

**LEGISLATIVE ASSEMBLY OF THE  
NORTHWEST TERRITORIES  
7<sup>TH</sup> COUNCIL, 54<sup>TH</sup> SESSION**

**TABLED DOCUMENT NO. 14-54**

**TABLED ON JANUARY 17, 1975**

Tabled Document No. 14-54  
Tabled January 17 1975



NORTHWEST TERRITORIES

Financial statements for the year ended March 31, 1974  
together with the Auditor General's Certificate with respect thereto

NORTHWEST TERRITORIES

Statement of Assets and Liabilities  
as at March 31, 1974

(with comparative figures as at March 31, 1973)

Assets

Liabilities

	<u>1974</u>	<u>1973</u>
<b>Current:</b>		
Cash	\$ 4,472,480	\$ 14,665,150
Accounts receivable	9,676,486	4,099,021
Inventories, at cost	<u>3,715,305</u>	<u>1,550,357</u>
	<u>17,864,271</u>	<u>20,314,528</u>
<b>Long-term receivables:</b>		
Loans to municipalities and school districts	5,983,125	5,252,128
Housing loans	159,931	668,758
Other loans, less provision of \$10,940 for doubtful accounts (Note 1)	<u>289,864</u>	<u>234,819</u>
	<u>6,432,920</u>	<u>6,155,705</u>
Investment in Northwest Territories Housing Corporation (Note 2)	<u>566,744</u>	<u>-</u>
<b>Capital (Note 3):</b>		
Land and buildings	48,160,859	36,713,254
Vacant land	368,640	406,642
Vehicles	7,097,436	4,044,517
Other capital assets	<u>2,053,980</u>	<u>1,519,825</u>
	<u>57,680,915</u>	<u>42,684,238</u>
<b>Other:</b>		
In trust - Department of Public Services	511,123	435,993
	<u>\$ 83,055,973</u>	<u>\$ 69,590,464</u>

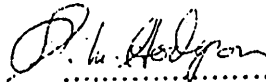
	<u>1974</u>	<u>1973</u>
<b>Current:</b>		
Accounts payable	\$ 9,925,447	\$ 11,905,756
Contractors' holdbacks	834,730	1,062,777
Unapplied balances of advances from Canada	-	110,433
Other	<u>879,692</u>	<u>389,557</u>
	<u>11,639,869</u>	<u>13,468,523</u>
Deferred revenue	<u>804,397</u>	<u>1,079,120</u>
<b>Long-term debt:</b>		
Loans from Canada -		
General purpose	78,987,357	63,747,426
Housing	3,938,375	3,011,472
Special	<u>259,677</u>	<u>338,265</u>
	83,185,409	67,097,163
Loans from Central Mortgage and Housing Corporation	<u>2,862,756</u>	<u>1,517,031</u>
	<u>86,048,165</u>	<u>68,614,194</u>
<b>Other:</b>		
In trust - Department of Public Services	499,091	426,225
Special reserve - Department of Public Services	12,032	9,467
Reserve for Workmen's Compensation Claims	<u>235,063</u>	<u>224,694</u>
	<u>746,186</u>	<u>660,687</u>
Current deficit (Schedule 1)	<u>(73,863,559)</u>	<u>(56,916,298)</u>
Capital surplus	<u>57,680,915</u>	<u>42,684,238</u>
	<u>\$ 83,055,973</u>	<u>\$ 69,590,464</u>

The accompanying notes are an integral part of the financial statement.

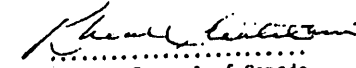
Certified correct

  
.....  
Territorial Treasurer

Approved

  
.....  
Commissioner

The above statement of assets and liabilities has been examined in accordance with my certificate dated October 3, 1974.

  
.....  
Auditor General of Canada

**NORTHWEST TERRITORIES**

**Statement of Expenditure and Revenue  
for the year ended March 31, 1974**

(with comparative figures for the year ended March 31, 1973)

<u>Expenditure</u>	<u>1974</u>	<u>1973</u>
Operation and maintenance:		
Education	\$ 21,752,380	\$ 19,888,481
Public Works	17,278,940	16,661,911
Administration	11,104,388	10,326,620
Local Government	10,089,930	9,051,048
Social Development	8,397,987	7,451,606
Health	8,076,669	7,896,500
Economic Development	5,686,125	5,341,459
Executive	4,475,687	2,863,997
Public Services	3,880,249	3,100,826
Information Services	634,462	428,839
Interest on loans from Canada	<u>4,816,043</u>	<u>3,327,884</u>
Capital	96,192,860	86,339,171
	32,263,016	25,312,803

