

Financial Statements of

**GREATER VICTORIA  
HARBOUR AUTHORITY**

Year ended March 31, 2017



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## INDEPENDENT AUDITORS' REPORT

To the Members of Greater Victoria Harbour Authority

### Report on the Financial Statements

We have audited the accompanying financial statements of Greater Victoria Harbour Authority, which comprise the statement of financial position as at March 31, 2017, the statements of operations, changes in net assets and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

#### *Management's Responsibility for the Financial Statements*

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

#### *Auditors' Responsibility*

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

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



*Opinion*

In our opinion, the financial statements present fairly, in all material respects, the financial position of Greater Victoria Harbour Authority as at March 31, 2017, and its results of operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

**Report on Other Legal and Regulatory Requirements**

As required by the Societies Act (British Columbia), we report that, in our opinion, the accounting policies applied in preparing and presenting the financial statements in accordance with Canadian accounting standards for not-for-profit organizations have been applied on a basis consistent with that of the preceding year.

*KPMG LLP*

Chartered Professional Accountants

August 18, 2017  
Victoria, Canada

# GREATER VICTORIA HARBOUR AUTHORITY

## Statement of Financial Position

March 31, 2017, with comparative information for 2016

	2017	2016
<b>Assets</b>		
Current assets:		
Cash and cash equivalents	\$ 2,541,286	\$ 901,916
Guaranteed investment certificates (note 2)	3,548,008	4,990,180
Restricted cash and guaranteed investment certificates (note 3)	1,338	140,017
Accounts receivable	531,616	339,089
Loans from related parties (note 4)	-	100,000
Prepaid expenses	115,923	175,857
	<u>6,738,171</u>	<u>6,647,059</u>
Investments (note 5)	5,628,842	3,375,226
Capital assets (note 6)	57,057,828	57,442,224
	<u>\$ 69,424,841</u>	<u>\$ 67,464,509</u>

## Liabilities, Deferred Contributions and Net Assets

Current liabilities:		
Accounts payable and accrued liabilities	\$ 2,005,548	\$ 1,526,732
Deferred revenue and deposits	422,839	411,489
	<u>2,428,387</u>	<u>1,938,221</u>
Deferred contributions (note 7)	204,617	291,710
Deferred capital contributions (note 8)	21,357,890	22,262,546
Net assets:		
Invested in capital assets	35,699,938	35,179,678
Internally restricted reserve fund (note 9)	5,801,146	4,990,273
Unrestricted	3,932,863	2,802,081
	<u>45,433,947</u>	<u>42,972,032</u>
	<u>\$ 69,424,841</u>	<u>\$ 67,464,509</u>

Commitments and contingencies (note 11)

See accompanying notes to financial statements.

Approved by the Board:



Director



Director

# GREATER VICTORIA HARBOUR AUTHORITY

## Statement of Operations

Year ended March 31, 2017, with comparative information for 2016

	Budget (note 16)	2017	2016
Revenues:			
Shipping	\$ 5,831,574	\$ 6,207,554	\$ 5,956,709
Marinas and attractions	2,093,520	2,230,484	2,083,020
Commercial real property	2,264,422	2,500,069	2,059,663
	10,189,516	10,938,107	10,099,392
Cruise sustainability fee (note 10)	1,088,907	1,141,181	1,082,700
Other recovered costs and in-kind sponsorship	711,813	775,770	520,032
	11,990,236	12,855,058	11,702,124
Expenses:			
General operating expenses	3,238,772	3,090,627	2,994,801
Repairs and maintenance	1,703,374	1,605,580	1,340,589
Insurance	375,985	364,799	353,606
Property taxes	966,521	886,704	915,113
Administrative	3,813,737	3,880,582	4,064,396
Amortization of capital assets	2,295,015	2,259,812	2,243,880
	12,393,404	12,088,104	11,912,385
Excess (deficiency) of revenues over expenses before the following	(403,168)	766,954	(210,261)
Deferred non-capital contributions recognized as revenue (note 7)	95,000	153,450	5,990
Deferred capital contributions recognized as revenue (note 8)	1,005,000	1,001,960	1,005,307
Gain on disposal of capital assets	-	3,249	3,500
Excess of revenues over expenses before investment income	696,832	1,925,613	804,536
Net investment income	223,061	536,302	550
Excess of revenues over expenses	\$ 919,893	\$ 2,461,915	\$ 805,086

See accompanying notes to financial statements.

