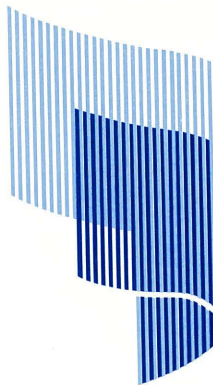


Business Credit Corporation

1995 Annual Report

Northwest Territories
Business Credit Corporation

The Business Credit
Corporation is a
crown corporation
responsible for
encouraging business
development and growth
throughout the NWT.



NWT
EDT
BCC
BUS
1995



Table of Contents

1. Message from the Chair
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MESSAGE FROM THE CHAIR

HONOURABLE JOHN TODD
MINISTER
ECONOMIC DEVELOPMENT & TOURISM

I have pleasure in presenting the Annual Report of the Northwest Territories Business Credit Corporation for the fiscal year ending March 31, 1995.

1995 marked the first full year of lending authority delegation of up to \$200,000 by the Regional Superintendents of the Department of Economic Development & Tourism. The year also saw the introduction of a simplified system of issuing loans up to \$25,000 requiring minimal security, which resulted in lower legal costs for the client.

Both these initiatives achieved a significant reduction in turn-around time for loan approvals. The benefits to businesses were reflected in reduced start up costs and quicker access to potential market opportunities.

Regional involvement with local businesses in the loan authorization process also enhanced a better understanding and affinity between the public and private sectors.

The volume of loans authorized at the regional level, some 80% (eighty percent) of the annual total, highlights the justification and importance for the transfer of this authority to the local level.

MESSAGE FROM THE CHAIR

The Board of Directors and staff continue to maintain an essential part in achieving the year's results, not only in authorizing or recommending to the Minister those loans over the regional limits, but in formulating procedures, providing advice and support to Regions in all aspects of lending and administering the loan portfolio.

I am grateful to the Board of Directors for their counsel and assistance during the year.

On their behalf, I wish to thank management and staff and the Headquarters and regional staff of the Department of Economic Development & Tourism for meeting the demands of 1995 with professionalism and dedication.



Al Woodhouse
Acting Chairperson

BOARD OF DIRECTORS

A. Woodhouse	Acting Chairperson/ Vice Chairperson	Iqaluit
M. Kalluak	Director	Arviat
A. Chang	Director	Yellowknife
A. Zubko	Director	Yellowknife
A. Barr	Director	Rankin Inlet
K. Peterson	Director	Cambridge Bay
F. Martselos	Director	Fort Smith

OBJECTIVE

The objective of the BCC is to stimulate economic development and employment in the Northwest Territories, by making loans to business enterprises, guaranteeing loans made by financial institutions to business and by providing bonds to resident business enterprises. It is responsible for making business development loans to northern businesses where conventional lending institutions are not prepared to participate. Its role, therefore, is both a lender of last resort and a developmental agency to provide financial support for higher risk entrepreneurial ventures.

Historical Highlights

- 1970 The Small Business Loans Fund was created by Indian and Northern Affairs Canada, to provide financing to those businesses and individuals unable to obtain reasonable commercial debt financing from conventional lenders.
- 1977 The Small Business Loans Fund was transferred to the Government of the Northwest Territories. The scope of the fund was expanded to allow the provision of loan guarantees and loan and guarantee limits were increased to \$500,000 from \$50,000.
- 1982 The Business Loans and Guarantees Fund was opened to all qualifying territorial businesses and the word “small” was removed from the Fund’s title. Previously businesses whose gross revenues exceeded \$1 million were ineligible.
- 1985 The Fund provided contract security to businesses unable to obtain the bonding required to participate in NWT Housing Corporation construction projects.
- 1986 The Fund’s capitalization was increased to \$16 million.
- 1989 The Fund’s capitalization was increased to \$20 million.
- 1991 The BCC Act was proclaimed and the Corporation commenced operations. Loan and guarantee limits were raised to \$1 million.
- 1992 The assets of the Business Loans and Guarantees Fund were transferred to the BCC.

Historical Highlights - continued

- 1993 The BCC is included in a review of Department of Economic Development & Tourism in connection with reorganization of the Department and the Business Credit Corporation.
- 1994 In accordance with the suggestions incorporated in the above review, BCC staff is increased to provide a greater degree of independence and increased service to clients.

Lending authority, to a maximum of \$200,000, is delegated to Regional Superintendents of Department of Economic Development & Tourism. This is designed to provide quicker turn-around time for BCC credit facility applications.

Operational Procedures are formulated by BCC, in consultation with the Department of Economic Development & Tourism, to provide guidance and support to Regional Superintendents and ensure conformity with prudent lending practices, at the same time acting in accordance with Ministerial Directives and the objectives of the BCC.

