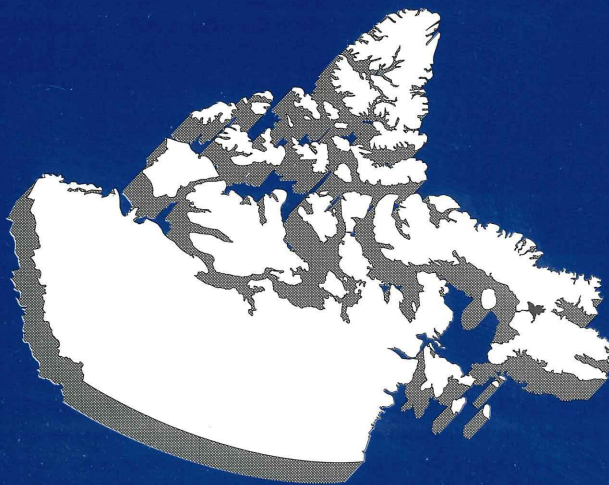


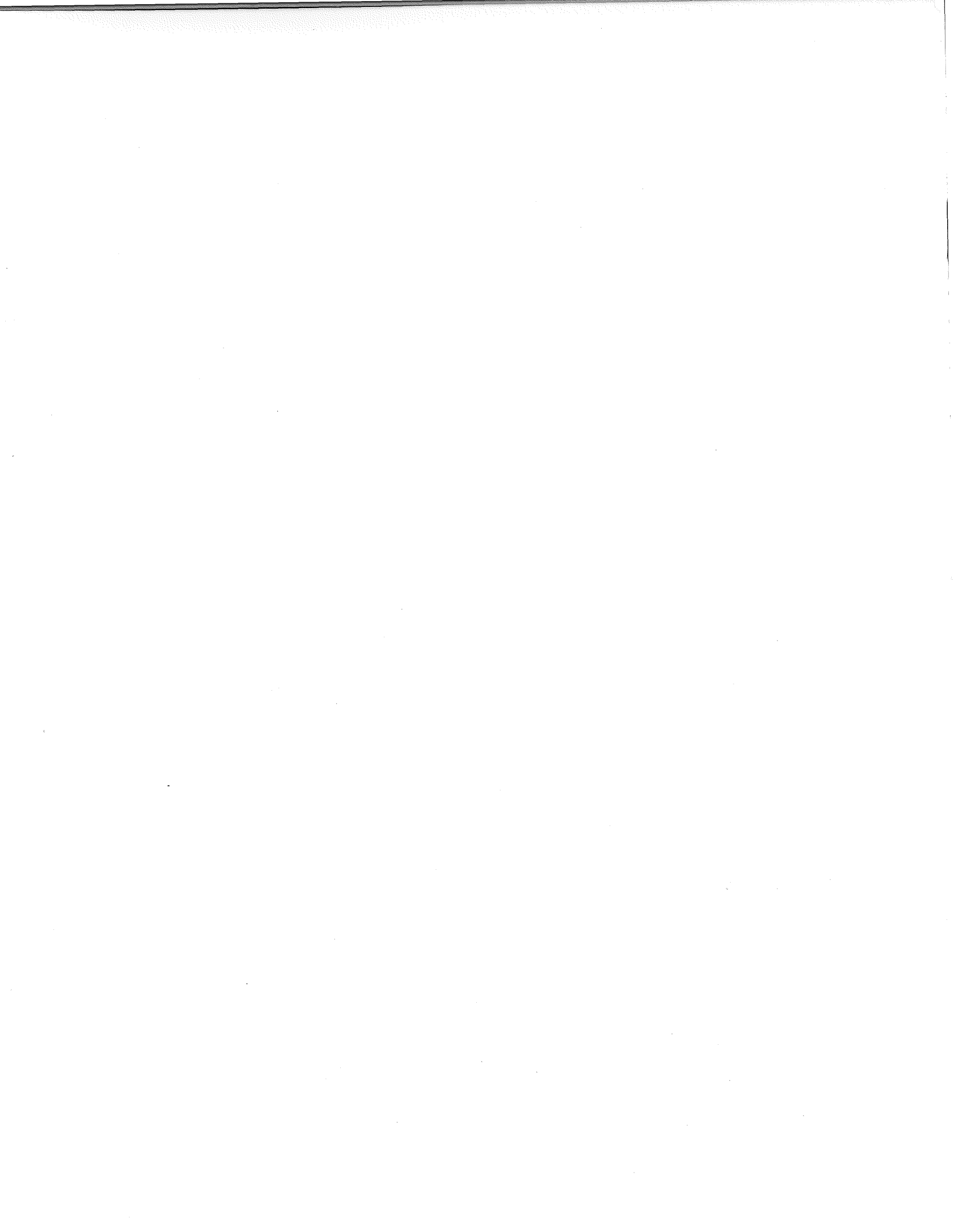
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Government of the
Northwest Territories

**Public Accounts
1995-1996**

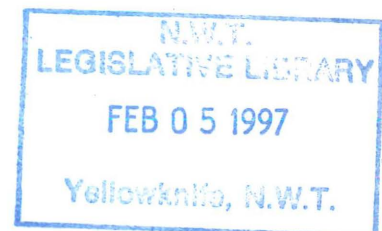






PUBLIC ACCOUNTS
OF THE
GOVERNMENT OF THE NORTHWEST TERRITORIES
FOR THE YEAR ENDED MARCH 31,
1996

HONOURABLE JOHN TODD
Minister of Finance



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**THE HONOURABLE HELEN MAKSAGAK
COMMISSIONER OF THE NORTHWEST TERRITORIES**

I have the honour to present the Public Accounts of the Northwest Territories in accordance with Sections 27 through 31 of the Northwest Territories Act, R.S.C. 1985, c. N-22, and Sections 72 through 74 of the Financial Administration Act, S.N.W.T. 1987(1), c. 16, for the fiscal year ended March 31, 1996.

John Todd

Financial Management Board
Yellowknife, NT
November 1996

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**Public Accounts of the
Government of the Northwest Territories**

Table of Contents

Page

SECTION I

CONSOLIDATED FINANCIAL STATEMENTS

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING	9
AUDITOR'S REPORT	11
Consolidated Statement of Financial Position	12
Consolidated Statement of Operations and Surplus	14
Consolidated Statement of Cash Flows	15
Notes to Consolidated Financial Statements	16
Schedule A - Consolidated Schedule of Revenues by Source	30
Schedule B - Consolidated Schedule of Expenditures	31

SECTION II

NON-CONSOLIDATED FINANCIAL STATEMENTS (unaudited)

Financial Statements	34
Notes to Financial Statements	38
Schedule A - Schedule of Revenues by Source	52
Schedule B - Schedule of Operations and Maintenance Expenditures	54
Schedule C - Schedule of Capital Expenditures	55

Supplementary Schedules to non-consolidated financial statements

Schedules of Revenues and Expenditures by Department

Schedule 1 - Schedule of Revenues	56
Schedule 2 - Schedule of Expenditures	64
Schedule 3 - Schedule of Recoveries of Prior Years' Expenditures	69
Schedule 4 - Schedule of Grants	70
Schedule 5 - Schedule of Contributions	72
Schedule 6 - Schedule of Special Warrants	77
Schedule 7 - Schedule of Inter-activity Transfers over \$250,000	81

Schedules of Loans Receivable

Schedule 8 - Schedule of Debenture Loans Receivable from Municipalities	83
Schedule 9 - Schedule of Other Long-term Receivables	86

Other Schedules

Schedule 10 - Schedule of Bad Debt Write-offs, Forgiveness and Student Loan Remissions	87
Schedule 11 - Schedule of Inventory Write-offs and Deletions over \$500	92
Schedule 12 - Schedule of Recoveries of Debts Previously Written-off	93
Schedule 13 - Schedule of Overdue Travel Advances	95
Schedule 14 - Schedule of Lease Commitments	96
Schedule 15 - Schedule of Guarantees and Indemnities	97
Schedule 16 - Schedule of Projects for Canada and Others	98

**Public Accounts of the
Government of the Northwest Territories**

Table of Contents

Page

SECTION III

SUPPLEMENTARY FINANCIAL STATEMENTS

Workers' Compensation Board	101
Aurora College	123
Nunavut Arctic College	135
Northwest Territories Power Corporation	149
Northwest Territories Housing Corporation	167
Northwest Territories Liquor Commission	185
Petroleum Products Revolving Fund	197
Public Trustee for the Northwest Territories	209
Northwest Territories Business Credit Corporation	219
Legislative Assembly Retiring Allowances Fund	235
Northwest Territories Development Corporation (unaudited)	245
Granular Program Revolving Fund (unaudited)	263
Students Loan Fund (unaudited)	269
Fur Marketing Service Revolving Fund (unaudited)	273
Public Stores Revolving Fund Inventories (unaudited)	277

SECTION I
CONSOLIDATED FINANCIAL STATEMENTS

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MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The preparation of the consolidated financial statements of the Government of the Northwest Territories, and related information contained in the Public Accounts, is the responsibility of management through the Office of the Comptroller General.

The consolidated financial statements have been prepared in accordance with the accounting policies set out in Note 2 to the Consolidated Financial Statements and comply with the recommendations of the Public Sector Accounting and Auditing Board of the Canadian Institute of Chartered Accountants wherever applicable. When alternative accounting methods exist, management has chosen those that are most appropriate. Where required, management's best estimates and judgement have been applied in the preparation of these statements.

The Government fulfills the accounting and reporting responsibilities, through the Office of the Comptroller General, by maintaining systems of financial management and internal control. The systems are continually enhanced and modified to provide timely and accurate information; to safeguard and control Government's assets and to ensure all transactions are in accordance with the Financial Administration Act.

The Public Accounts are referred to the Standing Committee on Government Operations after they have been tabled in the Legislative Assembly. The recommendations of this committee are reviewed and acted on to improve the financial systems and controls.

The Auditor General of Canada performs an annual audit on the consolidated financial statements in order to express an opinion that the financial statements present fairly the financial position, results of operations and changes in cash flows for the year. During the course of the audit, he also examines transactions, that have come to his notice, to ensure they are, in all significant respects, within the statutory powers of the Government and those organizations included in the consolidation.

After completion of the audit, the Auditor General includes comments and recommendations in his annual report to the Northwest Territories Legislative Assembly.

Lew Voytilla, C.G.A.
Comptroller General
Government of the Northwest Territories

November 29, 1996

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AUDITOR'S REPORT

To the Legislative Assembly of the Northwest Territories

I have audited the consolidated statement of financial position of the Government of the Northwest Territories as at March 31, 1996 and the consolidated statements of operations and surplus and cash flows for the year then ended. These financial statements are the responsibility of the Government'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 consolidated financial statements present fairly, in all material respects, the financial position of the Government as at March 31, 1996 and the results of its operations and the changes in its cash flows for the year then ended in accordance with the accounting policies set out in Note 2 to the consolidated financial statements. As required by the Northwest Territories Act (Canada), I report that, in my opinion, these policies 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 Government, the consolidated financial statements are in agreement therewith and, except for an overexpenditure which is not in compliance with the Northwest Territories Financial Administration Act as described in Note 18, the transactions of the Government and of those organizations included in the consolidation, as discussed in Note 1, that have come to my notice during my audit of the consolidated financial statements have, in all significant respects, been in accordance with the Northwest Territories Act (Canada), the Northwest Territories Financial Administration Act and the specific operating authorities detailed in Note 1.

In accordance with the Northwest Territories Act (Canada) Section 30(2), additional comments on these financial statements and this auditor's report will be included in my annual report to the Northwest Territories Legislative Assembly.

L. Denis Desautels, FCA
Auditor General of Canada

Ottawa, Canada
November 29, 1996

Government of the Northwest Territories**Consolidated Statement of Financial Position**

as at March 31, 1996 (thousands of dollars)	1996	1995
Assets		
Current		
Cash and short-term investments	\$ 29,754	\$ 27,145
Due from Canada (note 3)	97,467	82,312
Accounts receivable (note 4)	36,062	30,758
Inventories (note 5)	11,921	10,545
Prepaid expenses	6,649	7,331
Current portion of long-term receivables and loans	10,617	9,603
	192,470	167,694
Segregated cash and investments (note 6)	17,879	17,643
Long-term receivables and loans (note 7)	83,008	86,732
Investment in associated enterprises (note 8)	147,559	133,819
Capital assets, at nominal value of one dollar		
	\$ 440,916	\$ 405,888

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

Government of the Northwest Territories

Consolidated Statement of Financial Position (Continued)

as at March 31, 1996
(thousands of dollars)

1996

1995

Liabilities

Current

Bank overdraft	\$ 21,555	\$ -
Short-term loans (note 9)	105,903	79,975
Accounts payable and accrued liabilities (note 10)	115,012	116,659
Current portion of long-term liabilities	11,724	11,627
	254,194	208,261
Pension liabilities (note 11a)	16,545	14,398
Employee termination benefits (note 12)	22,265	28,560
Long-term debt (note 13)	100,733	107,577
	393,737	358,796

Commitments and contingencies (notes 15 and 16)

Accumulated surplus

Students Loan Fund reserve	18,000	18,000
Surplus	29,179	29,092
	47,179	47,092
	\$ 440,916	\$ 405,888

Approved:

John Todd
Minister of Finance

Lew Voytilla
Comptroller General

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

Government of the Northwest Territories**Consolidated Statement of Operations and Surplus**

for the year ended March 31, 1996

(thousands of dollars)

	Budget (note 1b)	1996	1995
Revenues (schedule A)			
From Canada	\$ 1,005,209	\$ 1,075,154	\$ 1,055,607
Generated revenues	204,286	253,265	217,284
	1,209,495	1,328,419	1,272,891
Recoveries of prior years' expenditures (note 21)	-	4,722	6,919
	1,209,495	1,333,141	1,279,810
Expenditures (schedule B)			
Operations and maintenance	1,093,144	1,153,928	1,126,010
Capital	145,532	207,938	201,448
	1,238,676	1,361,866	1,327,458
Net expenditure before undernoted	(29,181)	(28,725)	(47,648)
Net revenue from investment in associated enterprises (note 8)	25,136	33,397	31,047
Projects for Canada and others			
Expenditures	(30,816)	(43,106)	(38,276)
Recoveries	30,816	43,106	38,276
Mortgage remeasurement (note 7)	-	(10,567)	-
Adjustment of ultimate removal liability (note 12b)	-	5,982	-
Net revenue (expenditure)	<u>\$ (4,045)</u>	87	(16,601)
Surplus at beginning of the year		29,092	50,023
Transfer of net assets from the Science Institute of the Northwest Territories		-	670
Allocated to Students Loan Fund reserve		-	(5,000)
Surplus at end of the year		\$ 29,179	\$ 29,092

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

Government of the Northwest Territories

Consolidated Statement of Cash Flows

for the year ended March 31, 1996 (thousands of dollars)	1996	1995
Cash provided by (used in)		
Operating activities		
Net revenue (expenditure) for the year	\$ 87	\$ (16,601)
Items not affecting cash:		
Net revenue from investment in associated enterprises	(33,397)	(31,047)
Provision for bad debts and loan remissions	2,514	(35,033)
Mortgage receivables write-offs	17,855	-
Provision for loss on investments	73	-
Employee leave and termination benefits	(6,573)	(1,337)
	(19,441)	(84,018)
Changes in non-cash assets and liabilities		
Current assets	(6,344)	(2,544)
Current liabilities	(1,332)	13,114
Due from Canada	(15,155)	42,610
Pension liabilities	2,147	1,603
Net cash used in operating activities	(40,125)	(29,235)
Investing activities		
Dividend and advances from associated enterprises	19,657	17,235
Segregated cash and investments	(309)	(3,444)
Long-term receivables and loans		
Advances	(38,707)	(26,251)
Repayments	21,394	22,260
Net cash provided by investing activities	2,035	9,800
Financing activities		
Repayment of long-term debt	(6,784)	(6,705)
New loans	-	315
Net cash used in financing activities	(6,784)	(6,390)
Decrease in cash and cash equivalents	(44,874)	(25,825)
Cash and cash equivalents at beginning of the year	(52,830)	(27,005)
Cash and cash equivalents at end of the year(*)	\$ (97,704)	\$ (52,830)

(*) Cash and cash equivalents include cash and short-term investments less bank overdraft and short-term loans.

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

Government of the Northwest Territories

Notes to Consolidated Financial Statements

March 31, 1996

1. AUTHORITY AND OPERATIONS

(a) Authority and reporting entity

The consolidated financial statements have been prepared in accordance with the Northwest Territories Act (Canada) and the Financial Administration Act of the Northwest Territories.

The Government of the Northwest Territories (the Government) operates under the authority of the Northwest Territories Act (Canada). The Government has an elected Legislative Assembly which authorizes all disbursements, advances, loans and investments unless specifically authorized by statute.

The following chart lists the organizations comprising the consolidated Government reporting entity, how they are accounted for in the consolidated financial statements and their specific operating authority.

Fully Consolidated:

Aurora College	Public Colleges Act
Nunavut Arctic College	Public Colleges Act
Northwest Territories Housing Corporation	Northwest Territories Housing Corporation Act
Northwest Territories Development Corporation	Northwest Territories Development Corporation Act
Northwest Territories Business Credit Corporation	Northwest Territories Business Credit Corporation Act

Modified Equity:

Petroleum Products Revolving Fund	Revolving Funds Act
Northwest Territories Liquor Commission	Northwest Territories Liquor Act
Northwest Territories Power Corporation	Northwest Territories Power Corporation Act
Workers' Compensation Board	Workers' Compensation Act

These organizations have a March 31 fiscal year end except for the colleges (June 30) and Workers' Compensation Board (December 31).

(b) Budget

The budget figures are the Government's Main Estimates, tabled before the Legislative Assembly, and the approved budgets for the consolidated entities, adjusted to eliminate budgeted inter-entity revenues and expenditures.

(c) Nunavut Territory

The Government has entered into an agreement to divide the Northwest Territories into two separate territories. The eastern portion will be known as Nunavut Territory. The proposed date for the division is April 1, 1999. The creation of a new territory will involve the transfer of Government assets and liabilities. The full financial impact on the Government has yet to be determined.

March 31, 1996

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Principles of consolidation

The Government complies with the recommendations of the Public Sector Accounting and Auditing Board of the Canadian Institute of Chartered Accountants wherever applicable, and in particular with respect to the preparation of consolidated financial statements.

The consolidated financial statements include the accounts of the Government and organizations accountable to, and owned or controlled by the Government. The entities that exist to deliver the executive functions of the Government are fully consolidated in these financial statements. The entities, which are deemed to be government business enterprises, are accounted for using the modified equity method.

The following related Government boards and agencies are reflected in these statements only to the extent of the Government's contributions to them:

- Educational boards
- Hospitals and health boards
- Legislative Assembly Retiring Allowances Fund
- Territorial Court Judges' Registered Pension Plan

(b) Loans receivable

Loans receivable and advances are stated at the lower of cost and net recoverable value.

Valuation allowances, which are recorded to reduce loans receivable, are based on past events, current conditions and all circumstances known at the date of the preparation of the financial statements. Interest revenue is recognized when earned. Interest revenue is not accrued when the collectibility of either principal or interest is not reasonably assured.

(c) Short-term investments/segregated cash and investments

Investments are valued at the lower of cost or market value. Interest income is recorded on the accrual basis and dividend income is recognized as it is received or declared. Investment in securities denominated in foreign currencies are translated into Canadian dollars at the prevailing exchange rate at year end. Foreign currency transactions during the year are translated into Canadian dollars at the prevailing rate at the transaction date.

(d) Capital assets and leases

Capital assets are charged to expenditures at the time of acquisition or construction and reported on the consolidated statement of financial position at a nominal value of one dollar.

Lease payments under capital and operating leases are charged to operations and maintenance expenditures. No assets or long-term liabilities are recognized for capital leases.

(e) Grant from Canada

The grant is subject to the terms of a financial agreement with Canada. Periodic adjustments are made to the grant for income taxes, Established Programs Financing contributions and operating revenues collected by the Government which differ from the estimated amounts used to determine the grant for the fiscal year. Adjustments are also made to reflect new estimates of prior year entitlements.

March 31, 1996

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(f) Commitments and Contingencies

The nature of the Government's activities requires negotiation of contracts that are significant in relation to its current financial position or that will materially affect the level of future expenditure. Contractual commitments pertain to block funding agreements with municipalities, operating, commercial and residential leases, capital projects and funding commitments.

The contingent liabilities of the Government are potential liabilities which may become actual liabilities when one or more future events occur or fail to occur. When they become actual liabilities, they will be recorded in the accounts of the Government. An exception is made for losses on loan guarantees of associated enterprises borrowings, which are recorded as actual liabilities when it is likely that a future payment will be made and the amount of the loss can be reasonably determined.

Contingent liabilities result from the exercise of: guarantees; environmental contingencies; pending or threatened litigation; and like items.

(g) Projects for Canada and Others

The Government undertakes projects for Canada and others for which it receives accountable advances. Unexpended balances are recorded as current liabilities, and expenditures in excess of advances are recorded as accounts receivable.

(h) Taxes

Taxes, under the Income Tax Act, are collected by Canada on behalf of the Government under a tax collection agreement and are remitted to the Government monthly. The remittances are based on estimates for the taxation year, which are periodically adjusted until the income tax assessments for that year are completed. Income tax revenue is recognized on a cash basis.

Fuel, tobacco and payroll taxes are levied under the authority of the Petroleum Products Tax Act, the Tobacco Tax Act and the Payroll Tax Act respectively. These taxes are received on a regular basis. Revenues are recognized on an accrual basis based on the statements received from collectors or employers. Adjustments from reassessments are recorded in revenue in the year they are identified.

Property tax and school levies are assessed on a calendar year basis and are recognized on an accrual basis in the fiscal year in which the calendar year ends.

(i) Other revenues

Licences, fees and permits are recorded on a cash basis. All other revenues are recorded on an accrual basis.

(j) Operations, maintenance and capital expenditures

Operations, maintenance and capital expenditures are recorded on an accrual basis.

Government of the Northwest Territories**Notes to Consolidated Financial Statements**

March 31, 1996

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**(k) Contributions to local housing organizations**

Houses owned by the consolidated government reporting entity are operated by local housing associations and authorities. The Northwest Territories Housing Corporation provides contributions for the annual operating requirements of these local housing organizations. These contributions are recorded on an accrual basis.

(l) Recoveries of prior years' expenditures

Recoveries of prior years' expenditures and reversal of prior years' accruals are reported separately from other revenues on the consolidated statement of operations and surplus. Pursuant to the Financial Administration Act, these recoveries cannot be used to increase the amount appropriated for current year expenditures.

3. DUE FROM CANADA

	1996	1995
	(thousands of dollars)	
Grant payable		
Grant due from Canada - schedule A	\$ 904,743	\$ 888,739
Less payments received	910,217	901,193
	(5,474)	(12,454)
Balance (payable) receivable at beginning of the year	(760)	11,694
	(6,234)	(760)
Indian and Inuit hospital and medical care	72,953	65,491
Canada Mortgage and Housing Corporation	9,916	8,487
Cost sharing agreements and projects on behalf of Canada	2,286	931
Other	24,965	20,263
	103,886	94,412
Less:		
Unapplied balance of advances under agreements	1,494	1,599
Excess Income Tax and Established Programs Financing advanced	4,925	10,501
	6,419	12,100
	\$ 97,467	\$ 82,312

Government of the Northwest Territories**Notes to Consolidated Financial Statements**

March 31, 1996

4. ACCOUNTS RECEIVABLE

	1996	1995
	(thousands of dollars)	
Related parties		
Divisional Boards of Education	4,116	6,186
Northwest Territories Power Corporation	2,297	-
Workers' Compensation Board	436	3
Liquor Commission	18	398
Board of Secondary Education	-	59
Science Institute of the Northwest Territories	-	48
	<hr/> 6,867	<hr/> 6,694
Other accounts receivable	28,896	23,626
Accrued interest	3,351	3,330
	<hr/> 32,247	<hr/> 26,956
Less allowance for doubtful accounts	3,052	2,892
	<hr/> 29,195	<hr/> 24,064
	<hr/> \$ 36,062	<hr/> \$ 30,758

During the year, \$186,000 (1995 - \$169,000) was written off with proper authority and accounts receivable totalling \$759,000 (1995 - nil) were forgiven with proper authority.

5. INVENTORIES

	1996	1995
	(thousands of dollars)	
Granular Program	\$ 8,157	\$ 7,439
Northwest Territories Development Corporation	3,363	2,685
Public Stores	390	410
Expo '92	11	11
	<hr/> \$ 11,921	<hr/> \$ 10,545

Government of the Northwest Territories**Notes to Consolidated Financial Statements**

March 31, 1996

6. SEGREGATED CASH AND INVESTMENTS

	1996	1995
	(thousands of dollars)	
Investment portfolio		
Cash and other assets	\$ 121	\$ 645
Treasury bills	766	403
Marketable securities	14,144	12,044
	<hr/> 15,031	<hr/> 13,092
Students Loan Fund		
Authorized limit	18,000	18,000
Less loans receivable	16,597	14,820
	<hr/> 1,403	<hr/> 3,180
Northwest Territories Development Corporation		
Preferred shares	2,703	2,409
Capital Reserve Fund	194	370
Venture Reserve Fund	218	189
	<hr/> 3,115	<hr/> 2,968
Less allowance for loss	1,670	1,597
	<hr/> 1,445	<hr/> 1,371
	<hr/> <hr/> \$ 17,879	<hr/> <hr/> \$ 17,643

Government of the Northwest Territories**Notes to Consolidated Financial Statements**

March 31, 1996

7. LONG-TERM RECEIVABLES AND LOANS

	1996	1995
	(thousands of dollars)	
Loans to municipalities due in instalments to 2026, bearing interest between 0.00% and 11.27%, net of valuation allowances of \$1,160,000 (1995 - \$1,277,000)	\$ 43,630	\$ 41,400
Northwest Territories Business Credit Corporation loans receivable, bearing interest between 7.5% and 15.50%, net of allowance for doubtful accounts of \$4,775,000 (1995 - \$5,240,000)	18,663	13,891
Promissory note due from the Northwest Territories Power Corporation, due in installments to the 1998-99 fiscal year, bearing interest at 11%	16,050	21,400
Students Loan Fund loans due in instalments to 2004, bearing interest between 4.5% and 12.5%, net of allowance for doubtful accounts and loan remissions of \$8,965,000 (1995 - \$7,870,000)	7,633	6,950
Northwest Territories Housing Corporation mortgage and interim financing loans repayable over a maximum of 25 years, bearing interest between 0% and 14.25%, net of allowance for doubtful accounts of \$1,517,000 (1995 - \$1,286,000)	6,476	11,531
Agreements for sale	973	963
Mortgage receivable	200	200
	93,625	96,335
Less current portion	10,617	9,603
	\$ 83,008	\$ 86,732

The Northwest Territories Housing Corporation remeasured its mortgage portfolio during the year. The mortgage remeasurement resulted in a reduction of mortgage receivable by \$10,567,000. This remeasurement is disclosed separately as it cannot be attributed entirely to the year ended March 31, 1996.