\$ 128,455,876    \$ 111,651,974

<u>Revenue</u>	<u>1974</u>	<u>1973</u>
Operation and maintenance:		
Taxation and general revenue -		
Taxes	\$ 4,713,928	\$ 4,580,581
Liquor system - net profit (Schedule 2)	3,752,164	3,295,449
Housing rental recoveries	2,838,539	2,748,754
Economic development projects	1,272,184	1,012,308
Licenses and fees	1,092,885	890,305
Bank interest	708,502	1,132,767
Refund of previous years' expenditures	696,252	472,705
Heating fuel, power, water and sewer	660,021	1,078,904
Sundry	532,186	556,404
Board, lodging and sale of food	398,206	302,301
Rental of buildings and equipment	166,631	197,837
Sale of capital assets	<u>82,046</u>	<u>155,243</u>
Expenditure recoveries under Federal-Territorial cost-sharing agreements -	<u>16,913,544</u>	<u>16,423,558</u>
Health	5,181,927	5,228,687
Social Development	4,283,270	966,294
Indian and Eskimo Northern Housing	2,768,290	2,622,300
Public Works	2,169,962	1,717,299
Education	971,409	827,124
Local Government	112,908	293,602
Public Services	39,017	1,678,624
Economic Development	-	48,568
	<u>15,526,783</u>	<u>13,382,498</u>
Operating grants from Canada	56,025,000	51,526,000
Grant from Canada for repayment of loans from Canada	7,231,800	4,937,309
Grant in lieu of income taxes	6,471,000	5,049,000
Interest on loans to municipalities and school districts	<u>368,940</u>	<u>262,662</u>
	102,537,067	91,581,027
Capital recoveries	<u>8,971,548</u>	<u>3,580,734</u>
	111,508,615	95,161,761
Excess of expenditure over revenue	<u>16,947,261</u>	<u>16,490,213</u>
	<u>\$ 128,455,876</u>	<u>\$ 111,651,974</u>

The accompanying notes are an integral part of the financial statements.

Certified correct

*[Signature]*  
Territorial Treasurer

Approved

*[Signature]*  
Commissioner

The above statement of expenditure and revenue has been examined in accordance with my certificate dated October 3, 1974.

*[Signature]*  
Auditor General of Canada



AUDITOR GENERAL OF CANADA

AUDITEUR GÉNÉRAL DU CANADA

Ottawa, October 3, 1974.

The Council of the Northwest Territories,  
Yellowknife, N.W.T.

Sirs,

The accounts and financial transactions of the Northwest Territories have been examined for the year ended March 31, 1974.

My examination included a general review of the accounting procedures and such tests of accounting records and supporting evidence as I considered necessary in the circumstances.

In compliance with the requirements of section 23(4) of the Northwest Territories Act I report that, in my opinion:


(a) proper books of account have been kept by the Territories;

(b) the financial statements of the Territories

- (i) were prepared on a basis consistent with that of the preceding fiscal year and are in agreement with the books of account,
- (ii) in the case of the statement of expenditure and revenue, give a true and fair view of the expenditures and revenues of the Territories for the fiscal year, and
- (iii) in the case of the statement of assets and liabilities, give a true and fair view of the affairs of the Territories at the end of the fiscal year; and

(c) the transactions of the Territories that have come under my notice, except for certain transactions which gave rise to overexpenditures of \$125,287 and \$14,430 in the appropriations of the Departments of Social Development and Local Government, have been within the powers of the Territories under the Northwest Territories Act and any other Act applicable to the Territories.

Yours faithfully,

  
for Auditor General of Canada.

<u>Assets</u>	<u>ities</u>	
	<u>1974</u>	<u>1973</u>
<b>Current:</b>		
Cash	\$ 9,925,447	\$ 11,905,756
Accounts receivable	834,730	1,062,777
Inventories, at cost	-	110,433
	<u>879,692</u>	<u>389,557</u>
<b>Long-term receivables:</b>	<u>11,639,869</u>	<u>13,468,523</u>
Loans to municipalities and school districts	<u>804,397</u>	<u>1,079,120</u>
Housing loans		
Other loans, less provision of \$10,940 for doubtful accounts (Note 1)	78,987,357	63,747,426
	3,938,375	3,011,472
	<u>259,677</u>	<u>338,265</u>
<b>Investment in Northwest Territories Housing Corporation (Note 2)</b>	83,185,409	67,097,163
	<u>2,862,756</u>	<u>1,517,031</u>
<b>Capital (Note 3):</b>	<u>86,048,165</u>	<u>68,614,194</u>
Land and buildings		
Vacant land		
Vehicles		
Other capital assets	499,091	426,526
	12,032	9,467
<b>Other:</b>	<u>235,063</u>	<u>224,694</u>
In trust - Department of Public Services	<u>746,186</u>	<u>660,687</u>
	<u>(73,863,559)</u>	<u>(56,916,298)</u>
	<u>57,680,915</u>	<u>42,684,238</u>
	<u>\$ 83,055,973</u>	<u>\$ 69,590,464</u>

