

Condensed Consolidated Interim Financial Statements of

**LAND TITLE AND SURVEY AUTHORITY
OF BRITISH COLUMBIA**

Three and six months ended September 30, 2016 and 2015
(Unaudited)

LAND TITLE AND SURVEY AUTHORITY OF BRITISH COLUMBIA

Condensed Consolidated Statements of Comprehensive Income

(Unaudited)

(Expressed in Canadian dollars)

Three and six months ended September 30

	Three Months		Six Months	
	2016	2015	2016	2015
Revenue (note 4)	\$11,841,936	\$10,917,983	\$23,858,174	\$21,223,304
Expenses:				
Salaries and benefits	3,329,316	3,030,344	6,742,558	6,188,592
Information services	819,226	861,346	1,634,734	1,690,476
Office and business expenses	397,018	95,402	909,860	564,937
Building occupancy	803,662	1,536,541	1,594,056	2,376,754
Professional fees	372,266	244,714	755,882	521,222
Amortization	1,660,999	1,309,109	3,250,213	2,597,455
	7,382,487	7,077,456	14,887,303	13,939,436
Operating income	4,459,449	3,840,527	8,970,871	7,283,868
Other income (expenses):				
Bank charges, interest and investment fees	(28,700)	(27,040)	(56,933)	(52,169)
Interest income	140,367	104,601	262,846	190,930
Gain (loss) on disposal of property and equipment	760	(73,650)	915	(79,534)
	112,427	3,911	206,828	59,227
Income and comprehensive income before income taxes	4,571,876	3,844,438	9,177,699	7,343,095
Income taxes (note 10)				
Current	193,989	6,317	399,242	190,358
Deferred	(13,787)	27,452	(33,529)	57,063
	180,202	33,769	365,713	247,421
Net income and comprehensive income	\$ 4,391,674	\$ 3,810,669	\$ 8,811,986	\$ 7,095,674

See accompanying notes to the condensed consolidated interim financial statements.

LAND TITLE AND SURVEY AUTHORITY OF BRITISH COLUMBIA

Condensed Consolidated Statements of Financial Position

(Unaudited)

(Expressed in Canadian dollars)

	September 30, 2016	March 31, 2016
Assets		
Current assets:		
Cash and cash equivalents (note 5)	\$ 34,428,167	\$ 27,318,650
Investments (note 6)	19,096,893	19,086,274
Funds held for customers (note 7)	3,375,088	3,040,721
Trade and other receivables	29,961	24,951
Prepaid expenses	393,430	525,303
	57,323,539	49,995,899
Property and equipment (note 8)	4,706,234	4,907,636
Intangible assets (note 9)	26,701,352	26,451,396
	31,407,586	31,359,032
	\$ 88,731,125	\$ 81,354,931
Liabilities and Equity		
Current liabilities:		
Trade and other payables	\$ 4,283,089	\$ 6,231,676
Customer deposits held (note 7)	3,375,088	3,040,721
Provisions (note 11)	1,092,492	1,092,492
Employee benefits (note 12)	1,553,324	1,740,407
Deferred revenue	677,485	591,176
Income taxes payable	249,523	238,588
	11,231,001	12,935,060
Deferred tax liabilities (note 10)	652,462	685,991
Other non-current liabilities (note 13)	2,068,576	1,766,780
	2,696,018	2,452,771
Total liabilities	13,952,039	15,387,831
Equity:		
Retained earnings	74,779,086	65,967,100
	\$ 88,731,125	\$ 81,354,931

See accompanying notes to the condensed consolidated interim financial statements.