# GREATER VICTORIA HARBOUR AUTHORITY

## Statement of Changes in Net Assets

Year ended March 31, 2017, with comparative information for 2016

	Investment in capital assets	Internally restricted	Unrestricted	Total
Balance, April 1, 2015	\$ 34,746,233	\$ 4,868,819	\$ 2,551,894	\$ 42,166,946
Excess (deficiency) of revenue over expenses	(1,235,073)	(76,593)	2,116,752	805,086
Net purchase of capital assets	1,668,518		(1,668,518)	-
Transfer to internally restricted reserve fund	-	198,047	(198,047)	-
Balance, March 31, 2016	35,179,678	4,990,273	2,802,081	42,972,032
Excess (deficiency) of revenue over expenses	(1,254,603)	463,665	3,252,853	2,461,915
Net purchase of capital assets	1,774,863		(1,774,863)	-
Transfer to internally restricted reserve fund	-	347,208	(347,208)	-
Balance, March 31, 2017	\$ 35,699,938	\$ 5,801,146	\$ 3,932,863	\$ 45,433,947

See accompanying notes to financial statements.

# GREATER VICTORIA HARBOUR AUTHORITY

## Statement of Cash Flows

Year ended March 31, 2017, with comparative information for 2016

	2017	2016
Cash flows from operating activities:		
Excess of revenues over expenses	\$ 2,461,915	\$ 805,086
Items not involving cash:		
Amortization of capital assets	2,259,812	2,243,880
Amortization of deferred contributions	(153,450)	(5,990)
Amortization of deferred capital contributions	(1,001,960)	(1,005,307)
Gain on sale of capital assets	(3,249)	(3,500)
Unrealized loss on investments	193,339	76,165
Net changes in non-cash working capital:		
Decrease (increase) in accrued interest on guaranteed investment certificates	5,237	(12,080)
Decrease (increase) in accounts receivable	(192,527)	62,397
Decrease in prepaid expenses	59,934	2,412
Decrease in long term accounts receivable	-	121,706
Increase in accounts payable and accrued liabilities	478,816	271,738
Increase in deferred revenue and deposits	11,350	63,769
	<u>4,119,217</u>	<u>2,620,276</u>
Cash flows from financing activities:		
Deferred contributions received	163,661	27,221
Fixed term loan principal payments	-	(1,366,449)
	<u>163,661</u>	<u>(1,339,228)</u>
Cash flows from investing activities:		
Repayment of loans from related parties	100,000	-
Purchase of capital assets	(1,875,416)	(1,672,019)
Proceeds from disposal of capital assets	3,249	3,500
Guaranteed investment certificates matured	9,107,001	3,817,428
Purchase of guaranteed investment certificates	(7,531,387)	(5,107,002)
Transfer from (to) investments	(2,446,955)	600,000
	<u>(2,643,508)</u>	<u>(2,358,093)</u>
Increase (decrease) in cash and cash equivalents	1,639,370	(1,077,045)
Cash and cash equivalents, beginning of year	901,916	1,978,961
Cash and cash equivalents, end of year	<u>\$ 2,541,286</u>	<u>\$ 901,916</u>

See accompanying notes to financial statements.

# GREATER VICTORIA HARBOUR AUTHORITY

Notes to Financial Statements

Year ended March 31, 2017

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Greater Victoria Harbour Authority (the "Society") is incorporated under the Societies Act (British Columbia). Its principal activity is to manage and develop the Victoria and Esquimalt harbours to meet local, Esquimalt Nation, Songhees Nation, municipal, provincial and federal interests and priorities. On November 28, 2016, the new Societies Act (British Columbia) became effective. The Society has until November 28, 2018 to transition to the new act.

In 2002 Transport Canada contributed lands and improvements at Ogden Point, Erie Street, Wharf Street and Ship Point. The contributions are subject to various restrictions including continued use as a port facility.