During the year, the following amounts were written off and forgiven with proper authority:

	1996	1995
	(thousands of dollars)	
Northwest Territories Business Credit Corporation		
Write-offs	\$ 69	\$ 27
Forgiven	161	870
Students Loan Fund		
Write-offs	149	127
Remissions	1,010	904
	\$ 1,389	\$ 1,928

Government of the Northwest Territories

Notes to Consolidated Financial Statements

March 31, 1996

8. INVESTMENT IN ASSOCIATED ENTERPRISES

The investment in associated enterprises is the total of their surplus. Summary financial statements of the associated government business enterprises accounted for by the modified equity method are presented below.

The net assets of the Workers' Compensation Board can only be used to finance the operations of the Board. Therefore, the net assets of the Workers' Compensation Board are not available to discharge existing government liabilities or to finance other government programs.

	Northwest Territories Power Corporation	Northwest Territories Liquor Commission	Petroleum Products Revolving Fund	Workers' Compensation Board	1996 Total	1995 Total
(thousands of dollars)						
Balance Sheet						
Assets	\$ 246,137	\$ 3,198	\$ 37,458	\$ 175,797	\$ 462,590	\$ 408,490
Liabilities	\$ 152,412	\$ 1,303	\$ 4,190	\$ 157,126	\$ 315,031	\$ 274,671
Surplus	93,725	1,895	33,268	18,671	147,559	133,819
	\$ 246,137	\$ 3,198	\$ 37,458	\$ 175,797	\$ 462,590	\$ 408,490
Statement of Operations						
Revenues	\$ 105,076	\$ 20,155	\$ 13,464	\$ 39,198	\$ 177,893	\$ 168,428
Expenditures	94,411	4,250	14,234	31,601	144,496	137,381
Net revenues (expenditures)	\$ 10,665	\$ 15,905	\$ (770)	\$ 7,597	\$ 33,397	\$ 31,047

Related Party Transactions

	Northwest Territories Power Corporation	Northwest Territories Liquor Commission	Petroleum Products Revolving Fund	Workers' Compensation Board
(thousands of dollars)				
Revenues from:				
Government of the Northwest Territories - Consolidated	\$ 24,380	\$ 1,047	\$ 6,462	\$ 3,558
Northwest Territories Power Corporation	-	-	10,560	425
	\$ 24,380	\$ 1,047	\$ 17,022	\$ 3,983
Expenditures to:				
Government of the Northwest Territories - Consolidated	\$ 3,914	\$ 17,940	\$ 941	\$ 295
Petroleum Products Revolving Fund	10,751	-	-	-
Workers' Compensation Board	187	-	-	-
	\$ 14,852	\$ 17,940	\$ 941	\$ 295

Government of the Northwest Territories

Notes to Consolidated Financial Statements

March 31, 1996

9. SHORT-TERM LOANS

Short-term loans of \$104,713,000 (1995 - \$79,310,000) bear interest at varying rates between 4.99% to 6.48%. The short-term loans were repaid as of April 1, 1996. The borrowing limit under the Borrowing Authorization Act was \$175,000,000 as of March 31, 1996.

The loans also include a \$1,190,000 (1995 - \$665,000) demand loan incurred by the Northwest Territories Development Corporation bearing interest at prime plus 2% and secured by a debenture over inventory and capital assets.

10. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	1996	1995
	(thousands of dollars)	
Related parties		
Regional health boards	\$ 2,396	\$ 3,231
Petroleum Products Revolving Fund	1,054	999
Board of Secondary Education	258	-
Northwest Territories Power Corporation	-	1,625
Workers' Compensation Board	-	1,409
	3,708	7,264
Accounts payable	89,561	86,962
Other liabilities, payroll deductions and contractors' holdbacks	11,629	10,445
Employee leave benefits	8,262	8,577
Accrued interest	1,612	1,638
Deferred revenue	240	1,773
	\$ 115,012	\$ 116,659

11. PENSIONS

(a) Pension Liabilities

	1996	1995
	(thousands of dollars)	
Legislative Assembly Supplementary Retiring Allowance	\$ 16,021	\$ 14,065
Judges' Supplemental Pension Plan	524	333
	\$ 16,545	\$ 14,398

The Government also maintains the Legislative Assembly Retiring Allowances Fund and the Territorial Court Judges' Registered Pension Plan. The two pension plans are fully funded, consequently the Government has no liabilities as at March 31, 1996 (1995 - nil). The two funds are administered by independent trust companies.

Government of the Northwest Territories

Notes to Consolidated Financial Statements

March 31, 1996

11. PENSIONS (continued)

(a) Pension Liabilities

The Legislative Assembly Retiring Allowances Fund is a contributory defined benefit pension plan. The other three plans are non-contributory defined benefit pension plans. Benefits provided under the plans are based on service and/or earnings. The Government is liable for all benefits.

Actuarial valuations were completed for the Legislative Assembly and Judges' plans as of March 31, 1996 and January 1, 1995 respectively, using the projected benefit method prorated on service. The valuation is based on a number of actuarial assumptions about matters such as mortality, service, withdrawal, earnings and interest rates. The assumptions are based on the Government's best estimates of expected long-term rates and short-term forecasts. All actuarial valuations were extrapolated to March 31, 1996 if they were not valued at the balance sheet date.

(b) Pension Expense

	1996	1995
	(thousands of dollars)	
Legislative Assembly Supplementary Retiring Allowance and Judges' Supplemental Pension Plan:		
Benefit cost accruals		
Current service	\$ 846	\$ 847
Past service	400	1,038
	1,246	1,885
Interest on accrued benefits	1,198	1,081
Amortization of estimation adjustment	(41)	(32)
	2,403	2,934
Territorial Court Judges' Registered Pension Plan	89	131
Legislative Assembly Retiring Allowances Fund	40	25
	\$ 2,532	\$ 3,090

(c) Public Service Superannuation Plan

The Government and its employees make contributions to the Public Service Superannuation Plan administered by Canada. These contributions represent the total obligation of the Government. The Government is not required under present legislation to make contributions with respect to actuarial deficiencies of the Public Service Superannuation Account.

Government of the Northwest Territories**Notes to Consolidated Financial Statements**

March 31, 1996

12. EMPLOYEE TERMINATION BENEFITS**(a) Liabilities**

	1996	1995
	(thousands of dollars)	
Removal	\$ 12,980	\$ 19,923
Termination	11,963	11,746
Retirement	2,501	2,033
	27,444	33,702
Less current portion	5,179	5,142
	\$ 22,265	\$ 28,560

(b) Change in accounting estimates

During the year, the method of estimating the liability for ultimate removal has been changed to reflect a more accurate estimate. The revised method has resulted in a decrease of \$5,982,000 in the liability. This decrease in liability is disclosed separately as it cannot be attributed entirely to the year ended March 31, 1996.

13. LONG-TERM DEBT

	1996	1995
	(thousands of dollars)	
Northwest Territories Housing Corporation loans due to Canada Mortgage and Housing Corporation, repayable in installments to the year 2033, bearing interest at an average weighted rate of 7% (1995 - 7%)	\$ 90,913	\$ 92,347
Sinking fund notes redeemable in annual installments to 1999, with interest at 11% payable semi-annually, issued to finance the purchase of the Northwest Territories Power Corporation	16,050	21,400
Note payable to Nuni(Ye) Forest Products Ltd. to be converted to Class B common shares in Great Slave Lake Forest Products Ltd.	315	315
	107,278	114,062
Less current portion	6,545	6,485
	\$ 100,733	\$ 107,577

Government of the Northwest Territories**Notes to Consolidated Financial Statements**

March 31, 1996

13. LONG-TERM DEBT (continued)

Principal and interest amounts due in each fiscal year for the next four years:

	Principal	Interest (thousands of dollars)	Total
1996-1997	6,545	7,762	14,307
1997-1998	6,629	7,089	13,718
1998-1999	6,719	6,410	13,129
1999-2000	1,467	6,176	7,643

The loans due to Canada Mortgage and Housing Corporation will be renegotiated in the year 2000.

14. TRUST ASSETS AND LIABILITIES

The Government administers trust accounts on behalf of third parties, which are not included in the reported Government assets and liabilities. These consist of cash, term deposits, investments, real estate, and other sundry assets.

	1996 (thousands of dollars)	1995 (thousands of dollars)
Public Trustee	\$ 5,121	\$ 4,905
Inuvik Utilidor	900	-
Supreme Court	395	431
Natural Resources - Capital	322	342
Correctional institutions	157	160
Territorial Court	130	104
Other	124	61
	\$ 7,149	\$ 6,003

15. COMMITMENTS

(a) The Government has entered into agreements for, or is contractually committed to, the following expenditures payable subsequent to March 31, 1996:

	Expiry Date	Total (thousands of dollars)
Commercial and Residential Leases	2015	\$ 226,452
Capital Commitments - projects in progress at March 31, 1996	2001	56,403
Operational Commitments	2000	42,973
Block Funding Agreement with tax based municipalities	1999	17,117
Tungavik Federation of Nunavut Wildlife Income Support Fund/ Western Harvesters' Assistance Program	1999	11,300
NWT Energy Corporation - financing commitment to Dogrib Power Corporation	1996	9,000
Northwest Territories Development Corporation - Operating Subsidies	1998	6,208
Equipment Leases	2001	4,287
		\$ 373,740

March 31, 1996

15. COMMITMENTS (continued)

(b) Petroleum Products Revolving Fund

The Fund has entered into fuel delivery contracts with communities. All contracts expire by 2006. Under these contracts fixed commission rates are paid. The value of this commitment cannot reasonably be determined.

(c) Northwest Territories Power Corporation

The Corporation has entered into an agreement to lease Phase I Plant, Snare Cascades from the Dogrib Power Corporation. The estimated value of the lease is \$26,500,000 and the lease period is 65 years commencing from July 1996.

16. CONTINGENCIES

(a) Boards and agencies

The Government funds boards and agencies, offering services to the public, which operate independently of normal Government operations. The Government may be held responsible for any liabilities or deficits on behalf of these boards and agencies. These potential liabilities cannot be determined.

(b) Pay Equity

The Union of Northern Workers filed an equal pay complaint against the Government in March 1989 with the Canadian Human Rights Commission (CHRC). The dispute has not been settled. A motion filed by the Government with the Federal Court of Canada applying for a declaration that the CHRC has no jurisdiction to deal with the complaint has been denied. This decision is being appealed by the Government.

It is not possible to reasonably determine the liability, if any, that may result from the claim. In the event that there is a liability, the expenditure will be charged to operations in the year an amount can reasonably be determined.

(c) Environmental Restoration Costs

The Government recognizes that there could be a liability for restoration of the environment on Commissioner's Land. Such costs would include the clean up and restoration of oil storage facilities, construction sites, sewage treatment facilities and the removal of hazardous goods.

In order to show the financial impact of these environmental costs, the amount of the liability and the timing of future expenditures should be recognized in the Government's financial statements. In some instances, the projected costs would be amortized over the life of the specific project, site or facility. However, the ultimate responsibility may rest with different levels of Government and the private sector.

A reasonable estimate of costs attributable to the Government cannot be fully determined at this time. The determination of these costs will be subject to, and depend upon, evolving public policy, legislation and waste disposal methods. The Government will continue to work toward a reasonable determination and disclosure of environmental costs and liabilities in accordance with generally accepted accounting principles.

Government of the Northwest Territories

Notes to Consolidated Financial Statements

March 31, 1996

17. RELATED PARTIES

During the year the Government made contributions and grants to the following related parties:

	1996	1995
	(thousands of dollars)	
Education boards	\$ 142,834	\$ 138,038
Hospitals and health boards	94,826	93,935
	<hr/> \$ 237,660	<hr/> \$ 231,973

Under agreements with related boards and agencies, the Government provides services at cost or for a service fee where direct costs cannot be determined. The fees charged for indirect costs are not necessarily the cost of providing those services. Services provided included personnel, payroll, financial, procurement, accommodation, buildings and works, utilities, legal and interpretation services. Direct costs of \$127,734,000 (1995 - \$128,798,000) were incurred and recovered from related parties.

18. OVEREXPENDITURES

One department has overspent \$544,000 at the department level for operations and maintenance expenditure activities. This contravenes section 32 of the Financial Administration Act which states... "No person shall incur an expenditure that causes the amount of the item set out in the Estimates on which the appropriation is based to be exceeded".

19. COMPARATIVE FIGURES

Certain comparative figures have been reclassified to conform with the financial statement presentation adopted for the current year.

Consolidated Schedule of Revenues by Source

for the year ended March 31, 1996 (thousands of dollars)	Budget (note 1b)	1996	1995
From Canada			
Grant per financing agreement (note 3)	\$ 876,000	\$ 904,743	\$ 888,739
Transfer payments	109,526	149,079	144,211
Established Programs Financing	19,683	21,332	22,657
	1,005,209	1,075,154	1,055,607
Generated Revenues			
Taxation	141,222	145,995	131,647
General	33,229	49,900	35,582
Capital Recoveries	5,588	29,109	26,400
Other Recoveries	24,247	28,261	23,655
	204,286	253,265	217,284
Total	\$ 1,209,495	\$ 1,328,419	\$ 1,272,891

Consolidated Schedule of Expenditures

for the year ended March 31, 1996 (thousands of dollars)	Budget (note 1b)	1996	1995
Operations and Maintenance			
Grants and contributions	\$ 459,234	\$ 461,876	\$ 435,648
Operations and maintenance	409,638	433,226	439,041
Salaries and wages	224,272	247,474	245,533
Valuation allowances	-	11,352	5,788
	1,093,144	1,153,928	1,126,010
Capital			
Building and works	118,963	168,345	174,669
Grants and contributions	20,281	28,152	16,994
Equipment	6,288	11,441	9,785
	145,532	207,938	201,448
Total	\$ 1,238,676	\$ 1,361,866	\$ 1,327,458

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SECTION II
NON-CONSOLIDATED FINANCIAL STATEMENTS
(unaudited)

Government of the Northwest Territories**Non-Consolidated Statement of Financial Position**

as at March 31, 1996
(thousands of dollars)

1996**1995**

Assets**Current**

Cash and short-term investments	\$ -	\$ 11,880
Due from Canada (note 3)	87,551	73,851
Accounts receivable (note 4)	39,466	37,323
Inventories (note 5)	38,102	37,203
Prepaid expenses	5,591	5,820
Current portion of long term receivables and loans	10,617	9,603

181,327 175,680

Segregated cash and investments (note 6) 16,434 16,272

Long-term receivables and loans (note 7) 79,019 78,324

Investment in Northwest Territories Power Corporation 1 1

Capital assets, at nominal value of one dollar

\$ 276,781 \$ 270,277

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

Government of the Northwest Territories

Non-Consolidated Statement of Financial Position (continued)

as at March 31, 1996
(thousands of dollars)

1996

1995

Liabilities

Current

Bank overdraft	\$ 21,555	\$ -
Short-term loans (note 8)	104,713	94,310
Accounts payable and accrued liabilities (note 9)	105,926	104,183
Current portion of long-term liabilities	9,613	10,223

241,807 208,716

Pension liabilities (note 10a) -	16,545	14,398
Employee termination benefits (note 11a)	19,557	26,568
Note payable (note 12)	10,700	16,050

288,609 265,732

Commitments and contingencies (notes 15 and 16)
Subsequent event (note 18)

Accumulated (deficit) surplus

Students Loan Fund reserve	18,000	18,000
Petroleum Products Stabilization Fund (note 13)	(2,654)	(1,884)
Deficit	(27,174)	(11,571)

(11,828) 4,545

\$ 276,781 \$ 270,277

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

Government of the Northwest Territories

Non-Consolidated Statement of Operations and Surplus

for the year ended March 31, 1996
(thousands of dollars)

	1996		1995
	Main Estimates (note 1b)	Actual	Actual
Revenues (schedule A)			
From Canada	\$ 1,005,209	\$ 1,025,517	\$ 1,004,039
Generated revenues	207,762	230,178	207,021
	1,212,971	1,255,695	1,211,060
Recoveries of prior years' expenditures (note 2n)	-	4,722	6,919
	1,212,971	1,260,417	1,217,979
Expenditures			
Operations and maintenance (schedule B)	1,025,485	1,076,245	1,052,846
Capital (schedule C)	194,657	205,757	191,537
Estimated supplementary requirements (note 1c)	40,000	-	-
Estimated appropriation authority lapse (note 1c)	(30,000)	-	-
	1,230,142	1,282,002	1,244,383
Net expenditure before undemoted	(17,171)	(21,585)	(26,404)
Projects for Canada and others			
Expenditures	(30,816)	(43,106)	(42,837)
Recoveries	30,816	43,106	42,837
Adjustment of ultimate removal liability (note 11b)	-	5,982	-
Net expenditure	\$ (17,171)	(15,603)	(26,404)
(Deficit) Surplus at beginning of year		(11,571)	19,833
Allocated to Students Loan Fund reserve		-	(5,000)
Deficit at end of year		\$ (27,174)	\$ (11,571)

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

Government of the Northwest Territories

Non-Consolidated Statement of Cash Flows

for the year ended March 31, 1996 (thousands of dollars)	1996	1995
Cash provided by (used in)		
Operating activities		
Net expenditure for the year	\$ (15,603)	\$ (26,404)
Items not affecting cash:		
Provision for doubtful receivables, loans, and loan remissions	1,464	(35,866)
Amortization of pension estimation adjustment	(41)	(32)
Employee leave and termination benefits	(6,994)	(1,393)
	(21,174)	(63,695)
Changes in non-cash assets and liabilities		
Current assets	(3,299)	(3,196)
Current liabilities	1,116	10,940
Due from Canada	(13,700)	41,729
Petroleum Products Stabilization Fund	(770)	(1,329)
Pension liabilities	2,188	1,603
Net cash used in operating activities	(35,639)	(13,948)
Investing activities		
Segregated cash and investments	(162)	(3,812)
Long-term receivables and loans		
Advances	(18,604)	(10,982)
Repayments	15,917	15,944
Net cash (used in) provided by investing activities	(2,849)	1,150
Financing activities		
Repayment of long-term debt	(5,350)	(5,350)
Net cash used in financing activities	(5,350)	(5,350)
Decrease in cash and cash equivalents	(43,838)	(18,148)
Cash and cash equivalents at beginning of year	(82,430)	(64,282)
Cash and cash equivalents at end of year*	\$ (126,268)	\$ (82,430)

* Cash and cash equivalents are represented by cash and short-term investments less bank overdraft and short-term loans.

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

Government of the Northwest Territories

Notes to Non-Consolidated Financial Statements

March 31, 1996

1. AUTHORITY AND OPERATIONS

(a) The Government of the Northwest Territories (the Government) operates under the authority of the Northwest Territories Act (Canada). The Government has an elected Legislative Assembly which authorizes all disbursements, advances, loans and investments unless specifically authorized by statute.

(b) The Main Estimates figures are those tabled before the Legislative Assembly during the February 1995 and October 1994 sessions. They represent the Government's original fiscal plan for the year and do not reflect Supplementary Appropriations.

(c) The estimated supplementary requirements and the estimated appropriation authority lapse are included in the Main Estimates on the statement of operations and surplus. These amounts are not voted by the Legislative Assembly. They are estimates of funds required by supplementary appropriations and funds that will not be expended during the year.

(d) The Government has entered into an agreement to divide the existing Northwest Territories into two separate territories. The eastern portion will be known as Nunavut Territory. The proposed date for the division is 1999. The creation of a new territory will involve the transfer of Government assets and liabilities. The full financial impact on the Government has yet to be determined.

2. SIGNIFICANT ACCOUNTING POLICIES

(a) Financial statements

These financial statements have been prepared on a non-consolidated basis to show the operating results of the Government separate from the entities included in the consolidated financial statements.

The Government complies with the recommendations of the Public Sector Accounting and Auditing Board of the Canadian Institute of Chartered Accountants wherever applicable, and in particular with respect to the preparation of consolidated financial statements.

The Government has prepared consolidated financial statements. They are presented in Section I of the Public Accounts and provide an accounting of the full nature and extent of the financial affairs and resources for which the Government is responsible. The consolidated reporting entity is defined in those statements.

(b) Reporting entity

These financial statements include the assets, liabilities and operating results of the Government and the following revolving funds:

- Fur Marketing Service Revolving Fund
- Granular Program Revolving Fund
- Northwest Territories Liquor Commission
- Petroleum Products Revolving Fund
- Public Stores Revolving Fund
- Students Loan Fund

Revolving funds are established by the Government to provide the required working capital to deliver goods and services to the general public and to Government departments.

Government of the Northwest Territories

Notes to Non-Consolidated Financial Statements

March 31, 1996

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

The following related Government boards and agencies are included in these statements only to the extent of the Government's contributions to them:

Aurora College
Nunavut Arctic College
Educational boards
Hospitals and health boards
Legislative Assembly Retiring Allowances Fund
Territorial Court Judges' Registered Pension Plan
Northwest Territories Business Credit Corporation
Northwest Territories Development Corporation
Northwest Territories Housing Corporation
Workers' Compensation Board

Detailed financial information, on revolving funds and other boards and agencies, is included in Section III of the Public Accounts.

(c) Short-term investments/segregated cash and investments

Investments are valued at the lower of cost or market value. Interest income is recorded on the accrual basis and dividend income is recognized when it is received or declared.

Investment in securities denominated in foreign currencies are translated into Canadian dollars at the year end exchange rate. Foreign currency transactions during the year are translated into Canadian dollars at the exchange rate at the transaction date.

(d) Inventories

Inventories for resale consist of bulk fuel, liquor products and granular products. They are valued at the lower of cost and net realizable value.

Inventories of materials and supplies are valued at the lower of cost and replacement value.

(e) Loans receivable

Loans receivable and advances are stated at the lower of cost and net recoverable value.

Valuation allowances, which are recorded to reduce loans receivable, are based on past events, current conditions and all circumstances known at the date of the preparation of the financial statements. Interest revenue is recognized when earned. Interest revenue is not accrued when the collectibility of either principal or interest is not reasonably assured.

(f) Investment in Northwest Territories Power Corporation

The Government is the sole shareholder of the Northwest Territories Power Corporation, a Territorial Crown Corporation providing utility services to the Northwest Territories. The investment has been recorded at a nominal value.

March 31, 1996

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(g) Capital assets and leases

Capital assets are charged to expenditures at the time of acquisition or construction. Capital assets are disclosed on the statement of financial position at a nominal value of one dollar.

Lease payments under capital and operating leases are charged to operating and maintenance expenditures. No assets or long-term liabilities are recognized for capital leases.

(h) Commitments and Contingencies

The nature of the Government's activities requires negotiation of contracts that are significant in relation to its current financial position or that will materially affect the level of future expenditure. Contractual commitments pertain to block funding agreements with municipalities, operating, commercial and residential leases, capital projects and funding commitments.

The contingent liabilities of the Government are potential liabilities which may become actual liabilities when one or more future events occur or fail to occur. When they become actual liabilities, they will be recorded in the accounts of the Government. An exception is made for losses on loan guarantees of associated enterprises borrowings, which are recorded as actual liabilities when it is likely that a future payment will be made and the amount of the loss can be reasonably determined.

Contingent liabilities result from the exercise of: guarantees; environmental contingencies; pending or threatened litigation; and like items.

(i) Grant from Canada

The grant is subject to the terms of a financial agreement with Canada. Periodic adjustments are made to the grant for income taxes, Established Programs Financing contributions and operating revenues collected by the Government which differ from the estimated amounts used to determine the grant for the fiscal year. Adjustments are also made to reflect new estimates of prior year entitlements.

(j) Projects for Canada and others

The Government undertakes projects for Canada and others for which it receives accountable advances. Unexpended balances are recorded as current liabilities, and expenditures in excess of advances are recorded as accounts receivable.

(k) Taxes

Taxes, under the Income Tax Act, are collected by Canada on behalf of the Government under a tax collection agreement and are remitted to the Government monthly. The remittances are based on estimates for the taxation year, which are periodically adjusted until the income tax assessments for that year are completed. Income tax revenue is recognized on a cash basis.

Fuel, tobacco and payroll taxes are levied under the authority of the Petroleum Products Tax Act, the Tobacco Tax Act and the Payroll Tax Act respectively. These taxes are received on a regular basis. Revenues are recognized on an accrual basis based on the statements received from collectors or employers. Adjustments from reassessments are recorded in revenue in the year they are identified.

Property tax and school levies are assessed on a calendar year basis and are recognized on an accrual basis in the fiscal year in which the calendar year ends.

Government of the Northwest Territories

Notes to Non-Consolidated Financial Statements

March 31, 1996

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(l) Other revenues

Licenses, fees and permits are recorded on a cash basis. All other revenues are recorded on an accrual basis.

(m) Operations, maintenance and capital expenditures

Operations, maintenance and capital expenditures are recorded on an accrual basis.

(n) Recoveries of prior years' expenditures

Recoveries of prior years' expenditures and reversals of prior years' accruals are reported separately from other revenues on the statement of operations and surplus. Pursuant to the Financial Administration Act, these recoveries cannot be used to increase the amount appropriated for current year expenditures.

3. DUE FROM CANADA

	1996	1995
	(thousands of dollars)	
Grant payable		
Grant due from Canada - schedule A	\$ 904,743	\$ 888,739
Less payments received	910,217	901,193
	(5,474)	(12,454)
Balance (payable) receivable at beginning of year	(760)	11,694
Grant payable at end of year	(6,234)	(760)
Indian and Inuit hospital and medical care	72,953	65,491
Cost sharing agreements and projects on behalf of Canada	2,286	931
Other	24,965	20,289
	93,970	85,951
Less:		
Unapplied balance of advances under agreements	1,494	1,599
Excess Income Tax and Established Programs Financing advanced	4,925	10,501
	6,419	12,100
	\$ 87,551	\$ 73,851

Government of the Northwest Territories**Notes to Non-Consolidated Financial Statements**

March 31, 1996

4. ACCOUNTS RECEIVABLE

	1996	1995
	(thousands of dollars)	
Revolving funds		
Petroleum Products	\$ 10,865	\$ 10,689
Granular Program	562	307
Fur Marketing Service	385	558
Expo '92	123	123
Public Stores	15	26
Liquor Commission	3	2
	11,953	11,705
Less allowance for doubtful accounts	305	309
	11,648	11,396
Related parties		
Divisional Boards of Education	4,116	6,186
Northwest Territories Power Corporation	2,297	-
Aurora College	831	1,194
Nunavut Arctic College	269	2,390
Northwest Territories Housing Corporation	439	252
Workers' Compensation Board	436	-
Liquor Commission	18	398
Arctic College	-	283
Board of Secondary Education	-	59
Science Institute of the Northwest Territories	-	48
Northwest Territories Development Corporation	-	11
	8,406	10,821
Other accounts receivable	18,809	14,060
Accrued interest	3,086	3,039
	21,895	17,099
Less allowance for doubtful accounts	2,483	1,993
	19,412	15,106
	\$ 39,466	\$ 37,323

During the year, \$186,000 (1995 - \$169,000) was written off with proper authority, accounts receivable totalling \$759,000 (1995 - nil) were forgiven with proper authority.

