\$ 7,315,728	\$ 8,285,268					
Administration Expense	Administration Expense	\$ 1,098,104	\$ 1,688,328	\$ 1,366,845	\$ 1,983,842	\$ 3,242,951	31%	29%	20%	27%	39%
	Total Revenue	\$ 3,489,161	\$ 5,827,125	\$ 6,726,842	\$ 7,315,728	\$ 8,285,268					
Total Liabilities to Equity	Total Liabilities	\$ 8,695,036	\$ 8,218,420	\$ 8,227,961	\$ 8,154,239	\$ 7,466,448	578%	197%	154%	107%	80%
	Members' Equity	\$ 1,504,956	\$ 4,168,615	\$ 5,328,738	\$ 7,639,413	\$ 9,352,413					
Interest bearing debt to equity	Interest Bearing Debt	\$ 7,335,319	\$ 7,575,388	\$ 7,458,923	\$ 7,046,175	\$ 6,912,125	487%	182%	140%	92%	74%
	Members' Equity	\$ 1,504,956	\$ 4,168,615	\$ 5,328,738	\$ 7,639,413	\$ 9,352,413					
Net debt to equity	Interest Bearing Debt - Cash	\$ 6,388,894	\$ 5,836,076	\$ 5,856,989	\$ 4,543,153	\$ 6,108,406	425%	140%	110%	59%	65%
	Members' Equity	\$ 1,504,956	\$ 4,168,615	\$ 5,328,738	\$ 7,639,413	\$ 9,352,413					
Cash days	Cash * 365 Days	\$345,445,125	\$634,812,745	\$584,705,910	\$913,603,030	\$293,357,435	95.40	130.75	106.99	182.34	44.51
	Total Expenses	\$ 3,621,152	\$ 4,855,106	\$ 5,464,938	\$ 5,010,342	\$ 6,590,616	Days	Days	Days	Days	Days

WHAT ACCOUNTABILITY MEASURES DO WE HAVE IN PLACE FOR THE MEMBERSHIP?

Public Disclosure

Annual General Meetings are hosted each year to have the members / citizens meet to go over the year-end reports by Chief and Council, the Administration and respective Departments. This also provides an open forum with the Auditors to go over the consolidated financial statements.

Regular Scheduled Chief and Council Meetings

Chief and Council meetings are open to their membership and hosted once a month, every first Wednesday respectively. The minutes from these meetings are also posted on their website, along with the audited financial statements, the remuneration for elected officials, and their annual reports.

Enactment of Financial Law

This is a major step to have been accepted by the First Nations Financial Management Board for their Financial Law. This means not only to their Citizens, but also future investors that the governance model that Lheidli T'enneh is moving towards is a risk management strategy by having clearly defined processes and internal controls in place.

Within one of their proposed draft governance documents, it is encouraging to see that there is an actual "Whistle-Blower" policy and a terms of reference for a "Finance and Audit Committee" with external members at large, that are helping to guide the process with recommendations to the leadership of the Lheidli T'enneh. By going down this route, this helps strengthen the planning and risk management for the organization.

Tano T'enneh Limited Liability Partnership

The formation of Tano T'enneh LLP is in place not only for a tax structure, but to look at having

the investing decisions and management of the Own Source Revenues in place, and separate from Chief and Council. The process is one extra step for Chief and Council to make a formal request to access Own Source Revenues to its own company, but through an external governing board that will provide oversight.

Indian and Northern Affairs Canada - Audit Review Letters

The Financial Statement Review Report outlines the results of INAC's review of the year-end financial statement submission by Lheidli T'enneh. This measures all compliance indicators of all funded schedules with INAC.

Ending March 31, 2016
Our financial ratios have been deemed overall favorable by INAC.

Liquidity	1.31 (Less than 0.50 is considered unfavorable)
Sustainability	1.33 (Less than 0.50 is considered unfavorable)
Working Capital to Revenue	0.23 (Less than -0.05 is considered unfavorable)

Ending March 31, 2015
Our financial ratios have been deemed overall favorable by INAC.

Liquidity	1.65 (Less than 0.50 is considered unfavorable)
Sustainability	4.25 (Less than 0.50 is considered unfavorable)
Working Capital to Revenue	0.06 (Less than -0.05 is considered unfavorable)

Ending March 31, 2014
Our financial ratios have been deemed overall favorable by INAC.

Liquidity	2.54 (Less than 0.50 is considered unfavorable)
Sustainability	3.88 (Less than 0.50 is considered unfavorable)
Working Capital to Revenue	0.25 (Less than -0.05 is considered unfavorable)

WHAT GOVERNANCE STRUCTURES ARE IN PLACE?

Financial Management Systems Readiness

Assessment

There is a completed Financial Management Systems Readiness Assessment Form completed by Chief and Council, the Executive Director and the management. This shows a work-plan of action items of work that is required and what is currently in progress.

Financial Management System Certification Work-Plan

There is a Gant Chart with a timeline for the proposed deadlines to be completed of all the required governance and fiscal tools to be in place and ratified by Chief and Council.

I do believe that Lheidli T'enneh has progressively taken steps to strengthen its corporate governance structure and positioning itself to be a responsible government.

They have clearly taken steps to do the following:

- Establish a Financial Law
- Develop customs, policies and Laws
- Focus on institutional development to establish credibility in how the First Nation is organized, directed, administered and controlled.
 - Roles and responsibilities are distributed.
 - Policy development is focused on the rights and protection of its Citizens and Community.
 - Decision-making rules are clearly defined.
- Internal and External Controls for their Own Source Revenues and being fiscally responsible for planning for the future.
- Disclosure of the financial position and decision-making to the Citizens is place.

And finally, having a major funding agency, the Department of Indian and Northern Affairs Canada (INAC) to do annual audit reviews, show

that there is compliance with the reporting and expenditures of public funds.

WHAT INFORMATION IS AVAILABLE TO THE MEMBERSHIP?

Upon reviewing the website, www.lheidli.ca, they have provided several key governance documents that are important and to recognize of the organizational capacity and readiness to plan for the future. A key insight to their future planning is that they also publish their Annual Reports by Chief and Council, the Executive Director and all the respective Departments. When looking at this historical overview of the narrative five years' previous annual reports, it is clear that there is a level of professionalism in how they communicate their respective priorities for their community. There are economic updates and the natural resources referrals department that talks about the bigger picture negotiations that is to be undertaken.

As well with the recent certification of Lheidli T'enneh's Financial Laws, it is clear that they are planning to have internal controls in place for fiscal transparency and accountability. This leads to their citizenship and investors having more confidence that there is a clear and succinct process in place. By Lheidli T'enneh going through the route of the implementation of a Financial Law with the First Nations Financial Management Board will look at acquiring more resources and options to acquire long-term capital loans, if need be.

In reading the Annual Report by the Administration Department over the collective five years, as a reader, there seems to be a growth in seeing more positive changes.

Not too many First Nations publish their meeting minutes, but you can tell that there is a structured process in how they conduct their government and Chief and Council Meetings.

There is even a "Request Form for Guests" to make a presentation to Chief and Council. This communicates a positive messaging that Lheidli T'enneh has a process and will consider all requests being made.

Finally, Lheidli T'enneh has ratified their updated Land Use Plan.

IDENTIFYING INFRASTRUCTURE DEVELOPMENT AND PROJECTS

Internet Connectivity

This is often an under-estimated asset that is often taken for granted by mainstream society and the rest of Canada. The mere fact that Lheidli T'enneh has fibre running into the community is a valuable asset for future growth. When they are in a position to attract business investment within their community, having internet connectivity will be a non-issue.

Health Centre Approval

The announcement for Lheidli T'enneh to have a health centre built in their community can be a business model that adjacent office space to be developed for a revenue generation model. For example, having a medical office and other agencies who would like to rent office space on-reserve that will take advantage of tax-exemption for their staff.

Community Hall

This is a social enterprise that will be meet the benefits of having a community hall in the heart of Prince George (off-reserve) with meeting spaces to accommodate up to 1000 people, a community kitchen, and a communal place for the community to meet. This is a huge undertaking and holds significant cultural value as the community does not have a current community hall at all. They will realize the savings of using their own hall versus renting hotel facilities and other venues.

Gas Bar and Tobacco Sales

Currently there is no tax-free sales opportunity for gasoline and tobacco sales within a 165km vicinity heading north-east, and then 110kms vicinity heading west, and 225kms heading south. Lheidli T'enneh has developed a business plan and secured some funding as contributions / grants to build a facility and has secured other loan funding. To date, their tobacco sales only operate from 10:00am to 3:00pm, Monday to Friday, and generates \$900,000.00 in annual sales. The opportunity to see growth is positive.

Cash Infusion

There is still an outstanding Specific Claims with the Government of Canada that can potentially see millions of dollars compensated back to Lheidli T'enneh. Further to that, if the Treaty Ratification is a "yes" vote than again another cash injection that will wipe the treaty loan and set-up future dollars for programs and services, above and beyond the current funded levels.

Chief and Council have asked the Finance Department and the Community Economic Development Managers to meet with various Trust organizations to look at planning for the future, if and when the Lheidli T'enneh will receive a wind-fall of cash. The leadership wants to be proactive and save for future, and to ensure the community's assets are safeguarded.

Electoral Code - Custom

Currently, Lheidli T'enneh is under the INAC election code, with an election once every two years. This creates some in cases the ability to only look at short-term planning.

The outgoing Chief and Council have requested that the new elected Chief and Council prioritize a custom-code election with a minimum term of 3-4 years. This allows for consistency and for the governing body to effectively plan for greater than two years.

Canada Revenue Agency

Lheidli T'enneh is also recognized as charitable organization with Canada Revenue Agency, and has "Charitable Donee Status." Not too many First Nations take this opportunity, but now this allows them to issue charitable tax receipts to businesses and donors.

Economic Indicators

The Community Economic Development Department covers a wide array of updates published on a monthly basis to its citizens. Looking at the flow of reports from January 2016 to January 2017, you can pick up trend analysis of the progression of work being completed by the technical staff and mobilizing the elected leadership to be proactive with industry and businesses on partnership development.

Further, they also highlight capacity development training opportunities within two portfolios: Employment & Training and the Workforce Promotion. It clearly shows that while they continue to negotiate all these benefit agreements with industry and businesses, they are also aware of the work required to build community capacity through short-term and long-term planning.

Education

Within their annual reports, it is noted that the Lheidli T'enneh are making efforts to negotiate a Local Education Agreement with School District #57. This will lend well to increase the statistics and retention of students within the public school systems to see higher graduation rates.

Further, efforts to increase post-secondary opportunities are clearly supported by having a comprehensive Post-Secondary Education Policy and application process.

Research Ethics & Protocol

This document is a great tool that will help facilitate and guide research projects and ensures adherence to the values, the rights, the privacy, and state of the community members to remain intact.

Traditional Use and Interest Study Work-Plan

These documents helps guide proponents and industry when they want to consult with Lheidli T'enneh on major projects and the impact on Lheidli T'enneh's resources within their traditional territory. Having standardized resources is a great starting point, as industry and businesses want to know how a First Nation wants to be consulted. This makes it easier and more structured for all to adhere to.

MOVING FORWARD...

Lheidli T'enneh is poised to move forward and has the capacity to accept new challenges that may arise. There is a true sense that they are organized and exerting their jurisdiction that they want to continue to conduct their business in a fair and respectable manner.

There is a clear path for the governance and fiscal responsibility of the Lheidli T'enneh to operate within Fund Accounting Principles with the enactment of the Financial Law and the certification process they are undertaking.

Our collective goal has been to continue to act like a sovereign nation and establish our own path for self-determination that is in the best interest of the community!

Thank you,

Jason Morgan, Executive Director

LANDS DEPARTMENT ANNUAL REPORT

THE LANDS DEPARTMENT & COMMUNITY DEVELOPMENT

The Lands Department at Lheidli T'enneh has been involved in variety of professional activities as well as different workshops, conferences, and meetings over the last year. Lands department has worked, beside the regular O&M activities, on submitting multiple capital projects, and involved in training activities which are directed towards capacity and career development.

CAPITAL PROJECTS

Roads Improvement - North and South Sides
Total Estimated Cost (TEC) \$2,670,137.20 - Status (Submitted)

At this time, the Lheidli T'enneh First Nation requires project funding from INAC to move ahead with the final phase of road design and construction, upgrading the main roads through

the community and bringing the road system up to current standard.

This project will meet or exceed the minimum design guidelines and level of service standards and will meet the immediate and growing needs of a modernizing community. The proposed upgrades raise the roads above the 200 year flood level, help with emergency response time and enable safe pedestrian use at the roadside. The upgrades will also enable the Lheidli T'enneh to work with neighboring local governments (City of Prince George and Fraser-Fort George Regional District) to facilitate area wide flood and fire response in the rural area east of the City of Prince George. As such, these upgrades are integral to Northside and Southside residents'

safety, security and quality of living and are a high priority for the community.

#2 North Side New Subdivision - Northside
Total Estimated Cost (TEC): \$358,070
Status: Submitted

At this time, the Lheidli T'enneh First Nation requires project funding from INAC to move ahead with the first phase construction of a new subdivision (Phase 1 Subdivision 3A & 3B) at North Shelley (Northside). This project will meet or exceed the minimum design guidelines and level of service standards and enable the community to meet immediate needs and the growing demands of an expanding and modernizing community.

Northside has been identified as the preferred location for new residential development to accommodate a growing population at Fort George IR#2. In 2011 a limited number of vacant serviced residential lots had documented availability at Northside and it was projected at that time that these lots would be used within five years (by 2016). In 2011 a conceptual plan was developed to provide up to 102 new residential lots over a twenty year design period. The proposed subdivision development was designed to incorporate extensions of roadways and services from Khast'an Road and a new intersection with Landooz Road in the vicinity of the existing reservoir access road.

#3 Water System Assessment and Upgrade (Radloff ENG) - North and South Sides
Total Estimated Cost (TEC): TBD
Status: In Progress

This project will assess the current water system and perform the feasibility study to upgrade the system to the current standards. Also, the project will provide a cost benefit study for having Waste Water Treatment Units instead of the current septic system.