The land and improvements were transferred to the Society at a nominal value of \$1. The assets were recorded at an estimated fair market value of \$50,481,120, as determined by the BC Assessment Society through their annual valuation and assessment process.

## 1. Significant accounting policies:

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations in Part III of the CPA Canada Handbook. The Society's significant accounting policies are as follows:

### (a) Revenue recognition:

The Society follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Contributions of capital assets that will be amortized are initially deferred and subsequently recognized as revenue on the same basis as the related costs are amortized. Contributions for capital assets that will not be amortized, such as land, are not recorded as deferred capital contributions or recognized as revenue, but are recorded as a direct increase in net assets in the period the asset is received.

Revenue from operations is recognized as services are performed. Amounts received for future services are deferred until the service is provided.

Revenue recognition under a lease commences when the tenant has a right to use the leased assets. The total amount of contractual rent to be received from operating leases is recognized on a straight-line basis over the term of the lease. Rental revenue also includes percentage participating rents and recoveries of operating expenses, including realty taxes. Percentage participating rents are recognized when tenants' specified sales targets have been met. Operating expense recoveries are recognized in the period that recoverable costs are chargeable to tenants.

### (b) Cash and cash equivalents:

Cash and cash equivalents include deposits in banks and short-term investments with a term to maturity of three months or less at the date of purchase.



# GREATER VICTORIA HARBOUR AUTHORITY

Notes to Financial Statements

Year ended March 31, 2017

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## 1. Significant accounting policies (continued):

### (c) Financial instruments:

Financial instruments are recorded at fair value on initial recognition. Equity instruments that are quoted in an active market are subsequently measured at fair value. All other financial instruments are subsequently recorded at cost or amortized cost, unless management has elected to carry the instruments at fair value. The Society has elected to carry all investments at fair value. The Society has not elected to carry any other financial instruments at fair value.

Financial assets are assessed for impairment on an annual basis at the end of the fiscal year. If there is an indicator of impairment, the Society determines if there is a significant adverse change in the expected amount or timing of future cash flows from the financial asset. If there is a significant adverse change in the expected cash flows, the carrying value of the financial asset is reduced to the highest of the present value of the expected cash flows, the amount that could be realized from selling the financial asset or the amount the Society expects to realize by exercising its right to any collateral. If events and circumstances reverse in a future period, an impairment loss will be reversed to the extent of the improvement, not exceeding the initial carrying value.

### (d) Investment income:

Investment income, which is recorded on the accrual basis, includes interest income, dividends, net gain (loss) on sale of securities and unrealized gains (losses).

### (e) Capital assets:

Purchased capital assets are recorded at cost. Contributed capital assets are recorded at their estimated fair market value determined at the date of contribution.

Amortization is provided on a straight-line basis over their estimated useful life at the following amortization periods:

Asset	Amortization period
Breakwater and piers	50 years
Wharves and docks:	
Refurbished existing	10 - 15 years
New construction	20 - 25 years
Buildings	3 - 50 years
Yard improvements	5 - 10 years
Furniture and fixtures	5 years
Office and maintenance equipment	2 - 7 years
Boats, marine and automotive	3 - 5 years

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Amortization is not provided on capital assets under construction until the assets are available for use.

When a capital asset no longer contributes to the Society's ability to provide services, its carrying value is written down to its residual value.

# GREATER VICTORIA HARBOUR AUTHORITY

Notes to Financial Statements

Year ended March 31, 2017

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## 1. Significant accounting policies (continued):

### (f) Asset retirement obligations:

The fair value of a liability for an asset retirement obligation is recognized in the period in which it is incurred if a reasonable estimate of fair value can be made. The associated retirement costs are capitalized as part of the carrying amount of the long-lived asset and amortized over the life of the asset. At this time, the Society has determined that there are no significant asset retirement obligations.

### (g) Use of estimates:

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the year. The more subjective of such estimates are the amortization period of capital assets. Actual results could differ from these estimates.

## 2. Guaranteed investment certificates:

	2017	2016
Short-term certificates	\$ 3,548,008	\$ 4,990,180

Guaranteed investment certificates earn rates of interest between 0.85% and 1.70%, with various maturity dates to May 17, 2018.