Government of the Northwest Territories

Notes to Non-Consolidated Financial Statements

March 31, 1996

5. INVENTORIES

	1996	1995
	(thousands of dollars)	
Petroleum Products	\$ 26,775	\$ 26,720
Granular Program	8,382	7,727
Liquor Commission	2,544	2,335
Public Stores	390	410
Expo '92	11	11
	<hr/>	<hr/>
	\$ 38,102	\$ 37,203
	<hr/>	<hr/>

6. SEGREGATED CASH AND INVESTMENTS

	1996	1995
	(thousands of dollars)	
Investment portfolio		
Cash and other assets	\$ 121	\$ 645
Treasury bills	766	403
Marketable securities	14,144	12,044
	<hr/>	<hr/>
	15,031	13,092
	<hr/>	<hr/>
Students Loan Fund		
Authorized limit	18,000	18,000
Less loans receivable	16,597	14,820
	<hr/>	<hr/>
Cash available for new loans	1,403	3,180
	<hr/>	<hr/>
	\$ 16,434	\$ 16,272
	<hr/>	<hr/>

Government of the Northwest Territories

Notes to Non-Consolidated Financial Statements

March 31, 1996

7. LONG-TERM RECEIVABLES AND LOANS

	1996	1995
	(thousands of dollars)	
Loans to municipalities due in installments to 2026, bearing interest between 0.00% and 11.27%, net of valuation allowances of \$1,160,000 (1995 - \$1,277,000)	\$ 43,630	\$ 41,422
Loan advances to the Northwest Territories Business Credit Corporation. The term is indeterminate with the option to repay any portion of principal on any interest payment date. Interest is calculated at selected Government of Canada three year bond rates at the end of the month.	21,150	16,992
Promissory note due from the Northwest Territories Power Corporation, due in installments to the 1998-99 fiscal year, bearing interest at 11%	16,050	21,400
Students Loan Fund loans due in installments to 2004, bearing interest between 4.5% and 12.5%, net of allowance for doubtful accounts and loan remissions of \$8,965,000 (1995 - \$7,870,000)	7,633	6,950
Agreements for sale	973	963
Mortgage Receivable	200	200
	89,636	87,927
Less current portion	10,617	9,603
	\$ 79,019	\$ 78,324

During the year, the following amounts were written off with proper authority:

	1996	1995
	(thousands of dollars)	
Students Loan Fund		
Write-offs	\$ 149	\$ 127
Remissions	1,010	904
	\$ 1,159	\$ 1,031

Government of the Northwest Territories**Notes to Non-Consolidated Financial Statements**

March 31, 1996

8. SHORT-TERM LOANS

Short-term loans of \$104,713,000 bear interest at varying rates between 4.99% to 6.48%. The short-term loans were repaid as of April 1, 1996. The borrowing limit under the Borrowing Authorization Act was \$175,000,000 as of March 31, 1996.

9. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	1996	1995
	(thousands of dollars)	
Related parties		
Regional health boards	\$ 2,396	\$ 3,231
Petroleum Products Revolving Fund	1,054	998
Board of Secondary Education	258	-
Arctic College	147	-
Northwest Territories Development Corporation	50	-
Northwest Territories Power Corporation	-	1,622
Workers' Compensation Board	-	1,409
	3,905	7,260
Accounts payable	80,803	75,475
Other liabilities, payroll deductions and contractors' holdbacks	13,104	12,698
Employee leave benefits	8,033	7,406
Deferred revenue	81	1,344
	102,021	96,923
	\$ 105,926	\$ 104,183

10. PENSIONS**(a) Pension Liabilities**

	1996	1995
	(thousands of dollars)	
Legislative Assembly Supplementary Retiring Allowance	\$ 16,021	\$ 14,065
Judges' Supplemental Pension Plan	524	333
	\$ 16,545	\$ 14,398

The Government also maintains the Legislative Assembly Retiring Allowances Fund and the Territorial Court Judges' Registered Pension Plan. The two pension plans are fully funded, consequently the Government has no liabilities as at March 31, 1996 (1995 - nil). The two funds are administered by independent trust companies.

Government of the Northwest Territories**Notes to Non-Consolidated Financial Statements**

March 31, 1996

10. PENSIONS (continued)

The Legislative Assembly Retiring Allowances Fund is a contributory defined benefit pension plan. The other plans are non-contributory defined benefit pension plans. Benefits provided under the plans are based on service and/or earnings. The Government is liable for all benefits.

Actuarial valuations were completed for the Legislative Assembly and Judges' plans as of March 31, 1996 and January 1, 1995 respectively, using the projected benefit method prorated on service. The valuation is based on a number of actuarial assumptions about matters such as mortality, service, withdrawal, earnings and interest rates. The assumptions are based on the Government's best estimates of expected long-term rates and short-term forecasts. All actuarial valuations were extrapolated to March 31, 1996 if they were not valued at the balance sheet date.

(b) Pension Expense

	1996	1995
	(thousands of dollars)	
Legislative Assembly Supplementary Retiring Allowance and Judges' Supplemental Pension Plan:		
Benefit cost accruals		
Current service	\$ 846	\$ 847
Past service	400	1,038
	1,246	1,885
Interest on accrued benefits	1,198	1,081
Amortization of estimation adjustment	(41)	(32)
	2,403	2,934
Territorial Court Judges' Registered Pension Plan	89	131
Legislative Assembly Retiring Allowances Fund	40	25
	\$ 2,532	\$ 3,090

(c) Public Service Superannuation Plan

The Government and its employees make contributions to the Public Service Superannuation Plan administered by Canada. These contributions represent the total obligation of the Government. The Government is not required under present legislation to make contributions with respect to actuarial deficiencies of the Public Service Superannuation Account.

Government of the Northwest Territories

Notes to Non-Consolidated Financial Statements

March 31, 1996

11. EMPLOYEE TERMINATION BENEFITS

(a) Liabilities

	1996	1995
	(thousands of dollars)	
Removal	\$ 12,108	\$ 19,595
Termination	9,854	9,773
Retirement	1,858	2,073
	23,820	31,441
Less current portion	4,263	4,873
	\$ 19,557	\$ 26,568

(b) Change in accounting estimates

During the year, the method of estimating the liability for ultimate removal has been changed to reflect a more accurate estimate. The revised method has resulted in a decrease of \$5,982,000 in the liability. This decrease in liability is disclosed separately as it cannot be attributed entirely to the year ended March 31, 1996.

12. NOTE PAYABLE

	1996	1995
	(thousands of dollars)	
Sinking fund notes redeemable in annual instalments to 1999, with interest at 11% payable semi-annually, issued to finance the purchase of the Northwest Territories Power Corporation	\$ 16,050	\$ 21,400
Less current portion	5,350	5,350
	\$ 10,700	\$ 16,050

Principal and interest amounts due in each fiscal year to the due date:

	Principal	Interest	Total
	(thousands of dollars)		
1996-1997	\$ 5,350	\$ 1,313	\$ 6,663
1997-1998	5,350	725	6,075
1998-1999	5,350	136	5,486

Government of the Northwest Territories

Notes to Non-Consolidated Financial Statements

March 31, 1996

13. PETROLEUM PRODUCTS STABILIZATION FUND

The Petroleum Products Stabilization Fund was created under the authority of the Revolving Funds Act. The purpose of the Fund is to stabilize the prices of petroleum products purchased, sold and distributed by the Government. The net revenues or expenditures of the Petroleum Products Revolving Fund are charged to the Stabilization Fund. The accumulated surplus or deficit balance in the fund cannot exceed \$5,000,000.

	1996 (thousands of dollars)	1995
Deficit at beginning of the year	\$ (1,884)	\$ (555)
Less: Petroleum Products Revolving Fund net expenditures for the year	(770)	(1,329)
<hr/>		
Deficit at end of the year	\$ (2,654)	\$ (1,884)

14. TRUST ASSETS AND LIABILITIES

The Government administers trust accounts on behalf of third parties, which are not included in the reported Government assets and liabilities. These consist of cash, term deposits, investments, real estate, and other sundry assets.

	1996 (thousands of dollars)	1995
Public Trustee	\$ 5,121	\$ 4,905
Inuvik Utilidor	900	-
Supreme Court	395	431
Natural Resources - Capital	322	342
Correctional institutions	157	160
Territorial Court	130	104
Other	124	61
<hr/>		
	\$ 7,149	\$ 6,003

Government of the Northwest Territories

Notes to Non-Consolidated Financial Statements

March 31, 1996

15. COMMITMENTS

The Government has entered into agreements for, or is contractually committed to, the following expenditures payable subsequent to March 31, 1996:

	Expiry date	Total (thousands of dollars)
Commercial and Residential Leases	2015	\$ 183,489
Operational Commitments	2000	42,973
Capital Commitments - projects in progress at March 31, 1996	2001	36,271
Block Funding Agreements with tax based municipalities	1999	17,117
Tungavik Federation of Nunavut Wildlife Income Support Fund/ Western Harvesters' Assistance Program	1999	11,300
Northwest Territories Development Corporation - Operating subsidies	1998	6,208
Equipment Leases	2001	4,287
		<hr/>
		\$ 301,645

16. CONTINGENCIES

(a) Contingent Liabilities

The Government is contingently liable for the following:

	(thousands of dollars)
Debentures issued by the Northwest Territories Power Corporation, maturing from 2009 to 2025	\$ 110,899
Loans payable by the Northwest Territories Housing Corporation	90,913
	<hr/>
	\$ 201,812

The Government funds boards and agencies, offering services to the public, which operate independently of normal Government operations. The Government may be responsible for any liabilities or deficits on behalf of these boards and agencies. These potential liabilities cannot be determined.

(b) Pay Equity

The Union of Northern Workers filed an equal pay complaint against the Government in March 1989 with the Canadian Human Rights Commission (CHRC). The dispute has not been settled. A motion filed by the Government with the Federal Court of Canada applying for a declaration that the CHRC has no jurisdiction to deal with the complaint has been denied. This decision is being appealed by the Government.

It is not possible to reasonably determine the liability, if any, that may result from the claim. In the event that there is a liability, the expenditure will be charged to operations in the year an amount can reasonably be determined.

Government of the Northwest Territories

Notes to Non-Consolidated Financial Statements

March 31, 1996

16. CONTINGENCIES (continued)

(c) Environmental Restoration Costs

The Government recognizes that there could be a liability for restoration of the environment on Commissioner's Land. Such costs could include the clean up and restoration of oil storage facilities, construction sites, sewage treatment facilities and the removal of hazardous goods.

In order to show the financial impact of these environmental costs, the amount of the liability and the timing of future expenditures should be recognized in the Government's financial statements. In some instances, the projected costs would be amortized over the life of the specific project, site or facility. However, the ultimate responsibility may rest with different levels of Government and the private sector.

A reasonable estimates of costs attributable to the Government cannot be be fully determined at this time. The determination of these costs will be subject to, and depend upon, evolving public policy, legislation and waste disposal methods. The Government will continue to work toward a reasonable determination and disclosure of environmental costs and liabilities in accordance with generally accepted accounting principles.

17. RELATED PARTIES

During the year the Government made grants and contributions to or funded other costs for the following related parties.

	1996 (thousands of dollars)	1995
Education boards	\$ 142,834	\$ 138,038
Northwest Territories Housing Corporation	107,965	101,313
Hospitals and health boards	94,826	93,935
Aurora College and Nunavut Arctic College	27,808	26,370
Northwest Territories Development Corporation	6,180	6,889
Northwest Territories Business Credit Corporation	907	859
Science Institute of the Northwest Territories	-	1,392
	\$ 380,520	\$ 368,796

Under agreements with related boards and agencies, the Government provides services at cost or for a service fee where direct costs cannot be determined. The fees charged for indirect costs are not necessarily the cost of providing those services. Services provided included personnel, payroll, financial, procurement, accommodation, buildings and works, utilities, legal and interpretation services. Direct costs of \$127,734,000 (1995 - \$128,798,000) were incurred and recovered from related parties.

The Government paid the Workers' Compensation Board premiums of \$2,025,000 (1995 - \$1,899,000). The Government also reimbursed the Workers' Compensation Board for hunters and trappers claims; an adjustment of \$1,466,000 (1995 - \$2,179,000) was made to the reserve held by the Board for hunter and trappers claims.

Government of the Northwest Territories**Notes to Non-Consolidated Financial Statements**

March 31, 1996

17. RELATED PARTIES (continued)

Revenue from the Northwest Territories Power Corporation in the year:

	1996		1995
	(thousands of dollars)		
Interest on the promissory note receivable	\$ 1,901		\$ 2,490
Dividend related to the power subsidy program	4,292		3,539
	\$ 6,193		\$ 6,029

18. SUBSEQUENT EVENT**Workers' Compensation Board**

In April 1996, an agreement was signed by the Government with the Workers' Compensation Board (Board) for the transfer of the responsibility to the Board for the administration and enforcement of the Safety Act, Explosives Use Act, and Mine Health and Safety Act. The transfer was effective April 16, 1996 after legislative changes to several Acts, including the Workers' Compensation Act, the Mine Health and Safety Act, the Safety Act, and the Explosives Use Act.

The Government will compensate the Board for part of the cost of the transfer from April 16, 1996 to March 31, 1999. Additional and future costs will be recovered by the Board from employer assessments. The estimated annual cost of administering these programs is \$2.1 million.

The Government agreed to make the following contributions to the Board:

	(thousands of dollars)
April 16, 1996 - March 31, 1997	\$ 1,397
April 1, 1997 - March 31, 1998	920
April 1, 1998 - March 31, 1999	460
	\$ 2,777

Northwest Territories Housing Corporation (NWTHC)

The Government signed a Memorandum of Understanding with the NWTHC on July 4, 1996 to provide management and maintenance functions of all staff housing units, excluding the collection of rents. The Government has agreed to pay all allowable expenditures incurred by the NWTHC up to the budgeted amount of \$17,000,000 for the year 1996-1997.

19. OVEREXPENDITURES

One department has overspent \$544,000 at the department level for operations and maintenance expenditure activities. This contravenes section 32 of the Financial Administration Act which states... "No person shall incur an expenditure that causes the amount of the item set out in the Estimates on which the appropriation is based to be exceeded".

20. COMPARATIVE FIGURES

Certain comparative figures have been reclassified to conform with the financial statement presentation adopted for the current year.

Schedule of Revenues by Source

for the year ended March 31, 1996
(thousands of dollars)

	1996		1995
	Main Estimates (note 1b)	Actual	Actual
From Canada			
Grant			
Grant per financing agreement with Canada	\$ 876,000	\$ 895,951	\$ 883,642
Adjustments for:			
Income tax collections	-	6,186	8,022
Escalation	-	4,345	1,191
Established Program Financing contributions	-	442	(2,925)
Operating revenues	-	(827)	(703)
Keep up factor	-	(1,354)	(488)
	876,000	904,743	888,739
Established Programs Financing			
Health insured services	12,847	12,733	13,666
Post-secondary education	3,595	5,212	5,669
Extended health care	3,241	3,387	3,322
	19,683	21,332	22,657
Transfer Payments			
Health care - Indian and Inuit	40,922	34,292	27,511
Canada Assistance Plan	29,538	32,783	35,835
Health related services	18,618	15,944	8,727
Economic Development Agreement	7,699	4,094	6,932
Young Offenders Act	3,945	3,945	3,945
Legal and correctional services	3,299	3,842	3,083
Continuing education	3,250	1,126	3,488
Other	2,255	3,416	3,122
	109,526	99,442	92,643
Total from Canada	1,005,209	1,025,517	1,004,039
Generated revenues			
Taxation			
Individual income	62,641	65,549	61,103
Corporate income	30,303	27,521	23,408
Tobacco	16,720	18,036	16,737
Payroll tax	12,437	12,088	11,770
Fuel	12,335	15,176	12,230
Property tax and school levy	5,786	6,760	5,605
Insurance	1,000	1,600	1,530
	141,222	146,730	132,383

Schedule of Revenues by Sourcefor the year ended March 31, 1996
(thousands of dollars)

	1996		1995
	Main Estimates (note 1b)	Actual	Actual
General revenues			
Liquor Commission - net revenues	16,937	15,905	15,036
Licences, fees and permits	8,985	9,462	8,184
Interest income	4,452	7,848	6,978
Gain on investment	-	1,320	598
	30,374	34,535	30,796
Other recoveries			
Rentals	14,783	15,040	14,687
Miscellaneous	5,267	6,289	4,154
Power subsidy	4,354	4,292	3,539
Utilities	2,370	2,332	2,986
Debt financing	1,902	1,902	2,490
Medical	1,900	2,402	1,468
Sale of commercial goods	2	41	5
	30,578	32,298	29,329
Capital			
Recoveries from Canada			
Arctic Aerodrome Program	1,248	437	2,324
Strategic Transportation Improvement	2,898	3,365	2,074
Federal Sales Tax rebate	-	-	1
Recreational facilities	-	-	(336)
Sale of land, houses and other assets	1,050	8,655	9,471
Other recoveries	392	4,158	979
	5,588	16,615	14,513
Total generated revenues	207,762	230,178	207,021
Total revenues by source	\$ 1,212,971	\$ 1,255,695	\$ 1,211,060

Schedule of Operations and Maintenance Expenditures

for the year ended March 31, 1996
(thousands of dollars)

	1996					1995	
	Main Estimates (note 1b)	Salaries and Wages	Grants and Contributions	Valuation Allowances	Other	Total Expenditures	Total Expenditures
Legislative Assembly	\$ 9,357	\$ 3,858	\$ -	\$ -	\$ 6,157	\$ 10,015	\$ 11,477
Executive	60,314	26,424	8,139	13	27,100	61,676	62,294
Northwest Territories Housing Corporation	62,035	-	62,329	-	-	62,329	57,049
Finance	7,099	2,501	-	323	6,142	8,966	8,296
Justice	69,493	23,495	3,311	-	42,773	69,579	68,398
Safety and Public Services	7,241	5,121	10	-	1,538	6,669	6,953
Public Works and Services	120,295	34,050	101	51	83,275	117,477	123,777
Transportation	46,507	21,623	14	5	38,262	59,904	47,271
Renewable Resources	48,092	20,938	8,407	53	30,140	59,538	69,599
Municipal and Community Affairs	69,098	10,446	58,459	28	5,481	74,414	67,626
Health and Social Services	264,698	23,162	120,347	40	100,539	244,088	272,193
Energy, Mines and Petroleum Resources	5,687	1,839	511	4	2,414	4,768	4,651
Economic Development and Tourism	34,166	11,090	13,468	-	8,201	32,759	36,299
Education, Culture and Employment	221,403	19,924	195,870	2,320	45,949	264,063	216,963
	\$ 1,025,485	\$ 204,471	\$ 470,966	\$ 2,837	\$ 397,971	\$ 1,076,245	\$ 1,052,846

Schedule of Capital Expenditures

for the year ended March 31, 1996
(thousands of dollars)

1996

1995

	Main Estimates (note 1b)	Buildings and Works	Acquisition of Equipment	Grants and Contributions	Total Expenditures	Total Expenditures
Legislative Assembly	\$ 230	\$ 178	\$ 99	\$ -	\$ 277	\$ 261
Executive	-	13	-	-	13	1,285
Northwest Territories Housing Corporation	49,000	-	-	45,636	45,636	44,264
Finance	-	-	-	-	-	-
Justice	154	336	56	146	538	749
Safety and Public Services	185	33	74	-	107	93
Public Works and Services	12,685	11,279	1,041	577	12,897	13,929
Transportation	36,304	38,318	2,056	539	40,913	37,023
Renewable Resources	2,471	1,440	757	53	2,250	2,532
Municipal and Community Affairs	39,744	28,693	1,276	9,200	39,169	33,793
Health and Social Services	10,403	6,421	827	1,588	8,836	6,708
Energy, Mines and Petroleum Resources	-	-	-	-	-	-
Economic Development and Tourism	8,370	4,543	112	4,776	9,431	10,333
Education, Culture and Employment	35,111	27,568	659	17,463	45,690	40,567
	\$ 194,657	\$ 118,822	\$ 6,957	\$ 79,978	\$ 205,757	\$ 191,537

Schedule of Revenues

for the year ended March 31, 1996
(thousands of dollars)

OPERATIONS AND MAINTENANCE	Main Estimates	FMB Approved Increases(Decreases)	Total Budget	Actual Revenues	Over(Under) Estimates
Legislative Assembly					
Revenues					
Gain on investments	\$ -	\$ -	\$ -	\$ 1,320	\$ 1,320
Recoveries					
Cafeteria rental fee	5	-	5	3	(2)
Sundry	-	-	-	23	23
	5	-	5	26	21
	5	-	5	1,346	1,341
Executive					
Financial Management Board Secretariat					
Revenues					
Interest on overdue accounts	300	-	300	-	(300)
Non-sufficient funds handling fees	10	-	10	6	(4)
Canada Savings Bond handling fees	-	-	-	9	9
Municipal interest	-	-	-	99	99
	310	-	310	114	(196)
Recoveries					
Power subsidy	4,354	-	4,354	4,292	(62)
Ration repayments	28	-	28	51	23
Sundry revenue	-	-	-	3	3
	4,382	-	4,382	4,346	(36)
	4,692	-	4,692	4,460	(232)
Finance					
Grant from Canada	876,000	-	876,000	904,743	28,743
Taxation Revenue					
Personal income tax	62,641	-	62,641	65,549	2,908
Corporate income tax	30,303	-	30,303	27,521	(2,782)
Tobacco tax	16,720	-	16,720	18,036	1,316
Payroll tax	12,437	-	12,437	12,088	(349)
Fuel taxes	12,335	-	12,335	15,176	2,841
Property taxes and school levies	5,786	-	5,786	6,760	974
	140,222	-	140,222	145,130	4,908
Revenues					
Municipal debenture interest	3,625	-	3,625	3,686	(57)
Investment interest	143	-	143	2,458	2,315
	3,768	-	3,768	6,144	2,258

Government of the Northwest Territories

Schedule 1
Continued

Schedule of Revenues

for the year ended March 31, 1996
(thousands of dollars)

OPERATIONS AND MAINTENANCE	Main Estimates	FMB Approved Increases(Decreases)	Total Budget	Actual Revenues	Over(Under) Estimates
Finance (continued)					
Recoveries					
NWT Power Corporation Recovery	1,902	-	1,902	1,902	-
Investment pool interest	78	-	78	149	71
Uninsured loss recoveries	60	-	60	18	(42)
Sundry	-	-	-	5	5
	2,040	-	2,040	2,074	34
	1,022,030	-	1,022,030	1,058,091	35,943
Justice					
Revenues					
Fine and court fees	818	-	818	596	(222)
Land titles revenue	465	-	465	442	(23)
Securities fees	400	-	400	435	35
Companies and societies registration	395	-	395	396	1
Document fees	138	-	138	131	(7)
Justice of the Peace fines	135	-	135	156	21
Firearm Acquisition Certificates/Business Permits	90	-	90	76	(14)
Public Trustee fees	55	-	55	119	64
Public Trustee management fees	43	-	43	42	(1)
Public Trustee interest	40	-	40	30	(10)
	2,579	-	2,579	2,423	(156)
Transfer Payments					
Young Offenders Act	3,945	-	3,945	3,945	-
Legal aid	1,658	-	1,658	1,657	(1)
Exchange of Services Agreement	1,160	50	1,210	1,713	503
Mackenzie court workers	409	-	409	382	(27)
Air charters recoveries	240	-	240	151	(89)
Firearm Acquisition Certificates Program	145	-	145	145	-
Community Parole	72	-	72	63	(9)
Community Policing pilot project	-	55	55	27	(28)
	7,629	105	7,734	8,083	349
Recoveries					
NWT Housing Corporation lawyer	75	-	75	74	(1)
Legal aid repayments	45	-	45	91	46
Library fees	22	-	22	12	(10)
Special Allowances Young Offenders	20	-	20	31	11
Room and board	10	-	10	11	1
Sundry	-	-	-	2	2
	172	-	172	221	49
	10,380	105	10,485	10,727	242

Government of the Northwest Territories

Schedule 1
Continued

Schedule of Revenues

for the year ended March 31, 1996
(thousands of dollars)

OPERATIONS AND MAINTENANCE	Main Estimates	FMB Approved Increases(Decreases)	Total Budget	Actual Revenues	Over(Under) Estimates
Safety and Public Services					
Taxation revenue					
Insurance companies tax	1,000	-	1,000	1,600	600
Revenues					
Liquor Commission	16,937	-	16,937	15,905	(1,032)
Electrical permits	400	-	400	348	(52)
Lottery licences	390	-	390	544	154
Boiler registrations	200	-	200	214	14
Insurance licences	124	-	124	120	(4)
Business licences	100	-	100	64	(36)
Professional licences	70	-	70	96	26
Vital statistics fees	55	-	55	53	(2)
Gas permits	35	5	40	44	4
Examination & certificates	25	-	25	20	(5)
Real estate licences fees	12	-	12	4	(8)
Elevator permits	10	-	10	18	8
Vendor, direct seller fees	10	-	10	11	1
Miscellaneous inspections	6	-	6	1	(5)
	18,374	5	18,379	17,442	(937)
Transfer payments					
Labour Canada Agreement	188	-	188	105	(83)
Recoveries					
Workers Advisor	100	-	100	77	(23)
	100	-	100	77	(23)
	19,662	5	19,667	19,224	(443)
Public Works and Services					
Revenues					
Sale of heat supply	50	-	50	20	(30)
Recoveries					
Staff housing	11,117	-	11,117	9,412	(1,705)
Municipal services subsidy	2,320	-	2,320	2,214	(106)
Rental to others - housing/office	2,255	-	2,255	1,739	(516)
Parking stall rental	106	-	106	86	(20)
Sale of government publication	63	-	63	42	(21)
Tenant damage	60	-	60	53	(7)
Tender document fees	77	-	77	58	(19)
BIP registration fees	35	-	35	-	(35)
Coin laundry	10	-	10	7	(3)
Use of photographs	5	-	5	2	(3)
Joint use agreement	4	-	4	3	(1)
Sale of electrical power	-	-	-	98	98
Sale of furniture	-	-	-	31	31
Maintenance services	-	-	-	5	5
Sundry	-	-	-	12	12
	16,052	-	16,052	13,762	(2,290)
	16,102	-	16,102	13,782	(2,320)