OTHER ACTIVITIES

1. Worked with Administration and Health Department on the New Health Centre feasibility study proposal, interviewing and selecting the consultant
2. Taxation 2016, and 2017
3. Major Community Maintenance - Ditching and Roadside Brushing
4. Youth training

CERTIFICATES, CONFERENCES, AND WORKSHOPS

Lands department was involved in different training activities for all its employees which are directed towards capacity and career development. Following a list of the lands employees and their related training and certification activities:

Mr. Ibraheem Ali - (Lands Manager)

Land manager has obtained the following certificates:

#1 Masters Certificate in Project Management from UNBC (COMPLETED)
 UNBC's Masters Certificate in Project Management provides high-quality training and education in a conveniently scheduled nine-module program. This program includes innovative and advanced project management strategies to develop and advance the participant's management skills. The Masters Certificate in Project Management is an accelerated program delivered in 20 days over a span of approximately eight months.

#2 Certificate in First Nation Tax Administration (CFNTA) - (In Progress)
 The Certificate in First Nation Tax Administration (CFNTA) and its students are at the forefront of property taxation on First Nation lands. Graduates of this innovative program are prepared to administer a high quality First Nation property taxation system.

Tulo, along with the First Nations Tax Commission (FNTC) and Thompson Rivers University (TRU), have created a working relationship to develop an accredited certificate program in First Nation tax administration.

The First Nation Tax Administration Certificate provides the knowledge and skills needed to design and operate a taxation system similar to other governments using the powers outlined in the First Nation Fiscal Management Act. It examines how First Nation government tax policies can be used to promote economic development and finance and build infrastructure. The program pays particular attention to communicating tax policies and laws to Chief and Council and taxpayers.

Ms. Janice Shannon - Lands and Communication Clerk

Janice took the "Minute Taking" Course at UNBC during the year of 2016. She also participated in the "Links to Learning 2016" event in Vancouver, BC. This event allows Aboriginal organizations with a mandate to support Economic Development Officer (EDO) and Land Management Officer (LMO) capacity development to collaborate and bring an integrated approach to training. This approach also provides significant cost efficiencies for EDOs and LMOs to travel to one event. During the Links to Learning 2016 event, Ms. Shannon participated in the following workshops:

1. Going Global - What You Need to Know
2. Additions to Reserves
3. How to Unlock INAC's Pot of Funding
4. Strategic Analysis - Planning and Implementation Tools for Aboriginal Economic Development
5. Why Clean Energy Makes Sense to First Nations

Ms. Deryl-Lynn Seymour - Community Maintenance Technician (Public Works)

Ms. Deryl-Lynn Seymour has taken variety of career development and skill upgrade classes and certificates in different places. Below is the list of the classes she has taken to date include:

Classes taken at MTS

1. Water Treatment Level 1 course
2. Supervisory Skills for Operators
3. Small Water Systems (certified with EOCP)
4. Chlorine Handling and Disinfection Processes (Exam certified)
5. Water Quality for Operators
6. Electrical Safety for Pumps
7. Basic Water Hydraulics, Pumps, & Control Valves

Classes taken at CNC

1. Supervisory Level 1
2. Supervisory Level 2

PRIORITIES FOR 2017/2018

Seek approval and start construction for the submitted Capital Projects

- New Subdivision - Northside
- Roads Improvement - North and South sides

Finalize, submit, and seek approval from INAC the Capital Project of the Community Water System Upgrade.

Work with Administration and Health Department on the New Health Centre feasibility study and construction.

ABORIGINAL CHILD & FAMILY DEVELOPMENT

THE 2016/2017 YEAR WAS A VERY BUSY ONE. OUR REGULAR PROGRAMS CONTINUE TO BE WELL ATTENDED. IN PARTICULAR, THE COMMUNITY KITCHENS BOTH IN TOWN AND ON THE NS HAVE HAD A STEADY GROWTH OF PARTICIPANTS. OUR ONGOING PROGRAMS INCLUDE: MUFFIN BREAK, COMMUNITY KITCHENS, TRANSPORTATION, TUTORING, DROP IN, ADVOCACY, COUNSELING, BEGINNER'S QUILTING, OFFERING SUPPORT SERVICES AND OUTREACH. OUR DROP IN PROGRAMS WITHIN THE CITY OF PG INCLUDE: ENTRANCE INTO BOTH POOLS, AND SPRING BREAK AND SUMMER BREAK DROP IN AT THE FORT GEORGE MUSEUM AND ROLLERDOME.

LIFE-SKILLS

We were fortunate to receive funding from five outside agencies this past year. New Relationship Trust gave us two grants, one for Elders and one for youth. With this money, we held a drum making workshop where we hosted over 50 Lheidli T'enneh members. We also received a grant from Success by 6 to go towards food for this workshop and NCBR funding which hosts the tutoring and Pro-D day activities in the PG community. It has been through these groups that a natural support group has been established often covering topics from Residential Schools to parenting and everything in between.

CULTURAL ACTIVITIES

We also received significant funding from the United Church of Canada. Because of this money, we were able to provide Lheidli members with a great amount of traditional workshops. These workshops included: beading camps, Dakelh Language classes, introduction to Native art, a traditional medicine workshop, a joint berry picking camp with the Firepit, a moose hide camp where we stretched, fleshed and scraped the hide, then made into rounds for the drum making workshop. We also gifted back to the CO who donated the moose hide, a drum which was made and painted by our department.

SUPPORT GROUP

We began a Men's Wellness group which has been a huge success. In fact, there are 50 members in total and once the funding was completed, the members of this group asked for my assistance in finding funding opportunities to keep the group going. I applied for funding through the National Indian Brotherhood program for two years of funding. The Lheidli Elder's group donated \$2000.00 for the group to continue running on the NS until other funding can be secured.

SUPPORT SERVICES

We have had a lot of time spent towards transportation needs for our community. We transport Elders to medical appointments and others for food bank access. We continue to meet the needs of our community members by offering outreach, advocacy and support. This has been a year filled with workshops, support services and community gatherings. Partners this year included: the Firepit, the United Church of Canada, New Relationship Trust, and Success by Six, UNBC, the Conservation Office, Lheidli T'enneh Elder's Group, SFGFRC, Clayton Gauthier, Marcel Gagnon, Janet Kozak, Jennifer Pighin, and MCFD. We utilized Elders for prayers, catering and for special gatherings, made and painted by our department.

Intake	Waitlist	Individual	New Families	Outreach	Parenting Workshops	Attendance at parenting workshops
Total	2	0	186	5	759	211
Life Skills Training	Number of Attendance at Life Skills	Support Group Sessions	Attendance at Life Support Group	Number of Recreational Activities	Number of Participants at Recreational Activities	Transportation numbers
Total	147	1200	63	350	68	1335
						634



CAPACITY DEVELOPMENT AND TRAINING

Over the past year, efforts on the Capacity Development & Training Officer focused on the following:

1. Completion of ARMS data entry for the 2016/2017 Fiscal Period
2. Lheidli T'enneh Career Fair - In partnership with New Relationship Trust (NRT) In February 2017, The Economic Development Office set up an information booth, for community members. 22 industry booths also offered members with employment and training links
3. Industry Partnerships: 36
4. 2017 Prince George Native Friendship Centre Job Fair - I've attended the Job Fair, and provided vital information for community members/non-community members.

TRAINING CERTIFICATES

Industry required include:
H2S Alive
WHMIS
OFA Level I

OFA Level III
TE
FoodSafe

OTHER CERTIFICATES INCLUDE

Basic Security Training (BST)
ATV Rider Training - Certificates
Fall & Burn Training Program: ATV/UTV, GPS,
Bear Aware, TDG, WHMIS
Power saw, brush saw, pumping systems and
fireguard development

INDUSTRY PARTNERSHIP

New Relationship Trust
Northway Enterprises Ltd.

JOB PLACEMENT WITH INDUSTRY PARTNERS

EAS: 18 community members
Employment by employer: 46 clients employed
at any time during the reference period between
April 1, 2016 to March 31, 2017

COMMUNITY FUTURES - MANAGEMENT TRAINING

Re: Tano Fuels Ltd.

The Lheidli T'enneh Career Fair had up to 22 industry booths available for the community members. Feedback from this well-attended event produced several employment opportunities and partnerships.



Pictured: Lheidli T'enneh Career Fair Booth, in partnership with New Relationship Trust, was held at the Coast Inn of the North. (Tario Fuels Ltd.)



Pictured: Summer Student employment opportunity with the Public Works Department. Two internships were developed for a period of twelve (12) weeks.



Pictured: Lheidli T'enneh Career Fair attendees/ Industry booths. Archer CRM.



Pictured: Two community members utilized their newly certified training as Traffic Controllers.



Pictured: Industry certificates allowed this community member to utilize his specialized skills as a Pipeline Labourer.

ECONOMIC DEVELOPMENT ANNUAL REPORT

MEMORANDA OF UNDERSTANDING (MOU) AND AGREEMENTS SIGNED

Over the past year, we negotiated MOUs with the following organizations:

1. Westcana Electric Ltd.
2. BC Oil and Gas Commission
3. Economic and community development agreement for Graymont Project
4. First Nation Clean Energy Business Fund - revenue sharing agreement
5. Canada Summer Job funding agreement

SUBCONTRACTING WORK AGREEMENTS

Over the past year, we negotiated work agreement with the following organizations:

1. AECOM
2. ARCHER
3. DOMCOR
4. ECOFOR
5. EDI Environmental Dynamics
6. Falcon Contracting
7. McElhanney

MAJOR ONGOING PROJECTS

Some of the major ongoing projects are as following:

1. Lheidli T'enneh Community Hall
2. Lheidli T'enneh Environmental Consulting Company
3. Lheidli T'enneh Electric Installation Company

EVENTS HOSTED BY LHEIDLII T'ENNEH

Career Fair 2017

Lheidli T'enneh Nation is a self sufficient Nation with the technical expertise to advance larger scale economic ventures, ensure sustainable employment, support the entrepreneurial spirit of its Citizens and sustain a strong, recognizable presence within the Lheidli T'enneh Traditional Territory.

WHAT DO WE DO?

- Expand business and economic development capacity
- Develop business and project partnerships
- Attract investment
- Support capacity development of our workforce
- Expand our business network with governments, industry and other First Nations

MEMORANDA OF UNDERSTANDING (MOU) NEGOTIATED

Lheidli T'enneh signed several MOUs and agreements to create a respectful and ongoing relationship, consultation, and dialogue with different organizations on economic development opportunities. We also signed revenue sharing agreement with the Province of British Columbia.

Matters discussed in relation to consultation included:

- Environmental concerns
- Impact of project on Aboriginal and/or treaty rights
- Mitigation measures
- Participation in the regulatory process (National Energy Board or other regulatory processes)
- Capacity building and training
- Archaeological impact assessments
- Traditional use studies
- Traditional knowledge
- Confidentiality
- Potential economic opportunities
- Any other matter agreed to by the Parties

SUBCONTRACTING WORK AGREEMENTS

Lheidli T'enneh negotiated seven subcontracting work agreement with different organizations for employing band members on projects these organizations are working year round.

ECONOMIC DEVELOPMENT PROJECTS

Gas Bar on Reserve Land: We accomplished our major project - a gas station on reserve. We were able to finish this project last fiscal and it is operating under Tano Fuel Ltd. which is a separate entity from Lheidli.

Lheidli T'enneh Environmental Consulting Company: Lheidli is working towards establishing an environmental consulting company that will provide services to industry in our traditional territory.

Lheidli T'enneh Electric Installation Company: Lheidli recently signed an MOU with Westcana Electric and now in the process of establishing a limited partnership company that will provide services to industry in northern British Columbia.

ECONOMIC DEVELOPMENT NEWSLETTER

This is a monthly newsletter we publish every month to keep our members informed about recent news, jobs and training opportunities, activities on our traditional territory, and forthcoming events. This newsletter is also available on our website.

EVENTS HOSTED BY LHEIDLII T'ENNEH

Lheidli T'enneh Career Fair 2017: Lheidli organized its second career fair in Prince George on February 11, 2017. This event was hosted in partnership with New Relationship Trust. The focus of this new initiative is to provide Lheidli T'enneh members a chance to explore and discover career opportunities available to them in a number of industries, higher education options, and training opportunities. This unique jobs event featured over 18 organizations; they provided information about jobs and training programs.

In the end, I would like to thank the Lheidli T'enneh community for providing an opportunity to serve you as your Economic Development Manager. It was a privilege working alongside you. Good luck on your future endeavours! Mussi Cho.

EDUCATION DEPARTMENT ANNUAL REPORT

The education department has been working with parents and schools to ensure that Lheidli students are getting the quality education and social skills that they need to fulfill their dreams.

We are working together to have Lheidli students complete grades that are equal to all students and move to the next grade as equal to the rest of the students.

Our department helps students develop the social skills that are needed to make sure that they are part of the school system.

In addition, we help Lheidli students explore their athletic abilities so that they may develop the skills they need to advance so that they are comfortable and achieve the highest standard possible to excel.

We currently have 15 students in post-secondary, 13 students in high school, and 62 students in elementary school.

LOCAL EDUCATION AGREEMENT

The Local Education Agreement (LEA) was signed on July 28, 2017 between Lheidli T'enneh and School District 57.

The purpose of an LEA is to confirm that both parties hold a shared commitment to, and responsibility and accountability for First Nation student success, which includes academic, social, cultural, linguistic, emotional, and physical learning. It confirms the mutual desire and commitment of both parties to build a positive, effective, collaborative and constructive relationship while establishing the roles and responsibilities of the Parties in meeting the goals outlined within the agreement.

EDUCATION AWARDS CEREMONY

This year's ceremony was held on June 26, 2017 at the Civic Centre. We were pleased to host two students as our guests and motivational speakers - Terence Boyer and Jordan Strachan.

HELLO,
I JUST WANTED TO ONCE AGAIN THANK YOU ALL FOR BRINGING ME BACK TO MY TRADITIONAL HOME TERRITORY. THE TRIP BACK TO MY TRADITIONAL TERRITORY HAS REALLY INSPIRED ME TO PUSH HARD TO COMPLETE MY EDUCATION JOURNEY AND WANT TO CREATE POSITIVE CHANGE FOR OUR PEOPLE.