LAND TITLE AND SURVEY AUTHORITY OF BRITISH COLUMBIA

Condensed Consolidated Statements of Changes in Equity
(Unaudited)
(Expressed in Canadian dollars)

Six months ended September 30, 2016 and 2015

	Unappropriated retained earnings	Assurance Fund Reserve	Total retained earnings
Balance, April 1, 2015	\$ 49,017,106	\$ 6,000,000	\$ 55,017,106
Net income and comprehensive income	7,095,674	-	7,095,674
Balance, September 30, 2015	\$ 56,112,780	\$ 6,000,000	\$ 62,112,780
Balance, April 1, 2016	\$ 59,967,100	\$ 6,000,000	\$ 65,967,100
Net income and comprehensive income	8,811,986	-	8,811,986
Balance, September 30, 2016	\$ 68,779,086	\$ 6,000,000	\$ 74,779,086

See accompanying notes to the condensed consolidated interim financial statements.

LAND TITLE AND SURVEY AUTHORITY OF BRITISH COLUMBIA

Condensed Consolidated Statements of Cash Flows

(Unaudited)

(Expressed in Canadian dollars)

Three and six months ended September 30

	Three Months		Six Months	
	2016	2015	2016	2015
Cash flow from operating activities:				
Cash received for:				
Fees	\$ 11,785,090	\$ 10,837,272	\$ 23,944,374	\$ 21,367,364
Fees collected on behalf of the Province of BC	11,720,878	9,711,466	23,726,913	18,070,864
Fees collected on behalf of other parties	1,015,549	477,193	2,054,909	698,132
Interest	169,105	100,504	293,319	235,990
	24,690,622	21,126,435	50,019,515	40,372,350
Cash paid for:				
Salaries and benefits	(2,854,350)	(2,751,838)	(6,929,641)	(6,504,581)
Goods and services	(1,900,096)	(2,671,227)	(4,882,700)	(4,565,190)
Sales and income taxes	(183,190)	(107,882)	(598,613)	(350,056)
Interest	(386)	(1,063)	(999)	(1,626)
Fees submitted to the Province of BC	(11,798,342)	(9,722,287)	(23,714,325)	(18,005,008)
Fees submitted to other parties	(1,019,540)	(473,578)	(2,055,023)	(692,405)
	(17,755,904)	(15,727,875)	(38,181,301)	(30,118,866)
Total cash flow from operating activities	6,934,718	5,398,560	11,838,214	10,253,484
Cash flow from financing activities:				
Repayment of finance lease obligation	(3,502)	(9,358)	(10,448)	(12,682)
Cash flow from investing activities:				
Purchase of investments	(2,734,309)	(293,506)	(2,734,309)	(1,417,973)
Proceeds from sale or maturity of investments	-	2,352,899	2,723,689	2,625,366
Purchase of property and equipment	(198,608)	(292,388)	(347,384)	(445,499)
Proceeds from disposal of property and equipment	760	470	915	1,836
Purchase of intangible assets	(1,406,769)	(1,229,167)	(4,361,160)	(2,968,564)
	(4,338,926)	538,308	(4,718,249)	(2,204,834)
Net increase in cash and cash equivalents	2,592,290	5,927,510	7,109,517	8,035,968
Cash and cash equivalents, beginning of period	31,835,877	21,303,244	27,318,650	19,194,786
Cash and cash equivalents, end of period	\$ 34,428,167	\$ 27,230,754	\$ 34,428,167	\$ 27,230,754

See accompanying notes to the condensed consolidated interim financial statements

LAND TITLE AND SURVEY AUTHORITY OF BRITISH COLUMBIA

Notes to Condensed Consolidated Interim Financial Statements

(Unaudited)

(Expressed in Canadian dollars)

Three and six months ended September 30, 2016

1. Nature of operations

The Land Title and Survey Authority of British Columbia (the "LTSA") is an independent, not-for-profit corporation without share capital. It is established under the Land Title and Survey Authority Act and has responsibility for managing, operating and maintaining British Columbia's land title and land survey systems. Our corporate head office is located at Suite 200, 1321 Blanshard Street, Victoria, British Columbia. The LTSA's primary customers are lawyers, notaries public and land surveyors who act on behalf of those who have an interest in conducting land-related transactions. Other stakeholders include all levels of government and First Nations, real estate professionals, financial institutions, historians, registry agents and other organizations, and the general public.