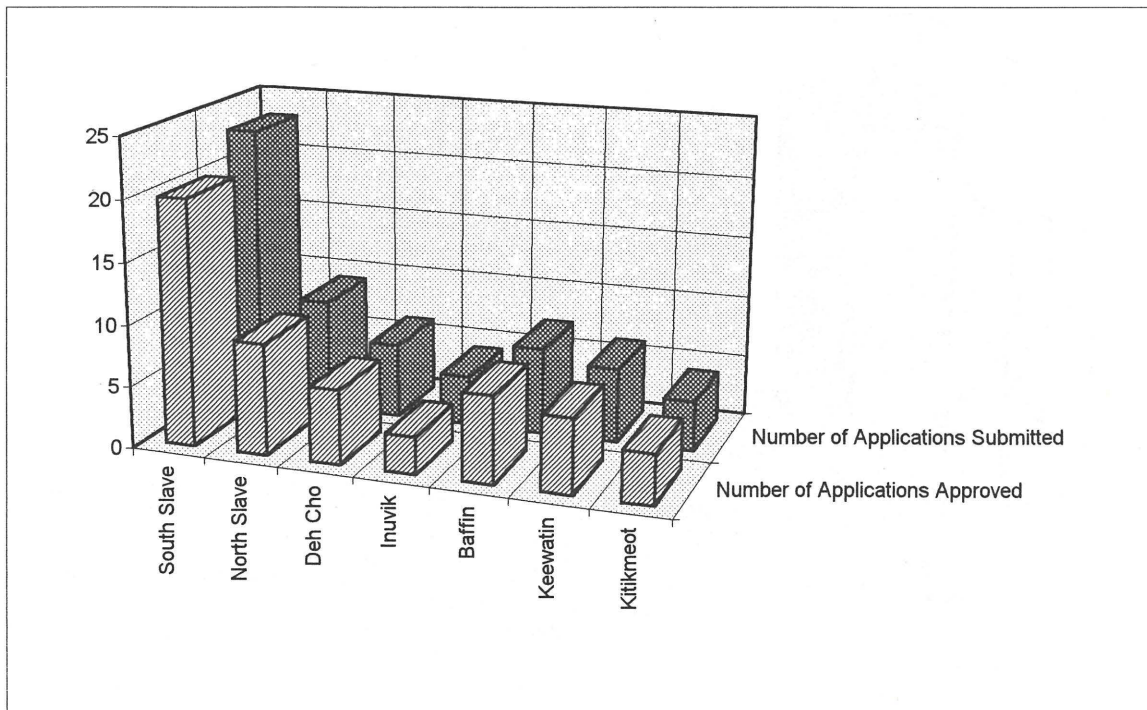
- 1995 The Fund's capitalization was increased to \$25 million.

LENDING PARAMETERS

- Maximum loan and liability for any one business - \$1 million
- Maximum amount for any one business loan, bond, guarantee or indemnity - \$1 million
- Maximum loan term - 5 years
- Maximum loan amortization - 25 years
- Interest rate - Two percent (2%) over commercial bank's prime lending rate, set quarterly.

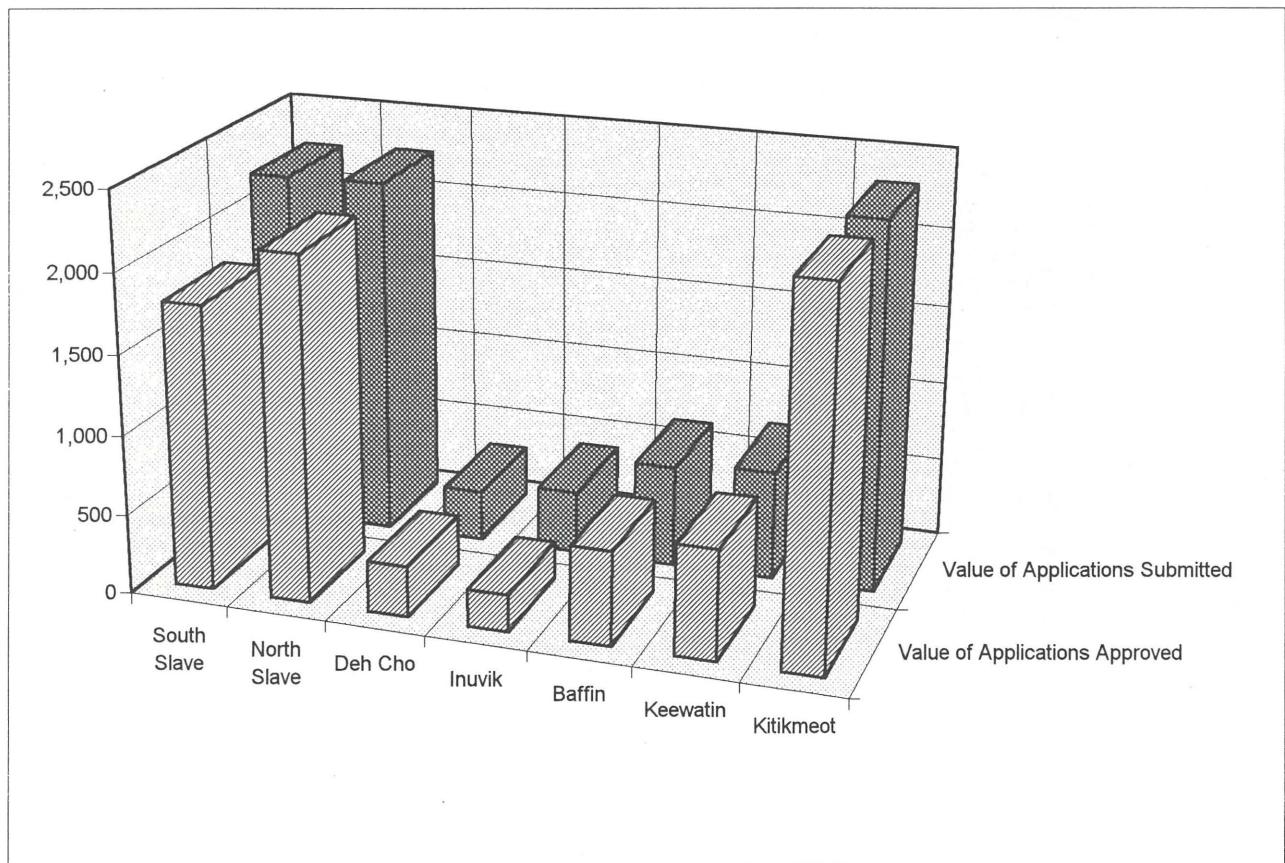
Number of Applications Submitted and Approved by Region