I ALSO WANT TO THANK YOU FOR BEING SUCH GRACIOUS HOSTS, AND SHOWING ME THE RESERVE AND MY FAMILY MEMBERS. I REALLY FELT VERY WELCOMED FROM EVERYONE, AND HAD A WARMING SENSE OF "HOME" WHILE I WAS THERE. IT WAS REALLY NICE TO MEET SO MANY BLOOD FAMILY MEMBERS FROM MY MOTHER'S SIDE. GROWING UP I DID NOT SEE MYSELF AS AN INDIAN DESCENT IN HER ADOPTED FAMILY, SO IT WAS VERY TOUCHING TO SEE SO MANY SIMILARITIES IN SO MANY OF THE MEMBERS OF LHEIDLII T'ENNEH. IT WAS ALMOST OVERWHELMING TO SEE THAT I HAVE MISSED OUT ON SO MUCH IN TERMS OF THE RELATIONSHIPS I DID NOT HAVE. HOWEVER, HOPEFULLY NOW THESE RELATIONSHIPS WILL ONLY GROW POSITIVELY.

FINALLY, I HOPE I WAS ABLE TO INSPIRE A FEW MINDS TO THINK OF EDUCATION AS A WAY OF A BETTER TOMORROW. I ALSO HOPE THAT ONE DAY I CAN BE A MORE ACTIVE BAND MEMBER ON A DAILY BASIS OUT THERE, LIVING ON THE LAND.

THANK YOU VERY MUCH FOR SUCH A LIFE CHANGING EXPERIENCE (CAN YOU ALSO PASS ALONG MY GRATITUDE TO CHIEF DOMINIC FREDERICK AND THE REST OF THE BAND MEMBERS).

REGARDS,
TERENCE BOYER

THANK YOU FOR INVITING ME TO SUCH A WONDERFUL EVENT. I ENJOYED MYSELF AND IT WAS WONDERFUL TO COME HOME. ALSO THANKS FOR THE GIFTS THEY ARE VERY BEAUTIFUL AND I WILL CHERISH THEM FOREVER.

SINCERELY,
JORDAN STRACHAN



FISHERIES ANNUAL REPORT

Lheidli T'enneh's fisheries program receives its core funding from Fisheries and Oceans Canada (DFO) via the Aboriginal Fisheries Strategy (AFS). The purpose of the funding agreement relates to the Department's consultative responsibilities regarding the management of salmon and Lheidli's fishing rights. The AFS agreement funds the monitoring of Lheidli's salmon fishery and a number of technical projects. Lheidli T'enneh was in the final year of a multi-year AFS agreement in the 2016-17 fiscal year, which has now been renewed for another multi-year term.

Fisheries program staff also apply for funding through other programs and sources to support project-based objectives. Funding received in 2016-17 included a Habitat Stewardship Program (HSP) grant to support sturgeon research in the upper Fraser.

Lheidli T'enneh's fisheries program strives to ensure it meets its obligations under any contribution agreement or contract it enters into, doing so in a financially responsible manner. The program has a long history of successfully undertaking and completing high priority and complex technical endeavours, and working cooperatively with both Provincial and Federal agencies to redress common management concerns and objectives. It attempts to balance the pursuit of program growth, the maintenance of technical strength/soundness, and community member employment and capacity development.

In 2016-17, fisheries personnel included two contract fisheries biologists (Brian Toth and Jeff Beardsall) and Carl Frederick (Asst. Program Manager); and various staff are hired for seasonal positions including Konrad Frederick,

Justin Pius, Troy Frederick and Alec Paul.

PROJECTS / INITIATIVES COMPLETED TO DATE

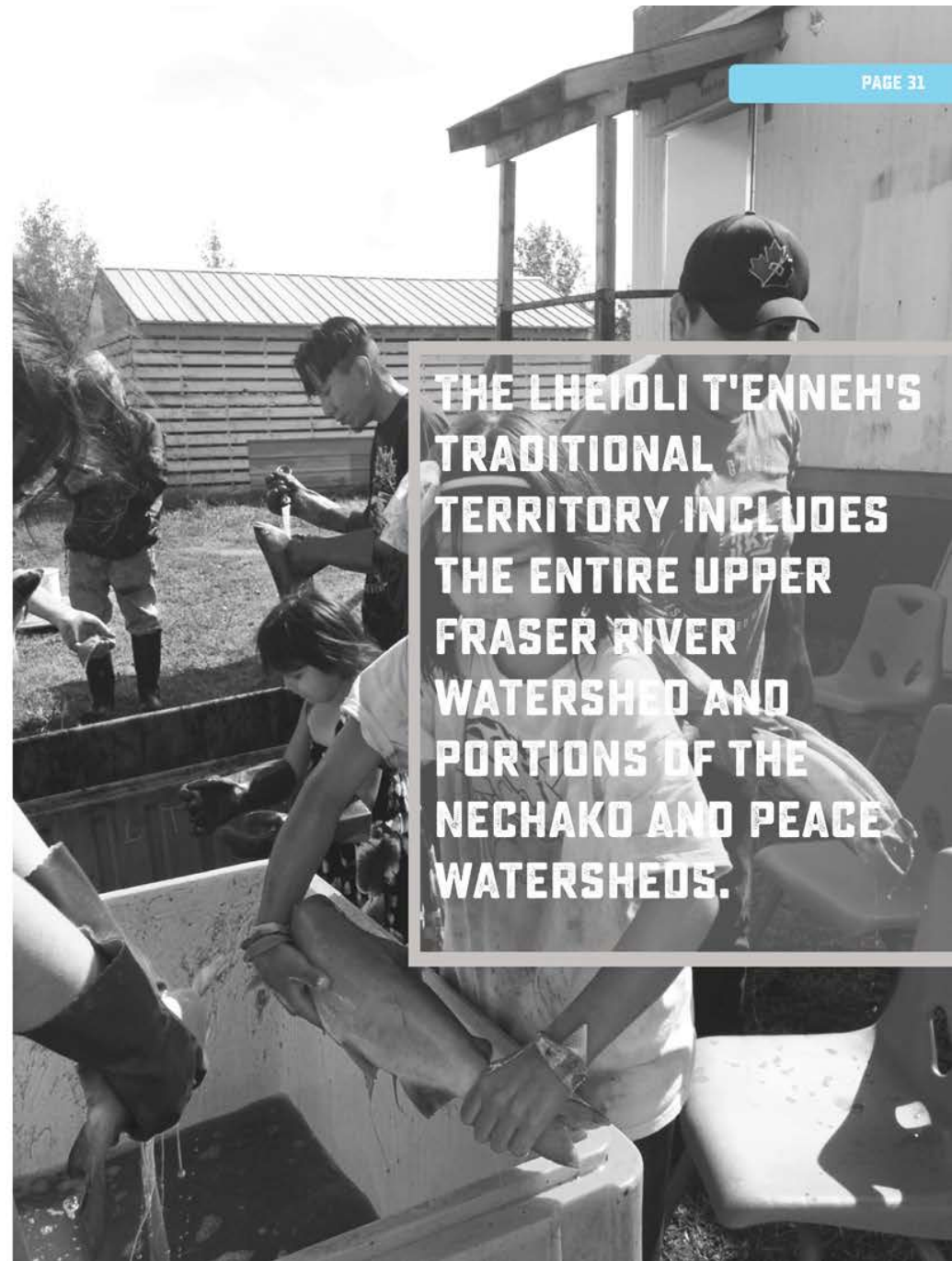
2016 was another busy year for Lheidli's fisheries program, with the focus of activities including the following:

Management of the food, social and ceremonial (FSC) fishery

Lheidli's salmon food fishery in 2016 resulted in the harvest of very few sockeye due to poor returns and an imposed fishery closure to conserve spawners. At total of 1,296 sockeye and 31 chinook were harvested prior to the sockeye closure coming into effect.

It's important to monitor harvest for the purposes of determining the total size of the return every year, and how DFO's management of the fishery impacts fish harvesting rights. Monitoring also allows fisheries program staff to understand if there are any fish health issues being observed.

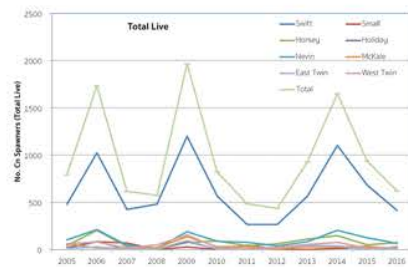
Week Ending	Chinook	Sockeye
August 7, 2016	16	771
August 14, 2016	15	525



THE LHEIDLII T'ENNEH'S
TRADITIONAL
TERRITORY INCLUDES
THE ENTIRE UPPER
FRASER RIVER
WATERSHED AND
PORTIONS OF THE
NECHAKO AND PEACE
WATERSHEDS.

Conducting Chinook Enumeration in the upper Fraser

Justin Pius and Konrad Frederick counted spawning chinook in 8 streams (East and West Twin, Swift, Small, Horsey, Holliday, Nevin, and Mckale) in the Robson Valley three times during August. Overall, numbers of returning spawners observed slightly exceed numbers seen 5-years ago. Fisheries harvesting the Upper Fraser Spring 52 chinook stocks continued to be constrained in 2016, including marine and Fraser fisheries.



Continuing research and assessment efforts in relation to the Upper Fraser white sturgeon population

Konrad Frederick, Jeff Beardsall, and Carl Frederick continued white sturgeon research activities in the upper Fraser including radio telemetry, sturgeon capture, assessment and tagging. Research efforts have been ongoing and are focusing on radio tagging and tracking fish periodically to determine key seasonal habitats. Information gathered in 2016 is being written up into a technical report.

Implementing the recovery-rebuilding plan for the Bowron sockeye stock

In 2016 the numbers of Bowron sockeye spawners counted in their spawning area was approximately 143. This was the 2nd lowest spawner abundance on record, but more than doubled the (4-year) brood year escapement of

59. Lheidli continues to work towards implementing key aspects of the rebuilding plan for the stock. The primary focus is on improving our understanding of the spawning and rearing/nursery areas, and identifying a suitable site to incubate Bowron sockeye eggs to support unfed fry releases. Water temperature loggers were retrieved from the spawning area in the upper Bowron and provide a 3-year record of temperature profiles for the spawning period. This is key information for offsite incubation. A survey was also completed in the Indian Point watershed, to determine the viability of reintroducing sockeye into that system (last enumerated in this tributary to the Bowron in 1995).

Cultural camp event

A two-day fisheries-oriented cultural event was held in September. Participants included Mike Frederick, Duncan Seymour, Phyllis Seymour, Mary Auger, Pat Seymour, Autumn Frederick, Edie Frederick, Robert Frederick, Kaytlyn John (her two daughters), Mike Gouchie, Robyn Gouchie, Cheyenne Frederick, Helen Buzas, Frank Buzas, Albert Chingee, Veronica Seymour, and numerous children. It was a very successful two day event. Lheidli provided sockeye for the event via the Okanagan Nation Alliance (ONA).

Working at the regional and watershed level to promote Lheidli's fisheries interests

Carl Frederick participates in all Fraser Conservation & Harvest Planning Forums, is Lheidli's representative on the Fraser Salmon Management Council (formerly the Roadmap Process), and is a Board of Director for the Upper Fraser Fisheries Conservation Alliance (UFFCA) and a Director-alternate for the First Nation Fisheries Council (FNFC). All of these forums are used to convey the fisheries-related interests of LheidliT'enneh, and learn about the challenges and interests of other First Nations and regions, and DFO.



FINANCE DEPARTMENT

The Finance department of the Lheidli T'enneh First Nation continues to support Chief and Council, staff members, and the community at large in an administrative capacity. Over the 2016-17 fiscal year, in addition to our day-to-day finance tasks, we focused on the following initiatives:

Guaranteed Investment Certificate (GIC)

Investment of funds as approved and directed by Chief and Council. GICs offer a guaranteed return rate over a predetermined time period. The financial returns from these investments will be used to support Lheidli T'enneh departments and programs.

Real Estate Development

Building on the purchase of the Lheidli T'enneh community hall at 355 Vancouver St, the Finance department and Chief and Council have begun to explore other real estate opportunities.

Tano Fuel Ltd. and Community Hall

The Finance department continued to provide administrative support during the gas bar project until they were able to set up their own accounting system, and to the Community Hall project and required renovations.

Registered Pension Plan

The Finance department and administration introduced a registered pension plan through Great West Life, available to all permanent full-time staff members. This adds to our benefits package that is already in place for our administration and staff.

First Nations Financial Management Board

In the 2016-17 fiscal year, the Finance department assisted Lheidli T'enneh First Nation to become a member of the First Nations Financial Management Board (FNFMB). The FNFMB is a legislated body that helps First Nations governments strengthen their fiscal and financial management systems.

Financial Administration Law (FAL)

Chief and council and the Finance department have been working with FNFMB to develop and implement a Financial Administration Law. A FAL is "a comprehensive set of interrelated rules that form the foundation of a First Nations internal control environment" (FNFMB website).

We are committed to helping Lheidli T'enneh programs and departments operate in an efficient and cost-effective manner. We are pleased to welcome back Ms. Tabatha Flynn from her maternity leave and resume her role as Finance Officer, and thank Ms. Camila Sanchez for acting as Interim Finance Officer.

HOUSING AND SOCIAL DEVELOPMENT

HOUSING

The Housing Department plays an important role in the functioning of the community. Not only does it fulfill a basic human right for housing, it also meets a social commitment to provide Lheidli T'enneh Citizens with adequate housing.

Our goal is to provide housing to our members in a fair and equitable manner. This has been done despite the fact that inadequate government funding has been provided for housing construction. Our ability to respond to our client's needs is critical. Applications have been sent into INAC by the Lands Department for more zoning and lots, and to look at more units to be made available to our Elders.

Our Goals

- Look at best practices to establish a Housing Authority for Lheidli T'enneh and what that will mean.
- Continued Rent Collection and Rent Arrears being addressed.
- Continued applications to INAC for renovations and repairs.

SOCIAL DEVELOPMENT

To provide short term, time limited financial assistance and support services to employable citizens in need and long-term resources for citizens with disabilities.

The Social Development program supports Lheidli T'enneh citizens as a short term measure to ensure citizens are not faced with undue financial hardship. The focus of the short-term program is to support citizens with referrals to our Employment & Training Coordinator and our Workforce Promoter, for our clients to access opportunities for training and advancement that will support them to achieve sustainable financial independence.

The focus of the long-term Person with Disability (PWD) program is to provide long-term financial aid and care for citizens who are unable sustain full-time work.