The LTSA operates independently from the provincial government, but must meet obligations and targets that the provincial government has established for it both in legislation and in a written Operating Agreement. The Operating Agreement has a term of 60 years, with the provision to renegotiate the revenue arrangement between the Province and the LTSA every 10 years.

2. Basis of presentation and statement of compliance

These unaudited condensed consolidated interim financial statements have been prepared using the same accounting policies and methods as those used in the LTSA's consolidated financial statements for the year ended March 31, 2016. These condensed consolidated interim financial statements have been prepared in accordance with International Financial Reporting Standard 34, *Interim Financial Reporting*. Accordingly, certain disclosures normally included in annual financial statements prepared in accordance with International Financial Reporting Standards ("IFRS") have been omitted or condensed. These condensed consolidated interim financial statements should be read in conjunction with the LTSA's consolidated financial statements for the year ended March 31, 2016, which are included in the LTSA's 2016 annual report. These consolidated interim financial statements were authorized for issuance on November 18, 2016 by the LTSA's Board of Directors.

LAND TITLE AND SURVEY AUTHORITY OF BRITISH COLUMBIA

Notes to Condensed Consolidated Interim Financial Statements

(Unaudited)

(Expressed in Canadian dollars)

Three and six months ended September 30, 2016

3. Segment information

The LTSA has three reportable segments:

- Core Business, comprising the operations of the land title and surveyor general divisions;
- myLTSA, a simple electronic and communications portal to LTSA information and services; and
- ParcelMap BC (“PMBC”), a single, complete, trusted and sustainable electronic map of all titled parcels and surveyed provincial Crown land parcels.

The following tables summarize the operating performance of the reportable segments:

Three months ended September 30, 2016	Core Business	myLTSA	PMBC	Total
Revenue	\$ 8,947,770	\$ 1,796,356	\$1,097,810	\$ 11,841,936
Expenses:				
Salaries and benefits	2,649,891	543,711	135,714	3,329,316
Information services	474,993	205,653	138,580	819,226
Office and business	366,731	27,902	2,385	397,018
Building occupancy	708,424	73,138	22,100	803,662
Professional fees	331,047	32,147	9,072	372,266
Amortization	974,461	269,171	417,367	1,660,999
Total expenses	5,505,547	1,151,722	725,218	7,382,487
Other income and expenses	111,316	1,111	-	112,427
Income and comprehensive income before income taxes	3,553,539	645,745	372,592	4,571,876
Income taxes (recoverable)				
Current	10,320	179,315	4,354	193,989
Deferred	(3,207)	(10,580)	-	(13,787)
	7,113	168,735	4,354	180,202
Net income and comprehensive income	\$ 3,546,426	\$ 477,010	\$ 368,238	\$ 4,391,674

LAND TITLE AND SURVEY AUTHORITY OF BRITISH COLUMBIA

Notes to Condensed Consolidated Interim Financial Statements

(Unaudited)

(Expressed in Canadian dollars)

Three and six months ended September 30, 2016

3. Segment information (continued)

Six months ended September 30, 2016	Core Business	myLTSA	PMBC	Total
Revenue	\$ 18,017,654	\$ 3,636,523	\$ 2,203,997	\$ 23,858,174
Expenses:				
Salaries and benefits	5,352,386	1,118,913	271,259	6,742,558
Information services	1,001,633	366,877	266,224	1,634,734
Office and business	822,310	80,997	6,553	909,860
Building occupancy	1,404,773	145,349	43,934	1,594,056
Professional fees	670,515	67,509	17,858	755,882
Amortization	1,943,203	534,919	772,091	3,250,213
Total expenses	11,194,820	2,314,564	1,377,919	14,887,303
Other income and expenses	204,596	2,232	-	206,828
Income and comprehensive income before income taxes	7,027,430	1,324,191	826,078	9,177,699
Income taxes (recoverable)				
Current	20,714	370,155	8,373	399,242
Deferred	(5,588)	(27,941)	-	(33,529)
	15,126	342,214	8,373	365,713
Net income and comprehensive income	\$ 7,012,304	\$ 981,977	\$ 817,705	\$ 8,811,986
September 30, 2016				
Assets	\$ 65,098,692	\$ 7,056,618	\$ 16,575,815	\$ 88,731,125
Liabilities	\$ 3,946,650	\$ 4,656,852	\$ 5,348,537	\$ 13,952,039