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

Certified correct

*[Signature]*  
 .....  
 Auditor General

Liabilities has been examined in Territorial T, 1974.

Approved

*[Signature]*  
 .....  
 Commissioner General of Canada

Commissioner General of Canada

	<u>Expenditure</u>	<u>Revenue</u>
Operation and maintenance:	<u>1974</u>	<u>1973</u>
Education	\$ 4,713,928	\$ 4,580,581
Public Works	3,752,164	3,295,449
	2,838,539	2,748,754
Administration	1,272,184	1,012,308
	1,092,885	890,305
Local Government	708,502	1,132,767
	696,252	472,705
Social Development	660,021	1,078,904
	532,186	556,404
Health	398,206	302,301
	166,631	197,837
Economic Development	82,046	155,243
	<u>16,913,544</u>	<u>16,423,558</u>
Executive		
Public Services	5,181,927	5,228,687
	4,283,270	966,294
Information Services	2,768,290	2,622,300
	2,169,962	1,717,299
Interest on loans from Canada	971,409	827,124
	112,908	293,602
	39,017	1,678,624
	-	48,568
	<u>15,526,783</u>	<u>13,382,498</u>
Capital		
	56,025,000	51,526,000
	7,231,800	4,937,309
	6,471,000	5,049,000
	<u>368,940</u>	<u>262,662</u>
	102,537,067	91,581,027
	<u>8,971,548</u>	<u>3,580,734</u>
	111,508,615	95,161,761
	<u>16,947,261</u>	<u>16,490,213</u>
	<u>\$ 128,455,876</u>	<u>\$ 111,651,974</u>

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Certified correct

*[Signature]*  
 .....d revenue has been examined in  
 Territorial 1974.

Approved

*[Signature]*  
 .....  
 Commissioner General of Canada



NORTHWEST TERRITORIESStatement of Current Deficit  
for the year ended March 31, 1974

(with comparative figures for the year ended March 31, 1973)

	<u>1974</u>	<u>1973</u>
Balance at beginning of year	\$ 56,916,298	\$ 40,214,556
Excess of expenditure over revenue for the year per Statement of Expenditure and Revenue	16,947,261	16,490,213
Unrecovered development costs of land held for resale at Pine Point	-	<u>211,529</u>
Balance at end of year	<u>\$ 73,863,559</u>	<u>\$ 56,916,298</u>

**NORTHWEST TERRITORIES**

**Statement of Assets and Liabilities  
as at March 31, 1974**

(with comparative figures as at March 31, 1973)