## 3. Restricted cash and guaranteed investment certificate:

Restricted cash and guaranteed investment certificate includes an amount of \$1,338 (2016 - \$140,017) which is restricted for Ogden Point caisson repairs under the contribution agreements with Transport Canada.

## 4. Loans from related parties:

In 2014 the Society issued \$50,000 non-interest bearing loans to two related parties, the Esquimalt Nation and the Songhees Nation, for the purpose of providing an initial contribution to the Skwin'ang'eth Selas Development Company (note 15). The Esquimalt Nation and Songhees Nation are Members of the Society. The loans were repaid in full on September 30, 2016.

# GREATER VICTORIA HARBOUR AUTHORITY

Notes to Financial Statements

Year ended March 31, 2017

## 5. Investments:

Investments represent funds invested for internally restricted purposes (note 10). The major components of investments stated at market value are as follows:

	2017	2016
Fixed income	\$ 2,314,994	\$ 1,848,239
Canadian equity	1,654,767	649,710
US equity	810,915	364,251
International equity	848,166	343,518
Real estate	-	169,508
	<b>\$ 5,628,842</b>	<b>\$ 3,375,226</b>

## 6. Capital assets:

2017	Cost	Accumulated amortization	Net book value
Land	\$ 19,563,855	\$ -	\$ 19,563,855
Breakwater and piers	33,982,712	10,345,800	23,636,912
Wharves and docks	8,507,839	5,645,006	2,862,833
Buildings and yard improvements	14,549,666	6,264,190	8,285,476
Furniture and fixtures	43,804	43,804	-
Office and maintenance equipment	423,830	248,872	174,958
Boats, marine and automotive	305,218	171,911	133,307
Capital assets under construction	2,400,487	-	2,400,487
	<b>\$ 79,777,411</b>	<b>\$ 22,719,583</b>	<b>\$ 57,057,828</b>

2016	Cost	Accumulated amortization	Net book value
Land	\$ 19,563,855	\$ -	\$ 19,563,855
Breakwater and piers	33,531,870	9,240,857	24,291,013
Wharves and docks	8,407,265	5,350,066	3,057,199
Buildings and yard improvements	13,750,510	5,463,649	8,286,861
Furniture and fixtures	43,804	43,804	-
Office and maintenance equipment	398,901	212,610	186,291
Boats, marine and automotive	281,488	148,785	132,703
Capital assets under construction	1,924,302	-	1,924,302
	<b>\$ 77,901,995</b>	<b>\$ 20,459,771</b>	<b>\$ 57,442,224</b>

# GREATER VICTORIA HARBOUR AUTHORITY

Notes to Financial Statements

Year ended March 31, 2017

## 7. Deferred contributions:

Deferred contributions received from Transport Canada are to be expended on eligible expenditures, as outlined in the Contribution Agreement for each facility. Until expended on eligible expenditures, the contributions are restricted. Any amounts not expended by the end of the agreement are repayable to the federal government. The Project Contribution agreement and repayment date for Ogden Point was extended to June 24, 2017.

	Balance March 31, 2016	Amounts amortized to revenue	Amounts received	Balance March 31, 2017
<b>Transport Canada:</b>				
Special Projects:				
Ogden Point - pier upgrades	\$ 140,016	\$ 138,678	\$ -	\$ 1,338
<b>Other federal, provincial and municipal contributions:</b>				
Ogden Point	47,221	7,782	60,600	100,039
Steamship Terminal	104,473	6,990	5,757	103,240
	151,694	14,772	66,357	203,279
<b>Total deferred contributions</b>	<b>\$ 291,710</b>	<b>\$ 153,450</b>	<b>\$ 66,357</b>	<b>\$ 204,617</b>

# GREATER VICTORIA HARBOUR AUTHORITY

Notes to Financial Statements

Year ended March 31, 2017

## 8. Deferred capital contributions:

Deferred capital contributions represent unamortized capital contributions received from Transport Canada and other federal and provincial contributions.