LAND TITLE AND SURVEY AUTHORITY OF BRITISH COLUMBIA

Notes to Condensed Consolidated Interim Financial Statements

(Unaudited)

(Expressed in Canadian dollars)

Three and six months ended September 30, 2016

3. Segment information (continued)

Three months ended September 30, 2015	Core Business	myLTSA	PMBC	Total
Revenue	\$ 8,306,649	\$ 1,588,390	\$1,022,944	\$ 10,917,983
Expenses:				
Salaries and benefits	2,504,464	525,880	-	3,030,344
Information services	658,931	202,415	-	861,346
Office and business	57,821	37,581	-	95,402
Building occupancy	1,449,937	86,604	-	1,536,541
Professional fees	192,869	51,845	-	244,714
Amortization	968,640	252,907	87,562	1,309,109
Total expenses	5,832,662	1,157,232	87,562	7,077,456
Other income and expenses	2,402	1,509	-	3,911
Income and comprehensive income before income taxes	2,476,389	432,667	935,382	3,844,438
Income taxes (recoverable)				
Current	(84,504)	88,223	2,598	6,317
Deferred	(241)	27,693	-	27,452
	(84,745)	115,916	2,598	33,769
Net income and comprehensive income	\$ 2,561,134	\$ 316,751	\$ 932,784	\$ 3,810,669

LAND TITLE AND SURVEY AUTHORITY OF BRITISH COLUMBIA

Notes to Condensed Consolidated Interim Financial Statements

(Unaudited)

(Expressed in Canadian dollars)

Three and six months ended September 30, 2016

3. Segment information (continued)

Six months ended September 30, 2015	Core Business	myLTSA	PMBC	Total
Revenue	\$ 16,096,038	\$ 3,144,922	\$ 1,982,344	\$ 21,223,304
Expenses:				
Salaries and benefits	5,398,826	789,766	-	6,188,592
Information services	1,315,707	374,769	-	1,690,476
Office and business	514,411	50,526	-	564,937
Building occupancy	2,239,127	137,627	-	2,376,754
Professional fees	469,377	51,845	-	521,222
Amortization	1,939,755	491,201	166,499	2,597,455
Total expenses	11,877,203	1,895,734	166,499	13,939,436
Other income and expenses	54,626	4,601	-	59,227
Income and comprehensive income before income taxes	4,218,835	1,253,789	1,815,845	7,343,095
Income taxes (recoverable)				
Current	(84,137)	270,464	4,031	190,358
Deferred	2,320	54,743	-	57,063
	(81,817)	325,207	4,031	247,421
Net income and comprehensive income	\$ 4,355,278	\$ 928,582	\$ 1,811,814	\$ 7,095,674
September 30, 2015				
Assets	\$ 54,534,490	\$ 10,499,333	\$ 10,913,641	\$ 75,947,464
Liabilities	\$ 2,545,519	\$ 3,621,970	\$ 7,667,195	\$ 13,834,684

LAND TITLE AND SURVEY AUTHORITY OF BRITISH COLUMBIA

Notes to Condensed Consolidated Interim Financial Statements

(Unaudited)

(Expressed in Canadian dollars)

Three and six months ended September 30, 2016

4. Revenue

The LTSA's sources of revenue from operations are as follows:

	Three months ended		Six months ended	
	September 30,		September 30,	
	2016	2015	2016	2015
Information products	\$ 3,794,405	\$ 2,901,271	\$ 7,819,926	\$ 5,839,081
Examination services	6,251,175	6,428,322	12,401,725	12,239,300
Service fees	1,796,356	1,588,390	3,636,523	3,144,923
	\$ 11,841,936	\$ 10,917,983	\$ 23,858,174	\$ 21,223,304

On April 17, 2016, a non-refundable subscription fee service, Parcel Activity Notifier, was introduced through myLTSA. The parcel monitoring service alerts myLTSA customers when a legal notation, register correction or pending activity occurs on a parcel of land they have chosen to monitor. The subscription period is for 180 days and revenue is recognized proportionately over the subscription period with the outstanding balance recorded as deferred revenue. The monthly recognition of the subscription revenue begins on the day the transaction is completed. Unrecognized revenue is recognized immediately upon early cancellation of a subscription.

5. Cash and cash equivalents

	September 30, 2016	March 31, 2016
Cash in bank and on hand	\$ 30,380,802	\$ 23,380,124
Cash equivalents	4,047,365	3,938,526
	\$ 34,428,167	\$ 27,318,650

Included in cash in bank and on hand is fees payable to the Province of British Columbia of \$291,672 (March 31, 2016: \$279,084), fees payable to the Law Society of British Columbia of \$6,778 (March 31, 2016: \$6,654), and fees payable to Access Point Information Canada Ltd. of \$6,494 (March 31, 2016: \$6,732).

Under the terms of the Operating Agreement with the Province of British Columbia, the province's share of fees are collected on behalf of the province and must be remitted within one business day of collection. These amounts payable to the province are included in trade and other payables.

LAND TITLE AND SURVEY AUTHORITY OF BRITISH COLUMBIA

Notes to Condensed Consolidated Interim Financial Statements

(Unaudited)

(Expressed in Canadian dollars)

Three and six months ended September 30, 2016

6. Investments

	September 30, 2016	March 31, 2016
Short-term notes	\$ 15,524,469	\$ 2,838,732
Bonds	3,572,424	16,247,542
	\$ 19,096,893	\$ 19,086,274

7. Funds held for customers

At September 30, 2016, LTSA held funds due to customers in the amount of \$3,375,088 (March 31, 2016 - \$3,040,721). The funds held for customers are comprised of cash transferred by customers into their myLTSA deposit accounts and held in trust.

8. Property and equipment

	Vault storage systems	Technical equipment	Office furniture and equipment	Leasehold improvements	Total
Cost					
Balance, April 1, 2015	\$ 413,983	\$ 2,366,466	\$ 1,912,382	\$ 4,782,618	\$ 9,475,449
Additions	6,647	203,577	223,124	247,119	680,467
Disposals	-	(11,796)	(118,156)	(104,859)	(234,811)
Balance, September 30, 2015	\$ 420,630	\$ 2,558,247	\$ 2,017,350	\$ 4,924,878	\$ 9,921,105
Balance, April 1, 2016	\$ 424,538	\$ 2,619,526	\$ 2,084,140	\$ 4,951,232	\$ 10,079,436
Additions	11,733	48,562	183,472	120,064	363,831
Disposals	-	(5,382)	(86,844)	-	(92,226)
Balance, September 30, 2016	\$ 436,271	\$ 2,662,706	\$ 2,180,768	\$ 5,071,296	\$ 10,351,041
Amortization					
Balance, April 1, 2015	\$ (204,380)	\$ (1,822,577)	\$ (771,352)	\$ (1,437,913)	\$ (4,236,222)
Amortization	(20,452)	(132,650)	(115,065)	(276,233)	(544,400)
Disposals	-	11,796	106,159	35,487	153,442
Balance, September 30, 2015	\$ (224,832)	\$ (1,943,431)	\$ (780,258)	\$ (1,678,659)	\$ (4,627,180)
Balance, April 1, 2016	\$ (245,548)	\$ (2,073,150)	\$ (900,308)	\$ (1,952,794)	\$ (5,171,800)
Amortization	(21,091)	(128,879)	(39,860)	(283,177)	(473,007)
Disposals	-	-	-	-	-
Balance, September 30, 2016	\$ (266,639)	\$ (2,202,029)	\$ (940,168)	\$ (2,235,971)	\$ (5,644,807)
Net book value					
September 30, 2015	\$ 195,798	\$ 614,816	\$ 1,237,092	\$ 3,246,219	\$ 5,293,925
September 30, 2016	\$ 169,632	\$ 460,677	\$ 1,240,600	\$ 2,835,325	\$ 4,706,234