REGION	Number of Applications Submitted	Number of Applications Approved
South Slave	23	20
North Slave	9	9
Deh Cho	6	6
Inuvik	4	3
Baffin	7	7
Keewatin	6	6
Kitikmeot	4	4
<i>Total</i>	<i>59</i>	<i>55</i>



Value of Applications Submitted and Approved by Region

REGION	Value of Applications Submitted (000s)	Value of Applications Approved (000s)
South Slave	\$2,238	\$1,787
North Slave	\$2,250	\$2,157
Deh Cho	\$318	\$318
Inuvik	\$394	\$229
Baffin	\$637	\$587
Keewatin	\$683	\$683
Kitikmeot	\$2,309	\$2,309
Total	\$8,829	\$8,070



Number of Applications Submitted and Approved by Community Level

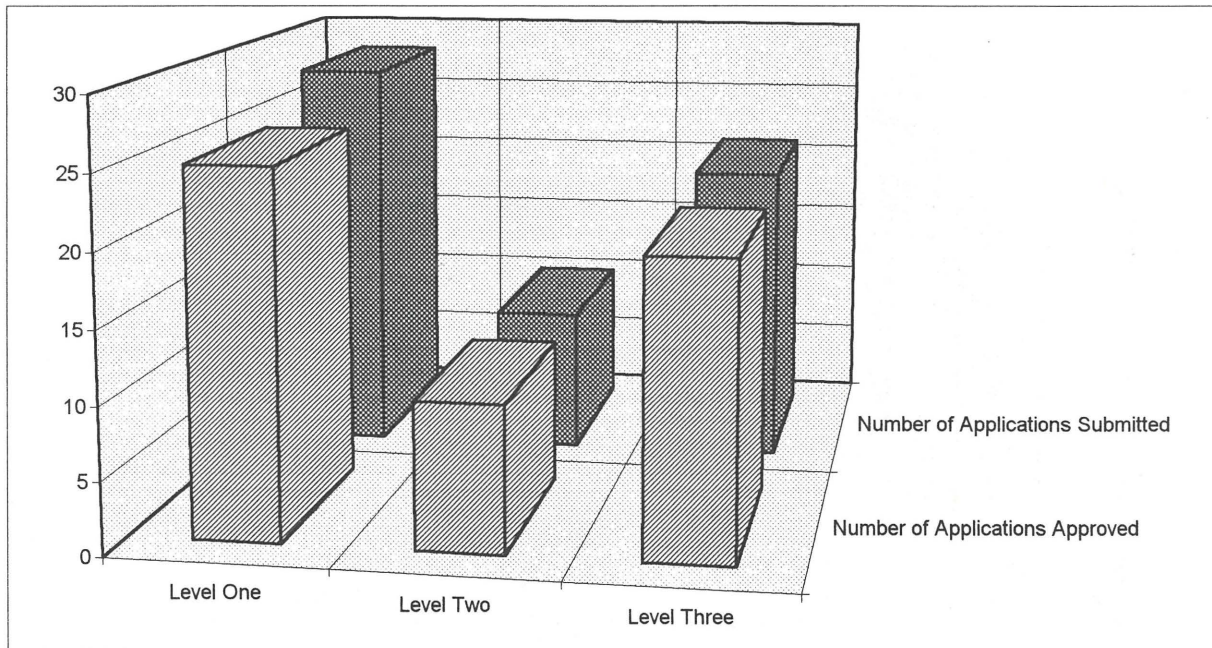
	Number of Applications Submitted	Number of Applications Approved
Level One	28	25
Level Two	10	10
Level Three	21	20
<i>Total</i>	<i>59</i>	<i>55</i>