All our programs within Social Development are administered under established policies and guidelines with the highest levels of financial accountability.

Our goal is to work collaboratively to ensure that everybody has access to information in a prompt and efficient response time.

LNG WORKFORCE STRATEGIES - YEAR TWO

HI EVERYONE,

MY YEAR HAS HAD MANY INITIATIVES THROUGH THE ABORIGINAL SKILLS TRAINING DEVELOPMENT FUND, THROUGH MARR (MINISTRY OF ABORIGINAL RELATIONS AND RECONCILIATION), AND IN COLLABORATION WITH MCLEOD LAKE INDIAN BAND AND PGNAETA.

WE STARTED OUR YEAR TWO OFF WITH THE EMPLOYMENT READINESS PROGRAM (YAT'AHTI) WHICH WAS A 16 WEEK PROGRAM FOCUSED ON PERSONAL WELLNESS AND CAREER SUCCESS, WHICH STARTED IN LATE OCTOBER 2016.

It touched on many subjects and had many different aspects such as:

- Essential Skills.
- Career Exploration.
- Job Readiness Skills
- Safety Certifications
- Math & English upgrading
- Education and personal development to address barriers to employment

With there being so many parts, we had some members just take portions of the programming, which still worked out great.

Following up right after the Yat'ahti program we went straight in to certificate boot camp which saw numerous members get industry safety tickets and certificates.

We then recruited for the third initiative which was the forest firefighting program held at Celtic Reforestation, which saw six Lheidli members get trained and certified in almost every aspect of forest firefighting. One member used the training for camp work and another went out to the fires that plagued our province this summer of 2017.

The final program for the year was to get five Lheidli members in to driver training to obtain their Class 7 novice licenses which is a huge barrier to employment. We have had one successful candidate and four others enrolled in driving school as of this time.



NATURAL RESOURCES ANNUAL REPORT

**WE STRIVE
TO PROTECT
LHEIDL
T'ENNEH
TITLE,
RIGHTS, AND
INTERESTS
WHEN IT
COMES TO
ACTIVITIES
WITHIN THE
TERRITORY.**

REFERRALS

We receive on average between 10-25 referrals per week in terms of Forest and Range, Mines and Energy, Land Dispositions, Archaeology, Recreation and Trails, Wildlife and Fisheries, and Water. We utilize consultants to assist in referral review such as EcoLogistic Resource Management Inc. and Environmental Dynamics Inc. (EDI). We are consistently requesting industry to provide field participation and work opportunities for our membership. We also encourage Lheidli T'enneh youth to apply for summer positions to provide experience in the Lheidli T'enneh Natural Resources Department.

FORESTRY

Pest Management Plans - Herbicide Use

Integrated Pest Management (IPM) requires a proactive and preventative approach, while incorporating a variety of control and treatment

options. These options use a combination of pest management techniques in an organized program to suppress weed populations in effective, economical and environmentally sound ways. Management and control consists of techniques such as:

- Cultural control (or preventive methods) - These include plant nutrition, seeding, and choosing strong native plant species that will thrive in the site's ecosystem.
- Manual and mechanical control - These can include digging, pulling, mowing, mulching, burning, and several others.
- Biological control - These include agents (insects and rusts) imported from the area where the invasive alien plants originated.
- Chemical control - These include synthetic and naturally derived herbicides.

Over the past 20 years the forest industry has drastically increased the use of herbicides aka "Roundup" or Glyphosate.

We submitted a letter to c\Crown and industry in March of 2016 and provided notice that Lheidli T'enneh does not support the use of herbicides within the Territory. We provided scientific and cultural rationale. We continue to send these letter to companies that propose herbicides. This is also a major concern because increased herbicide use provide less silviculture work opportunities for our membership in field season.

Canfor - Lheidli T'enneh Harvesting Operations

We initiated a Canfor working group based on the agreements we have with Canfor in terms of consultation for Canfor harvesting and Lheidli T'enneh harvesting within the Territory. We look to mitigate impacts of harvesting and road building. Also, we ensure the proper archaeological assessments are done with member participation. The plan is to engage community on the activities and provide opportunities for comments or concerns.

Prince George Timber Supply Area Timber Supply Review 5

This review for the Prince George TSA examines the impacts of current forest management practices on the timber supply, economy, environment and social conditions of the local area and the province. Based on this review, the Chief Forester will determine a new allowable annual cut (AAC) for the Prince George TSA.

On average, 30%-40% of AAC comes from Lheidli T'enneh Territory.

On February 23, 2017, Lheidli T'enneh submitted comments in regards to identifying potential impacts and recommendations to Lheidli T'enneh title, rights and interests.

These comments focused on impacts of road

management, old growth areas-fur bearers, and increased pressure to wildlife. Along with these comments we identified four recommendations: mitigate impacts of roads, strategy to increase the timber harvestable land base (THLB), and further accommodation for impacts that cannot be mitigated.

ENERGY AND MINES

We receive a various types of energy and mines referrals in terms of Mineral Exploration, Mines (includes Placers), Pipelines, Renewable project, and Hydro ROW and Infrastructure. Currently we have two existing pipelines (Pembina, Spectra Energy - Enbridge) that go through the Lheidli reserve. We have three proposed pipelines (Coastal GasLink Pipeline, Pacific Trails Pipeline, and Pacific Northern Gas (PNG)-Looping Project Pipeline). Mineral exploration is limited with Xstrata Inc. and MGX minerals having activity in the territory. Graymont Giscome Lime and Quarry Plant is a proposed mine located at Eaglet Lake, Renewable project - Currently we are working with Boralex on the Red Willow Wind project located in northeast section of territory. BC Hydro is also active within the Territory regarding upgrades to infrastructure and new transmission locations.

Graymont Giscome Lime and Quarry Plant Project - Environmental Assessment and Permitting Processes

This project has received its Environmental Assessment (EA) Certificate for the project in December 2016. Operating permits are still required before starting construction.

Although a number of permits will be required, the largest and most complex application is the combined Environmental Management Act (EMA) and Mines Act permits. Graymont filed the permit applications last fall and they were accepted by the Major Mines Permitting Office for formal review in February of this year. The applications will now go through a rigorous technical review.

of this year, during which time Graymont will continue to work on engineering and continue to consult with community members and the Lheidli T'enneh First Nation.

LAND DISPOSITIONS

The Province of British Columbia has a framework policy that governs the disposition, administration and management of Crown Land. Crown land uses consists of aggregates and quarry materials, agriculture, airports, aquaculture, clean energy, commercial uses, communication sites, industrial uses, residential uses, roadways, and utilities.

We have been in discussion with the Ministry of Forests, Lands and Natural Resource Operations over the past year regarding land disposition referrals in terms of consultation and mitigation measures.

MINISTRY OF TRANSPORTATION AND INFRASTRUCTURE (MOTI)

The Ministry of Transportation and Infrastructure plans transportation networks, provides transportation services and infrastructure, develops and implements transportation policies, and administers many related acts and regulations as well as federal-provincial funding programs, including the Building Canada Fund.

We have engaged with referral consultation with MOTI for the following projects:

- Salmon River Bridge,
- 4-laning Bunce to Blackwater,
- Stones Creek Highway Project - Initiated 2011

PARKS

BC Parks is responsible for the designation, management and conservation of a system of ecological reserves, provincial parks, conservancies, protected areas and recreation areas located throughout the province. British

Columbia's parks and protected areas system contains nationally and internationally significant natural and cultural features and outdoor experiences.

Chun Toh Whudujut/Ancient Forest Park

This park and associated hiking trails are located midway between Prince George and McBride on Highway 16. It is about 115 km east of PG on Highway 16 and 103 km west of McBride.

We have been working as a partner with BC Parks and established the Chun Toh Whudujut/Ancient Forest Park. Over the past year we have provided support for the park to be designated and put in an application to have the park recognized as a World Heritage Site.

UNBC-Lheidli T'enneh-Caledonia Ramblers formally submitted the application in January 2017 to BC Parks Canada for placement of the park on Canada's tentative list for World Heritage Sites for initial review. A World Heritage Site is a landmark or area which has been officially recognized by the United Nations, specifically by the United Nations Educational, Scientific and Cultural Organization (UNESCO). Sites are selected on the basis of having cultural, historical, scientific or some other form of significance, and they are legally protected by international treaties. UNESCO regards these sites as being important to the collective interests of humanity. More specifically, a World Heritage Site is an already classified landmark, which by way of being unique in some respect as a geographically and historically identifiable piece is of special cultural or physical significance (such as either due to hosting an ancient ruins or some historical structure, building, city, complex, desert, forest, island, lake, monument, or mountain) and symbolizes a remarkable footprint of extreme human endeavour often coupled with some act of indisputable accomplishment of humanity which then serves as a surviving

evidence of its intellectual existence on the planet. An example of a World Heritage Site is the Wood Buffalo National Park which received its designation in 1983.

We have provided a letter of support to UNBC for park plant and lichen research efforts in the inland temperate rainforest of the upper Fraser River watershed. We are expecting a position to be available within the research aspects.

In terms of Socio-Economic Research with UNBC, we have a member participating in the socioeconomic research at the Park with UNBC professor David Connell.

ARCHAEOLOGY

Archaeology in BC

British Columbia's heritage includes archaeological sites - the physical evidence of how and where people lived in the past. For 98 percent of the time people have lived in British Columbia, no written records were made. These sites are protected whether they occur on public or private land. Protected sites include graves, ship wrecks, plane wrecks, First Nation Rock Art, sites which have been designated protected by the provincial government, and sites which predate 1846. The majority of the province has not been surveyed for archaeological sites and thus most archaeological sites have not been recorded. This resource is of great value to First Nations, local communities and the general public. We need to protect and conserve this rich but fragile legacy. The Provincial Government recognizes the importance of archaeological sites through the Heritage Conservation Act. Under this Act, the Archaeology Branch is responsible for maintaining and distributing archaeological information and deciding if permits can be issued to allow development to take place within protected sites.

Archaeological Referrals

We receive on average between 5-10 archaeological referrals per week in terms of proposed permit for Archaeological Overview Assessments (AOA) and Archaeological Impact Assessments (AIA).

We contact the archaeological companies that will be conducting the work and have our membership participate within these studies in which capacity is provided for wages and processing. The First Nation participation is a component that archaeological companies are recommended from the Arch Branch-Ministry to follow. This is a component of Cultural Heritage.

City of PG Archeological Modelling Project

Norcan Consulting was hired by the City of PG to conduct the project and a final draft has now been produced. We are working with Norcan regarding main components of the project.

TREATY ENGAGEMENT ANNUAL REPORT

**AS THE
NEWLY
APPOINTED
COMMUNITY
ENGAGEMENT
MANAGER, I
CAN REFLECT
ON THE
ACTIVITIES OF
THE LHEIDLI
T'ENNEH
TREATY
DEPARTMENT
FOR THE END
OF THE
FISCAL YEAR
FROM
FEBRUARY TO
MARCH 2017.**

Prior to managing the Treaty Department I was a part of the Treaty Team as the Community Engagement Liaison completing tasks related to communications with the Lheidli T'enneh Members and Eligible Ratification Voters.

Within the time frame of April 2016 to the end of November 2016, the Lheidli T'enneh First Nation continued to work on the Community Engagement segment informing members on Treaty Related Measures of the Final Agreement. During this time period, the Lheidli T'enneh Treaty Team continued to conduct Community Engagement Meetings with members on and off reserve. The Lheidli T'enneh Treaty Team was given direction by Chief and Council to change the direction of Community Engagement and conduct one on one home visits with community members. These visits took place between December 2016 and March 2017.

Throughout the year the Treaty Team devoted hard work, time and efforts to engage and educate the Lheidli Eligible Voters with the fundamental documents and materials on the Final Agreement and Constitution. As a team, it is our goal to provide the opportunity for all members and voters to gain knowledge around the political documents of the Final Agreement and the Constitution. As a result, our Nation can make an informed decision at the time of the Ratification Vote. It is vital that members and eligible voters had and continue to have the time to question and voice their concerns regarding the Lheidli T'enneh Treaty.

Lheidli T'enneh has continued to participate in monthly tripartite meetings with Canada and British Columbia. In July 2016, it became clear that there was not sufficient time to complete the preparation and communication for the set vote date

of October 22, 2016. The treaty team recommended to Council to consider a vote extension to either June or October 2017. Lheidli T'enneh waited for the reply from British Columbia and Canada with answers for the questions and issues surrounding eligibility and enrolment that ultimately would affect the Ratification Vote. The request for the second vote extension was approved in August 2016. The Lheidli T'enneh Treaty informed the community members of the changed vote date and continued to conduct meetings with the on- and off-reserve members.

With increasing attendance of Prince George and out of town members, the Treaty Team focused on conducting Community Engagement Meetings in five regions that Lheidli T'enneh members and eligible voters are located in throughout British Columbia and Alberta. The five regions in which we held meetings were Prince George, Prince Rupert, Vancouver and Fraser Valley, Southern Interior (Osooyoos, West Kelowna, and Kamloops) and Alberta. The number of community meetings conducted in each region are as follows: from April 2016 to the end of November 2016 there were 21 meeting dates in Prince George, 10 in Prince Rupert, 7 in Vancouver, 7 in Victoria, and 12 in Southern Interior. In addition to engagement meetings in Prince George, there were 8 Elder Dinners held and 1 Youth Engagement Meeting.

The treaty team has worked closely with our legal consultants to present relevant materials at the community meetings. The Community Engagement meeting strategy has provided an opportunity for Lheidli T'enneh members and eligible voters to not only learn about the Final Agreement, but to ask the necessary questions to ensure understanding and to clear up any concerns or misunderstandings.

After holding many successful Community Engagement Meetings, the Treaty Department

moved towards the next phase of engagement and focused on conducting home visits with Lheidli T'enneh Eligible Voters. From February to the end of March 2016, the Treaty team completed over twenty home visits with members within the Prince George area. The strategy behind conducting smaller meetings was to provide an opportunity for people who preferred a more personal setting rather than the larger attended community meetings to receive the necessary materials and learn about the Final Agreement. We wanted to ensure that everyone has the opportunity to learn about the Final Agreement and provide the chance to gain knowledge around areas that are not quite understood. Also, we wanted to ensure everyone could ask questions and voice any concerns regarding the Treaty Process and the Final Agreement. We want to hear directly from our Nation to establish a connection between our people and the understanding of the Final Agreement.