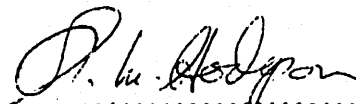
<u>Assets</u>	<u>1974</u>	<u>1973</u>	<u>Liabilities</u>	<u>1974</u>	<u>1973</u>
<b>Current:</b>			<b>Current:</b>		
Cash	\$ 4,472,480	\$ 14,663,150	Accounts payable	\$ 9,925,447	\$ 11,905,756
Accounts receivable	9,676,486	4,099,021	Contractors' holdbacks	834,730	1,062,777
Inventories, at cost	<u>3,715,305</u>	<u>1,550,357</u>	Unapplied balances of advances from Canada	-	110,433
	<u>17,864,271</u>	<u>20,314,528</u>	Other	<u>879,692</u>	<u>389,557</u>
<b>Long-term receivables:</b>				<u>11,639,869</u>	<u>13,468,523</u>
Loans to municipalities and school districts	5,983,125	5,252,128	Deferred revenue	<u>804,397</u>	<u>1,079,120</u>
Housing loans	159,931	668,758	<b>Long-term debt:</b>		
Other loans, less provision of \$10,940 for doubtful accounts (Note 1)	<u>289,864</u>	<u>234,819</u>	Loans from Canada -		
	<u>6,432,920</u>	<u>6,155,705</u>	General purpose	78,987,357	63,747,426
<b>Investment in Northwest Territories   Housing Corporation (Note 2)</b>	<u>566,744</u>	<u>-</u>	Housing	3,938,375	3,011,472
			Special	<u>259,677</u>	<u>338,265</u>
<b>Capital (Note 3):</b>				<u>83,185,409</u>	<u>67,097,163</u>
Land and buildings	48,160,859	36,713,254	Loans from Central Mortgage and Housing Corporation	<u>2,862,756</u>	<u>1,517,031</u>
Vacant land	368,640	406,642		<u>86,048,165</u>	<u>68,614,194</u>
Vehicles	7,097,436	4,044,517	<b>Other:</b>		
Other capital assets	<u>2,053,980</u>	<u>1,519,825</u>	In trust - Department of Public Services	499,091	426,526
	<u>57,680,915</u>	<u>42,684,238</u>	Special reserve - Department of Public Services	12,032	9,467
<b>Other:</b>			Reserve for Workmen's Compensation Claims	<u>235,063</u>	<u>224,694</u>
In trust - Department of Public Services	511,123	435,993		<u>746,186</u>	<u>660,687</u>
			<b>Current deficit (Schedule 1)</b>	<u>(73,863,559)</u>	<u>(56,916,298)</u>
	<u>\$ 83,055,973</u>	<u>\$ 69,590,464</u>	<b>Capital surplus</b>	<u>57,680,915</u>	<u>42,684,238</u>
				<u>\$ 83,055,973</u>	<u>\$ 69,590,464</u>

The accompanying notes are an integral part of the financial statement.

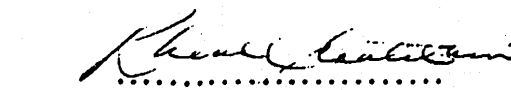
Certified correct

  
.....  
Territorial Treasurer

Approved

  
.....  
Commissioner

The above statement of assets and liabilities has been examined in accordance with my certificate dated October 3, 1974.

  
.....  
Auditor General of Canada

**NORTHWEST TERRITORIES**

**Statement of Expenditure and Revenue  
for the year ended March 31, 1974**

(with comparative figures for the year ended March 31, 1973)

<u>Expenditure</u>			<u>Revenue</u>		
	<u>1974</u>	<u>1973</u>		<u>1974</u>	<u>1973</u>
<b>Operation and maintenance:</b>			<b>Operation and maintenance:</b>		
Education	\$ 21,752,380	\$ 19,888,481	Taxation and general revenue -		
Public Works	17,278,940	16,661,911	Taxes	\$ 4,713,928	\$ 4,580,581
Administration	11,104,388	10,326,620	Liquor system - net profit (Schedule 2)	3,752,164	3,295,449
Local Government	10,089,930	9,051,048	Housing rental recoveries	2,838,539	2,748,754
Social Development	8,397,987	7,451,606	Economic development projects	1,272,184	1,012,308
Health	8,076,669	7,896,500	Licenses and fees	1,092,885	890,305
Economic Development	5,686,125	5,341,459	Bank interest	708,502	1,132,767
Executive	4,475,687	2,863,997	Refund of previous years' expenditures	696,252	472,705
Public Services	3,880,249	3,100,826	Heating fuel, power, water and sewer	660,021	1,078,904
Information Services	634,462	428,839	Sundry	532,186	556,404
Interest on loans from Canada	<u>4,816,043</u>	<u>3,327,884</u>	Board, lodging and sale of food	398,206	302,301
	96,192,860	86,339,171	Rental of buildings and equipment	166,631	197,837
			Sale of capital assets	<u>82,046</u>	<u>155,243</u>
<b>Capital</b>	<b>32,263,016</b>	<b>25,312,803</b>		<u><b>16,913,544</b></u>	<u><b>16,423,558</b></u>
			Expenditure recoveries under Federal-Territorial cost-sharing agreements -		
			Health	5,181,927	5,228,687
			Social Development	4,283,270	966,294
			Indian and Eskimo Northern Housing	2,768,290	2,622,300
			Public Works	2,169,962	1,717,299
			Education	971,409	827,124
			Local Government	112,908	293,602
			Public Services	39,017	1,678,624
			Economic Development	-	48,568
				<u>15,526,783</u>	<u>13,382,498</u>
			Operating grants from Canada	56,025,000	51,526,000
			Grant from Canada for repayment of loans from Canada	7,231,800	4,937,309
			Grant in lieu of income taxes	6,471,000	5,049,000
			Interest on loans to municipalities and school districts	<u>368,940</u>	<u>262,662</u>
				102,537,067	91,581,027
			Capital recoveries	<u>8,971,548</u>	<u>3,580,734</u>
				111,508,615	95,161,761
			Excess of expenditure over revenue	<u>16,947,261</u>	<u>16,490,213</u>
				<u>\$ 128,455,876</u>	<u>\$ 111,651,974</u>

The accompanying notes are an integral part of the financial statements.