Definitions of Community Levels

Level 1: Yellowknife, Hay River, Fort Smith, Inuvik

Level 2: Iqaluit, Rankin Inlet, Cambridge Bay, Rae-Edzo
Fort Simpson, Norman Wells

Level 3: All other communities not listed above



Value of Applications Submitted and Approved by Community Level

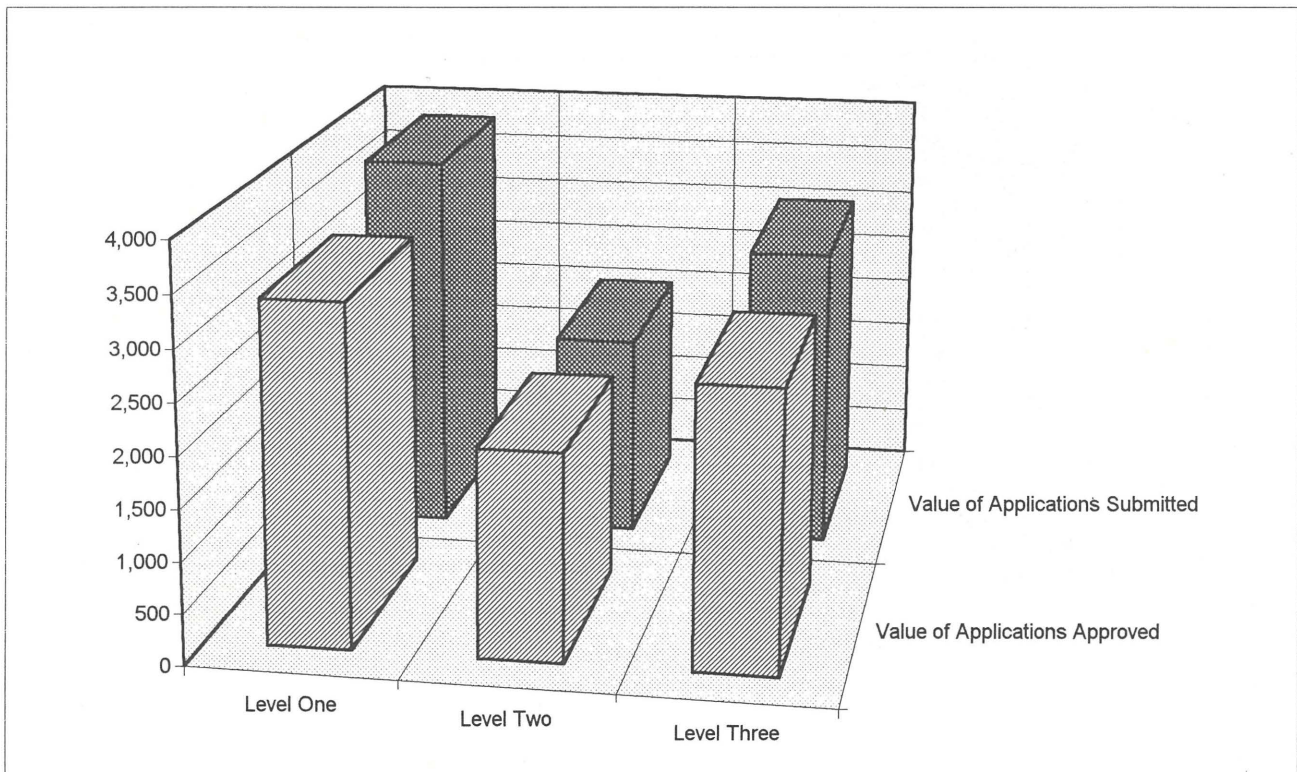
	Value of Applications Submitted (000s)	Value of Applications Approved (000s)
Level One	\$3,808	\$3,332
Level Two	\$2,014	\$2,014
Level Three	\$3,007	\$2,724
<i>Total</i>	<i>\$8,829</i>	<i>\$8,070</i>

Definitions of Community Levels

Level 1: Yellowknife, Hay River, Fort Smith, Inuvik

Level 2: Iqaluit, Rankin Inlet, Cambridge Bay, Rae-Edzo
Fort Simpson, Normal Wells

Level 3: All other communities not listed above



**Northwest Territories
Business Credit Corporation**

Financial Statements
for the year ended March 31, 1995

FINANCIAL STATEMENTS

MARCH 31, 1995

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NORTHWEST TERRITORIES BUSINESS CREDIT CORPORATION

Management's Responsibility for Financial Reporting

The accompanying financial statements of the Corporation were prepared by management in accordance with generally accepted accounting principles as described in the notes to the financial statements. When alternative accounting policies exist, management has chosen those it deems most appropriate in the circumstances. Financial statements include amounts requiring estimates, which have been made based upon informed judgment as to the expected results of current transactions and events. Management has prepared the financial information presented elsewhere in this annual report and has ensured that it is consistent with the financial statements.