Schedule of Revenues

for the year ended March 31, 1996
(thousands of dollars)

OPERATIONS AND MAINTENANCE	Main Estimates	FMB Approved Increases(Decreases)	Total Budget	Actual Revenues	Over(Under) Estimates
Transportation					
Revenues					
Motor vehicle plates	2,198	-	2,198	2,296	98
Drivers licences	141	-	141	239	98
Arctic Airports	234	-	234	396	162
Motor vehicle - abstracts	120	-	120	175	55
Drivers test fees	97	-	97	107	10
Special transport permits	78	-	78	111	33
Motor vehicle - souvenir plates	20	-	20	28	8
Personalized plates - motor vehicle	11	-	11	10	(1)
Age of majority cards	8	-	8	4	(4)
Motor vehicle searches	1	-	1	1	-
Motor vehicle accident reports	1	-	1	2	1
Lease and rental	-	2,291	2,291	2,210	(81)
Concessions	-	514	514	427	(87)
Landing and other fees	-	457	457	580	123
Miscellaneous revenue	-	238	238	21	(217)
	2,909	3,500	6,409	6,607	198
Transfer payments					
Administration Fees	8	45	53	45	(8)
Recoveries					
Highway maintenance - national parks	90	-	90	89	(1)
Snowplowing private access roads	5	-	5	-	(5)
Rankin Inlet Forward Operations	-	-	-	400	400
Highway maintenance	-	-	-	15	15
Firearms acquisition certificate photos	-	-	-	6	6
Sundry revenue	-	-	-	3	3
	95	-	95	513	418
	3,012	3,545	6,557	7,165	608
Renewable Resources					
Revenues					
Timber permits	919	-	919	764	(155)
Game licenses	690	-	690	865	175
	1,609	-	1,609	1,629	20
Recoveries					
MARS agreement	660	-	660	289	(371)
Remote sensing	50	-	50	23	(27)
Sale of publications	23	-	23	1	(22)
Grant-in-kind, Deninu Kue First Nation	-	900	900	900	-
Sundry	-	-	-	24	24
	733	900	1,633	1,237	(396)
	2,342	900	3,242	2,866	(376)

Schedule of Revenues

for the year ended March 31, 1996
(thousands of dollars)

OPERATIONS AND MAINTENANCE	Main Estimates	FMB Approved Increases(Decreases)	Total Budget	Actual Revenues	Over(Under) Estimates
Municipal and Community Affairs					
Revenues					
Land document fees	195	-	195	14	(181)
Quarry fees	70	-	70	57	(13)
	265	-	265	71	(194)
Transfer payments					
Emergency measures	-	-	-	125	125
Recoveries					
Land leases	1,300	-	1,300	1,590	290
Sundry revenue	-	-	-	(36) *	(36)
	1,300	-	1,300	1,554	254
	1,565	-	1,565	1,750	185
Health and Social Services					
Revenues					
Certified nursing assistant fees	-	-	-	1	1
Established Programs Financing					
Health insured services	12,847	-	12,847	12,733	(114)
Extended health care	3,241	-	3,241	3,387	146
	16,088	-	16,088	16,120	32
Transfer payments					
Hospital care - Indian and Inuit	33,467	-	33,467	26,753	(6,714)
Canada Assistance Plan (CAP) - Other	27,827	-	27,827	29,940	2,113
Provision of non-insured services	15,754	-	15,754	13,800	(1,954)
Medical care - Indian and Inuit	7,455	-	7,455	7,539	84
Medical transportation	2,864	-	2,864	2,145	(719)
CAP - Spousal Assault	1,354	-	1,354	1,361	7
Vocational rehabilitation of disabled persons	1,037	-	1,037	2,049	1,012
Medical transportation - other agents	600	-	600	761	161
CAP - Child Sexual Abuse	357	-	357	93	(264)
CAP - Alcohol and Drug	-	-	-	1,131	1,131
CAP - Daycare	-	-	-	258	258
	90,715	-	90,715	85,830	(4,885)
Recoveries					
Reciprocal billing - hospital	1,100	-	1,100	1,629	529
Alcohol and Drug Treatment Program	580	-	580	501	(79)
Personal care unit	346	-	346	93	(253)
Reciprocal billing - medicare	200	-	200	256	56
Special allowances	195	-	195	251	56
Medical transportation co-payments	25	-	25	32	7
Medical transportation - ambulance	20	-	20	16	(4)
Children in care	10	-	10	3	(7)
Sundry	-	-	-	7	7
	2,476	-	2,476	2,788	312
	109,279	-	109,279	104,739	(4,540)

* Refund of land lease overpayments

Schedule of Revenues

for the year ended March 31, 1996
(thousands of dollars)

OPERATIONS AND MAINTENANCE	Main Estimates	FMB Approved Increases(Decreases)	Total Budget	Actual Revenues	Over(Under) Estimates
Energy, Mines and Petroleum Resources					
General revenues					
Sale of publications	-	-	-	12	12
Transfer payments					
Economic Development Agreements	1,659	-	1,659	-	(1,659)
	1,659	-	1,659	12	(1,647)
Economic Development and Tourism					
Revenues					
Campground user fees	35	-	35	23	(12)
Establishment licenses	33	-	33	29	(4)
Outfitters and guides licenses	13	-	13	18	5
Business Credit Corporation fees	5	-	5	-	(5)
Building permits, tour and parks	1	-	1	-	(1)
Parks/Centres revenue	-	-	-	20	20
Investment interest	-	-	-	1,284	1,284
Corporate and technical services	-	-	-	2	2
Park and visitors services	-	30	30	25	(5)
	87	30	117	1,401	1,284
Transfer payments					
Economic Development Agreement	6,040	-	6,040	4,094	(1,946)
Parks planner	37	-	37	35	(2)
	6,077	-	6,077	4,129	(1,948)
Recoveries					
Yellowknife crafts	2	-	2	3	1
Sundry	-	-	-	2	2
	2	-	2	5	3
	6,166	30	6,196	5,535	(661)
Education, Culture and Employment					
Revenues					
Student Loan Fund interest	344	-	344	291	(53)
University College Entrance Program	25	26	51	15	(36)
Teacher certification fees	4	-	4	6	2
Library fees	1	-	1	1	-
Principal training	-	-	-	18	18
	374	26	400	331	(69)

Schedule of Revenues

for the year ended March 31, 1996
(thousands of dollars)

OPERATIONS AND MAINTENANCE	Main Estimates	FMB Approved Increases(Decreases)	Total Budget	Actual Revenues	Over(Under) Estimates
Education, Culture and Employment (continued)					
Established Programs Financing					
Post Secondary Education	3,595	-	3,595	5,212	1,617
Transfer payments					
Continuing Education	2,400	-	2,400	-	(2,400)
Canada Student Loans	850	-	850	1,126	276
	3,250	-	3,250	1,126	(2,124)
Recoveries					
Investing in People	3,000	-	3,000	2,417	(583)
Northwest Territories Literacy strategy	212	-	212	250	38
Use of photographs	40	-	40	-	(40)
Museum store	18	-	18	1	(17)
Portable classroom	-	-	-	32	32
Sundry	-	-	-	14	14
	3,270	-	3,270	2,714	(556)
	10,489	26	10,515	9,383	(1,132)
Total Operations and Maintenance	\$ 1,207,383	\$ 4,611	\$ 1,211,994	\$ 1,239,080	\$ 26,968

CAPITAL

Personnel Secretariat

Sale of Government housing	\$ -	\$ -	\$ -	\$ 6,969	\$ 6,969
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Safety and Public Services

Mine rescue recoveries	35	-	35	-	(35)
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Public Works and Services

Sale of non-residential property	750	652	1,402	882	(520)
Sale of assets	300	-	300	544	244

	1,050	652	1,702	1,426	(276)
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Transportation

Strategic Transportation Improvement	2,898	-	2,898	3,365	467
Rankin Inlet ATB recovery	1,165	-	1,165	438	(727)
Arctic Aerodrome Program	83	-	83	(1) *	(84)

	4,146	-	4,146	3,802	(344)
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* Credit note to correct over-estimation on final invoice

Schedule of Revenues

for the year ended March 31, 1996
(thousands of dollars)

CAPITAL	Main Estimates	FMB Approved Increases(Decreases)	Total Budget	Actual Revenues	Over(Under) Estimates
Municipal and Community Affairs					
Public buildings	202	-	202	60	(142)
Sport and recreation	84	-	84	9	(75)
Road construction - non tax-based	37	-	37	-	(37)
Site development	30	-	30	(1) *	(31)
Fire protection	4	-	4	3	(1)
Sale of assets	-	-	-	259	259
Mobile equipment	-	-	-	13	13
	357	-	357	343	(14)
Education Culture and Employment					
Construction recoveries	-	-	-	4,059	4,059
Other capital recoveries	-	-	-	16	16
	-	-	-	4,075	4,075
Total Capital	\$ 5,588	\$ 652	\$ 6,240	\$ 16,615	\$ 10,375
Total Revenues	\$ 1,212,971	\$ 5,263	\$ 1,218,234	\$ 1,255,695	\$ 37,343

* Credit note to reverse invoice issued in error

Schedule of Expenditures

for the year ended March 31, 1996
(thousands of dollars)

OPERATIONS AND MAINTENANCE	Main Estimates	Supplementary Estimates	Transfers	Total Appropriation	Actual Expenditures	(Over)Under Appropriation
Legislative Assembly						
Office of the Clerk	\$ 4,541	\$ 114	\$ -	\$ 4,655	\$ 4,458	\$ 197
Expenditures on behalf of Members	4,134	-	-	4,134	5,095	(961)
Commissioner of Official Languages	353	-	-	353	330	23
Office of the Chief Electoral Officer	172	-	-	172	3	169
Office of the Speaker	157	-	-	157	129	28
	9,357	114	-	9,471	10,015	(544)
Executive						
Executives Offices						
Executive Council Secretariat	6,705	(27)	162	6,840	6,629	211
Ministers' Offices	3,865	-	3	3,868	3,975	(107)
Commissioner's Office	269	-	-	269	229	40
	10,839	(27)	165	10,977	10,833	144
Ministry of Intergovernmental and Aboriginal Affairs	4,215	-	-	4,215	3,978	237
Personnel Secretariat	4,136	14	(175)	3,975	3,875	100
Financial Management Board Secretariat						
Human Resource Management	24,827	1,321	(50)	26,098	25,665	433
Financial Management	10,553	882	(50)	11,385	11,514	(129)
Audit, Budget and Evaluation	3,405	(48)	50	3,407	3,058	349
Directorate	2,339	17	60	2,416	2,753	(337)
	41,124	2,172	10	43,306	42,990	316
	60,314	2,159	-	62,473	61,676	797
NWT Housing Corporation	62,035	294	-	62,329	62,329	-
Finance						
Revenue and Asset Management	4,213	3,147	-	7,360	6,040	1,320
Tax Administration	778	-	46	824	1,055	(231)
Fiscal Policy	883	-	(10)	873	775	98
Directorate	654	-	(36)	618	607	11
Bureau of Statistics	571	-	-	571	489	82
	7,099	3,147	-	10,246	8,966	1,280

Schedule of Expenditures

for the year ended March 31, 1996
(thousands of dollars)

OPERATIONS AND MAINTENANCE	Main Estimates	Supplementary Estimates	Transfers	Total Appropriation	Actual Expenditures	(Over)Under Appropriation
Justice						
Law Enforcement	28,714	465	-	29,179	29,120	59
Community Justice and Correction	21,812	142	-	21,954	21,203	751
Registries and Court Services	8,894	41	-	8,935	8,553	382
Legal Services Board	5,265	210	-	5,475	5,469	6
Directorate	2,515	-	-	2,515	2,399	116
Lawyer Support Services	2,293	603	-	2,896	2,835	61
	69,493	1,461	-	70,954	69,579	1,375
Safety and Public Services						
Safety	2,574	-	(5)	2,569	2,256	313
Mine inspection services	1,009	-	(100)	909	905	4
Directorate	947	-	95	1,042	984	58
Consumer Affairs	864	-	10	874	869	5
Fire safety	854	-	-	854	811	43
Labour Board and Labour Services	504	-	-	504	487	17
Public Utilities Board	489	-	-	489	357	132
	7,241	-	-	7,241	6,669	572
Public Works and Services						
Accommodation Services	39,638	486	(18)	40,106	39,710	396
Utilities	24,581	(283)	-	24,298	23,703	595
Buildings and Works	24,800	(613)	51	24,238	23,834	404
Project Management	7,614	(17)	(86)	7,511	7,328	183
Supply Services	7,161	121	(100)	7,182	6,883	299
Directorate	6,906	-	183	7,089	7,052	37
Systems and Communication	4,286	102	12	4,400	4,048	352
Vehicles and Equipment	3,484	(23)	(12)	3,449	3,402	47
Operations	1,825	-	(30)	1,795	1,517	278
	120,295	(227)	-	120,068	117,477	2,591
Transportation						
Arctic Airports	14,002	14,172	-	28,174	27,716	458
Highway Operations	18,211	-	-	18,211	17,087	1,124
Marine Services	4,361	-	-	4,361	4,346	15
Transportation Engineering	3,098	416	-	3,514	3,385	129
Corporate Services	2,953	64	-	3,017	3,520	(503)
Motor Vehicles	2,560	-	-	2,560	2,481	79
Community access roads	1,322	63	-	1,385	1,369	16
	46,507	14,715	-	61,222	59,904	1,318

Government of the Northwest Territories

Schedule 2
Continued

Schedule of Expenditures

for the year ended March 31, 1996
(thousands of dollars)

OPERATIONS AND MAINTENANCE	Main Estimates	Supplementary Estimates	Transfers	Total Appropriation	Actual Expenditures	(Over)Under Appropriation
Renewable Resources						
Forest Fire Management	22,471	7,230	73	29,774	30,257	(483)
Field Operations	9,113	-	109	9,222	9,134	88
Conservation Education and Resource Development	8,378	3,983	(85)	12,276	11,696	580
Wildlife Management	3,914	(12)	(135)	3,767	3,879	(112)
Directorate	1,986	-	(3)	1,983	2,025	(42)
Policy and Planning	818	206	(16)	1,008	891	117
Forest Management	748	47	53	848	918	(70)
Environmental Protection	664	54	4	722	738	(16)
	48,092	11,508	-	59,600	59,538	62
Municipal and Community Affairs						
Community Development	50,943	4,110	3	55,056	54,578	478
Sport and Recreation	9,262	-	(40)	9,222	8,920	302
Directorate	6,137	1,221	4	7,362	7,964	(602)
Community Planning and Lands	2,756	-	33	2,789	2,952	(163)
	69,098	5,331	-	74,429	74,414	15
Health and Social Services						
Health and Hospital Boards	93,785	-	(1,061)	92,724	93,808	(1,084)
Community Programs and Services	86,907	(31,126)	1,743	57,524	53,416	4,108
Health Services Development	75,365	15,643	234	91,242	88,072	3,170
Directorate	8,641	66	(916)	7,791	8,792	(1,001)
	264,698	(15,417)	-	249,281	244,088	5,193
Energy, Mines and Petroleum Resources						
	5,687	(200)	-	5,487	4,768	719
Economic Development and Tourism						
Corporate and Technical Services	11,944	(68)	(165)	11,711	11,523	188
Economic Development Agreement	8,443	-	(20)	8,423	6,541	1,882
Parks and Visitors Services	3,850	14	(192)	3,672	3,602	70
Directorate	3,327	798	155	4,280	4,422	(142)
Tourism Development and Marketing	2,989	-	47	3,036	2,989	47
Finance and Administration	1,428	-	5	1,433	1,409	24
Policy and Planning	1,288	-	170	1,458	1,432	26
Business Credit Corporation	897	-	-	897	841	56
	34,166	744	-	34,910	32,759	2,151

Government of the Northwest Territories

Schedule 2
Continued

Schedule of Expenditures

for the year ended March 31, 1996
(thousands of dollars)

OPERATIONS AND MAINTENANCE	Main Estimates	Supplementary Estimates	Transfers	Total Appropriation	Actual Expenditures	(Over)Under Appropriation
Education, Culture and Employment						
Educational Development	146,909	1,726	1,055	149,690	149,294	396
Culture and Careers	70,930	43,060	(1,974)	112,016	109,880	2,136
Directorate and Administration	3,564	-	919	4,483	4,889	(406)
	221,403	44,786	-	266,189	264,063	2,126
Total Operations and maintenance	\$ 1,025,485	\$ 68,415	\$ -	\$ 1,093,900	\$ 1,076,245	\$ 17,655
CAPITAL						
Legislative Assembly	\$ 230	\$ 70	\$ -	\$ 300	\$ 277	\$ 23
Personnel Secretariat	-	13	-	13	13	-
NWT Housing Corporation	49,000	635	-	49,635	45,636	3,999
Justice						
Community Justice and Corrections	134	2,626	-	2,760	530	2,230
Registries and Court Services	20	-	-	20	8	12
	154	2,626	-	2,780	538	2,242
Safety and Public Services						
Mine Safety	93	-	-	93	57	36
Safety	92	(4)	-	88	50	38
	185	(4)	-	181	107	74
Public Works and Services						
Petroleum Products	7,830	586	(105)	8,311	7,067	1,244
Buildings and Works	2,822	327	(290)	2,859	2,600	259
Accommodation Services	1,131	2,098	316	3,545	1,892	1,653
Vehicles and Equipment	647	70	-	717	688	29
Systems and Computer Services	190	(50)	-	140	113	27
Directorate	65	(26)	79	118	87	31
Supply Services	-	440	-	440	440	-
Project Management	-	84	-	84	10	74
	12,685	3,529	-	16,214	12,897	3,317
Transportation						
Transportation Planning	23,236	(658)	(104)	22,474	22,127	347
Arctic Airports	9,897	8,521	743	19,161	16,768	2,393
Highway Operations	1,721	-	(546)	1,175	981	194
Marine Services	1,450	-	(93)	1,357	1,037	320
	36,304	7,863	-	44,167	40,913	3,254

Government of the Northwest Territories

Schedule 2
Continued

Schedule of Expenditures

for the year ended March 31, 1996
(thousands of dollars)

OPERATIONS AND MAINTENANCE	Main Estimates	Supplementary Estimates	Transfers	Total Appropriation	Actual Expenditures	(Over)Under Appropriation
Renewable Resources						
Field Operations	1,472	(49)	99	1,522	1,441	81
Forest Fire Management	871	(91)	(114)	666	666	-
Wildlife Management	96	-	(13)	83	83	-
Environmental Protection	25	-	(16)	9	9	-
Forest Management	7	-	3	10	10	-
Directorate	-	-	33	33	33	-
Conservation Education	-	-	8	8	8	-
	2,471	(140)	-	2,331	2,250	81
Municipal and Community Affairs						
Community Development	19,445	2,168	(72)	21,541	19,045	2,496
Community Planning and Land	12,125	(231)	(366)	11,528	10,156	1,372
Sport and Recreation	8,134	1,155	438	9,727	9,930	(203)
Directorate	40	-	-	40	38	2
	39,744	3,092	-	42,836	39,169	3,667
Health and Social Services						
Territorial Hospital Insurance Services	6,180	3,273	307	9,760	4,971	4,789
Community Program and Services	4,223	979	(307)	4,895	3,865	1,030
	10,403	4,252	-	14,655	8,836	5,819
Economic Development and Tourism						
Corporate and Technical Services	4,901	(125)	-	4,776	4,776	-
Parks and Visitors Services	3,469	1,343	-	4,812	4,655	157
	8,370	1,218	-	9,588	9,431	157
Education, Culture and Employment						
Educational Development	29,226	1,291	(58)	30,459	28,357	2,102
Culture and Careers	5,885	13,818	58	19,761	17,333	2,428
	35,111	15,109	-	50,220	45,690	4,530
Total Capital	\$ 194,657	\$ 38,263	\$ -	\$ 232,920	\$ 205,757	\$ 27,163
Total Expenditures	\$ 1,220,142	\$ 106,678	\$ -	\$ 1,326,820	\$ 1,282,002	\$ 44,818

Schedule of Recoveries of Prior Years' Expenditures

for the year ended March 31, 1996
(thousands of dollars)

DEPARTMENT	Over-Accruals	Recoveries of Valuation Allowances	Other Recoveries	Total
Legislative Assembly	\$ 50	\$ -	\$ (4)	\$ 46
Executive	322	-	121	443
Finance	18	-	4	22
Justice	103	-	126	229
Safety and Public Services	1	-	4	5
Public Works and Services	591	-	906	1,497
Transportation	89	-	225	314
Renewable Resources	119	-	28	147
Municipal and Community Affairs	73	-	290	363
Health and Social Services	768	-	(506)	262
Energy, Mines and Petroleum Resources	34	-	1	35
Economic Development and Tourism	350	-	81	431
Education, Culture and Employment	309	-	619	928
TOTAL	\$ 2,827	\$ -	\$ 1,895	\$ 4,722

Schedule of Grants

for the year ended March 31, 1996
(thousands of dollars)

OPERATIONS AND MAINTENANCE	Main Estimates	Supplementary Estimates	Transfers	Total Appropriation	Actual Expenditures	(Over)Under Appropriation
Executive						
Executive Offices						
Women's initiatives	\$ 100	\$ -	\$ -	\$ 100	\$ 99	\$ 1
NWT Literacy Council	-	-	1	1	1	-
	100	-	1	101	100	1
Intergovernmental and Aboriginal Affairs						
Metis Nation	250	-	-	250	250	-
	350	-	1	351	350	1
Justice						
Aboriginal court challenges	40	-	-	40	30	10
Canadian Association of Provincial Court Judges	3	-	-	3	3	-
Uniform Law Conference	3	-	-	3	3	-
	46	-	-	46	36	10
Safety and Public Services						
NWT Association of Fire Chiefs and Fire Fighters	10	-	-	10	10	-
Renewable Resources						
Nunavut Hunter Income Support Trust	3,000	-	-	3,000	3,000	-
Fur Price Program	595	-	-	595	370	225
Disaster compensation	15	300	-	315	129	186
Humane trap development	5	-	-	5	-	5
Deninu Kue First Nation (Grant-in-Kind)	-	900	-	900	900	-
	3,615	1,200	-	4,815	4,399	416
Municipal and Community Affairs						
Grant in lieu of taxes	3,724	459	-	4,183	4,047	136
Home owners' property tax rebate	1,000	-	-	1,000	1,046	(46)
Senior citizens and disabled property tax	155	-	-	155	152	3
NWT Association of Municipalities	71	-	-	71	71	-
Support to settlements	36	-	-	36	45	(9)
Sport organizations	10	-	-	10	1	9
NWT Association of Municipal Administrators	5	-	-	5	5	-
	5,001	459	-	5,460	5,367	93

Schedule of Grants

for the year ended March 31, 1996
(thousands of dollars)

OPERATIONS AND MAINTENANCE	Main Estimates	Supplementary Estimates	Transfers	Total Appropriation	Actual Expenditures	(Over)Under Appropriation
Health and Social Services						
Youth initiatives	200	(200)	-	-	-	-
Foster Parent Association and foster homes	90	-	-	90	5	85
	290	(200)	-	90	5	85
Economic Development and Tourism						
Small business grants	420	-	302	722	720	2
Nunavut tourism	-	-	42	42	42	-
Student bursary	-	-	25	25	15	10
	420	-	369	789	777	12
Education, Culture and Employment						
Student grants	10,237	1,010	-	11,247	11,390	(143)
Community broadcasting	151	-	-	151	117	34
Cultural enhancement	13	-	-	13	14	(1)
Cultural organizations	9	-	-	9	9	-
Youth Initiatives - career development	-	200	-	200	-	200
Hnatyshyn Foundation for the Arts	-	-	10	10	10	-
	10,410	1,210	10	11,630	11,540	90
Total Operations and Maintenance	\$ 20,142	\$ 2,669	\$ 380	\$ 23,191	\$ 22,484	\$ 707
CAPITAL						
Public Works and Services						
Old liquor warehouse - Inuvik (Grant-in-Kind)	\$ -	\$ 440	\$ -	\$ 440	\$ 440	\$ -
Old Northern Health Building - Yellowknife (Grant-in-Kind)	-	225	-	225	-	225
Vehicles and equipment related to Arcade (Grant-in-Kind)	-	70	-	70	70	-
Old Arcade Building and garage - Gjoa Haven (Grant-in-Kind)	-	67	-	67	67	-
	-	802	-	802	577	225
Total Capital	\$ -	\$ 802	\$ -	\$ 802	\$ 577	\$ 225
Total Grants	\$ 20,142	\$ 3,471	\$ 380	\$ 23,993	\$ 23,061	\$ 932

Schedule of Contributions

for the year ended March 31, 1996
(thousands of dollars)

OPERATIONS AND MAINTENANCE	Main Estimates	Supplementary Estimates	Transfers	Total Appropriation	Actual Expenditures	(Over)Under Appropriation
Executive						
Executive Offices						
Regional Councils	\$ 661	\$ -	\$ (221)	\$ 440	\$ 440	\$ -
Status of Women Council	312	-	-	312	326	(14)
Native Women's Association	175	-	-	175	200	(25)
Executive contributions	-	-	44	44	-	44
	1,148	-	(177)	971	966	5
Financial Management Board Secretariat						
Commercial and domestic power subsidy	4,407	850	-	5,257	5,854	(597)
Ministry of Intergovernmental and Aboriginal Affairs						
Community transfer	400	-	191	591	590	1
Aboriginal organizations	200	-	60	260	248	12
Self government	100	-	52	152	131	21
	700	-	303	1,003	969	34
	6,255	850	126	7,231	7,789	(558)
Northwest Territories Housing Corporation	62,035	294	-	62,329	62,329	-
Justice						
Legal Aid clinics	1,440	-	-	1,440	1,362	78
Community justice	918	-	-	918	838	80
Mackenzie court workers services	704	-	-	704	566	138
Victims assistance	470	-	-	470	433	37
Arctic Public Legal Education and Information Society	90	-	-	90	74	16
The Arctic Institute of North America	-	-	2	2	2	-
	3,622	-	2	3,624	3,275	349
Public Works and Services						
Northern Management Program (Contribution-in-Kind)	101	-	-	101	101	-
Transportation						
Community access roads	14	-	-	14	14	-

Schedule of Contributions

for the year ended March 31, 1996
(thousands of dollars)