Throughout conducting home visits the Treaty team provided materials such as the Fact Sheets, electronic USBs with all related documents on it, Your Voice Our Future Swag and any new materials created.

The activities that are completed by the Treaty team involve undertaking crucial efforts that are essential to the process of community engagement and reaching all members and voters. Strategic planning around schedules and event planning are completed by the team through outreach such as phone calls, emails, and social media. In addition, daily tasks within the department involve but are not limited to providing updates to the community, providing materials on the Final Agreement, monthly newsletters, updating social media and the yourvoiceourfuture.ca website. An important task that the Treaty staff completes is updating contact information for all members and eligible voters to keep our data base up to date. If you

would like to update your contact information, please contact our team directly at 778-693-2980 or visit us at the Treaty Trailer beside the Band Office.

I would like to mention a special note of appreciation to Mrs. Shirley Wiltermuth who has retired from her many years of working within Lheidli T'enneh Nation. I also would like to extend our appreciation to Mrs. Regina Toth who has dedicated her presence and time as Project Manager of the Treaty Department, being a role model to her team and community. We wish success to both team members in their future endeavors. It has been a pleasure working with all treaty staff and Lheidli T'enneh Members throughout the last year.

In closing, I would like to express my appreciation to all staff connected with the Treaty Department, for all the long hours spent on Community Engagement for Lheidli T'enneh Nation. I would also like to say thank you to all Lheidli T'enneh members and eligible voters for taking part of the Community Engagement. We as a Nation will continue the conversations about our choices in an open and respectful way. Your participation and input is appreciated and all thoughts and opinions are valued. We encourage you to seek the information you need that will support you in making the best decision for yourself, your families, and your community and for the future generations of the Lheidli T'enneh.



HEALTH DEPARTMENT

National Native Alcohol and Drug Abuse

- Assist clients with drug and alcohol addictions
- Provide transportation to assist clients
- Access to a drug and alcohol counsellors
- Provide support for clients and families
- Provide clients with transportation to a treatment center
- Provide clients with toiletries for their stay in treatment

Brighter Futures

- To address issues around mental health and child development
- Promote healthy babies
- Injury prevention
- Parenting skills
- Education and training

Canada Prenatal Nutrition

- To promote breastfeeding
- To provide healthy eating habits from birth
- Provide support for first time mothers, mothers, and families

Community Health Prevention

- Promote healthy life choices around infant health, child health, school health, adolescent health, adult health, and Elder health

Aboriginal Diabetes Initiative

- Increase awareness around diabetes
- Support persons living with diabetes
- Assist clients with diabetic supplies, have an active lifestyle, and with transportation to health care

Environmental Health Program

- To ensure the community of Lheidli T'enneh has safe drinking water and safe water for daily usage

First Nations Home Community Care

- Provide services for families and assist families with the tools to be able to stay within their homes throughout an illness
- Ensure that families are safe in their homes
- Provide the necessary equipment for clients to stay within their homes
- Home visits

HIV/AIDS

- To provide education around HIV/AIDS and the prevention

Mental Health Crisis

- Address mental health issues
- Assist clients with mental illness
- Assist clients with necessary appointments
- Home visits

Solvent Abuse

- Address the issues around solvent abuse

Health Centre

- Address the issues around the needs of a health center within Lheidli T'enneh
- Secured an architect firm to start the process of building the health center

LABOUR MARKET PROJECTION PROJECT

BACKGROUND

In the fall of 2016, the Lheidli T'enneh First Nation entered into a sub-agreement with the Prince George Nechako Aboriginal Employment & Training Association (PGNAETA) to conduct a labour market analysis study with and for the members of the Lheidli T'enneh community. Initially, the sub-agreement only included a numbers-based survey that was to make labour market recommendations based on the training levels and goals of the Lheidli T'enneh First Nation. The project was expanded to include an in-depth qualitative interview component as well as a literature review. The research project had two goals - first to examine the current levels of education and training of the Lheidli T'enneh community and the barriers/successes that were encountered along the way, and secondly to determine the future goals of the community in the domains of education and careers. I would like to acknowledge the Lheidli T'enneh First Nation for allowing me to conduct this project on their traditional territory, and I want to thank the community members who participated in this study and shared their hopes, dreams, and goals with me.

METHODS

The research participants for this project were Lheidli T'enneh community members and their families who were aged 16 and over. The project included a quantitative survey as well as a one-on-one qualitative interview.

SELECTED RESULTS

Selected results are shown below to help capture the findings of the study. For a copy of the complete report with full research findings, please visit the Lheidli T'enneh website or request a copy (contact information is at the bottom of this page).

Theme one: importance of mentorship

Theme two: identified need for counseling position

Theme three: reconnecting youth with the land/increasing self-identity



Theme four: long-term planning for job creation and education

Theme five: holistic approach to children's education

DISCUSSION

The intent of the recommendations outlined in the report are to provide guidance in how the Lheidli T'enneh band shapes its future programs to support the education and careers of the community.

For a copy of the full report, please visit the Lheidli T'enneh website at www.lheidli.ca. You can also call the band office reception to request a copy, or send an email to camila.sanchez@alumni.ubc.ca.

LHEIDLI TENNEH BAND CONSOLIDATED FINANCIAL STATEMENTS YEAR ENDED MARCH 31, 2017	
	
<small>Brent Bursey & Company Inc., Chartered Professional Accountants</small>	
	
<small>Brent Bursey & Company Inc., Chartered Professional Accountants</small>	

LHEIDLI TENNEH BAND CONSOLIDATED FINANCIAL STATEMENTS YEAR ENDED MARCH 31, 2017	
	
<small>Brent Bursey & Company Inc., Chartered Professional Accountants</small>	
	
<small>Brent Bursey & Company Inc., Chartered Professional Accountants</small>	

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LHEIDLI TENNEH - MAIN BAND OFFICE
 101 Wharmouth Road | Prince George, BC V2K 5M5 | Tel: (250) 963-8451 or 1-877-963-8451 | E: info@ltenneh.ca
 www.ltenneh.ca



Lheidli Tenneh

MANAGEMENT'S RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The accompanying consolidated financial statements of Lheidli Tenneh Band are the responsibility of management and have been approved by the Chief and Council.

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

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

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

The Chief and Council 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 consolidated financial statements and the external auditors' report.

The external auditors, Brent Bursey & Company, Inc., Chartered Professional Accountants, conduct an independent examination, in accordance with Canadian auditing standards, and express their opinion on the consolidated financial statements. The external auditors have full and free access to the financial management of Lheidli Tenneh Band and meet when required.

On behalf of Lheidli Tenneh Band:


 Chief


 Councillor


 Councillor


 Councillor



1888 Third Avenue
 Prince George, BC V2M 1G4
 Phone: (250) 562-4411
 Email: admin@bbca.ca

INDEPENDENT AUDITORS' REPORT

To the Members of Lheidli Tenneh Band:

We have audited the accompanying consolidated financial statements of Lheidli Tenneh Band, which comprise the consolidated statement of financial position as at March 31, 2017 and the consolidated statements of operations, changes in net financial assets, and cash flows for the year then ended and a summary of significant accounting policies and other explanatory information.

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

Auditors' Responsibility

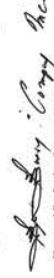
Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risk of material misstatement due to fraud. In addition to the risk assessment, the auditor selects and performs tests of accounting records, internal control, 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 Lheidli Tenneh Band 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.


 Chartered Professional Accountants

October 4, 2017
 Prince George, British Columbia

LHEIDL T'ENNEH BAND
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
MARCH 31, 2017

	2017	2016
FINANCIAL ASSETS		
Cash (Note 2)	\$ 359,819	\$ 1,993,717
Accounts receivable (Note 3)	194,137	193,738
Advances receivable (Note 4)	673,337	4,108
Inventory (Note 5)	20,484	4,108
Restricted cash (Note 6)	443,900	509,305
Guaranteed investment certificates (Note 7)	1,506,114	-
Investments in government business entities (Note 8)	10,148,034	9,426,004
Ottawa trust funds (Note 9)	2,108	4,107
	<u>13,347,933</u>	<u>12,128,979</u>
LIABILITIES		
Accounts payable and accrued liabilities (Note 10)	272,572	526,225
Loan payable	-	228,044
Long-term debt (Note 11)	568,600	702,650
Treaty loan (Note 12)	6,343,525	6,343,525
Replacement reserves (Note 6)	281,751	353,795
	<u>7,466,448</u>	<u>8,154,239</u>
	5,881,485	3,974,740
NET FINANCIAL ASSETS		
NON-FINANCIAL ASSETS		
Tangible capital assets (Note 13)	3,412,205	3,570,889
Prepaid expenditure	58,723	93,784
	<u>3,470,928</u>	<u>3,664,673</u>
ACCUMULATED SURPLUS	\$ 9,352,413	\$ 7,639,413
CONTINGENT LIABILITIES (Note 14)		

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

Approved on behalf of Lheidli T'enneh Band:

 Chief
 Councillor
 Councillor



5 Brent Busey & Company Inc., Chartered Professional Accountant

LHEIDL T'ENNEH BAND
CONSOLIDATED STATEMENT OF OPERATIONS
YEAR ENDED MARCH 31, 2017

	Budget	2017	2016
REVENUE			
Indigenous and Northern Affairs Canada	\$ 1,120,160	\$ 1,156,894	\$ 1,517,999
First Nations Health Authority	-	184,436	174,441
Canada Mortgage and Housing Corporation	-	61,411	61,754
Fisheries and Oceans Canada	118,800	118,800	138,530
Province of British Columbia	307,846	2,528,346	1,470,137
Aboriginal organizations	60,618	200,113	97,900
Interest, rent and other	305,989	867,031	1,522,083
Income from investments in government business entities	2,000,000	2,020,025	1,361,410
Own source	900,000	989,531	926,648
Donations	56,000	98,746	43,904
Administration fees	59,000	58,906	-
Ottawa trust funds	-	1,029	1,022
	<u>4,928,413</u>	<u>8,285,268</u>	<u>7,315,728</u>
EXPENDITURE			
Economic development	384,149	972,237	1,130,000
Education	284,951	344,615	338,769
Employment and training	94,375	197,846	81,662
Government development and administration	2,149,907	3,242,951	1,983,842
Health services	-	155,525	176,066
Housing	-	193,010	112,004
Public works operations and maintenance	79,189	87,346	150,314
Social and community services	291,643	811,672	551,297
Treaty claims and negotiations	317,310	309,284	161,343
Ottawa trust funds	-	1,028	1,023
Loss from investments in government business entities	-	-	1,956
Loss on disposal of tangible capital assets	-	-	9,310
Interest	-	10,816	13,715
Amortization	265,000	284,286	277,341
	<u>3,866,524</u>	<u>6,590,616</u>	<u>5,010,342</u>
ANNUAL SURPLUS	\$ 1,061,889	1,694,652	2,305,386
ACCUMULATED SURPLUS, BEGINNING OF YEAR		7,639,413	5,328,738
REIMBURSEMENTS BY GOVERNMENT OF CANADA		18,348	5,289
ACCUMULATED SURPLUS, END OF YEAR		\$ 9,352,413	\$ 7,639,413

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



6 Brent Busey & Company Inc., Chartered Professional Accountant

LHEIDL T'ENNEH BAND
CONSOLIDATED STATEMENT OF CHANGES IN NET FINANCIAL ASSETS
YEAR ENDED MARCH 31, 2017

	Budget	2017	2016
Annual surplus	\$ 1,061,889	\$ 1,694,652	\$ 2,305,386
Reimbursements (recoveries) by Government of Canada	-	18,348	5,289
	<u>1,061,889</u>	<u>1,713,000</u>	<u>2,310,675</u>
Acquisition of tangible capital assets	(32,493)	(105,602)	(78,800)
Amortization	265,000	264,286	277,341
Loss on disposal of tangible capital assets	-	-	9,310
Proceeds on disposal of tangible capital assets	-	-	6,000
	<u>232,507</u>	<u>158,684</u>	<u>213,721</u>
Net change in prepaid expenditure	30,000	35,061	(18,700)
INCREASE IN NET FINANCIAL ASSETS	\$ 1,324,396	1,906,745	2,505,676
NET FINANCIAL ASSETS, BEGINNING OF YEAR		3,974,740	1,469,074
NET FINANCIAL ASSETS, END OF YEAR		\$ 5,881,485	\$ 3,974,740

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



7 Brent Busey & Company Inc., Chartered Professional Accountant

LHEIDL T'ENNEH BAND
CONSOLIDATED STATEMENT OF CASH FLOWS
YEAR ENDED MARCH 31, 2017

	2017	2016
OPERATING TRANSACTIONS		
Annual surplus	\$ 1,694,652	\$ 2,305,386
Reimbursements by Government of Canada	18,348	5,289
Items not involving cash	-	-
Allocations to replacement reserve	19,349	22,926
Loss on disposal of tangible capital assets	-	9,310
Amortization	264,286	277,341
Income from investments in government business entities	(2,020,025)	(1,361,410)
Loss from investments in government business entities	-	1,956
Ottawa trust funds	(1)	-
	<u>(23,391)</u>	<u>1,260,799</u>
Cash (used in) provided by operating activities	(399)	105,648
Advances receivable	(673,337)	-
Inventory	(16,376)	25,129
Prepaid expenditure	35,061	(18,775)
Accounts payable and accrued liabilities	(253,653)	88,344
	<u>(932,095)</u>	<u>1,461,343</u>
CAPITAL TRANSACTIONS		
Purchase of tangible capital assets	(105,602)	(78,800)
Proceeds on disposal of tangible capital assets	-	6,000
	<u>(105,602)</u>	<u>(72,800)</u>
FINANCING TRANSACTIONS		
Proceeds from loan payable	-	500
Repayment of loan payable	(228,044)	-
Repayment of long-term debt	(134,050)	(135,204)
	<u>(362,094)</u>	<u>(134,704)</u>
INVESTING TRANSACTIONS		
Advances to government business entities	(243,668)	(302,185)
Repayment of advances from government business entities	1,541,663	-
Allocations from replacement reserves	(91,393)	(50,488)
Purchase of guaranteed investment certificates	(1,506,114)	-
	<u>(299,512)</u>	<u>(352,673)</u>
(DECREASE) INCREASE DURING YEAR	(1,699,003)	901,088
CASH, BEGINNING OF YEAR	2,503,022	1,601,934
CASH, END OF YEAR	\$ 893,719	\$ 2,503,022
Cash consists of:		
Cash	\$ 359,819	\$ 1,993,717
Restricted cash	443,900	509,505
	<u>\$ 893,719</u>	<u>\$ 2,503,022</u>

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



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**LHEIDLIT'ENNEH BAND
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED MARCH 31, 2017**

1. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES

These consolidated financial statements have been prepared in accordance with Canadian public sector accounting standards prescribed for governments as recommended by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada.