The Corporation maintains internal financial and management systems and practices which are designed to provide reasonable assurance that reliable financial and non-financial information is available on a timely basis, that assets are acquired prudently, are used to further the Corporation's aims, and are protected from loss.

The Corporation is subject to the Northwest Territories Business Credit Corporation Act and the Financial Administration Act. It also receives ministerial directives to establish operational procedures and significant accounting policies. Management recognizes its responsibility for conducting the Corporation's affairs in accordance with the requirements of applicable legislation and for maintaining standards of conduct that are appropriate to a territorial Crown corporation.

In discharging its responsibilities for the integrity, fairness and quality of the financial statements and for the accounting systems from which they are derived, management maintains a system of internal controls designed to provide reasonable assurance that transactions are authorized, assets are safeguarded and proper records are maintained.

The Board of Directors, through the Audit Sub-Committee which is comprised of Directors who are not employees of the Corporation, is responsible for reviewing and approving the audited annual financial statements and oversees the management's responsibilities for financial reporting. The external auditor has full and free access to the Audit Sub-Committee.

The external auditor, the Auditor General of Canada, is responsible for auditing the financial statements and for issuing his report thereon. He provides an independent, objective audit for the purpose of expressing his opinion on the financial statements. He also considers whether the transactions that come to his notice in the course of this audit are, in all significant aspects, in accordance with the specified legislation.



Afzal Currimbhoy,
Chief Executive Officer.

May 26, 1995



AUDITOR GENERAL OF CANADA

VÉRIFICATEUR GÉNÉRAL DU CANADA

AUDITOR'S REPORT

To the Minister responsible for the
Northwest Territories Business Credit Corporation

I have audited the balance sheet of the Northwest Territories Business Credit Corporation as at March 31, 1995 and the statements of operations and deficit and changes in financial position for the year then ended. These financial statements are the responsibility of the Corporation's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the Corporation as at March 31, 1995 and the results of its operations and the changes in its financial position for the year then ended in accordance with generally accepted accounting principles. As required by the Financial Administration Act, I report that, in my opinion, these principles have been applied on a basis consistent with that of the preceding year.

Further, in my opinion, proper books of account have been kept by the Corporation and the financial statements are in agreement therewith and the transactions of the Corporation that have come to my notice during my audit of the financial statements have, in all significant respects, been in accordance with the Financial Administration Act and regulations, the Northwest Territories Business Credit Corporation Act and by-laws of the Corporation.

A handwritten signature in black ink, appearing to read 'Ray Dubois', with a large circular flourish at the end.

Raymond Dubois, FCA
Deputy Auditor General
for the Auditor General of Canada

Ottawa, Canada
May 26, 1995

NORTHWEST TERRITORIES BUSINESS CREDIT CORPORATION

**BALANCE SHEET
MARCH 31, 1995
(Thousands of Dollars)**

ASSETS	<u>1995</u>	<u>1994</u>
Cash	\$ 58	\$ -
Loans Receivable (Note 3)	19,131	17,984
Accrued Interest Receivable	291	332
	<u>19,422</u>	<u>18,316</u>
Less: Allowance for Losses on Loans (Note 3)	5,240	5,307
	<u>14,182</u>	<u>13,009</u>
Accounts Receivable	-	8
Capital Assets	31	22
	<u>\$ 14,271</u>	<u>\$ 13,039</u>

LIABILITIES


Accounts Payable	\$ 100	\$ 41
Working Capital Advance from the Government of the Northwest Territories (Note 4)	16,952	15,623
	<u>17,052</u>	<u>15,664</u>

DEFICIT

Deficit	<u>(2,781)</u>	<u>(2,625)</u>
	<u>\$ 14,271</u>	<u>\$ 13,039</u>

Statutory Limit and Commitments (Note 5)

APPROVED:



Acting Chairperson of the Board of Directors



Chief Executive Officer

NORTHWEST TERRITORIES BUSINESS CREDIT CORPORATION

STATEMENT OF OPERATIONS AND DEFICIT

For the Year Ended March 31, 1995

(Thousands of Dollars)