OPERATIONS AND MAINTENANCE	Main Estimates	Supplementary Estimates	Transfers	Total Appropriation	Actual Expenditures	(Over)Under Appropriation
Renewable Resources						
Community Harvester Assistance Program	817	-	6	823	810	13
Local wildlife committees	769	-	(23)	746	604	142
Regional wildlife organizations	217	-	-	217	217	-
Wildlife management boards	128	-	(25)	103	76	27
Community organized hunts	57	-	-	57	33	24
Support to fur industry	33	-	(8)	25	25	-
Gwichin Harvester Assistance Trust	-	725	-	725	725	-
Lidli Koe First Nation Harvesters Fund	-	321	-	321	321	-
Deline Harvester Support Fund	-	223	-	223	223	-
Fort Good Hope Harvester Support Fund	-	220	-	220	220	-
West Kitikmeot Slave Study	-	206	-	206	200	6
Deninu Kue Harvester Support Fund	-	200	-	200	200	-
Commercial Caribou Harvesting - Aivitt	-	-	100	100	100	-
Fort Resolution Environmental Working Committee	-	-	43	43	43	-
Fort Providence Resource Mgt. Committee	-	-	43	43	43	-
Lidli Koe First Nation	-	-	33	33	33	-
Norman Wells Dene/Metis Harvester Fund	-	32	-	32	32	-
Metis Nation	-	-	29	29	29	-
Deninu Kue First Nation	-	-	25	25	25	-
NWT Barren ground Caribou Outfitters	-	-	13	13	13	-
Canadian Co-op. Wildlife Health Centre	-	-	10	10	10	-
Deh Cho First Nation	-	-	10	10	10	-
Alphonse Apple	-	-	8	8	8	-
Municipality of Sanikiluaq	-	-	5	5	5	-
Environmental Adaption Research Group	-	-	3	3	3	-
	2,021	1,927	272	4,220	4,008	212
Municipal and Community Affairs						
Hamlet transfer payments	24,324	60	726	25,110	24,867	243
Water / Sewer Subsidy Program - hamlets	7,211	2,280	-	9,491	9,590	(99)
Block funding transfer payments	4,100	-	-	4,100	4,100	-
Recreation facilities transfer payments	3,691	-	(436)	3,255	2,976	279
Recreational Leadership Salary Subsidy	2,627	-	(174)	2,453	2,388	65
Water Delivery Subsidy (tax based)	2,548	116	-	2,664	2,617	47
Municipal equalization transfer payments	2,417	-	-	2,417	2,417	-
Community Transfer Initiative	1,105	366	-	1,471	1,471	-
Summer pool operating	241	-	37	278	277	1
Sport North	225	-	-	225	225	-
Recreation administration transfer payments	216	-	(34)	182	158	24
Inter community Sport Competition Program	197	-	-	197	176	21
Dene and Inuit games	165	-	(1)	164	142	22
NWT Regional Winter Games Program	146	-	-	146	147	(1)
Recreation leaders program allowances	103	-	(6)	97	35	62
NWT Sport Development Staff Program	49	-	-	49	48	1
NWT Ski Program	30	-	-	30	30	-
Settlement Operating Assistance Policy	-	-	2,003	2,003	1,194	809
Fire training	-	-	200	200	152	48
North American Indigenous games	-	-	106	106	82	24
	49,395	2,822	2,421	54,638	53,092	1,546

Schedule of Contributions

for the year ended March 31, 1996
(thousands of dollars)

OPERATIONS AND MAINTENANCE	Main Estimates	Supplementary Estimates	Transfers	Total Appropriation	Actual Expenditures	(Over)Under Appropriation
Health and Social Services						
Health and hospital boards	93,785	-	(159)	93,626	93,573	53
Community programs / operating	4,533	-	(100)	4,433	4,270	163
Treatment centres / operating	4,048	-	597	4,645	4,484	161
Town of Iqaluit	3,395	(1,683)	-	1,712	1,742	(30)
Elders / physically - mentally challenged	3,265	-	300	3,565	3,308	257
Community Action Fund	2,900	-	-	2,900	2,821	79
Family violence prevention services	2,547	-	25	2,572	2,634	(62)
Non-profit organizations	541	-	-	541	497	44
Community based wellness programs	301	-	100	401	237	164
Youth initiatives alcohol and drugs	242	-	-	242	168	74
Prevention of child sexual abuse	200	-	-	200	77	123
Treatment centres / community programs equipment	196	-	(25)	171	19	152
Youth initiatives community groups	195	(195)	-	-	-	-
Family counselling	101	-	-	101	100	1
Community transfer / Social Services	100	-	(7)	93	62	31
Community transfer / feasibility studies	98	-	-	98	35	63
Suicide prevention	73	-	-	73	30	43
Group liability insurance plan / Storefront	50	-	-	50	45	5
Physicians' professional development	50	-	-	50	50	-
Physicians' specialist services	-	-	4,250	4,250	4,250	-
Independent living and seniors	-	-	2,218	2,218	1,940	278
	116,620	(1,878)	7,199	121,941	120,342	1,599
Energy, Mines and Petroleum Resources						
Minerals Initiatives Program	1,060	-	(195)	865	175	690
Northern Accord	100	-	-	100	93	7
Development impact zones	40	-	-	40	40	-
Canadian Energy Research Institute	25	-	-	25	25	-
Prospector's assistance	-	-	75	75	59	16
Inuvik photovoltaic system	-	-	50	50	50	-
Community mobilization	-	-	25	25	25	-
Community support / BHP Project Review	-	-	25	25	24	1
Southern Mackenzie Natural Gas Study	-	-	15	15	15	-
Circumpolar Aboriginal Co-management Workshop	-	-	5	5	5	-
	1,225	-	-	1,225	511	714

Schedule of Contributions

for the year ended March 31, 1996
(thousands of dollars)

OPERATIONS AND MAINTENANCE	Main Estimates	Supplementary Estimates	Transfers	Total Appropriation	Actual Expenditures	(Over)Under Appropriation
Economic Development and Tourism						
Economic Development Agreement	7,943	-	-	7,943	6,125	1,818
Business Development Fund	3,264	-	(342)	2,922	2,911	11
NWT Development Corporation	1,344	-	60	1,404	1,404	-
Commercial fisheries	672	-	-	672	555	117
Industry association core funding	416	-	-	416	410	6
Business Credit Corporation	322	-	-	322	237	85
Core funding / organizational support	300	-	-	300	300	-
Municipality of Sanikiluaq	100	-	(20)	80	80	-
Village of Fort Simpson	100	-	-	100	75	25
Hamlet of Taloyoak	90	-	-	90	90	-
Hamlet of Tuktoyaktuk	77	(77)	-	-	-	-
Hamlet of Aklavik	76	-	-	76	76	-
Forest industry assistance	50	-	-	50	22	28
Community futures	-	261	-	261	261	-
Hamlet of Fort Good Hope	-	8	83	91	90	1
Denesoline Corporation	-	-	40	40	40	-
Hamlet of Clyde River	-	-	20	20	15	5
	14,754	192	(159)	14,787	12,691	2,096
Education, Culture and Employment						
Education authority	140,106	1,726	1,056	142,888	142,834	54
College contributions	28,158	-	(397)	27,761	27,808	(47)
Investing in People	6,000	-	-	6,000	4,607	1,393
Community Teacher Education Program	1,540	-	-	1,540	1,516	24
Early Childhood Program	1,238	-	-	1,238	1,011	227
NWTTA Professional Improvement Fund	526	-	(60)	466	464	2
Community library services	355	-	-	355	351	4
Cultural organizations	266	-	-	266	301	(35)
Literacy funding	221	-	-	221	227	(6)
NWT Arts council	214	-	-	214	186	28
Community museums	191	-	-	191	191	-
Native communications	105	-	150	255	255	-
Tree of Peace	100	-	-	100	99	1
Cultural enhancement	88	-	-	88	89	(1)
Oral Tradition Program	84	-	-	84	75	9
Northern performers	83	-	-	83	76	7
Labour pools	67	-	-	67	67	-
Project Change School	60	-	-	60	60	-
University of Alberta	20	-	-	20	-	20
Youth business works	10	-	-	10	4	6
Social assistance - Baffin	-	2,973	-	2,973	3,573	(600)
Numeracy and Literacy Initiative	-	-	78	78	77	1
Youth Initiatives	-	195	-	195	414	(219)
Vocational Rehabilitational Development Program	-	-	45	45	45	-
	179,432	4,894	872	185,198	184,330	868
Total Operations and Maintenance	\$ 435,474	\$ 9,101	\$ 19,708	\$ 455,308	\$ 448,482	\$ 6,826

Government of the Northwest Territories

Schedule 5
Continued

Schedule of Contributions

for the year ended March 31, 1996
(thousands of dollars)

CAPITAL	Main Estimates	Supplementary Estimates	Transfers	Total Appropriation	Actual Expenditures	(Over)Under Appropriation
Northwest Territories Housing Corporation	\$ 49,000	\$ 636	\$ -	\$ 49,636	\$ 45,636	\$ 4,000
Justice						
Wilderness Camps	-	150	-	150	146	4
Transportation						
Community access roads	270	66	169	505	485	20
Future Freshwater Wharf Project	-	-	62	62	54	8
	270	66	231	567	539	28
Renewable Resources						
Hook Lake Bison Handling Facility	-	-	48	48	48	-
Aklavik Bowhead Committee boat	-	-	5	5	5	-
	-	-	53	53	53	-
Municipal and Community Affairs						
Water and sanitation	3,560	331	(201)	3,690	3,176	514
Sport and recreation	3,195	756	(169)	3,782	3,405	377
Mobile equipment	2,073	(83)	(260)	1,730	1,664	66
Roads and sidewalks	1,208	(150)	(30)	1,028	12	1,016
Road / site / land	798	-	(67)	731	706	25
Public buildings and fire protection	469	-	(26)	443	207	236
Lands	50	-	(45)	5	-	5
Community planning	40	-	(18)	22	30	(8)
	11,393	854	(816)	11,431	9,200	2,231
Health and Social Services						
Health and hospital boards	1,867	595	633	3,095	1,253	1,842
Community programs and services	510	259	(67)	702	335	367
	2,377	854	566	3,797	1,588	2,209
Economic Development and Tourism						
NWT Development Corporation	4,901	(125)	-	4,776	4,776	-
Education, Culture and Employment						
Educational development	7,478	17	48	7,543	7,525	18
Culture and careers	1,462	10,599	(102)	11,959	9,938	2,021
	8,940	10,616	(54)	19,502	17,463	2,039
Total Capital	\$ 76,881	\$ 13,051	\$ (20)	\$ 89,912	\$ 79,401	\$ 10,511
Total Contributions	\$ 512,355	\$ 22,152	\$ 19,688	\$ 545,220	\$ 527,883	\$ 17,337

Schedule of Special Warrants

for the year ended March 31, 1996
(thousands of dollars)

OPERATIONS AND MAINTENANCE	Purpose	Date of FMB Approval	Amount Authorized
Justice			
	To fund the Criminal Injuries Compensation Program.	16-Aug-95	\$ 168
Renewable Resources			
	To fund a contribution to the Deninu Kue First Nation under the Western NWT Harvesters Assistance Program.	16-Aug-95	200
	To fund a contribution to the Deline Hunters and Trappers Association under the Western NWT Harvesters Assistance Program.	19-Oct-95	223
	To fund a contribution to the Ernie McDonald Land Corporation under the Western NWT Harvesters Assistance Program.	11-Jan-96	32
Municipal and Community Affairs			
	To fund the execution of the Minutes of Settlement in the Supreme Court of the Northwest Territories case involving the Incorporated Municipality of the Town of Iqaluit.	16-Aug-95	235
	To fund disaster assistance payments to provide compensation to affected businesses and residents and to reimburse emergency operation costs incurred by municipalities and GNWT departments related to the evacuation of residents of Fort Norman and Norman Wells in the face of a forest fire threat.	30-Aug-95	231
	To fund the continued development and delivery of municipal by-law enforcement officer training in association with Aurora and Nunavut College (\$73), and for phased implementation of additional by-law support (\$127) to communities.	12-Oct-95	200
	To fund the enhancement and development of Community Works Administration Training in support of the Community Transfer Initiative.	13-Oct-95	200
	To fund the Water and Sewage Subsidy Program resulting from an increase in new housing units, sale of staff housing, new commercial customers and an increase in residential and commercial consumption of existing customers.	09-Jan-96	2,396
Health and Social Services			
	To fund the Alcohol and Drug Treatment Program pursuant to the Contribution Agreement with Health Canada.	19-May-95	580
	To fund projected 1995-96 funding shortfalls in the following Department of Health and Social Services budgets resulting from mandatory reporting of suspected child abuse; zero tolerance family violence policing; pro-active approach to suicide intervention and child sexual abuse; and an increase in the number of children requiring southern placement. (Foster Care -\$1,973 and Residential Care for Children - Southern Institutions - \$1,058).	25-Jan-96	3,031
	To fund projected 1995-96 funding shortfalls in the following Department of Health and Social Services budgets resulting from airfare price increases; unbudgeted population growth; and non-controllable price increases by provincial health authorities. (Medical travel - \$9,032 and Out-of-Territories Hospitals - \$5,004).	25-Jan-96	14,036

Schedule of Special Warrants

for the year ended March 31, 1996
(thousands of dollars)

OPERATIONS AND MAINTENANCE	Purpose	Date of FMB Approval	Amount Authorized
Economic Development and Tourism			
	To fund the continued development of the Mortgage Investment Corporation.	25-Aug-95	500
	To fund the Community Futures Program. This reflects the transfer of funding from the federal government for this program.	19-Oct-95	298
Education, Culture and Employment			
	To fund the 1995-96 costs of a lease arrangement for emergency portable classrooms required as a result of the destruction by fire of the Fort McPherson School.	16-Jan-96	<u>122</u>
			<u>\$ 22,452</u>
CAPITAL			
Legislative Assembly			
	To fund a carry-over from the 1994-95 fiscal year to the 1995-96 fiscal year for the following projects: lighting for highway intersection and signage for capital site.	16-Aug-95	\$ 76
Executive			
	To fund a carry-over from the 1994-95 fiscal year for the Snare Lake Staff Housing Upgrade.	19-Jul-95	13
Northwest Territories Housing Corporation			
	To fund the purchase of a house from an employee in Tuktoyaktuk under the provision of the GNWT's Employee House Purchase Plan.	26-Sep-95	166
	To fund the purchases of houses from employees in Arctic Bay, Broughton Island and Norman Wells under the provisions of the GNWT's Employee House Purchase Plan.	02-Nov-95	248
Justice			
	To fund a carry-over from the 1994-95 fiscal year to the 1995-96 fiscal year for the following projects: River Ridge Security Upgrade; Isumaqsunngitukkuvik Secure Facility Upgrade; Territorial Women's Correctional Centre.	23-Jun-95	630
Public Works and Services			
	To fund a carry-over from 1994-95 to 1995-96 for the Building and Learning Strategy Project.	16-May-95	84
	To fund carry-overs from 1994-95 to 1995-96 for the following projects: office renovations - Yellowknife; office renovations - various Fort Smith; office renovations - various Baffin.	16-May-95	1,323
	To fund carry-overs from 1994-95 to 1995-96 for the following projects: workshop / storage - Repulse Bay; central heating plant - Fort Simpson; Brown Building upgrade - Iqaluit; residual heat recovery - various.	16-May-95	327
	To fund carry-overs from 1994-95 to 1995-96 for the following projects: fuel tank construction - Clyde River; tank farm upgrade - Arviat.	16-May-95	826

Schedule of Special Warrants

for the year ended March 31, 1996
(thousands of dollars)

CAPITAL	Purpose	Date of FMB Approval	Amount Authorized
Transportation			
	To fund carry-overs from 1994-95 to 1995-96 for the following projects: air terminal building replacement - Wrigley; air terminal building replacement - Cape Dorset; air terminal building - Pangnirtung; air terminal building replacement - Rankin Inlet; airport upgrading - Coppermine; airport development - Fort Good Hope.	16-May-95	1,522
	To fund carry-overs from 1994-95 to 1995-96 for the following projects: community access roads; bridge rehabilitation - Highway #1 - Kakisa River; highway reconstruction - Highway #8 - Dempster km0-257; new airport development.	16-May-95	248
Renewable Resources			
	To fund carry-overs from 1994-95 to 1995-96 for the following projects: office / warehouse - Pond Inlet; office / warehouse - Arviat; office / warehouse - Rankin Inlet; Warehouse - Repulse Bay; office renovation - Fort Smith	19-May-95	547
	To fund carry-overs from 1994-95 to 1995-96 for the following projects: air tanker base - storage area - Inuvik; satellite base - Kakisa Lake.	19-May-95	169
Municipal and Community Affairs			
	To fund carry-overs from 1994-95 to 1995-96 for the following projects: water storage tank relining - Norman Wells; twin supply main - Iqaluit; firehall replacement - Fort Providence; water supply improvement - Jean Marie River; water supply improvement - Nahanni Butte; two bay maintenance garage - Arctic Bay; water supply improvement - Lake Harbour; sewage lagoon - Pond Inlet; maintenance garage - Sanikiluaq; hamlet office - Resolute Bay; parking garage - Baker Lake; solid waste / sewage improvements - Coral Harbour; sewage disposal improvement - Rankin Inlet.	16-May-95	2,975
	To fund carry-overs from 1994-95 to 1995-96 for the following projects: recreation complex - Inuvik; recreation complex - Baker Lake; pool - Baker Lake; arena - Lac La Martre; arena retrofit - Coppermine; recreation centre - Fort Smith; primary gym - Snare Lake; community hall - Lutsek K'e.	16-May-95	1,485
	To fund carry-overs from 1994-95 to 1995-96 for the following projects: Nuvuk residential subdivision - Rankin Inlet; access to new gravel pit - Pangnirtung; area 5 land development - Pond Inlet.	16-May-95	394
Health and Social Services			
	To fund carry-overs from 1994-95 to 1995-96 for the following projects: handicapped adults group home - Inuvik; elder's residence - Gjoa Haven; elder's residence - Fort Resolution; McAtter House purchase - Yellowknife.	19-May-95	2,161
	To fund carry-overs from 1994-95 to 1995-96 for the following projects: health centre - Fort Resolution; health centre - Fort Good Hope; replace hospital - Inuvik; health centre - Clyde River; replace hospital - Iqaluit; health centre - Arviat; program health facility - Rankin Inlet; ventilation upgrade - Iqaluit.	19-May-95	3,273

Schedule of Special Warrants

for the year ended March 31, 1996
(thousands of dollars)

CAPITAL	Purpose	Date of FMB Approval	Amount Authorized
Economic Development and Tourism			
	To fund carry-overs from 1994-95 to 1995-96 for the following projects: Twin Falls Gorge Park - Enterprise; Western Arctic Regional Visitor Centre - Inuvik; Mallikjuaq Island Historic Park - Cape Dorset; Sylvia Grinnel Park - Iqaluit; Kattannilik Territorial Park - Lake Harbour; Reid Lake Park - Yellowknife; Prelude Lake Park - Yellowknife.	16-May-95	748
Education, Culture and Employment			
	To fund carry-overs from 1994-95 to 1995-96 for the following projects: Nunatta Sanakkutangit Museum - Iqaluit; Dene Cultural Institute - Hay River; renovations Aurora Campus - Inuvik; Applied Arts / Library Building - Fort Smith; renovate Community Learning Centre - Coral Harbour; renovate Kivalliq Hall - Rankin Inlet; Building and Learning Strategy - various communities; Canada - NWT Infrastructure Program - various communities.	16-May-95	2,526
	To fund carry-overs from 1994-95 to 1995-96 for the following projects: school addition - Alookie School - Pangnirtung; school addition - Sanikiluaq; renovate elementary school - Fort Simpson; addition - Pudlat School - Cape Dorset; school addition - Fort Norman; renovate Joseph B. Tyrel Elementary School - Fort Smith; renovate Diamond Jenness High School - Hay River; addition - Harry Camsell School - Hay River; regional library - Inuvik.	16-May-95	2,644
	To fund the GNWT's share of costs associated with the Canada - NWT Infrastructure Agreement.	19-May-95	<u>3,800</u>
			\$ <u>26,185</u>

Schedule of Inter-activity Transfers over \$250,000

for the year ended March 31, 1996
(thousands of dollars)

OPERATIONS AND MAINTENANCE	Transfer to (from)	Explanation
Health and Social Services		
Community Programs and Services Directorate	\$ 970 (970)	To correct allocation of previously authorized transfer of Social Assistance to the Department of Education, Culture and Employment.
Community Programs and Services Health Services Department Health and Hospital Boards	597 201 (798)	To realign the department's Main Estimates according to new accounting structure.
Education, Culture and Employment		
Directorate Culture and Careers	693 (693)	To correct allocation of previously authorized transfer of Social Assistance from the Department of Health and Social Services.
Directorate Culture and Careers Educational Development	226 (1,250) 1,024	To transfer surplus funding from Culture and Careers to fund projected shortfall in Directorate and Educational Development Activities.
CAPITAL		
Transportation		
Arctic Airports Highway Operations Marine Services	(111) (196) 307	To reallocate capital funding to provide additional funding required for Coppermine Airport Development Project and the Dory Point Ferry and to establish a new project to retrofit the Igloodik snowblower.
Transportation Planning Marine Services	400 (400)	To fund projected shortfalls in capital construction budgets for various capital projects.
Arctic Airports Transportation Planning Highway Operations	879 (529) (350)	To fund projected shortfalls in capital construction budgets for various capital projects.

Government of the Northwest Territories
Schedule of Inter-activity Transfers over \$250,000

Schedule 7
 Continued

for the year ended March 31, 1996
 (thousands of dollars)

CAPITAL	Transfer to (from)	Explanation
Municipal and Community Affairs		
Community Development	\$ 358	To reallocate capital funding to ensure the completion of 1995-96 approved capital projects.
Sport and Recreation	(80)	
Community Planning and Lands	(278)	
Community Development	19,445	To realign the department's 1995-96 Capital Estimates according to new accounting structure.
Community Planning and Lands	12,125	
Community Works and Capital Planning	(19,445)	
Community Planning	(10,225)	
Surveys and Mapping	(1,350)	
Lands	(550)	
Sport and Recreations	300	To reprofile funding for mobile equipment projects for Coral Harbour to enable renovations to the community arena to be completed in 1995-96.
Community Works and Capital Planning	(300)	
Health and Social Services		
Community Programs and Services	4,223	To realign the department's 1995-96 Capital Estimates according to new accounting structure.
Community Development	(3,910)	
Health and Hospital Boards	(313)	

Schedule of Debenture Loans Receivable from Municipalities (Summary)

for the year ended March 31, 1996
(thousands of dollars)

	Original Amount	Principal Balance March 31, 1995	New Loans	Principal Repayments	Principal Balance March 31, 1996
Municipality of Yellowknife	\$ 35,246	\$ 25,482	\$ 3,920	\$ 3,818	\$ 25,584
Yellowknife Catholic School Board	1,000	1,000	-	(10)	1,010
Municipality of Fort Smith	5,073	4,439	350	244	4,545
Municipality of Fort Simpson	203	192	-	19	173
Municipality of Hay River	7,841	4,681	2,357	1,769	5,269
Municipality of Inuvik	2,951	2,636	-	249	2,387
Municipality of Norman Wells	923	794	-	58	736
Municipality of Iqaluit	6,916	3,475	1,750	139	5,086
	60,153	42,699	8,377	6,286	44,790
Less Valuation allowances	-	1,277	-	-	1,160
	\$ 60,153	\$ 41,422	\$ 8,377	\$ 6,286	\$ 43,630

Schedule of Debenture Loans Receivable from Municipalities

for the year ended March 31, 1996
(thousands of dollars)

	Year of Maturity	Interest Rate	Original Amount	Principal Balance March 31, 1995	New Loans	Principal Repayments	Principal Balance March 31, 1996
Municipality of Yellowknife							
130 Frame Lake South sub-division	1997	9.00	\$ 1,165	\$ 324	\$ -	\$ 99	\$ 225
132 Frame Lake South improvements	1997	8.75	334	91	-	28	63
174 Frame Lake South	2003	9.13	961	633	-	47	586
211 Utility Fund	2000	9.00	1,615	1,249	-	178	1,071
212 General Fund	2002	9.00	6,589	5,241	-	551	4,690
213 Water and sewer replacement	2003	8.50	3,400	3,171	-	247	2,924
214 Paving program	2003	8.50	1,436	1,339	-	104	1,235
215 Water and sewer replacement	2003	8.50	300	280	-	22	258
216 Capital Fund	2001	7.74	4,590	3,956	-	490	3,466
217 Utility Fund	2000	7.71	2,193	1,828	-	279	1,549
218 Land Development Fund	1999	7.75	8,357	7,135	-	1,251	5,884
219 Mobile Home Park Fund	1996	6.10	386	235	-	235	-
220 Paving, gutters and sidewalks	2005	8.90	1,170	-	1,170	-	1,170
221 Water and infrastructure replacement	2005	8.90	500	-	500	-	500
222 Water and sewer infrastructure replacement	2005	8.90	900	-	900	-	900
223 Pumphouse #2 upgrade	2005	8.90	600	-	600	-	600
224 Trails End water and sewer replacement	2005	9.25	750	-	750	287	463
			35,246	25,482	3,920	3,818	25,584
Yellowknife Catholic School Board							
1 New High School (1994)	2014	10.70	1,000	1,000	-	(10)	1,010
Municipality of Fort Smith							
21 Personal care facility	1997	9.00	140	39	-	12	27
43 Personal care facility	2026	11.27	2,764	2,742	-	12	2,730
44 Expansion, renovation of firehall	2008	8.80	335	317	-	69	248
45 Refinance previous debentures	2002	8.25	1,484	1,341	-	151	1,190
46 West Grove subdivision	2005	9.15	350	-	350	-	350
			5,073	4,439	350	244	4,545
Municipality of Fort Simpson							
6 Firehall addition	2006	9.00	136	122	-	8	114
7 Fire Truck and Alarm System	2008	9.00	67	70	-	11	59
			203	192	-	19	173

Schedule of Debenture Loans Receivable from Municipalities

for the year ended March 31, 1996
(thousands of dollars)