Reporting Entity and Principles of Financial Reporting

The Lheidli T'enneh Band reporting entity includes the Lheidli T'enneh Band government and all related entities which are either owned or controlled by the Lheidli T'enneh Band.

All controlled entities are fully consolidated on a line-by-line basis except for the commercial enterprises which meet the definition of government business enterprises or government business partnerships, which are included in these consolidated financial statements on a modified equity basis. Inter-entity balances and transactions are eliminated upon consolidation.

Under the modified equity method of accounting, only Lheidli T'enneh Band's investments in the government business entities or government business partnerships and their share of the entities' net income and other changes in equity are recorded. No adjustments are made for accounting policies of the entities that are different from those of Lheidli T'enneh Band.

The consolidated financial statements include the following controlled entities:

- Lheidli T'enneh Band CMHC Social Housing Program
- Lheidli T'enneh First Nation Negotiation Support Agreement

Government business enterprises, which are wholly-owned by Lheidli T'enneh Band and which are not dependent on the Band for their continuing operations, included in the consolidated financial statements using the modified equity method are as follows:

- Lheit Lit'en Development Corporation
- Tano T'enneh General Partner Corporation

Government business partnerships, in which Lheidli T'enneh Band holds a limited partnership interest and which are not dependent on the Band for their continuing operations, included in the consolidated financial statements using the modified equity method are as follows:

- Tano T'enneh Limited Partnership (99.99% interest)
- FN (PTP) Group Limited Partnership (0.06% interest)



**LHEIDLIT'ENNEH BAND
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED MARCH 31, 2017**

1. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES, continued

Cash

Cash includes cash on hand, cash on deposit net of cheques issued and outstanding at the reporting date, and short-term deposits with maturity dates of less than 90 days.

Inventory

Inventory consists of tobacco products available for sale and is valued at the lower of cost and net realizable value using the average cost method.

Tangible Capital Assets

Tangible capital assets are recorded at cost, which includes amounts that are directly related to the acquisition, design, construction, development, improvement or betterment of the assets. Cost includes overhead directly attributable to construction and development, as well as interest costs that are directly attributable to the acquisition or construction of the asset. Transfers of tangible capital assets from related parties are recorded at carrying value.

Tangible capital assets are amortized using the straight-line method over the estimated useful life of the asset as follows:

Automotive equipment	5 years
Boats and fisheries equipment	10 years
Buildings	30 years
Computer equipment	3 years
Fuel tanks	20 years
Furniture and office equipment	8 years
Heavy duty equipment	10 years
Housing	30 years
Infrastructure	10-50 years
Land improvements	50 years
Signage	25 years
Website	10 years

In the year of acquisition, 50% of the annual amortization is expensed. Assets under construction are not amortized until the asset is available to be put into service.

Tangible capital assets are written down when conditions indicate that they no longer contribute to the Band's ability to provide goods and services, or when the value of future economic benefits associated with the tangible capital assets are less than their net book value. Net write-downs are accounted for in the consolidated statement of operations when they occur.



**LHEIDLIT'ENNEH BAND
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED MARCH 31, 2017**

1. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES, continued

These consolidated financial statements have been prepared in accordance with Canadian public sector accounting standards prescribed for governments as recommended by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada.

Reporting Entity and Principles of Financial Reporting

The Lheidli T'enneh Band reporting entity includes the Lheidli T'enneh Band government and all related entities which are either owned or controlled by the Lheidli T'enneh Band.

All controlled entities are fully consolidated on a line-by-line basis except for the commercial enterprises which meet the definition of government business enterprises or government business partnerships, which are included in these consolidated financial statements on a modified equity basis. Inter-entity balances and transactions are eliminated upon consolidation.

Under the modified equity method of accounting, only Lheidli T'enneh Band's investments in the government business entities or government business partnerships and their share of the entities' net income and other changes in equity are recorded. No adjustments are made for accounting policies of the entities that are different from those of Lheidli T'enneh Band.

The consolidated financial statements include the following controlled entities:

- Lheidli T'enneh Band CMHC Social Housing Program
- Lheidli T'enneh First Nation Negotiation Support Agreement

Government business enterprises, which are wholly-owned by Lheidli T'enneh Band and which are not dependent on the Band for their continuing operations, included in the consolidated financial statements using the modified equity method are as follows:

- Lheit Lit'en Development Corporation
- Tano T'enneh General Partner Corporation

Government business partnerships, in which Lheidli T'enneh Band holds a limited partnership interest and which are not dependent on the Band for their continuing operations, included in the consolidated financial statements using the modified equity method are as follows:

- Tano T'enneh Limited Partnership (99.99% interest)
- FN (PTP) Group Limited Partnership (0.06% interest)



**LHEIDLIT'ENNEH BAND
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED MARCH 31, 2017**

1. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES, contin

Tangible Capital Assets, continued

Social Housing assets acquired under CMHC sponsored housing programs are amortized at a equivalent to the annual principal reduction in related long-term debt.

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

Revenue and Expenditure

Revenue and expenditure are recorded using the accrual basis of accounting. Revenue is recogri in the period in which the transactions or events occurred that gave rise to the revenue. Gain recognized when realized. Items not practically measurable until cash is received are accounte at that time.

Government transfers are recognized as revenue when the transfer is authorized and any eligit criteria are met, except to the extent that transfer stipulations give rise to an obligation that meet definition of a liability. Transfers are recognized as deferred revenue when transfer stipulations rise to a liability and recognized in the statement of operations as the stipulation liabilities are se

Contributions from other sources are deferred when restrictions are placed on their use b contributor, and are recognized as revenue when used for the specific purpose.

Funding Recoveries and Reimbursements

Funding received from federal government sources in the form of conditional transfer payment subject to recovery, by the Crown, of unexpended balances or unallowable expenses. The C may also reimburse over expenditures upon determining adherence to the terms and conditio payment for a specified purpose. Recoveries and reimbursements are accounted for when the paid or payable or received or receivable.

Measurement Uncertainty

The preparation of financial statements in conformity with Canadian public sector accou standards requires management to make estimates and assumptions that affect the reported amo assets and liabilities and disclosure of contingent assets and liabilities at the date of the fina statements, and the reported amounts of revenue and expenditure during the reporting pe Significant areas requiring the use of management estimates relate to the impairment of assets, for amortization, collectability of accounts receivable, and valuation of inventory. Actual re could differ from these estimates.

**LHEIDLIT'ENNEH BAND
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED MARCH 31, 2017**

2. CASH

Lheidli T'enneh Band has a demand revolving credit facility agreement with the Royal Bank of Canada for \$300,000 bearing interest at prime plus 1.5% per annum. This facility revolves in increments of \$25,000 and is secured by a general security agreement with a fixed charge over tangible capital assets. At March 31, 2017 the full \$300,000 was available.

3. ACCOUNTS RECEIVABLE

	2017	2016
Government:		
Indigenous and Northern Affairs Canada	\$ 18,348	\$ 54,533
Canada Mortgage and Housing Corporation	4,277	5,146
Fisheries and Oceans Canada	19,850	22,880
Other Government	-	8,730
Canada Revenue Agency - GST	35,041	23,392
Trade	77,516	114,681
Lheidli T'enneh Band members	116,621	77,557
	\$ 194,137	\$ 193,738

4. ADVANCES RECEIVABLE

Advances receivable from Tano Fuel Ltd., a company owned 100% by government business enterprise Tano T'enneh General Partner Corporation, is non-interest bearing, unsecured with no specific terms of repayment.

5. INVENTORY

	2017	2016
Tobacco products	\$ 20,484	\$ 4,108



LHEIDLI T'ENNEH BAND
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED MARCH 31, 2017

	2017	2016
6. RESTRICTED CASH AND REPLACEMENT RESERVES		
Restricted cash consists of:		
Replacement reserve 19-359-983	\$ 189,130	\$ 188,947
Replacement reserve 17-496-258	92,621	164,848
	<u>281,751</u>	<u>353,795</u>
Treaty Negotiations	162,149	155,510
	<u>\$ 443,900</u>	<u>\$ 509,305</u>

Replacement Reserve 19-359-983

Under the terms of the Agreement with Canada Mortgage and Housing Corporation, the Band must set aside funds in the amount of \$15,000 annually plus interest; \$6,000 for Account 19-359-983-001, \$6,000 for Account 19-359-983-002, and \$3,000 for Account 19-359-983-003. These funds, along with accumulated interest, must be held in a separate bank account and/or invested only in accounts or instruments insured by the Canada Deposit Insurance Corporation or as may otherwise be approved by CMHC from time to time. The funds in the account may only be used as approved by CMHC. Withdrawals are credited to interest first and then principal. At year end the replacement reserves are fully funded and are in compliance with the agreement with CMHC.

Replacement Reserve 17-496-258

Under the terms of the Agreement with Canada Mortgage and Housing Corporation, the Band must set aside funds in the amount of \$4,349 annually plus interest. These funds, along with accumulated interest, must be held in a separate bank account and/or invested only in accounts or instruments insured by the Canada Deposit Insurance Corporation or as may otherwise be approved by CMHC from time to time. The funds in the account may only be used as approved by CMHC. Withdrawals are credited to interest first and then principal. At year end the replacement reserve is fully funded and is in compliance with the agreement with CMHC.

Treaty Negotiations

Treaty Negotiations cash is restricted for expenditures as related to Lheidli T'enneh Band First Nation Negotiations Support Agreement for carrying out treaty negotiations with Canada and British Columbia.

LHEIDLI T'ENNEH BAND
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED MARCH 31, 2017

	2017	2016
7. GUARANTEED INVESTMENT CERTIFICATES		
GIC maturing November 25, 2017 earning 1.18%, interest	\$ 1,506,114	\$ -

8. INVESTMENTS IN GOVERNMENT BUSINESS ENTITIES (Appendix A)

	2017	2016
Lheit Lit'en Development Corporation		
Shares	\$ 747,924	\$ 2,287,665
Advances to	(687,528)	(717,155)
Deficit	<u>60,399</u>	<u>1,570,513</u>
Tano T'enneh General Partner Corporation		
Shares	20	20
Advances to	-	1,923
Deficit	<u>(569)</u>	<u>(8,112)</u>
	<u>(549)</u>	<u>(6,169)</u>

Tano T'enneh Limited Partnership

Partnership units	2,229,142	2,229,142
Advances to	578,248	334,579
Surplus	<u>7,280,425</u>	<u>5,297,886</u>
	<u>10,087,815</u>	<u>7,861,607</u>

FN (PTP) Group Limited Partnership

Shares	1	1
Surplus	<u>368</u>	<u>52</u>
	<u>369</u>	<u>53</u>
	<u>\$ 10,148,034</u>	<u>\$ 9,426,004</u>

Shares and partnership units are held on behalf of the Band's membership by specified band members under a trust agreement. Condensed financial information for the government business entities is presented in Appendix A to the financial statements.

LHEIDLI T'ENNEH BAND
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED MARCH 31, 2017

	2017	2016
9. OTTAWA TRUST FUNDS		
Balance, beginning of year	\$ 21	\$ 2,107
Interest	48	48
B.C. Special	981	981
Transfer to Lheidli T'enneh Band	(1,028)	(1,028)
	<u>\$ 22</u>	<u>\$ 2,108</u>
Balance, end of year	\$ 22	\$ 2,107

The Ottawa Trust Accounts arise from monies from 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".

Under the terms of the Agreement with Canada Mortgage and Housing Corporation, the Band must set aside funds in the amount of \$4,349 annually plus interest. These funds, along with accumulated interest, must be held in a separate bank account and/or invested only in accounts or instruments insured by the Canada Deposit Insurance Corporation or as may otherwise be approved by CMHC from time to time. The funds in the account may only be used as approved by CMHC. Withdrawals are credited to interest first and then principal. At year end the replacement reserve is fully funded and is in compliance with the agreement with CMHC.

Treaty Negotiations

Treaty Negotiations cash is restricted for expenditures as related to Lheidli T'enneh Band First Nation Negotiations Support Agreement for carrying out treaty negotiations with Canada and British Columbia.

LHEIDLI T'ENNEH BAND
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED MARCH 31, 2017

	Revenue	Capital	Total
Balance, beginning of year	\$ 21	\$ 2,086	\$ 2,107
Interest	48	-	48
B.C. Special	981	-	981
Transfer to Lheidli T'enneh Band	(1,028)	-	(1,028)
	<u>\$ 22</u>	<u>\$ 2,086</u>	<u>\$ 2,107</u>

The Ottawa Trust Accounts arise from monies from 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".

10. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2017	2016
Trade payables and accrued liabilities	\$ 185,578	\$ 454,847
Pension plan payable	3,371	-
Wages and benefits payable	80,292	68,706
WorkSafeBC	2,431	2,447
Other	900	225
	<u>\$ 272,572</u>	<u>\$ 526,225</u>

The Band has a defined contribution pension plan for eligible members of its staff. Members are required to contribute a minimum of 3% of their salary, the Band contributes 3% of their basic salary, and contributions are directed to the member's contribution account. The amount of retirement benefits to be received by the employees will be the amount of retirement annuity that could be purchased based on the member's share of the pension plan at the time of the member's withdrawal from the plan. During the year the Band contributed \$17,923 (2016 - Nil) for retirement benefits.