	1995	1994
LOANS		
Interest Income on Loans Receivable	\$ 1,540	\$ 1,054
Interest Expense on the Working Capital Advance from the Government of the N.W.T. (Note 4)	1,316	845
Net Interest Income	224	209
Provision for Losses on Loans (Note 3)	(389)	(313)
Net Interest Income after Provision for Losses on Loans	(165)	(104)
Other Income	9	42
Net Loss on Loans	(156)	(62)
ADMINISTRATIVE EXPENSES		
Salaries and Benefits	696	430
Board Meetings (Note 6)	73	103
Office	47	21
Computer Services	44	65
Communications	13	13
Amortization	9	2
Publications	2	9
Professional Fees	2	57
	886	700
Less: Operating Contribution - Government of the Northwest Territories	886	655
Net Administrative Expenses	-	(45)
NET LOSS FOR THE YEAR	(156)	(107)
DEFICIT AT THE BEGINNING OF THE YEAR	(2,625)	(2,518)
DEFICIT AT THE END OF THE YEAR	\$ (2,781)	\$ (2,625)

NORTHWEST TERRITORIES BUSINESS CREDIT CORPORATION

STATEMENT OF CHANGES IN FINANCIAL POSITION

**For the Year Ended March 31, 1995
(Thousands of Dollars)**

	<u>1995</u>	<u>1994</u>
OPERATING ACTIVITIES		
Net Loss for the Year	\$ (156)	\$ (107)
Items Not Affecting Treasury Position		
Provision for Losses on Loans	389	313
Amortization	9	2
	<u>242</u>	<u>208</u>
Changes in Treasury Position		
Accrued Interest Receivable	41	336
Accrued Interest Written-off or Forgiven	(8)	(214)
Accounts Receivable	8	2
Accounts Payable	59	8
	<u>342</u>	<u>340</u>
Cash Generated by Operating Activities		
	<u>342</u>	<u>340</u>
INVESTING ACTIVITIES		
Loans Receivable Disbursed	(6,252)	(4,648)
Loans Receivable Repaid	4,657	2,953
Purchase of Capital Assets	(18)	(24)
	<u>(1,613)</u>	<u>(1,719)</u>
Cash Used by Investing Activities		
	<u>(1,613)</u>	<u>(1,719)</u>
DECREASE IN TREASURY POSITION FOR THE YEAR	(1,271)	(1,379)
TREASURY POSITION AT BEGINNING OF THE YEAR	(15,623)	(14,244)
TREASURY POSITION AT END OF THE YEAR	\$ (16,894)	\$ (15,623)
Working Capital Advance from the Government of the Northwest Territories	\$ (16,952)	\$ (15,623)
Cash	<u>58</u>	<u>-</u>
Treasury Position at End of the Year	\$ (16,894)	\$ (15,623)

NORTHWEST TERRITORIES BUSINESS CREDIT CORPORATION

NOTES TO FINANCIAL STATEMENTS

March 31, 1995

1. AUTHORITY, OBJECTIVE AND OPERATION

The Corporation was established in 1991 pursuant to the Northwest Territories Business Credit Corporation Act. It is subject to the Northwest Territories Financial Administration Act and is an agent Crown corporation of the Government of the Northwest Territories.

The Corporation's objective is to stimulate economic development and employment in the Northwest Territories, by making loans to business enterprises, guaranteeing loans made by financial institutions to business, providing bonds to resident business enterprises and indemnifying bonding companies which have provided bonds to resident business enterprises. In addition, the Corporation is responsible for making business development loans to Northern businesses to create economic development opportunities in communities where conventional lending institutions are not prepared to participate, and its role, therefore, is a blend of being a last resort lender and a developmental agency for higher risk entrepreneurial ventures.

Receipts are deposited in and disbursements are paid from the Consolidated Revenue Fund of the Government of the Northwest Territories.

Economic dependency

The Corporation is economically dependent upon the Government of the Northwest Territories' continuing contributions for operations and loans.

2. SIGNIFICANT ACCOUNTING POLICIES

Allowance for losses on loans

The allowance for losses on loans represents management's best estimate of probable losses on loans at the end of the fiscal year. The allowance has a specific component and a general component.

The specific component is that provision which is determined based on a loan-by-loan review to determine under-secured loans. Specific provisions are established for individual loans where circumstances indicate that the loan has deteriorated to the extent that the Corporation does not have reasonable assurance of ultimate collection of principal and interest, and to value these loans at the lower of their recorded balance or the net realizable value of the underlying security for the loans.

NORTHWEST TERRITORIES BUSINESS CREDIT CORPORATION

NOTES TO FINANCIAL STATEMENTS

March 31, 1995

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Allowance for losses on loans (cont'd)

The general component is that provision which is established at five percent (5%) of loans receivable, net of the specific provision. This is prudential in nature and therefore established to provide for losses on loans which cannot yet be identified on a loan-by-loan basis, and to absorb losses attributable to the deterioration of quality of loans receivable on an aggregate exposure in a particular industry or geographical region.

Interest revenue recognition

Interest is accrued on loan principal receivable and recorded as income until such time as the loan becomes non-performing. When a loan is initially classified as non-performing, uncollected interest recognized in the year is reversed against interest income and, where necessary, uncollected interest recognized in previous years is provided for in the allowance for losses on loans.

Subsequent payments are recorded as interest income after any prior write-off has been recovered and if management has determined that a specific provision is not required, otherwise they are recorded as a reduction of principal.