	Year of Maturity	Interest Rate	Original Amount	Principal Balance March 31, 1995	New Loans	Principal Repayments	Principal Balance March 31, 1996
Municipality of Hay River							
16 Water and sewer system	1995	8.25	137	12	-	12	-
66 Water and sewer infrastructure improvements	2002	8.45	180	154	-	14	140
68 Infrastructure upgrades	2001	9.00	496	415	-	328	87
72 Local improvements	2000	9.00	229	204	-	27	177
73 Water and sewer capital works and infrastructure improvements	1996	9.00	191	133	-	64	69
74 Road paving	2002	8.45	794	732	-	67	665
75 Commercial sub-division	2003	7.75	1,200	1,077	-	119	958
79 Purchase water meters	1995	8.25	7	7	-	7	-
80 Drainage improvements	1996	8.25	11	11	-	5	6
81 Drainage improvements	2001	8.25	30	30	-	3	27
82 Paving	2005	8.25	111	111	-	7	104
84 Local improvements	1997	8.25	33	33	-	10	23
85 Residential subdivision	1999	8.25	762	459	-	182	277
86 Residential subdivision	1999	8.25	228	228	-	138	90
87 Road paving and capital infrastructure improvements	2001	8.25	735	735	-	82	653
88 Woodland Drive sewer trunk replacement	2005	10.45	340	340	-	340	-
89 Southern expansion, land development	2005	9.10	2,200	-	2,200	364	1,836
90 Woodland Drive sewer trunk replacement	2004	10.45	157	-	157	-	157
			7,841	4,681	2,357	1,769	5,269
Municipality of Inuvik							
5 Town hall / fire hall	2000	9.00	350	160	-	19	141
33 Refinance previous debentures	2005	8.25	944	878	-	99	779
34 Refinance previous debentures	2010	8.34	1,657	1,598	-	131	1,467
			2,951	2,636	-	249	2,387
Municipality of Norman Wells							
6 MacKenzie Drive road upgrade	2010	9.00	183	174	-	6	168
7 Residential sub-division	1998	6.95	250	143	-	36	107
8 Refinance previous debentures	2011	8.25	490	477	-	16	461
			923	794	-	58	736
Municipality of Iqaluit							
13 Local improvements	2011	9.00	298	284	-	-	284
14 Refinance previous debentures	2008	0.00	4,868	3,191	-	139	3,052
15 New expansion area, phase IV (#1)	2013	9.50	750	-	750	-	750
16 New expansion area, phase IV (#2)	2013	9.50	50	-	50	-	50
17 Expansion area, phase IV	2005	9.65	300	-	300	-	300
18 Expansion area, phase IV	2005	9.65	650	-	650	-	650
			6,916	3,475	1,750	139	5,086
Less Valuation allowances			-	1,277	-	-	1,160
			6,916	2,198	1,750	139	3,926
			\$ 60,153	\$ 41,422	\$ 8,377	\$ 6,286	\$ 43,630

Schedule of Other Long-term Receivables

for the year ended March 31, 1996
(thousands of dollars)

	Principal Balance March 31, 1995	New Loans	Principal Repayments	Principal Balance March 31, 1996
Agreements for Sale	\$ 963	\$ 247	\$ 237	\$ 973
Mortgage Receivable - Kekertak Co-op, Gjoa Haven	200	-	-	200
	\$ 1,163	\$ 247	\$ 237	\$ 1,173

Schedule of Bad Debt Write-offs, Forgiveness and Student Loan Remissions

for the year ended March 31, 1996

ACCOUNTS RECEIVABLE WRITTEN OFF

Public Works and Services		Student Loan Fund	
Nowdlake, Meeka	\$ 1,165	Cheyne, Kathryn	3,123
Health and Social Services		Desjarlais, Dorothy	2,795
Mottrang, Diane	800	Dolan, Heather	26,379
Pameolik, Elizabeth	710	Gustaw, Karl Victor	22,080
	<u>1,510</u>	Heywood, Charlotte	4,692
Economic Development and Tourism		Ireland, Claudette	1,967
Guided Arctic Expeditions	67,500	Kimble, Marlene	3,552
Won Construction	3,379	Lapierre, Tiffany	22,008
	<u>70,879</u>	MacDonald, Brian William	3,704
Education, Culture and Employment		Mann, Candace Kathleen	3,557
Alaralak, Rosalie	1,275	Miller, Sandra Mae	28,933
Ashoona, Kovianatok	3,155	Oliver, Gerald Alexande	1,160
Deneron, Bertha	2,514	Paul, Kimberly	5,119
Eyaituk, Agnes	6,412	Ross, Doug E.	3,373
Klengenberg, Tony	1,784	Simon, Charlie	1,189
Mayo, Ray	818	Solowy, Kevin Estate of	6,400
Noah, Matthew	1,505	Tham, Jeremy Kun Mun	2,727
Paul, Kimberly	1,250	Vermeulen, Daniel	2,667
Qiyuapik, Jeannie Estate of	766	Wilson, John William	3,946
Timgmiak, Abel	768	Total Loans Written Off	<u>149,371</u>
	<u>20,247</u>	Total Accounts and Loans Written Off	<u>\$ 335,065</u>
Total Accounts Written Off Over \$500	93,801		
All Departments - Other Miscellaneous			
Accounts Less Than \$500	7,988		
Student Loan Interest Written Off	10,199		
Accounts Forgiven, Not Previously Written Off			
1995/96 Forgiveness	<u>73,706</u>		
Total Accounts Written Off	<u>185,694</u>		

FORGIVENESS

Total Forgiveness (including 95/96 write-offs)

1994/95 Forgiveness	\$ 401,656
1995/96 Forgiveness	<u>357,236</u>
	<u>\$ 758,892</u>

Schedule of Bad Debt Write-offs, Forgiveness and Student Loan Remissions

Continued

for the year ended March 31, 1996

Under the Student Financial Assistance Regulations, the Government may forego collection of students' loans, provided certain criteria are met. The students listed below, having met the academic and the employment or residency criteria, have qualified and been granted remission of their loans.

Abernethy, David	\$ 1,058	Chatman, Jody	892
Abernethy, Glen	1,242	Chilibeck, Jason	1,533
Abernethy, Susan	2,697	Chorostkowski, Bradley	2,132
Allison, Kenneth	2,653	Christie-Williams, Emma	2,398
Allison, Simon	1,612	Christie-MacLean, M. Alexandra	1,357
Amrow, Kelly	2,612	Clancy, Patrick	2,661
Antoniak, James	531	Clarke, Sven	2,771
Ashton, Cindy	1,849	Clay, Scott	2,541
Ashton, Toderick	2,074	Clunie, Cynthia	2,488
Atkinson, Emily	2,258	Coedy, William	2,340
Attagutsiak, Eunice	1,791	Collins, Jennifer	2,173
Aumond, Michael	3,120	Connors, Jerry	964
Avery, Bradley	2,173	Cooke, Douglas	988
Aymar, Louise	2,384	Corbeil, Andre	3,271
Azzolini, Luciano	1,367	Corey, Grant	2,579
Bauhaus, Rene	1,224	Cottrell, Corey	3,200
Beauchesne, Julie	2,219	Crawford, Roberta	849
Bell, Adrian	1,316	Crozier, James	3,206
Bell, Craig	3,247	Cronk, Mark	3,230
Berg, Gary	2,722	Daniels, Renee	1,107
Berg, Melodie	3,403	Davidge, Scott	2,804
Bernhardt, John Barry	4,312	Dean, Shaun	2,599
Berton, Fabrizio	2,324	Debogorski, Curtis	2,058
Bies, Robert	1,807	DeGroot, Teresa	3,447
Bishop, Josephine	4,873	Delmage, Ronald	3,112
Blewett, Christopher	1,058	Demaine, Kimberly	1,271
Bobinski, Cameron	1,051	Demeule, Rene	3,200
Boettger, Anne Louise	2,480	Deschamps, Alain	4,400
Bonnycastle, Colin	3,332	Desjarlais, Michelle	1,440
Bouchard, Robert	2,661	Dewsbury, Bradley	1,357
Boudreau, Carol	2,661	Dievert, Brent	2,258
Bourne, Mabel	1,500	Dievert, Leanne	2,308
Bourque, Kristine	3,750	Doig, Eric	3,681
Boyd, Richard	2,132	Doolittle, George	4,400
Boyle, Melanie	1,696	Duggan, Moira	1,837
Brown, Rod	2,738	Dunn, Kevin	5,046
Brown, Tara	2,566	Edgecombe, Nancy	2,472
Brown, Vincent	2,200	Edwards, J. Bryan	4,400
Buchstein, Eric	2,461	Elkin, Brett	2,229
Buckle, Carolyn	2,153	Elkin, Derek	2,571
Bullock, Curtis	2,173	Erasmus, Eileen	5,789
Burles, Jacquelyn	2,936	Eskelson, Roslind	3,219
Burlingame, Todd	2,702	Evans, Benjamin	667
Burr, James	590	Evans, Maurice	1,101
Burrill, Kevin	2,148	Evoy, Theresa	1,225
Cadwell-Lepine, Paula	2,978	Feil, Renee	775
Cairns, Valerie	3,395	Fell, Alvin	3,444
Campbell, Blake	3,100	Feria, Marites	890
Cameron, Barbara	3,927	Ferguson, Marian	1,275
Cane, Myles	2,558	Foddis, Walter	2,865
Cargill, Douglas	2,493	Fortin, Gerry	2,664
Carreau, Robert Sr.	3,107	Foster-Balaktis, Joelle	1,947
Carter, Lisa	988	Fournier, Christopher	1,985
Carter (Smith), Melanie	2,539	Fowler, Candace	1,382
Case, Cheryl	1,964	Franceschi, Luideo	2,944
Caudron, Cindy	4,296	Frank, Catherine	1,923
Chalifoux, Brenda	1,882	Gallagher, Lisa	2,382
Chambers, James	1,162	Gauthier, Laurier	2,853
Chapman, Blair	2,568	Gauthier, Neil	3,054

Schedule of Bad Debt Write-offs, Forgiveness and Student Loan Remissions

Continued

for the year ended March 31, 1996

Gauthier,Shauna	2,390	Itsi,Maria	4,840
Gee,Allan	2,008	Jackson,Kevin	4,136
Gellatly,Shelley	2,200	Jardine,Scott	1,115
Gibbons,Darlene	4,251	Jaworenko,Rocky	2,972
Gilbert,Brent	2,538	Joaquin,Blesila	2,308
Gilbert,David	1,393	Johnson,Douglas	3,980
Gillis,Mary	1,980	Johnson,Karen	914
Goit,Christopher	1,099	Johnson,Robert	1,730
Goldney,Paul	2,524	Johnson ,Timothy	2,582
Goldstick,William	906	Johnston,Lynne	5,321
Goodzeck,Jonathan	2,632	Jones,Barbara	2,529
Gostick,William	1,711	Jones,Gregory	2,008
Goudreau,Mariette	2,123	Jonkisz,Barbara	1,808
Goudreau,Simone	2,669	Joyce,Tonja	1,595
Gray,Alistair	2,132	Kapicki,Brent	3,103
Green,Paul	1,025	Kapicki,Jodi	2,636
Griffore,Naomi	1,824	Kashman,Joyce	2,304
Grundy,Mary	602	Keim,Andrew	5,801
Grundy,Paul	2,890	Kelly,Michele	2,134
Guigon (Gadet),Adelle	2,199	Kennedy,Linda	1,625
Guinan,Derran	1,345	Kennelly,Julietta	2,068
Ha,Long	3,001	Kiem,Francis	673
Habibi,Anne Marie	1,849	King,Scott	2,653
Haener,Frances	2,234	Knapp,Jason	2,250
Haener,Madelon	2,804	Koe,Julie Anne	4,775
Haining,Margaret Jean	2,760	Kotelewetz,Tania	2,316
Hall,Thomas	2,603	Kovalench,Shelly	2,164
Hancsicsak ,Michele	3,617	Kovatch,Craig	2,977
Harder,David	3,029	Krause,Arnold	2,612
Harding,Peter	3,255	Krause,Michelle	2,612
Harding,Robert	2,166	Kretchmar,Bernard	1,656
Hart,Katherine	2,357	Lacasse,Serge	2,686
Hart,Robert	1,837	LaCroix,Melanie	671
Hartery,Bruce	2,799	Lalonde,Vicenta	2,431
Hawick,Margaret	2,669	Lamb,Frank	1,758
Hazenberg,Melissa	638	Lange,Patricia	942
Heath,Robert	1,832	Latour,Kenneth	1,464
Hehn,Shirley	3,164	Latour-Theede,Nicole	3,200
Heins,Lucie	1,862	Lau-a,Revi	3,079
Helyar,Maurice	2,697	Laws,Ian	2,812
Henderson,Lindsay	1,668	Le Clerc,Gail	1,500
Herter,Aaron	2,200	Le Clerc,Marc	1,238
Hiebert,Patricia	2,250	Lefebvre,Ruth	2,812
Hill,Catriona	988	Lehmann,David	2,784
Hilworth,Kerry	1,000	Leishman,Deborah	1,450
Hinchey,Robert	2,240	Lewis,Lara	2,908
Hodgkins,Andrew	2,538	Look,Mary Anne	1,052
Hoffman,Nicole	1,206	Look,Randall	2,817
Holmes,Naomi	2,513	MacDonald,Paul C.	2,390
Horn,Kory	2,977	MacKay,Angus	2,255
House,Sheldon	2,472	MacKay,Christy	6,707
Howie,Jason	1,414	MacKenzie,Diane	2,101
Hughes,Theresa	3,194	Maduke,John	1,041
Humphreys,Jacqueline	923	Magee,Lisa	3,518
Huss,Kenneth	1,997	Mah,David	1,558
Huva,Sandra	2,750	Mahe,Dana	4,384
Hval,Cheryl	647	Mahussier,Michael	1,664
Imbeault,Sonya	2,250	Mainville,Gerry	1,766
Inch,Jennifer	2,714	Malanchuk,Lee	1,714
Innuksuk,Michael	3,349	Malegana,Joyce	4,824
Israel,Heath	1,435	Malhussier,Michael	857
Israel,Parker	2,488	Malmsten,Joseph	2,636

Schedule of Bad Debt Write-offs, Forgiveness and Student Loan Remissions

Continued

for the year ended March 31, 1996

Manernaluk, Monda	4,000	Pollock, Kari	2,546
Mang, Diane	2,750	Popma, Velma	3,760
Manik, Doreen	3,529	Popoff, William	1,353
Marchiori, Dennis	2,587	Porter, Ron	2,373
Mark, Fay	3,419	Posynick, James	1,389
Marsh, Gary	2,453	Praamsma, Jennifer	618
Marshall, Darryle	795	Price, George	2,279
Marshall, Kirby	2,854	Pryzyk, Jennifer	1,840
Martin, Aaron	1,145	Pumphrey, Ron	8,596
Martin, Marnie	2,796	Qanatsiaq, Nunia	4,702
Martin, Megan	2,497	Ramsay, David	2,505
Marykuca, Michael	3,291	Rankin, Garnet	1,879
McCagg, Natasha	1,824	Rapley, Patricia	2,747
McCrea, Ian	866	Reason, Monique	1,988
McDermid, Gordon	2,535	Redvers, Clara	2,505
McDermott, Simon	1,681	Relucio, Maria Jessica	2,988
McDonald, James	2,636	Rennie, John	10,970
McDougall, Thalie	2,464	Richinger, David	1,533
McGrath, Monica	2,636	Richinger, Lisa	3,321
McGregor, Fiona	3,018	Riddell, Leslie	2,620
McPherson, Johnny	2,662	Ring, Larry	3,554
Menard, Allan	2,988	Robertson, Dean	3,013
Mercredi, Brenda	7,812	Rogers, Lena	1,923
Meszcs, Fiona	2,053	Romans, Joanne	2,456
Miller, Joseph	3,247	Saint, Stephen	3,485
Milovac, Mario	2,161	Sanderson, Pamela	4,592
Mitchener, Kevin	2,845	Sanford, Leslie	2,000
Morash, Joanne	2,088	Sanguetz, Linda	3,640
Mounsey, Paul	2,607	Schofield, R. Haydn	2,853
Mount, Pierre	2,661	Scobel, Coreen	1,582
Munro, Larry	3,013	Schwartzberger, Tina	2,082
Naidoo, Mahendra	3,567	Sheck, Leah	1,569
Nasogaluak Jr., David	2,923	Sherburne, Stephen	2,628
Nasogaluak, Joseph	4,194	Shott, Kevin	2,645
Nendsa, Christopher	3,485	Sian, Sherry	1,599
Newton, Joy	3,464	Silzer, Erica	1,602
Nichol, Darrin	2,268	Silzer, Leanne	2,000
Nickolson, Mitchell	1,714	Simms, Carl	3,005
Nightingale, David	1,640	Simms, Hayley	2,919
Nind, Ben	2,878	Sims, Melanie	1,519
Nind, Naomi	939	Smith, Day	2,837
Nolsoe, David	6,338	Smith, Raphael	1,914
Noseworthy, Lisa	2,493	Sousa, Yvonne	799
Ohokannoak, Susie	1,882	Spear, Russell	632
Onalik, Janet	1,599	Speight, Gary	1,016
O'Neill, Anna	2,673	Speight, Beverly Ann	1,689
O'Rourke, Lynn	1,290	Spence, Matthew	3,669
Overbo, Wayne	1,796	Spry, Steven	2,255
Page, Richard	2,771	Squires, Peggy	3,730
Palluq-Atagoyuk, Jeela	1,623	Stevens, Stan	1,099
Pandke, Jeffrey	1,140	Stewart, Andrew	1,247
Patrick, Randy	2,140	Stewart, Scott	1,247
Pattle, Joella	2,738	Stirling, Lynn	3,136
Paulette, Lesley	3,128	St. Jean, Margaret Janne	2,870
Pelechety, David	2,853	Strikwerda, Duane	791
Peterson, George	1,870	Stuempel, Timothy	714
Petrie, Gordon	2,214	Sumcad, Ferdinand	1,650
Picek, Christopher	2,025	Sundberg, Katherine	2,636
Pilon, Conrad Jr.	3,677	Sutendra, Umesh	1,651
Pin, Juliet	2,325	Swann, Jeffery	1,906
Pinto, Jeffrey	2,505	Swanston, Catherine	2,414
Plaza, Danielle	2,755	Taylor, Brahm	2,707

Schedule of Bad Debt Write-offs, Forgiveness and Student Loan Remissions

for the year ended March 31, 1996

Taylor, Jill	1,386	Wenc, Conrad	2,120
Tensen, Ingrid	1,997	West, Nicholas	2,115
Thody, Lyall	1,214	Wettig, Darren	2,074
Thody, Pamela	1,720	Whane, Celine	5,156
Thompson, Ted	799	Whitaker, Allison	4,400
Thornburn, Tracey-Lynn	2,423	Whittaker, Laurence	568
Tomlinson, Julian	884	Williams, Bethan	1,714
Tordoff, Rodney	3,697	Williamson, Karla	2,653
Turner, David	3,128	Wilson, Allan	2,046
Tutton, Wayne	1,600	Wilson, Judith	2,472
Unka, Norenda	5,400	Wong, Garry	2,620
Usherwood, Helene	2,719	Wong, Keith	1,706
Vail, Roger	3,329	Wood, Eric	2,200
Van Dine, Stephen	2,980	Worsley, Katherine	2,601
Vandenberghe, Tamar	1,107	Yaceyko, Cordilee	3,200
Veerasammy, David	980	Young, Gwen	3,202
Villeneuve, Joyce	1,947	Zorn, Marvin	1,266
Vincent, Thelma	3,045	Zorn, Michael	990
Waddell, Randy	3,293		
Walker, Valoree	3,276	Total Loan Remissions over \$500.00	990,978
Wallbridge, Garth	1,031		
Wallis, Stuart	2,947	Miscellaneous Remissions under \$500.00	4,070
Wasykiw, Blaine	2,107		
Waters, Donna	2,112	Loan Remissions	\$ 995,048
Weir, Laurie	3,337		

STUDENT LOANS REMITTED UNDER SETTLEMENTS OR BANKRUPTCIES

Camire, David

\$ 14,961

Schedule of Inventory Write-offs and Deletions over \$500

for the year ended March 31, 1996

Safety and Public Services

Liquor Commission inventory

\$ 51,958

Schedule of Recoveries of Debts Previously Written Off

for the year ended March 31, 1996

Justice

Bertrand, Antoine	\$ 74
Bertrand, Eric	86
Bloomstrand, Marvin	119
Cazon, Albert	100
Daniels, Sherry	500
Drybones, Edward	60
Grandjambe, George	225
Joesphee, Lyta	250
Kalvin, Elais	100
Kendi, Andrew	97
King, Raymond	74
Niditchie, George	100
Nitah, Fred	40
Punch, Louis	50
Sabourin, Matthew	22
Sanderson, Jerry	100
Tauta, Larry	55
	<u>2,052</u>

Public Works and Services

Appak, Louisa	191
Appaqaq, Mina	29
Arraqtainay, Joe	1,754
Audla, Anthony	73
Beaulieu, Theresa	1,655
Cookie, Rhoda	323
Crow, Betsy	77
Emikotialuk, Johnassi	75
Eyaituk, Davidee	396
Firth Ernest Contracting	50
Firth, Darlene	257
Itsi, John	458
Kattuk, Peter	482
Kavik, Davidee	40
Kowcharlie, Thomassi	459
Manuk, Joanassie	130
Mickeyook, Pauloosie	319
Phillips, Marilyn	224
Pitseolak, Mark	108
Takatak, Annie	73
Uppik, Davidee	566
Miscellaneous Minor Recoveries	34
Government of Canada (GST reclaim)	4,633
	<u>12,406</u>

Transportation

Ekenale, Alma	1,600
Mivvik,	45
Government of Canada (GST reclaim)	3
	<u>1,648</u>

Renewable Resources

Adjun, Larry	\$ 35
Allen, Victor	49
Beaulieu, Robert	50
Charlie, Joseph	295
Cheezie, Philip	175
Desjarlais, John	86
Eetuk, Omajualik	10
Elleze, Gregory	107
Giroux, David W.	300
Harrison, Fred	150
Judai, Itee	20
Koe, Thomas	14
Lavolette, Ken	353
Machmer, Olassie	625
Marlowe, Raymond M.	30
Minoza, Fred	35
Norwegian, Rosie	146
Sanderson, Isidore	341
Yakelaya, Carl J.	100
Government of Canada (GST reclaim)	204
	<u>3,125</u>

Municipal and Community Affairs

Aliqatuqtuq, Loasie	100
Iyerak, Joe	400
Jumbo, Edward	62
Kanayuk, Tommy	250
Ranger Distributors	272
Government of Canada (GST reclaim)	344
	<u>1,428</u>

Schedule of Recoveries of Debts Previously Written Off

for the year ended March 31, 1996

Health and Social Services

Arden, Margaret E.	150
Bartkowski, Erwin	27
Beaulieu, Theresa Ann	95
Bjomson, Reginald D.	50
Blake, Phillip	50
Blake, Verna	50
Bourke, Edwin A.	50
Bye, Jacqueline Y.	321
Cholette, Michelle M.	50
Connelly, Richard	100
Crawford, John M.	40
Delorme, Angus	34
Deschene, Beatrice M.	100
Desjarlais, John	100
Doctor, Diane	32
Doyle, Arthur John	100
Fabien, Frank	50
Forrest, Laurie	100
Foster, Robert Jr.	107
Harrison, Patrick	100
Harvey, Daniel F.	50
Kakfwi, Wayne Mathew	50
Kendi, Andrew	100
Lafferty, Edna E.	161
Lafferty, Rachael	50
Loutit, Florence	100
Main, Gordon J.	107
Mason, Barbara	100
Mason, Marcel David	100
McKay, Denise	50
McKay, Denise V.	53
McKay, Lena E.	154
McLeod, John W.	53
Mercredi, Brenda Elizabeth	100
Mercredi, Louis	50
Norwegian, Rose	107
Odgaard, Roger Flemming	100
Okkumaluk, Therese	1,839
Peterson, Terry May	247
Sibbeston, Darlene	50
Simpson, Nora	86
Snider, Darrell Dean	180
Government of Canada (GST reclaim)	<u>4,177</u>
	<u>9,770</u>

Economic Development and Tourism

Government of Canada (GST reclaim)	8
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Education, Culture and Employment

Arrowmaker, Jimmy	50
Berton Enterprises	27
Bonnetrouge, Randy	430
Bourke, Jenny	376
Brown, Kenneth C.	211
Dunford, Gary Francis	1,287
Dyck, Carol Ann	1,100
Easingwood, Brian	(321)
Gargan, Sandra	500
Greenland, Mary	251
Irlbacher, Geraldine Therese	984
Kay, Lucy Elizabeth	972
Kelly, Sandy	70
Kikoak, Patricia	550
Kuniliusie, Morris	55
Leon, Susan A.	600
McDonald, Vickie	2,826
Modeste, Linda	37
Neyelle, Julia	413
Nowdlak, Charlie	85
Nuliayak, Rosie	37
Payne, kimberly Ann	1,784
Pierrot, Ronald	50
Pitsiolak, Mark	635
Pitts, William Lee, Estate of	3,503
Plamondon, Maragaret	50
Qavavau, Akalayok	560
Roland, John	38
Selnes, Linda Joyce	637
Tetso, Archie	108
Univqsaraq, Meeka	1,985
Utanaaqu, Susie, Q.	359
Wozny, Sidney William	461
Yallee, Lori Ann	<u>1,675</u>
	<u>22,385</u>
Total Debts Recovered	\$ <u>52,822</u>

Schedule of Overdue Travel Advances

as at March 31, 1996

Overdue travel advances represent travel advances which have not been accounted for by an expense claim within 10 working days of the return date given on the travel authorization.