LHEIDLI T'ENNEH BAND
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED MARCH 31, 2017

	2017	2016
11. LONG-TERM DEBT		
Mortgage repayable in monthly instalments of \$2,567 including interest at 1.83% per annum, secured by a Government of Canada ministerial guarantee, maturing August 1, 2024	\$ 206,277	\$ 232,027
Mortgage repayable in monthly instalments of \$1,054 including interest at 1.39% per annum, secured by a Government of Canada ministerial guarantee, maturing August 1, 2027	124,571	133,438
Mortgage repayable in monthly instalments of \$2,080 including interest at 1.65% per annum, secured by a Government of Canada ministerial guarantee, maturing May 1, 2017	4,151	28,827
Mortgage repayable in monthly instalments of \$1,124 including interest at 2.90% per annum, secured by a Government of Canada ministerial guarantee, maturing November 2, 2019	19,714	32,427
Mortgage repayable in monthly instalments of \$2,554 including interest at 2.11% per annum, secured by a Government of Canada ministerial guarantee, maturing December 1, 2023	185,891	211,269
Loan repayable in monthly instalments of \$1,410 including interest at 3.50% per annum, secured by a vehicle with a net book value of \$58,726, maturing January 9, 2019	29,996	45,566
Loan	-	17,072
Mortgage	-	2,024
	<u>\$ 568,600</u>	<u>\$ 702,650</u>

Principal repayments due in each of the next five years are scheduled as follows:

2018	\$ 96,467
2019	84,791
2020	65,505
2021	66,741
2022	68,000
	<u>\$ 381,504</u>

**LHEIDLI T'ENNEH BAND
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED MARCH 31, 2017**

12. TREATY LOAN

Treaty loan is an Indigenous and Northern Affairs Canada promissory note representing advances for negotiations with the British Columbia Treaty Commission. Repayment provisions for these loans are outlined in Sections 13.0 and 14.0 of the Negotiation Support Agreement. The loan is non-interest bearing and will be repayable over a 10 year period after the signing of the Final Agreement between Lheidli T'enneh Band, the Government of Canada and the Government of British Columbia.

13. TANGIBLE CAPITAL ASSETS (Appendix B)

	2017	2016
	Cost	Net Book Value
Automotive equipment	\$ 137,768	\$ 94,167
Boats and fisheries equipment	61,404	11,660
Buildings	245,614	160,807
Computer equipment	103,311	97,569
Fuel tanks	207,268	139,905
Furniture and office equipment	65,231	-
Heavy duty equipment	145,868	114,955
Housing	2,347,423	1,828,534
Infrastructure	3,010,326	1,556,715
Land improvements	1,236,439	125,978
Signage	40,724	26,064
Website	14,718	9,420
	7,616,094	4,268,889
Capital projects in progress	65,000	3,347,205
		65,000
	\$ 7,681,094	\$ 4,268,889

14. CONTINGENT LIABILITIES

Lheidli T'enneh Band has entered into contribution agreements with various government agencies. Funding received under these contribution agreements is subject to repayment if the Band fails to comply with the terms and conditions of the agreements.

The Band is contingently liable for a band member mortgage secured by a Government of Canada Ministerial Guarantee. As at March 31, 2017 the maximum liability is \$28,027.



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**LHEIDLI T'ENNEH BAND
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED MARCH 31, 2017**

14. CONTINGENT LIABILITIES, continued

The Band may have future silviculture commitments on government business enterprises owned forest licenses if future costs exceed current estimates. The amount of the liability, if any, is not determinable at this time.

In addition, in the normal course of its operations, the Band may become involved in legal actions. Some of these potential liabilities may become actual liabilities when one or more future events occur or fail to occur. To the extent that the future event is likely to occur, and a reasonable estimate of the loss can be made, an estimated liability is accrued and an expense recorded in the financial statements.

15. RECONCILIATION OF INAC FUNDING AGREEMENT REVENUE

Pursuant to the Indigenous and Northern Affairs Canada Financial Reporting Requirements for the fiscal period 2016 - 2017, the following reconciliation has been prepared:

Recipient total as per 2016/2017 INAC funding confirmation	\$ 1,156,894
Variance	-
Recipient total as per consolidated statement of operations	\$ 1,156,894

16. GOVERNMENT TRANSFERS

	2017	2016
	Operating	Capital
Federal government transfers:	Total	Capital
Northern Affairs Canada	\$ 1,124,401	\$ 32,493
First Nations Health Authority	184,436	174,841
Other	159,600	185,600
	1,294,001	32,493
Provincial government transfers	1,316,494	1,633,099
First Nations Health Authority	2,528,346	1,470,137
	184,436	174,841
	\$ 3,996,783	\$ 3,298,276



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**LHEIDLI T'ENNEH BAND
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED MARCH 31, 2017**

12. TREATY LOAN

Treaty loan is an Indigenous and Northern Affairs Canada promissory note representing advances for negotiations with the British Columbia Treaty Commission. Repayment provisions for these loans are outlined in Sections 13.0 and 14.0 of the Negotiation Support Agreement. The loan is non-interest bearing and will be repayable over a 10 year period after the signing of the Final Agreement between Lheidli T'enneh Band, the Government of Canada and the Government of British Columbia.

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	2017	2016
	Cost	Net Book Value
Automotive equipment	\$ 137,768	\$ 94,167
Boats and fisheries equipment	61,404	11,660
Buildings	245,614	160,807
Computer equipment	103,311	97,569
Fuel tanks	207,268	139,905
Furniture and office equipment	65,231	-
Heavy duty equipment	145,868	114,955
Housing	2,347,423	1,828,534
Infrastructure	3,010,326	1,556,715
Land improvements	1,236,439	125,978
Signage	40,724	26,064
Website	14,718	9,420
	7,616,094	4,268,889
Capital projects in progress	65,000	3,347,205
		65,000
	\$ 7,681,094	\$ 4,268,889

14. CONTINGENT LIABILITIES

Lheidli T'enneh Band has entered into contribution agreements with various government agencies. Funding received under these contribution agreements is subject to repayment if the Band fails to comply with the terms and conditions of the agreements.

The Band is contingently liable for a band member mortgage secured by a Government of Canada Ministerial Guarantee. As at March 31, 2017 the maximum liability is \$28,027.



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**LHEIDLI T'ENNEH BAND
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED MARCH 31, 2017**

17. RISK MANAGEMENT

The Band has a comprehensive risk management framework to monitor, evaluate and manage the principal risks assumed with financial instruments. The risks that arise from transacting financial instruments include the following:

Credit Risk

Credit risk refers to the risk that a counterparty may default on its contractual obligations resulting in a financial loss. The Band has a history of dealing with its funding agencies and customer base and does not believe it is exposed to an unusual level of credit risk with respect to its accounts receivable.

The Band maintains its cash and deposits with a federally regulated Canadian financial institution and a Credit Union, and thus has not experienced any change in risk exposure.

Interest Rate Risk

Interest rate risk refers to the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The Band's long-term debt is at fixed rates of interest therefore, a change in market interest rates has no impact to cash flows required to service this debt. The Band maintains an operating line of credit subject to floating rates of interest, a change in the variable rate can impact cash flow to service the debt when such debt is outstanding. There has been no change to the risk exposure from 2016 and there is expected to be no substantive change in the next fiscal period.

18. SEGMENT DISCLOSURE

Lheidli T'enneh Band provides a range of services to its members. For management reporting purposes, operations and activities are organized and reported by function and department. For each segment separately reported, the segment revenue and expenditure represent both amounts that are directly attributable to the segment and amounts that are allocated on a reasonable basis. The presentation by segment is based on the same accounting policies as described in the summary of Significant Accounting Policies in Note 1. The segments and services provided are as follows:

Economic Development - manages the development of economic opportunities from the land and natural resources for the Band and its entities;

Education - provides elementary and secondary education instructional services and provides financial support to post-secondary students;



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**LHEIDLI T'ENNEH BAND
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED MARCH 31, 2017**

18. SEGMENT DISCLOSURE, continued

Employment and Training - provides training and work opportunities for Band members to improve their job skills and participate effectively in the labour market;

Government Development and Administration - provides governance initiatives and training through the activities of Chief and Council and administration of other activities relating to program delivery, membership and finance;

Government Business Entities - economic development for the benefit of Band members;

Health Services - provides a variety of health care programs, services and support to Band members;

Housing - provides housing and services to Band members;

Public Works Operations and Maintenance - manages community and facilities operations and maintenance including capital projects, municipal services, water and waste water operations, roads, fire protection, and maintenance of community buildings;

Social and Community Services - provides programs and services for the social benefit and welfare of Band members;

Twenty Claims and Negotiations - manages the land claim and negotiation process with Canada and the Province of British Columbia;

Ottawa Trust Funds - provides programs and services for the social, economic and capital needs of Band members;

19. BUDGETED FIGURES

Budgeted figures have been provided for comparison purposes and have been approved by the Chief and Council.



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LAHEIDL TENNEH BAND
SEGMENT DISCLOSURE
YEAR ENDED MARCH 31, 2017

	ECONOMIC DEVELOPMENT		EDUCATION		EMPLOYMENT AND TRAINING		GOVERNMENT DEVELOPMENT AND ADMINISTRATION		HEALTH SERVICES	
	Budget	2017	Budget	2016	Budget	2017	Budget	2016	Budget	2017
REVENUE										
Indigenous and Northern Affairs Canada	\$	224,516	\$	224,653	\$	206,000	\$	210,679	\$	202,051
First Nations Health Authority		-		-		-		-		-
Canada Health and Housing Corporation		-		-		-		-		-
Canada Mortgage and Housing Corporation		-		-		-		-		-
Indigenous Services Corporation		-		-		-		-		-
Province of British Columbia		118,800		118,550		-		-		-
Aboriginal organization		1,778,847		1,111,279		60,618		198,541		97,900
Interest, rent and other		49,800		339,084		82,000		88,241		135
Income from investment in government business entities		-		-		-		-		-
Other income		-		-		-		-		-
Ottawa trust funds		-		-		-		-		-
Donations		-		-		-		-		-
Administration fees		13,889		3,690		8,925		2,864		2,270
Ottawa trust funds		-		-		-		-		-
TOTAL REVENUE	364,136	2,455,935	2,626,641	2,056,898	258,657	109,815	278,646	1,549,992	1,558,881	1,720,340
EXPENDITURE										
Administration		16,598		4,000		1,667		1,548		1,548
Advertising		11,697		13,111		85		1,560		1,560
Amortization and interest		14,500		7,475		32,905		-		-
Contract		4,476		6,276		896		3,640		3,640
Donations		5,700		37,686		23,083		1,600		1,600
Professional fees		25,605		116,366		208,022		2,500		2,500
Rent		30,720		18,166		29,315		-		-
Repairs and maintenance		16,935		79,897		18,764		39		39
Supplies		17,499		17,499		5,693		6,082		11,937
Telephone and utilities		15,845		11,608		1,600		1,400		1,400
Travel and accommodations		199,814		488,378		337,844		6,272		2,500
Wages and benefits		15,458		51,828		20,090		51,237		124,330
Workshops and training		6,215		73,348		406,324		20,658		30,658
Other		-		-		-		-		-
Loss from government business entities		-		-		-		-		-
Loss on deposit of tangible capital assets		-		-		-		-		-
TOTAL EXPENDITURE	384,169	971,237	1,144,400	264,931	244,615	355,769	84,375	377,846	62,037	2,148,907
EXCESS REVENUE OVER EXPENDITURE (EXPENDITURE OVER REVENUE)	(21) \$	1,484,698	1,541,912	(60,222)	(60,222)	(60,222)	(60,222)	17,018	(60,222)	(60,222)



Brent Bruney & Company Inc., Chartered Professional Accountants

LAHEIDL TENNEH BAND
SEGMENT DISCLOSURE
YEAR ENDED MARCH 31, 2017

	HOUSING		PUBLIC WORKS OPERATIONS AND MAINTENANCE		SOCIAL AND COMMUNITY SERVICES		TREATY CLAIMS AND NEGOTIATIONS		OTTAWA TRUST FUNDS	
	Budget	2017	Budget	2016	Budget	2017	Budget	2016	Budget	2017
REVENUE										
Indigenous and Northern Affairs Canada	\$	-	\$	-	\$	69,978	\$	72,446	\$	194,179
First Nations Health Authority		-		-		-		-		-
Canada Health and Housing Corporation		-		-		-		-		-
Indigenous Services Corporation		-		-		-		-		-
Province of British Columbia		64,411		6,724		-		-		-
Aboriginal organization		-		-		97,664		539,916		201,421
Interest, rent and other		211,499		122,989		79,189		93,857		76,554
Income from investment in government business entities		-		-		-		-		-
Other income		-		-		-		-		-
Ottawa trust funds		-		-		-		-		-
Donations		-		-		-		-		-
Administration fees		-		-		-		-		-
Ottawa trust funds		-		-		-		-		-
TOTAL REVENUE	275,420	195,710	195,710	111,200	168,233	111,200	291,643	811,151	210,582	312,330
EXPENDITURE										
Administration		3,295		3,270		-		12,603		10,786
Advertising		97,487		97,939		1,714		1,802		1,802
Amortization and interest		-		-		1,665		1,665		1,665
Contract		-		-		8,500		3,350		2,500
Donations		-		-		-		395		395
Office		1,700		7,000		-		2,430		6,210
Professional fees		-		-		-		189		189
Rent		316,540		35,661		55,619		61,260		11,603
Repairs and maintenance		1,497		5,615		11,972		7,533		6,626
Supplies		3,017		2,659		7,728		8,305		8,305
Telephone and utilities		6,588		6,039		(2,883)		3,307		28,062
Travel and accommodations		14,907		6,930		15,000		92,194		142,911
Wages and benefits		185,346		40,143		4,496		161,333		235,422
Workshops and training		-		-		-		-		-
Other		-		-		-		-		-
Loss from government business entities		-		-		-		-		-
Loss on deposit of tangible capital assets		-		-		-		-		-
TOTAL EXPENDITURE	386,697	210,545	210,545	87,246	152,264	291,643	811,475	352,957	312,330	369,284
EXCESS REVENUE OVER EXPENDITURE (EXPENDITURE OVER REVENUE)	(11) \$	(14,835)	(14,835)	(23,044)	(23,044)	(23,044)	(23,044)	(41,326)	(101,748)	(156,954)