	Balance March 31, 2016	Amounts amortized to revenue	Amounts received	Balance March 31, 2017
<b>Transport Canada:</b>				
Erie Street	\$ 67,865	\$ 19,517	\$ -	\$ 48,348
Wharf Street	81,750	81,750	-	-
Ship Point	113,136	113,136	-	-
Ogden Point	19,629,134	545,682	-	19,083,452
Ogden Point – pier upgrades	723,823	130,059	-	593,764
	20,615,708	890,144	-	19,725,564
<b>Other federal, provincial and municipal contributions:</b>				
Ogden Point	1,646,838	111,816	-	1,535,022
Inner Harbour	-	-	97,304	97,304
	1,646,838	111,816	97,304	1,632,326
<b>Total deferred contributions</b>	<b>\$ 22,262,546</b>	<b>\$ 1,001,960</b>	<b>\$ 97,304</b>	<b>\$ 21,357,890</b>

## 9. Internally restricted net assets:

Internally restricted assets include an amount of \$5,628,842 (2016 - \$4,792,226) which are reserved to fund a future earthquake insurance deductible or a business interruption or material revenue loss exposure. These internally restricted amounts are not available for other purposes without the approval of the Board of Directors.

The remaining amount of \$172,304 represents the excess of cruise sustainability revenue and grant funding received over cruise sustaining expenditures (note 10). The cruise sustainability amounts are restricted for capital expenditures related to the construction or improvement of cruise infrastructure and are anticipated to be expended by March 2018.

## 10. Cruise sustainability fee:

On April 1, 2010, the Society introduced a cruise sustainability fee to all cruise lines calling at the Ogden Point Terminal. Cruise sustainability fee revenues are used solely to recover and fund capital expenditures related to the construction or improvement of cruise infrastructure. The cruise sustainability fee is \$2.05 (effective April 1, 2016) per cruise line passenger.

# GREATER VICTORIA HARBOUR AUTHORITY

Notes to Financial Statements

Year ended March 31, 2017

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## 10. Cruise sustainability fee (continued):

To March 31, 2017 cumulative sustainability fee revenues and grant funding received for cruise sustaining projects exceed cumulative expenditures as follows:

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Cruise sustainability fee revenues	\$ 6,044,713
Grant funding received for cruise sustaining projects	1,925,673
	<hr/> 7,970,386
Cruise sustaining expenditures	(7,798,082)
Excess of cruise sustainability revenue and grant funding received over cruise sustaining expenditures:	<hr/> \$ 172,304

## 11. Commitments and contingencies:

### (a) Lease commitments:

On September 1, 2012 the Society commenced a lease of the CPR Steamship Terminal Building for a term of 19 years and 7 months with 2 renewal terms of 10 years each. Under the lease agreement there is a fixed portion of base rent payable monthly as well as percentage rent which is payable annually. Percentage rent is based on one-half of revenues earned from tenants of the building less operating costs with a deduction for the amount of annual base rent and a deduction of \$75,000 tenant improvement allowance.

On April 1, 2016 the Society commenced a lease of the 1<sup>st</sup> floor of the Dogwood Building for a term of 7 years. Under the lease agreement there is a fixed portion of base rent payable monthly as well as a proportionate share of operating costs.

The fixed payments of base rent for the next five years are as follows:

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	Steamship Terminal	Dogwood
2018	\$ 345,000	\$ 94,878
2019	345,000	94,878
2020	345,000	100,149
2021	370,000	100,149
2022	370,000	105,420
Thereafter	4,132,000	105,420

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# GREATER VICTORIA HARBOUR AUTHORITY

Notes to Financial Statements

Year ended March 31, 2017

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## 11. Commitments and contingencies (continued):

### (b) Contingent asset:

Under the Steamship Terminal lease agreement and subject to certain conditions, the landlord will provide the Society with up to \$1,500,000 of tenant improvement allowance to be realized by way of a \$75,000 annual deduction against percentage rent. Within the first four years of the initial term of the lease the annual deduction may be accrued and carried forward for deduction against the landlord's percentage rent. The allowance was not applied in the current year, however it is anticipated that it will be deducted against future percentage rent payable.

## 12. Board of directors' fees:

For purposes of director's fees, as per amendment to Special Resolution 14.04.04, CAM-Sec 4.4, annual director's fees shall not exceed 5% of the previous year's gross revenues. The total fees paid in the fiscal year amounted to \$154,251 which represented 1.3% of the previous year's gross revenues (2016 - \$153,052, 1.4%).