Government		Other	
Public Works and Services		Justice	
Callas, Chic	\$ 300	Ippiak, Lizzie	\$ 328
Dowdall, Scott	100		
Gordon, Tommy	185	Total other overdue travel	\$ <u>328</u>
Pemik, Paul	<u>185</u>		
	770	Total overdue travel	\$ <u>5,208</u>
Transportation			
Akeegok, Lazarus	560		
Vogt, C.	<u>130</u>		
	690		
Renewable Resources			
Akavak, Matthew	300		
Suluk, Bobby	180		
Veitch, Alasdair	<u>218</u>		
	698		
Municipal and Community Affairs			
Hleucka, Shane	250		
Pierce, James M.	<u>400</u>		
	650		
Health and Social Services			
Fahey, Michael	500		
Karpan, Bernie	<u>96</u>		
	596		
Education, Culture, and Employment			
Autut, Lena	380		
Awa, Rebecca	555		
Jaypoody, Jacob	200		
Qaqasiq, Leesee	195		
Slifka, Shane	<u>146</u>		
	1,476		
Total Government overdue travel	\$ <u>4,880</u>		

Schedule of Lease Commitments

for the year ended March 31, 1996
(thousands of dollars)

		1997	1998	1999	2000	2001	2002-2015	Total
Yellowknife	Commercial	\$ 6,796	\$ 6,346	\$ 5,300	\$ 5,181	\$ 4,862	\$ 32,985	\$ 61,470
	Residential	395	341	341	341	341	2,297	4,056
		7,191	6,687	5,641	5,522	5,203	35,282	65,526
Fort Smith	Commercial	924	681	555	501	457	4,401	7,519
	Residential	648	609	595	582	582	4,265	7,281
		1,572	1,290	1,150	1,083	1,039	8,666	14,800
Inuvik	Commercial	936	737	656	602	409	3,948	7,288
	Residential	503	417	271	256	236	2,705	4,388
		1,439	1,154	927	858	645	6,653	11,676
Baffin	Commercial	681	528	306	255	236	575	2,581
	Residential	4,405	2,859	2,793	2,457	2,457	15,218	30,189
		5,086	3,387	3,099	2,712	2,693	15,793	32,770
Keewatin	Commercial	1,079	847	778	582	539	6,261	10,086
	Residential	2,243	1,995	1,995	1,995	1,995	19,404	29,627
		3,322	2,842	2,773	2,577	2,534	25,665	39,713
Kitikmeot	Commercial	970	961	932	932	927	4,571	9,293
	Residential	929	884	884	884	858	5,272	9,711
		1,899	1,845	1,816	1,816	1,785	9,843	19,004
		\$ 20,509	\$ 17,205	\$ 15,406	\$ 14,568	\$ 13,899	\$ 101,902	\$ 183,489

Schedule of Guarantees and Indemnities

for the year ended March 31, 1996
(thousands of dollars)

	1996	1995
Loans payable by the Northwest Territories Housing Corporation to Canada Mortgage and Housing Corporation and Canada	\$ 90,913	\$ 92,347
Sinking fund debentures issued by the Northwest Territories Power Corporation		
a) maturing March 9, 2009	20,000	20,000
b) maturing June 6, 2011	15,000	15,000
c) maturing May 28, 2012	20,000	20,000
d) maturing May 12, 2014	20,000	20,000
e) maturing February 27, 2026	20,000	-
Debenture series issued by the Northwest Territories Power Corporation		
a) maturing May 1, 2025	7,939	-
b) maturing October 1, 2025	7,960	-
	\$ 201,812	\$ 167,347

Schedule of Projects for Canada and Others

for the year ended March 31, 1996
(thousands of dollars)

DEPARTMENTS	Main Estimates	Vote 4 Expenditures	Vote 5 Revenues
Legislative Assembly	\$ -	\$ 103	\$ 103
Executive	7,896	8,744	8,744
Northwest Territories Housing Corporation	-	-	-
Finance	-	251	251
Justice	766	1,394	1,394
Safety and Public Services	60	71	71
Public Works & Services	11,488	11,794	11,794
Transportation	3,933	4,717	4,717
Renewable Resources	3,258	3,958	3,958
Municipal and Community Affairs	401	1,947	1,947
Health and Social Services	1,170	3,120	3,120
Energy, Mines and Petroleum Resources	137	137	137
Economic Development and Tourism	97	87	87
Education, Culture and Employment	1,610	6,783	6,783
	\$ 30,816	\$ 43,106	\$ 43,106

SECTION III
SUPPLEMENTARY FINANCIAL STATEMENTS

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**Workers' Compensation Board
(Northwest Territories)**

Financial Statements

**for the year ended
December 31, 1995**

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April 19, 1996

Management's Responsibility for Financial Reporting

Management of the Workers' Compensation Board is responsible for the preparation, integrity and objectivity of the financial statements and related information presented in this annual report. The financial statements have been prepared in accordance with generally accepted accounting principles and have been approved by the Board of Directors. Where appropriate, the preparation of financial information contained in this report includes estimates and judgements based on careful consideration of information available to management.

Management has developed and maintains books of accounts, records, financial and management controls, information systems and management practices. These are designed to provide reasonable assurance as to the reliability of financial information in accordance with the *Workers' Compensation Act* and regulations, the *Financial Administration Act* and regulations, and policies of the Board. The Board of Directors ensures that management fulfills its responsibilities for financial reporting, internal control and safeguarding assets.

The Board of Directors appoints certain of its members to serve on the Finance Committee. This Committee oversees management's responsibilities for financial reporting and reviews and recommends the financial statements to the Board for approval.

The Auditor General of Canada annually 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 respects, in accordance with the specified legislation.

The Coles Group, an independent firm of consulting actuaries, has been engaged to provide an opinion on the adequacy and appropriateness of actuarial valuations of future claims and pension liabilities of the Workers' Compensation Board.

Gerry Meier
General Manager
& Chief Operating Officer

John W. Doyle
Director,
Financial Services

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AUDITOR GENERAL OF CANADA

VÉRIFICATEUR GÉNÉRAL DU CANADA

AUDITOR'S REPORT

To the Minister Responsible for the
Workers' Compensation Board

I have audited the balance sheet of the Workers' Compensation Board (Northwest Territories) as at December 31, 1995 and the statements of operations, reserves, and changes in financial position for the year then ended. These financial statements are the responsibility of the Board'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 Board as at December 31, 1995 and the results of its operations and the changes in its financial position for the year then ended in accordance with the generally accepted accounting principles. As required by the Financial Administration Act, I report that, in my opinion, these principles have been applied, after giving effect to the change in the method of accounting for investments as explained in Note 3 to the financial statements, on a basis consistent with that of the preceding year.

Further, in my opinion, proper books of account have been kept and the financial statements are in agreement therewith and the transactions of the Board that have come to my notice during my audit of the financial statements have, in all significant respects, been in accordance with the Workers' Compensation Act and regulations and the Financial Administration Act.

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

Ottawa, Canada
19 April 1996

WORKERS' COMPENSATION BOARD (Northwest Territories)

Balance Sheet
as at December 31, 1995
(thousands of dollars)

ASSETS

	<u>1995</u>	<u>1994</u>
Cash and short-term deposits	\$ 7,378	\$ 11,881
Assessments receivable	1,246	2,156
Accrued interest receivable	1,493	1,469
Other accounts receivable	2,188	2,964
Investments (note 4a)	158,872	135,275
Property and equipment (note 5)	4,620	5,477
	<u>\$ 175,797</u>	<u>\$ 159,222</u>

LIABILITIES

Accounts payable and accrued liabilities	\$ 742	\$ 799
Lease obligations payable (note 6)	3,710	4,366
Assessments refundable	1,141	585
Benefits Liability (notes 7, 8, and 10a)	151,533	142,668
	<u>157,126</u>	<u>148,418</u>

RESERVES (note 9)

Catastrophe reserve	4,750	4,750
Operating reserve	13,921	6,054
	<u>18,671</u>	<u>10,804</u>
	<u>\$ 175,797</u>	<u>\$ 159,222</u>

CONTINGENCIES (Note 10)

Approved by Management:



Director, Financial Services

Approved by the Board of Directors:



Chairman, Board of Directors



Chairman, Finance Committee

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

WORKERS' COMPENSATION BOARD (Northwest Territories)
Statement of Operations
for the year ended December 31, 1995
(thousands of dollars)

REVENUES	<u>1995</u>	<u>1994</u>
Assessments	\$ 24,398	\$ 24,643
Investment Revenue (note 4b)	13,333	4,356
Recoveries (note 12b)	<u>1,467</u>	<u>2,179</u>
	<u>39,198</u>	<u>31,178</u>

EXPENSES

Cost of claims (note 7)

Current year's claims	\$ 17,883	\$ 19,439
Prior years' claims	<u>7,724</u>	<u>(567)</u>
Total Claims	25,607	18,872

Administration and general (schedule)

<u>5,724</u>	<u>5,986</u>
<u>31,331</u>	<u>24,858</u>

INCOME FROM OPERATIONS

<u>7,867</u>	<u>6,320</u>
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TRANSFERS

Transfer to catastrophe reserve	\$ -	\$ 1,425
---------------------------------	------	----------

Transfer to operating reserve	<u>\$ 7,867</u>	<u>\$ 4,895</u>
	<u>\$ 7,867</u>	<u>\$ 6,320</u>

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

WORKERS' COMPENSATION BOARD (Northwest Territories)
Statement of Reserves
for the year ended December 31, 1995
(thousands of dollars)

CATASTROPHE RESERVE	<u>1995</u>	<u>1994</u>
Balance at the beginning of the year	\$ 4,750	\$ 3,325
Transfer from operations	-	1,425
Balance at the end of the year	<u>\$ 4,750</u>	<u>\$ 4,750</u>
OPERATING RESERVE		
Balance at beginning of 1994 before prior period adjustment (note 3b)	\$ 6,054	\$ 948
Prior period adjustment	-	211
Balance at the beginning of the year as restated	<u>6,054</u>	<u>1,159</u>
Transfer from operations	7,867	4,895
Balance at the end of the year (note 9)	<u>\$ 13,921</u>	<u>\$ 6,054</u>

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

WORKERS' COMPENSATION BOARD (Northwest Territories)
Statement of Changes in Financial Position
for the year ended December 31, 1995
(thousands of dollars)

FUNDS PROVIDED FROM (USED FOR)	<u>1995</u>	<u>1994</u>
OPERATING ACTIVITIES		
Income from operations	\$ 7,867	\$ 6,320
Items not affecting cash		
Amortization of		
bond premiums and discounts	58	84
gains on investments	(3,555)	(1,414)
property and equipment	485	546
Claims costs	<u>25,607</u>	<u>18,872</u>
	<u>30,462</u>	<u>24,408</u>
Benefits payments	(17,418)	(17,545)
Recoveries to Claims Liability	676	2,293
Add (deduct) changes in non cash operating assets	1,662	(3,333)
Add (deduct) changes in non cash operating liabilities	499	(499)
	<u>(14,581)</u>	<u>(19,084)</u>
Funds provided from operating activities	<u>15,881</u>	<u>5,324</u>
 FINANCING ACTIVITIES		
Increases (decreases) in lease obligations payable	(460)	288
Lease payments	(196)	(190)
Funds provided from (used for) financing activities	<u>(656)</u>	<u>98</u>
 INVESTING ACTIVITIES		
Funds from (used for) investments (including reinvestments)	(20,100)	893
(Purchase) disposals of property and equipment	372	(497)
Funds from (used for) investing activities	<u>(19,728)</u>	<u>396</u>
Increase (decrease) in cash and short term deposits	(4,503)	5,818
Cash and short-term deposits		
Balance at the beginning of the year	11,881	6,063
Balance at the end of the year	<u>\$ 7,378</u>	<u>\$ 11,881</u>

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

WORKERS' COMPENSATION BOARD (Northwest Territories)
Notes to Financial Statements
for the year ended December 31, 1995

1. Authority, Mandate and Operations

The Workers' Compensation Board (the Board) was established by, and is responsible for the administration of the Workers' Compensation Act.

The mandate of the Workers' Compensation Board is to protect workers against the result of work injury. The Board provides compensation for injury or death by accident arising out of, and in the course of, employment. Assessments required to meet the costs of compensation, pension awards and administration are levied upon employers on the basis of a percentage of their assessable payroll.

2. Accounting Policies

The significant accounting policies are as follows:

(a) Investments

Fixed term investments are recorded at cost at the time of purchase. Discounts or premiums are amortized on a straight line basis over the periods remaining from the time of purchase to the maturity dates of the investments. At disposal, the gain or loss on an investment is amortized over the remaining period to maturity of the investment.

Equity investments are valued using a moving average market value method, using a five year amortization of gains and losses that arise on the sale of investments, or that arise as a result of changes in the market value of those investments.

(b) Property and equipment

Property and equipment are recorded at cost and amortized over their estimated useful life under the straight-line method as follows:

· Furnishings	10 years
· Equipment (purchased and leased)	5 years
· Leasehold improvements and office space (leased)	Over the term of the lease

Assets recorded as capital leases are amortized on the straight-line method over the lease term. Obligations recorded under capital leases are reduced by rental payments net of imputed interest.

WORKERS' COMPENSATION BOARD (Northwest Territories)
Notes to Financial Statements
for the year ended December 31, 1995

(c) Administration and general expenses

A portion of administration and general expenses is allocated as claims management costs between current years' claims and prior years' claims based on the proportion of claims expenditures processed. The costs allocated are the direct costs related to the managing of claims, pensions and rehabilitation services.

(d) Benefit Liability

All claims cost expenses for both current and prior years' claims are charged to the Benefits Liability.

The Benefits Liability is determined using an actuarial valuation and is comprised of:

- i. the future pension liability which represents the present value of future payments in respect of approved pension awards; and
- ii. the future claims liability which represents the present value of future payments in respect of medical aid benefits, compensation payments and the capitalized value of future pension awards for all claims arising from accidents occurring prior to the end of the fiscal year.

Recoveries from third parties are added back to the Benefits Liability as proceeds are repaid to the claimants.

(e) Funding Policy

The funding policy of the Board is to maintain both the future pension liability and the future claims liability at a fully funded level at each year end.

The amount of liability is determined on a basis which allows for future inflationary increases by using a discount for interest at the rate of 3% per annum.

(f) Catastrophe and operating reserves

The catastrophe and operating reserves are maintained to provide a margin of protection against adverse financial experience which could unduly burden future employers. Such adverse experience could arise in respect of the following risk:

- i. disasters and catastrophes
- ii. lower than expected investment results
- iii. other unanticipated events such as lower than anticipated assessment or investment revenues or higher than anticipated claims costs.

Assessment rates are adjusted to bring the reserve to its target level over a period of between 2 years and 10 years depending on the margin by which the operating reserve is above or below the target range.

WORKERS' COMPENSATION BOARD (Northwest Territories)
Notes to Financial Statements
for the year ended December 31, 1995

(g) Pension contributions

The Board 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 Board. These contributions represent the total liability of the Board and are recognized in the accounts on a current basis.

WORKERS' COMPENSATION BOARD (Northwest Territories)
Notes to Financial Statements
for the year ended December 31, 1995

3. Change in Accounting Policy

a) Fixed term investments

The method of recording realized gains and losses on fixed investments was changed effective January 1, 1995 to be consistent with recommendations of the Association of Workers' Compensation Boards of Canada to follow principles similar to life and health insurance companies. Gains and losses on disposal of these investments are amortized over the remaining period to maturity of the investment. Formerly all gains and losses were recognized in the year of disposal.

As there is not sufficient detail of past information to calculate the unamortized gains and losses in prior years, this change is being treated prospectively and prior years' information has not been restated.

b) Equity investments

Effective retroactively, equity investments are valued using the moving average market value method, with realized and unrealized gains and losses amortized over a five year period. Formerly, these investments were carried at cost and gains and losses were recognized in the year of disposal. The valuation of these investments is calculated based on the market value of the equity investments. The effect of the retroactive application of this new accounting policy for 1994 comparatives is as follows:

	(thousands of dollars)
Increase to Operating Reserve, at January 1, 1994	\$ 212
Decrease to Investment Revenue	<u>(482)</u>
Net effect on Closing Operating Reserve at December 31, 1994	<u><u>(270)</u></u>
Increase to Investments	3,626
Increase to Unamortized Gains on Investments	<u>(3,896)</u>
Net effect on Amortized Value of Investments at December 31, 1994	<u><u>\$ (270)</u></u>

c) Impact on 1995 accounts due to changes in accounting policy

The combined effect of changes in accounting policy to fixed term investments and equity investments is as follows:

	(thousands of dollars)
Decrease to 1995 Investment Revenue	\$ (5,037)
Net effect on Closing Operating Reserve at December 31, 1995	<u><u>\$ (5,037)</u></u>
Increase to Investments	4,357
Increase to Unamortized Gains on Investments	<u>(9,394)</u>
Net effect on Amortized Value of Investments at December 31, 1995	<u><u>\$ (5,037)</u></u>

WORKERS' COMPENSATION BOARD (Northwest Territories)
Notes to Financial Statements
for the year ended December 31, 1995

4(a) Investments

	1995		1994	
	(thousands of dollars)			
	Carrying Value	Market Value	Carrying Value	Market Value
Government of Canada Bonds	\$ 49,828	\$ 54,399	\$ 70,274	\$ 68,323
N.H.A. mortgage-backed securities	(239)	-	2,367	2,330
Provincial and Territorial Bonds	16,301	17,180	10,391	9,605
Corporate Bonds	9,039	10,106	9,804	10,046
Total Fixed Term Investment	<u>74,929</u>	<u>81,685</u>	<u>92,836</u>	<u>90,304</u>
Equity Investments	<u>43,494</u>	<u>52,897</u>	<u>33,802</u>	<u>37,698</u>
Investments Maturing within one year	<u>40,449</u>	<u>40,449</u>	<u>8,637</u>	<u>8,637</u>
TOTAL	<u>\$ 158,872</u>	<u>\$ 175,031</u>	<u>\$ 135,275</u>	<u>\$ 136,639</u>

Included in the carrying values is an unamortized gain of \$13,292,183 for 1995 and \$3,896,722 for 1994.

(b) Investment Revenue

	1995		1994	
	(thousands of dollars)			
	Interest/ Dividends Revenue	Gains/ Losses	Interest/ Dividends Revenue	Gains/ Losses
Fixed Term Investments	\$ 7,613	\$ 89	\$ 7,578	\$ (5,893)
Equity Investments	992	3,466	643	1,414
	<u>8,605</u>	<u>3,555</u>	<u>8,221</u>	<u>(4,479)</u>
Investments Maturing within one year	<u>751</u>	<u>103</u>	<u>525</u>	<u>-</u>
TOTAL	<u>\$ 9,356</u>	<u>\$ 3,658</u>	<u>\$ 8,746</u>	<u>\$ (4,479)</u>
Total Investment Revenue		\$ 13,014		\$ 4,267
Less: Investment Fees		(428)		(434)
Add: Interest on Cash and Short Term Deposits		<u>747</u>		<u>523</u>
Total Investment Revenue		<u>\$ 13,333</u>		<u>\$ 4,356</u>

WORKERS' COMPENSATION BOARD (Northwest Territories)
Notes to Financial Statements
for the year ended December 31, 1995

5. Property and Equipment

	<u>Cost</u>	<u>Accumulated Amortization</u> (thousands of dollars)	<u>1995 Net Book Value</u>	<u>1994 Net Book Value</u>
Furnishings	\$ 250	\$ 143	\$ 107	\$ 125
Equipment - Purchased	1,055	674	381	404
- Leased	-	-	-	86
Leasehold improvements	1,460	349	1,111	1,336
Office space - Leased	4,242	1,221	3,021	3,526
	<u>\$ 7,007</u>	<u>\$ 2,387</u>	<u>\$ 4,620</u>	<u>\$ 5,477</u>

6. Lease Obligations Payable

Office space

The lease for office space was amended in 1995. The Board now has no further obligation for the first floor space. This is recognized as a disposal of assets and liabilities in the financial statements. The amendment to the original lease was significant enough that the amended lease will be treated as a new lease.

The Board is committed to payments of \$435,765 per annum under a 15 year office space lease agreement which is based on an implicit interest rate of 8% and expires in 2010. The Board holds an option to purchase the space included in the lease agreement after five years at \$117.50 per square foot. The Board is also responsible for a proportional share of operating and maintenance expenses based on its share of space occupied.

WORKERS' COMPENSATION BOARD (Northwest Territories)
Notes to Financial Statements
for the year ended December 31, 1995

7. Benefits Liability

	<u>1995</u>					<u>1994</u>
	(thousands of dollars)					
	<u>Medical</u>	<u>Compensation</u>	<u>Pension</u>	<u>Pension</u>	<u>Total</u>	<u>Total</u>
	<u>Aid</u>		<u>Capitalization</u>	<u>Awards</u>		
Balance, Beginning of Year	\$ 16,340	\$ 13,205	\$ 19,576	\$ 93,547	\$ 142,668	\$ 139,048
Claims Expenses						
Current Year	3,603	5,738	7,322	1,220	17,883	19,439
Prior Year	2,052	(228)	48	5,852	7,724	(567)
Liability transfer - capitalizations	-	-	(5,649)	5,649	-	-
Recoveries from third parties	-	676	-	-	676	2,293
	<u>21,995</u>	<u>19,391</u>	<u>21,297</u>	<u>106,268</u>	<u>168,951</u>	<u>160,213</u>
Less: Claims payments made						
Current year injuries						
Claims payments	841	1,390	-	137	2,368	2,511
Claims Management	314	519	-	4	837	570
Prior Years' injuries						
Claims payments	2,518	3,149	-	7,592	13,259	13,262
Claims Management	302	378	-	274	954	1,202
	<u>3,975</u>	<u>5,436</u>	<u>-</u>	<u>8,007</u>	<u>17,418</u>	<u>17,545</u>
Balance, End of Year	\$ 18,020	\$ 13,955	\$ 21,297	\$ 98,261	\$ 151,533	\$ 142,668

WORKERS' COMPENSATION BOARD (Northwest Territories)
Notes to Financial Statements
for the year ended December 31, 1995

8. Actuarial Valuation

Valuations by the actuary indicate that as at December 31, 1995:

- the future claims liability of \$53,272,040 is sufficient to meet both the future costs of reported claims, and the cost of unreported claims.
- the future pension liability of \$98,261,334 is sufficient to meet the calculated liabilities.

9. Reserves

The Board is fully funded at the end of 1995 and is able to meet its obligations for the future pension and future claims liability.

The target level for the catastrophe reserve, set by the Board, provides for the average cost of a disaster. The target level of the reserve at the end of 1995 is \$4,750,000.

The target level for the operating reserve is based on a number of factors relating to the financial risks which could impact on the financial position of the board. A range of 75% to 125% of the target level has been set as a target range. The target level at the end of 1995 is \$4,148,412 and hence the target range is \$3,111,309 to \$5,185,515.

The funding policy of the Board provides for discounts on assessment rates when the operating reserve exceeds its target range (see note 2(f)).

10. Contingencies

(a) Widow's Pensions

Changes to the Workers' Compensation Act proposed for 1996 would continue pension payments to widows after remarriage. An allowance of \$3,906,566 for continuation of pensions to widows currently receiving pensions is included in the Benefits Liability. An opinion from the Board's legal counsel and recent further litigation in other provinces suggests that the actual liability could be higher. The amount of any liability cannot be determined at this time.

(b) Benefits Claims

Preliminary information has been provided from the Government of the Northwest Territories Department of Health that some past costs may not have been invoiced to the Board and may represent a contingent liability on the part of the Board. Any adjustment will be recorded in the year accepted by the Board.

WORKERS' COMPENSATION BOARD (Northwest Territories)
Notes to Financial Statements
for the year ended December 31, 1995

(c) Legal Claims Receivable

The Board has a number of legal claims outstanding for recovery of compensation expenses from third parties. These claims are not recorded in the accounts because of their contingent nature. In the opinion of management and the Board's legal representatives, it is expected that the Board could recover approximately \$877,978. Settlement of legal claims are recognized in the year in which the settlement occurs. Legal claims settled during 1995 resulted in recoveries of \$675,674 (1994 - \$2,292,604).

The Board has commenced an action against a third party as a result of the deaths of nine miners in an explosion on a worksite. At this time potential recoveries cannot be determined.

11. Subsequent Events

In April 1996, an agreement for the transfer of the responsibility for the administration and enforcement of the Safety Act, Explosives Use Act, and Mine Health and Safety Act from the Government of the Northwest Territories to the Workers' Compensation Board was signed by the Government and the Board. The transfer is effective April 16, 1996 and is contingent upon legislative changes to several Acts, including the Workers' Compensation Act, the Mine Health and Safety Act, the Safety Act, and the Explosives Use Act.

The Government will be compensating the Workers' Compensation Board for part of the cost of the transfer from April 16, 1996 to March 31, 1999 as shown below. Additional and future costs will be recovered from employer assessments. The estimated annual cost of administering these programs is \$2.1 million.

April 16, 1996 - March 31, 1997 - 75% of the agreed cost
April 1, 1997 - March 31, 1998 - 50% of the agreed cost
April 1, 1998 - March 31, 1999 - 25% of the agreed cost

12. Related Party Transactions

(a) The Government of the Northwest Territories paid workers' compensation assessments to the Board, in the amount of \$1,941,236 (1994 - \$2,098,582).

(b) The Government of the Northwest Territories provided a reimbursement to the Board for hunters and trappers claims. In 1995, an adjustment in the amount of \$1,466,493 (1994 - \$2,178,882) was made to the reserve being held by the Board for hunter and trapper claims.

WORKERS' COMPENSATION BOARD (Northwest Territories)
Notes to Financial Statements
for the year ended December 31, 1995

(c) The Board's investments include bonds of (at amortized cost):

	1995	1994
	(thousands of dollars)	
Government of the Northwest Territories		
11.00% maturing June 23, 1998	\$ 448	\$ 597
Northwest Territories Power Corporation		
11.00% maturing March 9, 2009	\$ 500	\$ 500
11.125% maturing June 6, 2011	\$ 997	\$ 996
9.375% maturing May 12, 2014	\$ 1,000	\$ 1,000
 Northwest Territories Legislative Assembly Building Society		
13.00% Series A, maturing August 31, 2013	\$ 389	\$ 394

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

13. Comparative Figures

Certain of the 1994 comparative figures have been reclassified to conform to the presentation adopted in 1995.

The Coles Group

Suite 1400 - 999 West Hastings Street, Vancouver, B.C., Canada V6C 2W2
Fax (604) 683-0249 / Telephone (604) 683-7311

WORKERS' COMPENSATION BOARD NORTHWEST TERRITORIES

ACTUARIAL OPINION AS AT DECEMBER 31, 1995

We have examined the valuation of the liabilities for future claim payments (Future Claims Liability) and future pension payments (Future Pension Liability) as at December 31, 1995. This valuation was based on the provisions of the Workers' Compensation Act, N.W.T. 1988, which was in effect at December 31, 1995. The detailed results of our valuation are presented in our report dated April 11, 1996.

The valuation of the liabilities has been performed in accordance with methods and assumptions set forth in the Board's Statement of Funding Policy, Methods and Assumptions - 1994, (Revised and Approved by the Board of Directors, April, 1995). Both the Future Claims Liability and the Future Pension Liability include a provision for future expenses relating to the management of existing claims and pension awards.

In our opinion:

1. The Future Claims Liability of \$53,272,040 makes adequate provision for expected future payments including rehabilitation benefits and claim management expenses, in respect of claims arising prior to January 1, 1996 other than existing pension awards.
2. The Future Pension Liability of \$98,261,334 makes adequate provision for expected future payments, including future Supplementary Pension Increases and claim management expenses, for pension awards granted prior to January 1, 1996;
3. The data on which the valuation is based is sufficient and reliable for the purpose of the valuation;
4. The assumptions used are appropriate for the purposes of the valuation; and
5. The methods employed are consistent with sound actuarial principles.

Nonetheless, emerging experience differing from the assumptions will result in gains or losses which will be revealed in future valuations.