Non-performing is defined as any loan where an allowance for losses is determined to be necessary when:

- a) principal or interest is six months past due, unless the loan is well secured, or
- b) when circumstances indicate that a loan is impaired and there is doubt as to the ultimate collectibility of principal or interest within a reasonable period of time, or
- c) the loan has been previously restructured and principal or interest is three months past due, or
- d) principal or interest is twelve (12) months past due regardless of whether or not the loan is well secured.

NORTHWEST TERRITORIES BUSINESS CREDIT CORPORATION

NOTES TO FINANCIAL STATEMENTS

March 31, 1995

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Capital Assets

Capital assets are recorded at cost. Amortization is calculated on a straight line basis over the estimated useful life of the assets as follows:

Computers	3 years
Furniture and Equipment	4 years

Operating Contribution

Under the terms of an operating agreement between the Corporation and the Government of the Northwest Territories, direct administrative expenses paid by the Government are recorded by the Corporation as an operating contribution from the Government of the Northwest Territories. Indirect costs covered by the Government of the Northwest Territories are not recorded.

Direct administrative expenses paid by the Government include salaries and benefits, board meetings, office, computer services, communications, amortization, publications and professional fees; and exclude the provision for losses on loans and interest expense. The operating contribution is recorded in operations.

Services provided without charge

The Corporation does not record the value of capital assets or services provided by the Government of the Northwest Territories without charge. Services provided by the Government include accounting support, employee long term benefits, regional and personnel services as well as office accommodation. Furthermore, the Corporation receives audit services without charge from the Office of the Auditor General of Canada.

Pension contributions

The Corporation and its employees, who are deemed to be employees of the Government of the Northwest Territories, make contributions to the Public Service Superannuation Plan administered by the Government of Canada. Contributions to the Plan are required from both the employees and the Corporation. These contributions represent the total liability of the Corporation and are recognized in the accounts on a current basis.

NORTHWEST TERRITORIES BUSINESS CREDIT CORPORATION

NOTES TO FINANCIAL STATEMENTS

March 31, 1995

3. LOANS RECEIVABLE

Loans and allowance for losses on loans

	Range of Annual Interest Rates		Principal Balance	
	March 31 <u>1995</u>	March 31 <u>1994</u>	March 31 <u>1995</u>	March 31 <u>1994</u>
			(000s)	
Baffin	7.50-13.25%	7.50-15.75%	\$ 2,134	\$ 2,235
Deh Cho	7.50-16.25%	7.75-16.25%	1,593	2,450
Fort Smith	7.50-13.25%	7.50-15.75%	4,813	3,798
Inuvik	7.00-13.00%	7.50-10.75%	1,487	1,564
Keewatin	7.50-16.25%	7.50-16.25%	2,922	1,330
Kitikmeot	7.50-10.00%	8.00-10.25%	786	828
North Slave	7.50-15.50%	7.50-16.25%	<u>5,396</u>	<u>5,779</u>
Gross Loans Receivable			19,131	17,984
Accrued Interest			<u>291</u>	<u>332</u>
			<u>19,422</u>	<u>18,316</u>
Less Allowance for Losses on Loans:				
Specific			4,528	4,627
General			<u>712</u>	<u>680</u>
			<u>5,240</u>	<u>5,307</u>
Loans Receivable Net of Allowance for Losses on Loans			<u>\$ 14,182</u>	<u>\$ 13,009</u>

Included in the accrued interest receivable of \$291,000 is an amount of \$90,000 (1994: \$234,000) that has been provided for in the allowance for losses on loans.

Accumulated Interest on Non-Performing Loans

Of the 225 loans not written off (or forgiven) 93 accounts, comprising 55 borrowers, are deemed to be non-performing.

NORTHWEST TERRITORIES BUSINESS CREDIT CORPORATION

NOTES TO FINANCIAL STATEMENTS

March 31, 1995

3. LOANS RECEIVABLE (CONT'D)

Accrued Interest Receivable

	<u>1995</u>	<u>1994</u>
		(000s)
Current	\$ 49	\$ 41
Arrears	<u>242</u>	<u>291</u>
	<u>\$ 291</u>	<u>\$ 332</u>

Provision for losses on loans

	<u>1995</u>	<u>1994</u>
		(000s)
Specific Provision	\$ 357	\$ 242
General Provision	<u>32</u>	<u>71</u>
Total Provision	<u>\$ 389</u>	<u>\$ 313</u>

Write-offs

Under the provision of the Northwest Territories Financial Administration Act, loans (outstanding principal and interest) written off must be approved by either the Legislative Assembly (over \$20 thousand) or the Board of Directors (\$20 thousand or less). Loans written off are still subject to collection action.

Two loans were written off by the Board of Directors in 1995 for a total amount of \$26,500. In 1994, the Legislative Assembly and the Board of Directors wrote-off a total of \$2,305,000.