Certified correct

*D. Halden*  
.....  
Territorial Treasurer

Approved

*P. M. Hooper*  
.....  
Commissioner

The above statement of expenditure and revenue has been examined in accordance with my certificate dated October 3, 1974.

*R. H. G. G. G.*  
.....  
Auditor General of Canada

NORTHWEST TERRITORIESStatement of Current Deficit  
for the year ended March 31, 1974

(with comparative figures for the year ended March 31, 1973)

	<u>1974</u>	<u>1973</u>
Balance at beginning of year	\$ 56,916,298	\$ 40,214,556
Excess of expenditure over revenue for the year per Statement of Expenditure and Revenue	16,947,261	16,490,213
Unrecovered development costs of land held for resale at Pine Point	<u>-</u>	<u>211,529</u>
Balance at end of year	<u>\$ 73,863,559</u>	<u>\$ 56,916,298</u>

NORTHWEST TERRITORIES

Liquor Control System  
 Statement of Profit and Loss  
 for the year ended March 31, 1974

(with comparative figures for the year ended March 31, 1973)

	<u>1974</u>	<u>1973</u>
<b>Sales:</b>		
Spirits	\$ 4,356,904	\$ 3,626,024
Beer	3,534,734	3,183,669
Wine	<u>812,374</u>	<u>686,486</u>
	8,704,012	7,496,179
Less: Discounts on sales	<u>57,544</u>	<u>-</u>
Net sales	<u>8,646,468</u>	<u>7,496,179</u>
<b>Cost of sales:</b>		
Opening inventory, beginning of year	1,181,829	712,921
Purchases	4,131,334	3,593,057
Freight	<u>782,628</u>	<u>745,558</u>
	6,095,791	5,051,536
Less: Closing inventory, end of year	<u>1,643,810</u>	<u>1,181,829</u>
	<u>4,451,981</u>	<u>3,869,707</u>
Gross profit on sales	<u>4,194,487</u>	<u>3,626,472</u>
<b>Other revenue:</b>		
Licenses	69,908	67,928
Import permits	43,983	57,249
Interest	43,890	19,903
Special licenses	5,287	5,798
Rent	960	960
Miscellaneous	<u>313</u>	<u>232</u>
	<u>164,341</u>	<u>152,070</u>
Gross profit and other revenue	4,358,828	3,778,542
<b>Expense:</b>		
Administrative	454,627	441,662
Commissions	106,337	-
Stock insurance	27,622	21,931
Storage allowance	9,209	6,148
Warehouse rental	8,169	13,217
Miscellaneous	<u>700</u>	<u>135</u>
	<u>606,664</u>	<u>483,093</u>
Net profit	<u>\$ 3,752,164</u>	<u>\$ 3,295,449</u>

## NORTHWEST TERRITORIES

### Notes to Financial Statements as at March 31, 1974

#### 1. Long-term receivables - Other loans

Other loans include \$87,741 on which no payments have been received for four years. Although it is doubtful that the amount will be collected, no provision for loss has been made.

#### 2. Investment in Northwest Territories Housing Corporation

The Corporation was established on January 1, 1974, as an agent of the Commissioner pursuant to section 3 of the Northwest Territories Housing Corporation Ordinance which inter alia provides for the transfer to the Corporation of all assets and liabilities of the Commissioner pertaining to housing in the Northwest Territories. As at March 31, 1974, the administration of long-term mortgages receivable totalling \$566,744 was transferred to the Corporation and is now deemed to be invested in the Corporation.

#### 3. Capital assets

Capital assets purchased by the Northwest Territories are recorded at cost. Assets acquired by transfer from Canada are recorded at a current valuation based upon a fair market value.

#### 4. Contingent liability - Fishermen's loans

The Northwest Territories have guaranteed repayment of commercial bank loans made to certain fishermen for the purchase of boats and equipment. At March 31, 1974 the amount outstanding was \$140,007 of which \$50,000 has been recorded as a direct liability.