LAND TITLE AND SURVEY AUTHORITY OF BRITISH COLUMBIA

Notes to Condensed Consolidated Interim Financial Statements

(Unaudited)

(Expressed in Canadian dollars)

Three and six months ended September 30, 2016

8. Property and equipment (continued)

Included in technical equipment at September 30, 2016 is \$99,231 (March 31, 2016 - \$99,231) of equipment held under a finance lease and related accumulated amortization of \$54,385 (March 31, 2016 - \$41,834).

9. Intangible assets

	Software systems	Software systems under development	Cadastral fabric	Cadastral fabric under development	Total
Cost					
Balance, April 1, 2015	\$ 33,947,800	\$ 1,694,481	\$ -	\$ 3,313,974	\$ 38,956,255
Additions	87,437	2,639,831	-	1,654,768	4,382,036
Transfers	187,770	(187,770)	580,783	(580,783)	-
Disposals	(723,225)	-	-	-	(723,225)
Balance, September 30, 2015	\$ 33,499,782	\$ 4,146,542	\$ 580,783	\$ 4,387,959	\$ 42,615,066
Balance, April 1, 2016	\$ 36,372,646	\$ 3,419,866	\$ 1,742,349	\$ 5,436,561	\$ 46,971,422
Additions	27,814	1,376,941	-	1,530,181	2,934,936
Transfers	4,288,114	(4,288,114)	3,484,698	(3,484,698)	-
Disposals	-	-	-	-	-
Balance, September 30, 2016	\$ 40,688,574	\$ 508,693	\$ 5,227,047	\$ 3,482,044	\$ 49,906,358
Amortization					
Balance, April 1, 2015	\$ (16,886,853)	\$ -	\$ -	\$ -	\$ (16,886,853)
Amortization	(2,046,606)	-	(6,453)	-	(2,053,059)
Disposals	716,448	-	-	-	716,448
Balance, September 30, 2015	\$ (18,217,011)	\$ -	\$ (6,453)	\$ -	\$ (18,223,464)
Balance, April 1, 2016	\$ (20,468,401)	\$ -	\$ (51,625)	\$ -	\$ (20,520,026)
Amortization	(2,549,464)	-	(135,516)	-	(2,684,980)
Disposals	-	-	-	-	-
Balance, September 30, 2016	\$ (23,017,865)	\$ -	\$ (187,141)	\$ -	\$ (23,205,006)
Net book value					
September 30, 2015	\$ 15,282,771	\$ 4,146,542	\$ 574,330	\$ 4,387,959	\$ 24,391,602
September 30, 2016	\$ 17,670,709	\$ 508,693	\$ 5,039,906	\$ 3,482,044	\$ 26,701,352

Software systems under development are primarily costs to design, build and implement ParcelMap BC, the LTSA's land title and registry system and myLTSA. Cadastral fabric under development is for costs to design, build and implement ParcelMap BC.