NORTHWEST TERRITORIES BUSINESS CREDIT CORPORATION

NOTES TO FINANCIAL STATEMENTS

March 31, 1995

3. LOANS RECEIVABLE (CONT'D)

Forgiveness

Under the Financial Administration Act, only the Legislative Assembly has the authority to forgive a debt. Once a debt has been forgiven, no further collection action is possible.

In 1995, the Legislative Assembly approved the forgiveness of 12 loans comprising of 10 borrowers for a total amount of \$870,000, which were previously provided for. Three loans have already been written-off in 1994. No Corporation loans were forgiven in previous years by the Legislative Assembly.

4. WORKING CAPITAL ADVANCE FROM THE GOVERNMENT OF NORTHWEST TERRITORIES

As stipulated by the Northwest Territories Business Credit Corporation Act, the Corporation is required to establish a fund to process the financial activity of the Corporation. Pending formal establishment thereof, funding is made available through a working capital advance from the Government of the Northwest Territories. The balance of the working capital advance fluctuates based on the need of the Corporation, but is not to exceed \$25 million, as approved by the Financial Management Board.

Interest is calculated at a rate of selected Government of Canada 3 year bond rates at the end of the month. The rates are applied to the working capital advance outstanding at the end of the month, compounded annually.

5. STATUTORY LIMIT AND COMMITMENTS

The Northwest Territories Business Credit Corporation Act allows the Corporation to have outstanding loans, guarantees, bonds, and bond indemnities to borrowers up to \$50 million.

The free balance position against this limit, determined in accordance with the requirements of the Act, is \$2,721,000 including \$5,326,000 of commitment

NORTHWEST TERRITORIES BUSINESS CREDIT CORPORATION

NOTES TO FINANCIAL STATEMENTS

March 31, 1995

5. STATUTORY LIMIT AND COMMITMENTS (CONT'D)

Commitments are approved credit facilities not yet disbursed by the Corporation.

Bonds and bond indemnities (contract security loans) are presently represented in the form of actual loans are held in trust by the client's solicitor until the credit facility is no longer required or has expired.

6. BOARD MEETINGS

Board meeting expenses have been fully allocated to the Corporation. In 1994-95, the Board of Directors had 5 regular board meetings and 5 telephone poll meetings. In 1993-94, the Board had 7 regular board meetings and 1 telephone poll meeting. The following costs were incurred:

	<u>1995</u>	<u>1994</u>
	(000s)	
Travel	\$ 32	\$ 37
Honouraria	23	39
Per Diem	15	22
Other Expenses	<u>3</u>	<u>5</u>
	<u>\$ 73</u>	<u>\$ 103</u>

7. LITIGATION

Several legal proceedings are pending which challenge certain practices or actions of the Corporation. These proceedings are loan related and are in reaction to steps taken by the Corporation to call delinquent loans and enforce rights in collateral security of such loans. The outcome of these claims is unknown at this time or it is unlikely the claimants will be successful.

NORTHWEST TERRITORIES BUSINESS CREDIT CORPORATION

NOTES TO FINANCIAL STATEMENTS

March 31, 1995

8. SERVICES PROVIDED WITHOUT CHARGE

The value of services provided without charge by the Government of the Northwest Territories in 1995 is estimated at \$259,000, as follows:

	<u>1995</u>	<u>1994</u>
		(000s)
Staff support	\$ 160	\$ 269
Employee long term benefits	52	-
Accommodation and renovations	<u>47</u>	<u>48</u>
	<u>\$ 259</u>	<u>\$ 317</u>

9. RELATED PARTY TRANSACTIONS

In addition to those related party transactions disclosed elsewhere in these financial statements, the Corporation is related in terms of common ownership to all Government of the Northwest Territories created departments, agencies and Crown corporations. The Corporation enters into transactions with these entities in the normal course of business.

LIST OF LOAN ACCOUNTS APPROVED FOR WRITE OFF

Loan Accounts Approved by the Board of Directors

Cazon Outfitting Ltd.	\$12,307.36
Kanayuk Sammurtok Outfitters	14,192.68
<i>Total</i>	<u>\$26,500.04</u>

LIST OF LOAN ACCOUNTS APPROVED FOR FORGIVENESS

Loan Accounts Approved by the Legislative Assembly

JSL Mechanical Installations Ltd.	\$ 56,983.42
Sahtu Contractors Ltd.	145,826.15
Liard Valley Band Development Corporation	300,091.98
175119 Canada Inc. (Interest Only)	91,188.05
872244 N.W.T. Ltd.	132,685.00
851820 N.W.T. Ltd.	5,506.16
R.D. & W. Holdings Ltd.	19,498.58
902888 N.W.T. Ltd.	49,712.18
MacKay Lake Lodge (1989) Ltd.	40,959.85
Simpson Air (1981) Ltd.	27,457.03
<i>Total</i>	<u>\$ 869,908.40</u>