## 13. Employee and Contractor remuneration:

For the fiscal year ending March 31, 2017, the Society paid total remuneration of \$1,079,316 to the 10 highest paid employees and contractors for services, each of whom received total annual remuneration of \$75,000 or greater. Remuneration includes salaries, benefits and bonuses.

## 14. Financial instruments:

### (a) Foreign currency risk:

The Society holds investments in equities outside of Canada which are subject to foreign exchange risk (note 5).

### (b) Interest rate risk:

The Society's exposure to interest rate risk relates to its investments in fixed income securities. The fair value of these instruments are directly impacted by changes in interest rates. The objective of the Society's investment policy is to control interest rate risk by managing its interest rate exposure.

### (c) Credit risk:

Credit risk is the risk that a third party to a financial instrument might fail to meet its obligations under the terms of the financial instrument. For cash, cash equivalents, guaranteed investment certificates, investments and receivables, the Society's credit risk is limited to the carrying value on the statement of financial position.

The Society manages the risk associated with the concentration of credit risk through its policy of dealing with high credit quality financial institutions.

# GREATER VICTORIA HARBOUR AUTHORITY

Notes to Financial Statements

Year ended March 31, 2017

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## 14. Financial instruments (continued):

### (d) Market risk:

Market price risk is the risk that the value of an instrument will fluctuate as a result of changes in market prices, whether those changes are caused by factors specific to an individual investment, its issuer or all factors affecting all instruments traded in the market. As all of the Society's investments are carried at fair value with fair value changes recognized in the statement of operations, all changes in market conditions will directly result in an increase or decrease in net assets. The objective of market risk management is to mitigate market risk exposures within acceptable parameters while optimizing the return on risk.

This risk is mitigated by the investment policies for the respective asset mixes to be followed by the investment managers with established guidelines for a risk tolerance and exposures, the requirements for diversification of investments within each asset class and credit quality constraints on fixed income investments.

## 15. Significantly influenced organization:

Skwin'ang'eth Selas Development Company was incorporated on December 19, 2013 under the Canada Not-for-profit Corporations Act with the purpose of, among other things, promoting economic development opportunities for the Esquimalt Nation and Songhees Nation communities.

The non-profit organization was established jointly by the Esquimalt Nation, Songhees Nation and Greater Victoria Harbour Authority with equal representation on its Board of Directors. As a non-profit corporation, activities will not be carried out for the purpose of return for the Society. Any surpluses will be used to further the corporation's purpose.

On April 1, 2014 the Society and the Skwin'ang'eth Selas Development Company initiated a revenue contribution agreement for a term of 3 years. During the term of the agreement the Society will contribute a portion of its operating revenue (excluding cruise sustainability fees and other recovered costs and in-kind revenue) in respect of each operating year (2015 - 0.50%, 2016 - 0.75% and 2017 - 1.00%) payable quarterly. On June 9, 2016 the Members of Skwin'ang'eth Selas determined they wish to have the Company become non-active for a period of 18 months. At the time of becoming inactive, it was resolved by the Members that Greater Victoria Harbour Authority be released from the contractual obligation to make quarterly "percentage of revenue" contributions and the contract be terminated effective March 31, 2016.

For the fiscal year ending March 31, 2017, Greater Victoria Harbour Authority committed the "percentage of revenue" that would have been payable to Skwin'ang'eth Selas (2017 - 1%) to First Nations initiatives overseen by Greater Victoria Harbour Authority's First Nations and Economic Development Committee of the Board. In 2017, the amount committed to First Nations initiatives totaled \$109,368 of which \$101,900 was unspent at March 31, 2017. First Nations initiatives are recognized in the Society's administrative expense category in the statement of operations.



# GREATER VICTORIA HARBOUR AUTHORITY

Notes to Financial Statements

Year ended March 31, 2017

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## **16. Budget data:**

The budget data presented in these financial statements is based upon the 2017 operating and capital budgets approved by the Board of Directors on March 3, 2016.

## **17. Comparative information:**

Certain comparative information has been reclassified to conform with the financial statement presentation adopted in the current year.