Brent Bruney & Company Inc., Chartered Professional Accountants

LHEIDL T'ENNEH BAND
STATEMENT DISCLOSURE
YEAR ENDED MARCH 31, 2017

	GOVERNMENT BUSINESS ENTITIES		TANGIBLE CAPITAL ASSETS		TOTAL BEFORE ADJUSTMENTS		CONSOLIDATION ADJUSTMENTS		CONSOLIDATED TOTALS			
	Budget	2016	Budget	2016	Budget	2016	Budget	2016	Budget	2016		
REVENUE	\$ -	\$ -	\$ 32,493	\$ 32,493	\$ 50,000	\$ 1,170,160	\$ 1,186,994	\$ 1,517,499	\$ -	\$ 1,170,160	\$ 1,516,994	\$ 1,517,499
Indian and Northern Affairs Canada	-	-	-	-	-	174,541	174,541	-	-	-	174,541	174,541
First Nations Health Authority	-	-	-	-	-	61,411	61,754	-	-	-	184,456	184,456
Canada Mortgage and Housing Corporation	-	-	-	-	-	114,800	133,330	-	-	-	61,411	61,754
Provinces of British Columbia	-	-	-	-	-	114,800	133,330	-	-	114,800	114,800	131,330
Provinces of Ontario	-	-	-	-	-	66,618	67,500	-	-	-	66,618	67,500
Interest, rent and other	-	-	10,000	305,899	867,891	1,522,893	-	-	-	351,938	867,891	1,222,893
Income from investments by government business entities	-	-	-	2,690,606	2,690,625	1,391,410	-	-	-	2,000,000	2,690,625	1,391,410
Own interest	-	-	-	590,631	590,631	526,648	-	-	-	590,631	590,631	526,648
Donations	-	-	-	45,004	45,004	-	-	-	-	45,004	45,004	45,004
Administrations fees	-	-	-	9,000	9,000	48,846	-	-	-	9,000	9,000	48,846
Other Part 15(2)	-	-	-	1,829	1,829	1,022	-	-	-	1,829	1,829	1,022
TOTAL REVENUE	2,000,000	2,078,825	32,493	32,493	60,000	4,928,413	3,285,248	7,315,728	-	4,928,413	8,285,458	7,315,728
EXPENDITURE												
Administration	-	-	-	80,200	84,193	45,193	-	-	-	80,200	84,193	45,193
Amortization	-	-	-	1,250	1,250	46,700	67,468	-	-	1,250	1,250	67,468
Amortization and interest	-	-	-	97,487	97,487	91,795	34,600	-	-	205,000	192,261	205,000
Contract	-	-	-	105,500	12,785	34,600	13,422	-	-	105,500	32,785	34,600
Interest	-	-	-	136,500	162,284	133,422	-	-	-	136,500	162,284	133,422
Other	-	-	-	58,855	185,609	62,220	-	-	-	58,855	185,609	62,220
Professional fees	-	-	-	391,755	1,097,785	698,669	-	-	-	391,755	1,097,785	698,669
Rent	-	-	-	86,419	242,713	143,719	-	-	-	86,419	242,713	143,719
Telephone and maintenance	-	-	-	56,140	131,878	122,062	-	-	-	56,140	131,878	122,062
Supplies	-	-	-	45,131	82,241	75,436	-	-	-	45,131	82,241	75,436
Travel and utilities	-	-	-	2,033	76,942	69,512	272,694	-	-	2,033	76,942	272,694
Travel and accommodations	-	-	-	51,199	1,127,217	1,649,958	1,093,228	-	-	51,199	1,127,217	1,649,958
Wages and benefits	-	-	-	4,031	119,452	302,248	100,735	-	-	4,031	119,452	302,248
Workshops and training	-	-	-	32,493	48,462	1,675,736	1,521,151	(18,469)	(18,469)	32,493	48,462	1,521,151
Other from government business entities	-	-	-	-	-	1,956	-	-	-	-	1,956	-
Loss on disposal of tangible capital assets	-	-	-	1,956	-	-	-	-	-	1,956	-	-
EXPENSE REVENUE OVER EXPENDITURE	-	-	48,604	48,604	60,000	3,043,077	6,538,603	4,837,651	232,267	48,604	6,538,603	4,837,651
EXPENSE REVENUE OVER REVENUE	2,000,000	2,078,825	1,239,854	1,239,854	1,261,396	1,266,685	2,438,677	672,613	(122,691)	1,601,837	1,604,652	2,361,386



Breen Bursy & Company Inc., Chartered Professional Accountants

LHEIDL T'ENNEH BAND
GOVERNMENT BUSINESS ENTERPRISES
CONDENSED FINANCIAL INFORMATION
YEAR ENDED MARCH 31, 2017

APPENDIX A

	Lheidl Lit'eh Development Corporation		Tano T'enneh General Partner Corporation		Tano T'enneh Limited Partnership		FN (PTP) Group Limited Partnership		Total	
	Budget	2016	Budget	2016	Budget	2016	Budget	2016	Budget	2016
Assets										
Financial Assets	\$ 9,052	\$ -	\$ 1,451	\$ -	\$ 5,935,458	\$ -	\$ 231,454	\$ -	\$ 6,177,415	\$ 5,782,701
Tangible Capital Assets	-	-	-	-	971,183	-	-	-	971,183	43,747
Other Assets	1,032,982	-	-	-	767,919	-	-	-	1,800,901	2,891,778
Retained Party Advances	-	-	-	-	2,458,000	-	-	-	2,458,000	2,458,000
Total Assets	\$ 1,042,034	\$ -	\$ 1,451	\$ -	\$ 10,128,650	\$ -	\$ 231,454	\$ -	\$ 11,403,559	\$ 11,177,786
Liabilities										
Debt	\$ 359,654	\$ -	\$ 2,000	\$ -	\$ 70,081	\$ -	\$ 225,590	\$ -	\$ 657,125	\$ 986,143
Equity (Deficit)	(687,525)	-	(549)	-	9,675,734	-	2	-	8,993,722	62,659
Related Party Advances	621,981	-	-	-	6,675,734	-	6,062	-	6,877,887	6,877,887
Lheidl T'enneh Band Advances	747,924	-	-	-	382,805	-	-	-	621,981	626,950
Total Liabilities and Equity	\$ 1,042,034	\$ -	\$ 1,451	\$ -	\$ 10,128,650	\$ -	\$ 231,454	\$ -	\$ 11,403,559	\$ 11,177,786
Revenue	\$ 31,884	\$ -	\$ 9,561	\$ -	\$ 2,163,630	\$ -	\$ 520,476	\$ -	\$ 2,725,551	\$ 10,943,868
Expenses	2,156	-	2,018	-	169,040	-	515,260	-	688,474	8,606,685
Amortization	101	-	-	-	11,863	-	-	-	11,964	943
Total Expenses	2,257	-	2,018	-	180,903	-	515,260	-	700,438	8,607,628
Income (Loss)	\$ 29,627	\$ -	\$ 7,543	\$ -	\$ 1,982,727	\$ -	\$ 5,216	\$ -	\$ 2,025,113	\$ 2,336,240
Lheidl T'enneh Band's Share	\$ 29,627	\$ -	\$ 7,543	\$ -	\$ 1,982,539	\$ -	\$ 316	\$ -	\$ 2,020,025	\$ 1,359,454



Breen Bursy & Company Inc., Chartered Professional Accountants

LHEIDLI TENNEH BAND
TANGIBLE CAPITAL ASSETS
YEAR ENDED MARCH 31, 2017

APPENDIX B

	COST			ACCUMULATED AMORTIZATION			NET BOOK VALUE	
	Opening Balance	Additions	Disposals	Balance End of Year	Opening Balance	Amortization	Disposals	Balance End of Year
Automotive equipment	\$ 137,768	\$ -	\$ -	\$ 137,768	\$ 66,613	\$ 27,554	\$ -	\$ 94,167
Boats and fisheries equipment	61,404	-	-	61,404	45,984	3,700	-	49,744
Buildings	2,667,400	-	-	2,667,400	1,562,251	1,118	-	1,563,369
Computer equipment	103,311	-	-	103,311	96,251	1,118	-	97,369
Fuel tanks	207,268	-	-	207,268	129,542	10,363	-	139,905
Furniture and office equipment	65,231	-	-	65,231	62,365	2,866	-	62,491
Heavy duty equipment	145,868	-	-	145,868	110,781	4,174	-	114,955
Housing	2,844,434	-	(17,011)	2,827,423	1,758,873	86,672	(17,011)	1,828,534
Infrastructure	2,590,344	-	-	2,590,344	1,407,204	39,511	-	1,556,715
Land improvements	1,172,144	-	-	1,172,144	2,476,266	4,073	-	2,480,339
Signage	40,724	-	-	40,724	21,894	1,472	-	24,664
Website	14,718	-	-	14,718	7,948	1,472	-	9,420
Capital projects in progress	7,892,503	40,602	(17,011)	7,916,094	4,021,614	264,286	(17,011)	4,268,889
	65,000	-	-	65,000	-	-	-	-
	\$ 7,892,503	\$ 105,602	\$ (17,011)	\$ 7,981,094	\$ 4,021,614	\$ 364,286	\$ (17,011)	\$ 4,268,889

	COST			ACCUMULATED AMORTIZATION			NET BOOK VALUE	
	Opening Balance	Additions	Disposals	Balance End of Year	Opening Balance	Amortization	Disposals	Balance End of Year
Automotive equipment	\$ 162,953	\$ -	\$ (25,185)	\$ 137,768	\$ 58,645	\$ 27,553	\$ (19,585)	\$ 66,613
Boats and fisheries equipment	106,372	-	(44,968)	61,404	80,272	5,226	(9,514)	45,984
Buildings	245,614	-	-	245,614	144,433	8,187	-	152,620
Computer equipment	96,181	7,130	-	103,311	83,244	13,007	-	96,251
Fuel tanks	207,268	-	-	207,268	119,179	10,363	-	139,542
Furniture and office equipment	103,311	-	(6,000)	97,311	45,715	19,403	(2,753)	62,465
Heavy duty equipment	130,551	17,316	(1,899)	145,968	103,311	4,174	(190)	119,055
Housing	2,364,434	-	-	2,364,434	1,672,556	86,317	-	1,758,873
Infrastructure	2,495,312	493,702	-	2,989,014	1,383,662	83,542	-	1,467,204
Land improvements	271,310	945,839	-	1,217,149	86,557	14,885	-	101,442
Signage	40,724	-	-	40,724	17,919	4,672	-	21,991
Website	14,718	-	-	14,718	6,476	1,472	-	7,948
Capital projects in progress	6,205,968	1,463,888	(77,352)	7,592,504	3,806,316	273,441	(62,042)	4,031,615
	1,385,008	-	(1,385,008)	-	-	-	-	-
	\$ 7,590,976	\$ 1,463,888	\$ (1,462,360)	\$ 7,592,504	\$ 3,806,316	\$ 273,441	\$ (62,042)	\$ 4,031,615



Brent Bussey & Company Inc., Chartered Professional Accountant



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LHEIDLI TENNEH BAND
ANNEX B
SCHEDULE OF REMUNERATION AND EXPENSES
CHIEF AND COUNCILLORS
YEAR ENDED MARCH 31, 2017
(Unaudited)

REVIEW ENGAGEMENT REPORT

To the Membership of Lheidli Tenneah Band:

We have reviewed the Schedule of Remuneration and Expenses Chief and Councillors of Lheidli Tenneah Band as prepared by management for the year ended March 31, 2017, presented pursuant to the provisions of Section 7.3 of Indigenous and Northern Affairs Canada's (INAC) 2016-2017 Financial Reporting Requirements. Our review was made in accordance with Canadian generally accepted standards for review engagements and, accordingly, consisted primarily of enquiry, analytical procedures and discussion related to information supplied to us by Lheidli Tenneah Band.

A review does not constitute an audit and, consequently, we do not express an audit opinion on this schedule.

Based on our review, nothing has come to our attention that causes us to believe that the schedule is not, in all material respects, in accordance with the provisions of Section 7.3 of INAC's 2016-2017 Financial Reporting Requirements.

This report is to be used solely to satisfy INAC's 2016-2017 Financial Report Requirements and should not be referred to or used by any other purpose.

Review Engagement Report	PAGE
Schedule of Remuneration and Expenses Chief and Councillors	1
Notes to the Schedule of Remuneration and Expenses Chief and Councillors	2
	3

Brent Bussey
Brent Bussey, Chartered Professional Accountant

Chartered Professional Accountants

August 16, 2017
Prince George, British Columbia

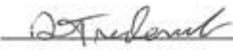
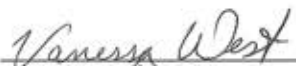



Brent Bussey & Company Inc., Chartered Professional Accountants

LHEIDLI T'ENNEH BAND
SCHEDULE OF REMUNERATION AND EXPENSES
CHIEF AND COUNCILLORS
YEAR ENDED MARCH 31, 2017
(Unaudited)

<u>Name of Individual</u>	<u>Position Title</u>	<u>(Note 1) No. of Months</u>	<u>(Note 2) Remuneration \$</u>	<u>(Note 3) Expenses \$</u>
Dominic Frederick	Chief	12	121,040	16,540
Louella Nome	Councillor and Health Manager	12	91,014	15,476
Dolleen Logan	Councillor and Administration	12	85,186	20,597
Shirley Wiltermuth	Councillor Membership/Lands	12	80,291	17,109
Vanessa West	Councillor	12	18,000	7,744

Approved on behalf of Lheidli T'enneh Band:

 Chief
 Councillor
 Councillor

LHEIDLI T'ENNEH BAND
NOTES TO THE SCHEDULE OF REMUNERATION AND EXPENSES
CHIEF AND COUNCILLORS
YEAR ENDED MARCH 31, 2017
(Unaudited)

1. NUMBER OF MONTHS

The number of months during the fiscal year the individual was a Chief or Councillor.

2. REMUNERATION

Remuneration includes salaries, wages, commissions, bonuses, fees, honoraria, dividends and any other monetary benefits (excluding the reimbursement of expenses) and non-monetary benefits paid to and on behalf of the Chief and each of the Councillors, acting in their capacity as such and in any other capacity, including their personal capacity, by the Band and by any entity that, in accordance with generally accepted accounting principles, is required to be consolidated with the Band.

3. EXPENSES

Expenses include the costs of transportation, accommodation, meals, hospitality and incidental expenses paid to and on behalf of the Chief and each of the Councillors, acting in their capacity as such and in any other capacity, including their personal capacity, by the Band and by any entity that, in accordance with generally accepted accounting principles, is required to be consolidated with the Band.