LAND TITLE AND SURVEY AUTHORITY OF BRITISH COLUMBIA

Notes to Condensed Consolidated Interim Financial Statements

(Unaudited)

(Expressed in Canadian dollars)

Three and six months ended September 30, 2016

10. Income taxes

	September 30, 2016	March 31, 2016
Deferred tax liabilities:		
Technical equipment	\$ 11,830	\$ 17,121
Office furniture and equipment	9,497	10,182
Leasehold improvements	(4,615)	(5,003)
Software systems	635,750	663,691
	\$ 652,462	\$ 685,991

The LTSA's income tax expense varies from the amount that would otherwise result from the application of the statutory income tax rates as set out below:

	Three months ended September 30,		Six months ended September 30,	
	2016	2015	2016	2015
Net earnings before income taxes	\$ 4,571,876	\$ 3,844,438	\$ 9,177,699	\$ 7,343,095
Net tax exempt earnings	(3,904,768)	(3,714,557)	(7,811,014)	(6,391,475)
Net earnings subject to income taxes	\$ 667,108	\$ 129,881	\$ 1,366,685	\$ 951,620
Expected income tax expense at the combined tax rate of 26% (2015: 26%)	\$ 173,448	\$ 33,769	\$ 355,338	\$ 247,421
Increase in income tax expense resulting from:				
Other	6,754	-	10,375	-
Income tax expense	\$ 180,202	\$ 33,769	\$ 365,713	\$ 247,421

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Notes to Condensed Consolidated Interim Financial Statements

(Unaudited)

(Expressed in Canadian dollars)

Three and six months ended September 30, 2016

11. Provisions

All provisions are considered current. The carrying amounts and the movements in the provision account are as follows:

	Provision for legal claims	Other current provisions	Total
Balance, April 1, 2015	\$ 510,000	\$ 89,550	\$ 599,550
Additions	208,000	700,000	908,000
Reversals	(518,000)	-	(518,000)
Balance, September 30, 2015	\$ 200,000	\$ 789,550	\$ 989,550
Balance, April 1, 2016 and September 30, 2016	\$ 1,002,596	\$ 89,896	\$ 1,092,492

12. Employee benefits

The liabilities recognized for employee benefits consist of the following amounts:

	September 30, 2016	March 31, 2016
Salaries payable	\$ 810,673	\$ 1,109,506
Employee leave liability	633,092	536,602
Superannuation and group RRSP benefits	109,559	94,299
	\$ 1,553,324	\$ 1,740,407

These liabilities represents the LTSA's obligations to its current and former employees that are expected to be settled during the next twelve months.

Public service pension plan

The LTSA recognized as an expense \$190,103 and \$374,362 for employer contributions to the plan during the three and six months ended September 30, 2016 (2015: \$182,652 and \$360,873).

LAND TITLE AND SURVEY AUTHORITY OF BRITISH COLUMBIA

Notes to Condensed Consolidated Interim Financial Statements

(Unaudited)

(Expressed in Canadian dollars)

Three and six months ended September 30, 2016

12. Employee benefits (continued)

LandSure retirement benefit

LandSure contributes 6.0% of employees' base salaries to a group registered retirement savings plan. The amount recognized as an expense for the three and six months ended September 30, 2016 was \$36,423 and \$72,749 (2015 - \$31,775 and \$62,724).

13. Other non-current liabilities

	September 30, 2016	March 31, 2016
Holdbacks payable	\$ 2,044,243	\$ 1,735,219
Capital lease obligation	24,333	31,561
	\$ 2,068,576	\$ 1,766,780

14. Related party transactions

Province of British Columbia

The Province of British Columbia provincial ministries, central agencies and certain other organizations are exempt from the payment of LTSA fees. During the three and six months ended September 30, 2016, the LTSA provided services to these organizations which, if assessed fees at the usual rates applicable to other entities, would have resulted in additional revenues of \$967,258 and \$1,693,587 (2015 - \$664,597 and \$1,345,528).

Products and services acquired from the province for the three and six months ended September 30, 2016 totalled \$143,561 and \$319,164 (2015 - \$198,852 and \$384,472).

Real property taxation authorities

Various real property taxation authorities are entitled to use the land title system free of charge for the administration of the taxation of real property. During the three and six months ended September 30, 2016, the LTSA provided services to these authorities which, if assessed fees at the usual rates applicable to other entities, would have resulted in additional revenues of \$178,745 and \$336,706 (2015 - \$161,581 and \$322,934).