Respectfully submitted for
THE COLES GROUP



J. Allan Brown
Fellow of the Canadian
Institute of Actuaries

April 11, 1996

WORKERS' COMPENSATION BOARD (Northwest Territories)
Schedule of Administration and General Expenses
for the year ended December 31, 1995

	<u>1995</u>	<u>1994</u>
	(thousands of dollars)	
Salaries, wages and allowances	\$ 3,880	\$ 3,892
Professional services	763	730
Office lease and renovations	974	963
Employer's share of benefits	478	488
Computer lease and services	51	95
Office furnishings and equipment	342	324
Travel	331	355
Board Members	272	385
Communications	189	251
Office services and supplies	178	168
Grants	108	127
Advertising and public information	58	61
Miscellaneous	33	35
Medical services	23	143
	<u>\$ 7,680</u>	<u>\$ 8,017</u>
Less:		
Allocations to claims management	1,791	1,772
Penalties	113	243
Assessment interest	51	14
Sundry revenue	1	2
	<u>1,956</u>	<u>2,031</u>
	<u>\$ 5,724</u>	<u>\$ 5,986</u>

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Report to the
Minister of Education, Culture
and Employment
on the audit of the
accounts and financial statements of the
AURORA COLLEGE
for the year ended June 30, 1996

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AURORA COLLEGE

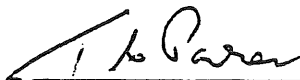
MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

The financial statements of the Aurora College ("the College") and all information in this annual report are the responsibility of the College's management and have been reviewed by the Board of Governors. The statements have been prepared in accordance with generally accepted accounting principles. Management's best estimates and judgements have been used in the preparation of these statements, where appropriate. Financial information presented elsewhere in the annual report is consistent with that contained in the financial statements.


In discharging its responsibility for financial reporting, management maintains and relies on financial and management control systems and practices which are designed to provide reasonable assurance that transactions are authorized, assets are safeguarded, and proper records are maintained. These controls and practices ensure the orderly conduct of business, the accuracy of accounting records, the timely preparation of reliable financial information and the adherence to the College's policies and statutory requirements.

The Board of Governors is responsible for ensuring that management fulfils its responsibilities for financial reporting and internal control and exercises this responsibility through the Finance Committee of the Board, which is composed of a majority of Members who are not employees of the College. The Finance Committee meets regularly with management and the external auditors, who have full and free access to the Finance Committee.

The College's external auditor, the Auditor General of Canada, audits the financial statements and reports to the Minister of Education, Culture and Employment.



Chuck Parker
President



Stewart MacNabb
Bursar/Chief Financial Officer

Fort Smith, Canada
September 23, 1996



AUDITOR GENERAL OF CANADA

VÉRIFICATEUR GÉNÉRAL DU CANADA

AUDITOR'S REPORT

To the Minister of Education, Culture and Employment
Government of the Northwest Territories

I have audited the balance sheet of the Aurora College as at June 30, 1996 and the statements of revenues and expenditures and changes in equity and changes in financial position for the year then ended. These financial statements are the responsibility of the College's management. My responsibility is to express an audit 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 College as at June 30, 1996 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 College and the financial statements are in agreement therewith and the transactions of the College 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 Public Colleges Act and regulations and by-laws of the College and the contribution agreement with the Government of the Northwest Territories.

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

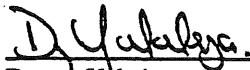
Ottawa, Canada
23 September 1996

AURORA COLLEGE


**BALANCE SHEET
as at June 30, 1996
(thousands of dollars)**

	<u>1996</u>	<u>1995</u>
<u>ASSETS</u>		
Cash	\$ 1,359	\$ 1,549
Accounts receivable (note 3)	1,518	2,248
Capital assets (note 4)	<u>1,054</u>	<u>1,151</u>
	<u>\$ 3,931</u>	<u>\$ 4,948</u>
<u>LIABILITIES</u>		
Accounts payable and accrued liabilities	\$ 470	\$ 1,067
Employee leave liability	570	461
Due to the Government of the Northwest Territories (note 5)	398	878
Deferred revenue	241	470
Employee termination benefits	<u>765</u>	<u>706</u>
	<u>2,444</u>	<u>3,582</u>
<u>EQUITY</u>		
Equity (note 6)	<u>1,487</u>	<u>1,366</u>
	<u>\$ 3,931</u>	<u>\$ 4,948</u>

Approved by the Board:




Danby Yakeleya
Chairperson of the Board


Bob Simpson

Chairperson of the Finance Committee

Approved by Management:



Chuck Parker
President



Stewart MacNabb
Bursar/Chief Financial Officer

AURORA COLLEGE

STATEMENT OF REVENUE AND EXPENSES AND CHANGES IN EQUITY
for the year ended June 30, 1996
(thousands of dollars)

	<u>1996</u> (12 months)	<u>1995</u> (6 months)
REVENUE		
Contributions	\$ 17,323	\$ 9,014
Contract income	4,926	2,212
Tuition fees	1,011	765
Room and board	580	299
Investment income	176	130
Other	<u>288</u>	<u>144</u>
TOTAL REVENUE	<u>24,304</u>	<u>12,564</u>
 EXPENSES		
Salaries, wages and benefits	14,131	7,759
Contract services	4,892	2,646
Materials and supplies	1,705	791
Physical plant	1,039	634
Fees and payments	847	253
Travel and transportation	793	606
Purchased services	500	300
Amortization	<u>276</u>	<u>129</u>
TOTAL EXPENSES	<u>24,183</u>	<u>13,118</u>
SURPLUS/(DEFICIT)	121	(554)
 EQUITY AT BEGINNING OF YEAR	<u>1,366</u>	<u>1,920</u>
EQUITY AT THE END OF YEAR	<u>\$ 1,487</u>	<u>\$ 1,366</u>

AURORA COLLEGE

STATEMENT OF CHANGES IN FINANCIAL POSITION
for the year ended June 30, 1996
(thousands of dollars)

	<u>1996</u>	<u>1995</u>
	(12 months)	(6 months)
Operating activities		
Excess of revenue over expenditures	\$ 121	\$ (554)
Items not requiring an outlay of cash		
Employee leave benefits	109	57
Employee termination benefits	59	2
Amortization	<u>276</u>	<u>129</u>
	565	(366)
Change in non-cash operating assets and liabilities	<u>(576)</u>	<u>(1788)</u>
Cash used for operating activities	(11)	(2,154)
Investing activities		
Acquisition of capital assets	<u>(179)</u>	<u>(93)</u>
Decrease in cash	(190)	(2,247)
Cash at beginning of period	<u>1,549</u>	<u>3,796</u>
Cash at end of period	<u>\$ 1,359</u>	<u>\$ 1,549</u>

AURORA COLLEGE

NOTES TO THE FINANCIAL STATEMENTS

June 30, 1996

1. AUTHORITY AND MANDATE

The Aurora College operates under the authority of the Public Colleges Act. The College is a Schedule B Public Agency as listed in the Financial Administration Act.

Under a contribution agreement with the Government of the Northwest Territories dated January 25, 1995, the College receives contributions for its operations and capital requirements for the administration and delivery of its adult and post-secondary education programs. Under the terms of this agreement, the College is allowed to retain all surpluses and is responsible for all deficits.

Aurora College is a multi-campus institution designed to provide a wide variety of educational services to adult learners of the western Northwest Territories. The programs are directed specifically to the northern environment and the needs of individual northerners, the workforce and northern communities. To accomplish this, courses and services are delivered at campuses and communities in the western Northwest Territories. Through the work of the Aurora Research Institute, the College is also responsible for the facilitation and preparation of research activity in the region.

2. SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared in accordance with generally accepted accounting principles. A summary of significant accounting policies follows:

Capital assets

Capital assets transferred to the College from the former Arctic College and the Science Institute of the Northwest Territories, effective January 1, 1995, were recorded at the fair market value at that date, determined as the original cost less accumulated amortization, or estimated market value. Subsequent acquisitions are recorded at cost. Capital assets are amortized over their estimated remaining lives on a straight-line basis at the following annual rates:

Furniture and equipment	20 - 40%
Leasehold improvements	33.33%
Mobile equipment	10 - 12.5%

Deferred revenue

Deferred revenue represents payments received under contract for which the development and delivery of programs has not been completed. These amounts are recorded in income as obligations are fulfilled.

Employee termination benefits

On termination of employment, employees are entitled to benefits provided for under their terms of employment. The liability for these benefits is recorded as the benefits accrue to the employees.

Government contributions

Contributions from the Government of the Northwest Territories are based on the annual contribution amount set out in the Government's Main Estimates and represent the majority of the base funding for the College to cover its expenditures. Contributions are received monthly based on a predetermined schedule of cashflow requirements and are recorded on an accrual basis.

Contract income

The College provides education and research services to outside parties through contractual arrangements. The amounts are recorded as income in the year the work is completed.

Investment income

The College earns investment income through an agreement where by the Government of the Northwest Territories invests the college's available cash balances. These amounts are recorded as income in the year it is earned.

Contract services

Contract services are acquired by the College through contractual arrangements. They include printing services, advertising, building and equipment repairs, software development, curriculum development, food service contracts, janitorial contracts, instruction contracts, leases and rental agreements. These amounts are charged as an expense in the year the service is used.

Pension plan

Employees of the College participate in the Public Service Superannuation Plan administered by the Government of Canada. The employees and the College contribute equally to the cost of the plan. The College's contributions are charged as an expenditure on a current year basis, and represent the total pension obligations of the College. The College is not required under present legislation to make contributions with respect to actuarial deficiencies of the Public Service Superannuation Account.

3. ACCOUNTS RECEIVABLE

	<u>1996</u>	<u>1995</u>
	(thousands of dollars)	
Contracts	\$ 1,235	\$ 1,948
Students	<u>283</u>	<u>300</u>
	<u>\$ 1,518</u>	<u>\$ 2,248</u>

The accounts receivable are net of allowances for doubtful accounts of \$ 324,000 (1995 - \$ 445,000). Accounts receivable for contracts include \$ 426,000 (1995 - \$ 520,000) due from departments of the Government of the Northwest Territories.

4. CAPITAL ASSETS

	1996		1995	
	(thousands of dollars)			
	Accumulated Amortization	Net Book Value	Net Book Value	Net Book Value
	Cost			
Furniture and equipment	330	104	226	149
Mobile equipment	1,086	286	800	991
Leasehold improvements	<u>43</u>	<u>15</u>	<u>28</u>	<u>11</u>
	<u>\$ 1,459</u>	<u>\$ 405</u>	<u>\$ 1,054</u>	<u>\$ 1,151</u>

5. RELATED PARTY TRANSACTIONS

Under the transfer policy of the Government of the Northwest Territories, certain support services are provided to the College by various government departments.

The College is required to reimburse the Department of Public Works and Services for the actual utility and operating costs of the facilities that the College uses in its activities. The Financial Management Board Secretariat is reimbursed for the actual employee benefits and recruitment costs of the College's employees.

The transactions with the departments are as follows:

<u>Department</u>	Costs incurred or fees charged by service departments during the year (thousands of dollars)		Amount outstanding as at June 30 (thousands of dollars)	
	<u>1996</u> (12 months)	<u>1995</u> (6 months)	<u>1996</u>	<u>1995</u>
Department of Public Works and Services	\$ 2,646	\$ 1,178	\$ 183	\$ 437
Financial Management Board Secretariat - payroll costs	13,484	7,305	106	229
Financial Management Board Secretariat - employee benefits	779	591	40	211
Other departments	<u>111</u>	<u>8</u>	<u>69</u>	<u>1</u>
	<u>\$17,020</u>	<u>\$ 9,082</u>	<u>\$ 398</u>	<u>\$ 878</u>

The Department of Financial Management Board Secretariat and Department of Public Works and Services provide, without any charge, services which include the processing of payroll, the provision of insurance and risk management, and the procurement of goods and services.

The College also receives, without any charge, legal counsel from the Department of Justice, internal audit services from the Financial Management Secretariat and translation services from the Department of Education, Culture and Employment.

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

Other related party transactions include:

	1996 (12 months) (thousands of dollars)	1995 (6 months) (thousands of dollars)
Contributions received from the Education, Culture and Employment	17,264	9,014
Courses delivered on behalf of the Government of the Northwest Territories	1,446	1,346

6. EQUITY

The equity balance includes the book value of capital assets transferred from the former Arctic College and Science Institute of the Northwest Territories and capital assets contributed by the Government of the Northwest Territories as of January 1, 1995 and the results of operations since that date. The equity balance also includes a \$11,000 reserve for research and development, a \$239,000 reserve for professional development and a \$55,000 donation reserve.

7. COMMITMENTS

The College has leases and service agreements for student accommodation, classroom space, office equipment and other services and is committed to basic payments over the next five years as follows:

	(thousands of dollars)
1997	\$ 691
1998	59
1999	18
2000	1
2001	<u>0</u>
	<u>\$ 769</u>

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NUNAVUT ARCTIC COLLEGE

**Financial Statements
June 30, 1996**

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NUNAVUT ARCTIC COLLEGE

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

The financial statements of the Nunavut Arctic College ("the College") and all information in this annual report are the responsibility of the College's management and have been reviewed by the Board of Governors. The statements have been prepared in accordance with generally accepted accounting principles. Management's best estimates and judgements have been used in the preparation of these statements, where appropriate. Financial information presented elsewhere in the annual report is consistent with that contained in the financial statements.

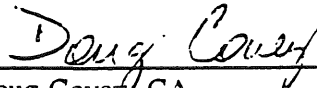
In discharging its responsibility for financial reporting, management maintains and relies on financial and management control systems and practices which are designed to provide reasonable assurance that transactions are authorized, assets are safeguarded, and proper records are maintained. These controls and practices are intended to ensure the orderly conduct of business, the accuracy of accounting records, the timely preparation of reliable financial information and adherence to the College's policies and statutory requirements.

The Board of Governors is responsible for ensuring that management fulfils its responsibilities for financial reporting and internal control and exercises this responsibility through the Finance Committee of the Board, which is composed of a majority of Members who are not employees of the College. The Finance Committee meets regularly with management and the external auditors, who have full and free access to the Finance Committee.

The College's external auditor, the Auditor General of Canada, audits the financial statements and reports to the Minister of Education, Culture and Employment.



Greg Welch
President



Doug Covey, CA
Bursar/Chief Financial Officer

Iqaluit, Canada
September 27, 1996



CANADA

AUDITOR'S REPORT

To the Minister of Education, Culture and Employment
Government of the Northwest Territories

I have audited the balance sheet of the Nunavut Arctic College as at June 30, 1996, and the statements of revenue and expenses and changes in equity and changes in financial position for the year then ended. These financial statements are the responsibility of the College'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 College as at June 30, 1996, 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.

Further, in my opinion, proper books of account have been kept by the College and the financial statements are in agreement therewith and the transactions of the College 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 *Public Colleges Act* and regulations and by-laws of the College and the contribution agreement with the Government of the Northwest Territories.

A handwritten signature in black ink, appearing to read 'Ray Dubois'.

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

Ottawa, Canada
September 27, 1996



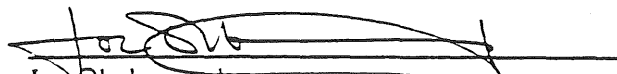
NUNAVUT ARCTIC COLLEGE

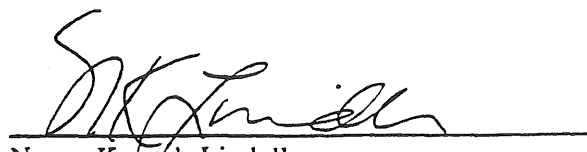
BALANCE SHEET
as at June 30, 1996
 (thousands of dollars)

	<u>June 30, 1996</u>	<u>June 30, 1995</u>
<u>ASSETS</u>		
Cash	\$ 2,400	\$ 1,885
Accounts receivable (note 3)	1,467	1,433
Capital assets (note 4)	<u>566</u>	<u>266</u>
	<u>\$ 4,433</u>	<u>\$ 3,584</u>
<u>LIABILITIES</u>		
Accounts payable and accrued liabilities (note 5)	\$ 1,539	\$ 1,247
Deferred revenue (note 6)	589	449
Employee termination benefits	558	668
Due to the Government of the Northwest Territories (note 7)	424	861
Professional development liability	<u>271</u>	<u>233</u>
	<u>3,381</u>	<u>3,458</u>
<u>EQUITY</u>		
Equity	<u>1,052</u>	<u>126</u>
	<u>\$ 4,433</u>	<u>\$ 3,584</u>

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

Approved by the Board:


 Joe Ohokannoak
 Chairperson of the Board


 Nancy Karezak-Lindell
 Chairperson of the Finance Committee

NUNAVUT ARCTIC COLLEGE

STATEMENT OF REVENUE AND EXPENSES AND CHANGES IN EQUITY
for the year ended June 30, 1996
(thousands of dollars)

	<u>1996</u> (twelve months)	<u>1995</u> (six months)
REVENUE		
Contributions (note 8)	\$ 12,385	\$ 6,756
Contract income	5,456	1,882
Room and board	618	125
Tuition fees	475	224
Investment income	174	165
Other	<u>140</u>	<u>106</u>
TOTAL REVENUE	<u>19,248</u>	<u>9,258</u>
EXPENSES		
Salaries, wages and benefits	10,727	6,093
Contract services	2,585	1,322
Travel and transportation	1,434	693
Materials and supplies	1,132	695
Physical plant	1,070	551
Fees and payments	892	239
Purchased services	385	187
Amortization	<u>97</u>	<u>26</u>
TOTAL EXPENSES	<u>18,322</u>	<u>9,806</u>
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	926	(548)
EQUITY AT BEGINNING OF YEAR	<u>126</u>	<u>674</u>
EQUITY AT END OF YEAR	<u>\$ 1,052</u>	<u>\$ 126</u>

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

NUNAVUT ARCTIC COLLEGE

STATEMENT OF CHANGES IN FINANCIAL POSITION
for the year ended June 30, 1996
 (thousands of dollars)

	1996 (twelve months)	1995 (six months)
Operating activities		
Excess (deficiency) of revenue over expenses	\$ 926	\$ (548)
Items not requiring an outlay of cash		
Amortization	97	26
Employee leave	7	31
Employee termination benefits	<u>(110)</u>	<u>60</u>
	920	(431)
Change in non-cash operating assets and liabilities	<u>(8)</u>	<u>(514)</u>
Cash generated by (used) for operating activities	912	(945)
Investing activities		
Acquisition of capital assets	<u>(397)</u>	<u>(65)</u>
Increase (decrease) in cash	515	(1,010)
Cash at beginning of the year	<u>1,885</u>	<u>2,895</u>
Cash at end of the year	<u>\$ 2,400</u>	<u>\$ 1,885</u>

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

NUNAVUT ARCTIC COLLEGE

NOTES TO THE FINANCIAL STATEMENTS

June 30, 1996

1. AUTHORITY AND MANDATE

The Nunavut Arctic College ("the College") operates under the authority of the *Public Colleges Act*. The College is a Schedule B Public Agency as listed in the *Financial Administration Act*.

Under a contribution agreement with the Government of the Northwest Territories, the College receives contributions for its operations and capital requirements for the administration and delivery of its adult and post-secondary education programs. Under the terms of this agreement, the College is allowed to retain all surpluses and is responsible for all deficits.

The College is an institution designed to provide a wide variety of educational services to adult learners. The programs are directed specifically to the northern environment and the needs of individual northerners, the workforce and northern communities. To accomplish this, courses and services are delivered at campuses and communities in the Nunavut Settlement Area. Through the work of the Science Institute, the College has the added responsibilities for the facilitation and preparation of research activity in the region.

2. SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared in accordance with generally accepted accounting principles. A summary of significant accounting policies follows:

Capital assets

Capital assets transferred to the College from the former Arctic College and the Science Institute of the Northwest Territories, effective January 1, 1995, were recorded at the fair market value at that date, determined as the original cost less accumulated amortization or estimated market value. Subsequent acquisitions are recorded at cost. Capital assets are amortized over their estimated remaining lives on a straight-line basis at the following annual rates:

Computers and printers	25%
Furniture and equipment	10%
Building improvements	5%
Mobile equipment	10%

In addition, leasehold improvements are amortized over the remaining term of the leases.

The insurance of all College capital assets is provided by the Government of the Northwest Territories. All claims for loss of College furniture and equipment are submitted to the Government of the Northwest Territories.

Deferred revenue

Deferred revenue represents donations and contract payments received in advance. Deferred contract payments are recognized as revenue when the related program development/delivery work is completed. Deferred donation payments are recognized when the monies are expended in accordance with the specific purpose.

Employee termination benefits

On termination of employment, employees are entitled to benefits provided for under their terms of employment. The liability for these benefits is recorded as the benefits accrue to the employees.

Professional development liability

The professional development liability is for the long-term professional development of College instructors and teachers. Under the Union of Northern Workers Collective Agreement an amount equal to three percent of the base salary of all indeterminate instructors on strength as at April 1st of each year is charged to the liability. In addition, an amount determined in accordance with the Northwest Territories Teachers' Association Collective Agreement is also charged to the liability. All charges for long-term professional development reduce the liability balance.

Government contributions

Contributions from the Government of the Northwest Territories are based on the annual contribution amount set out in the Government's Main Estimates and represent the base funding for the College to cover its expenditures. Contributions are received monthly based on a predetermined schedule of cash flow requirements and are recorded on an accrual basis.

Contract income

The College enters into contracts with third parties (private companies and government departments and agencies) to develop and deliver courses across Nunavut. Revenue is recognized over time by matching to the expenses incurred for development and delivery services provided.

Investment income

The College earns investment income through an agreement with the Government of the Northwest Territories (GNWT) where by the GNWT invests the College's available cash balances. These amounts are recorded as income in the year it is earned.

Contract services

Contract services are required by the College through contractual arrangements. They include printing services, advertising, building and equipment repairs, software development, curriculum development, food service contracts, janitorial contracts, instruction contracts and lease agreements. These amounts are recorded as an expense in the year the service is used.

Pension plan

Employees of the College participate in the Public Service Superannuation Plan administered by the Government of Canada. The employees and the College contribute equally to the cost of the plan. The College's contributions are charged to expenditures on a current year basis, and represent the total pension obligations of the College. The College is not required under present legislation to make contributions with respect to actuarial deficiencies of the Public Service Superannuation Account.

3. ACCOUNTS RECEIVABLE

	<u>1996</u>	<u>1995</u>
	(thousands of dollars)	
Contracts	\$ 863	\$ 1,210
Recovery of salaries and benefits	358	-
Students	214	210
Other	<u>32</u>	<u>13</u>
	<u>\$ 1,467</u>	<u>\$ 1,433</u>

The accounts receivable are net of allowances for doubtful accounts of \$510,000 (1995 - \$244,000). The contract receivables include \$412,000 (1995 - \$492,000) due from departments of the Government of the Northwest Territories.

The recovery of salaries and benefits resulted from changes to the collective bargaining agreement between the Union of Northern Workers and the Government of the Northwest Territories.

4. CAPITAL ASSETS

	<u>1996</u>		<u>1995</u>	
	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>Net Book Value</u>	<u>Net Book Value</u>
	(thousands of dollars)			
Computers and printers	\$ 355	\$ 127	\$ 228	\$ 52
Furniture and equipment	222	64	158	69
Building improvements	72	13	59	33
Leasehold improvements	56	15	41	53
Mobile equipment	<u>96</u>	<u>16</u>	<u>80</u>	<u>59</u>
	<u>\$ 801</u>	<u>\$ 235</u>	<u>\$ 566</u>	<u>\$ 266</u>

5. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	<u>1996</u>	<u>1995</u>
	(thousands of dollars)	
Accounts payable and accrued liabilities	\$ 1,235	\$ 950
Employee leave	<u>304</u>	<u>297</u>
	<u>\$ 1,539</u>	<u>\$ 1,247</u>

6. DEFERRED REVENUE

	<u>1996</u>	<u>1995</u>
	(thousands of dollars)	
Contract income	\$ 449	\$ 357
Donation revenue	<u>140</u>	<u>92</u>
	<u>\$ 589</u>	<u>\$ 449</u>

7. DUE TO THE GOVERNMENT OF THE NORTHWEST TERRITORIES

	<u>1996</u>	<u>1995</u>
	(thousands of dollars)	
Amounts due for costs incurred by the Government for payroll expenses	\$ -	\$ 44
Amounts due to service departments (note 8)	422	815
Amounts due to other departments	<u>2</u>	<u>2</u>
	<u>\$ 424</u>	<u>\$ 861</u>

8. RELATED PARTY TRANSACTIONS

Under the transfer policy of the Government of the Northwest Territories, certain support services are provided to the College by various government departments.

The College is required to reimburse the Department of Public Works and Services for the utility and operating costs of the facilities that the College uses in its activities. The Financial Management Board Secretariat is reimbursed for the actual employee benefits and recruitment costs of the College's employees.

The transactions with the departments are as follows:

	<u>Costs incurred or fees charged by service departments</u>		<u>Amount outstanding</u>	
	<u>Year ended</u>	<u>Six months ended</u>		
	<u>June 30, 1996</u>	<u>June 30, 1995</u>	<u>1996</u>	<u>1995</u>
	(thousands of dollars)		(thousands of dollars)	
Department of Public Works and Services	\$ 1,549	\$ 758	\$ 273	\$ 422
Financial Management				
Board Secretariat	<u>492</u>	<u>658</u>	<u>149</u>	<u>393</u>
	<u>\$ 2,041</u>	<u>\$ 1,416</u>	<u>\$ 422</u>	<u>\$ 815</u>

The Financial Management Board Secretariat, Department of Finance and Department of Public Works and Services provide, without any charge, services which include the processing of payroll, the provision of insurance and risk management, and the procurement of goods and services.

The College also receives, without any charge, legal counsel from the Department of Justice, internal audit services from the Financial Management Board Secretariat and translation services from the Department of Education, Culture and Employment.

Other related party transactions include:

	<u>Year ended</u>	<u>Six months ended</u>
	<u>June 30, 1996</u>	<u>June 30, 1995</u>
	(thousands of dollars)	
Contributions received from the Department of Education, Culture and Employment	\$12,385	\$ 6,756
Courses delivered on behalf of the Government of the Northwest Territories	3,874	1,682

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

9. COMMITMENTS

The College has leases and service agreements for student accommodation, classroom space, office equipment and other services and is committed to basic payments over the next five years as follows:

(thousands of dollars)

1997	\$ 350
1998	<u>73</u>
	<u>\$ 423</u>

10. COMPARATIVE FIGURES

Certain 1995 comparative figures have been reclassified to reflect the presentation adopted in 1996.

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**Northwest Territories
Power Corporation**

**Consolidated
Financial Statements**

**for the year ended
March 31, 1996**

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Management's Responsibility for Financial Reporting

The Honourable Charles Dent
Minister Responsible for the
Northwest Territories Power Corporation

The accompanying consolidated financial statements were prepared by management in accordance with generally accepted accounting principles. When alternative accounting methods exist, management has chosen those it deems most appropriate in the circumstances. The Northwest Territories Power Corporation is regulated by the Public Utilities Board of the Northwest Territories, which also examines and approves its accounting policies and practices. Consolidated financial statements include certain amounts based on estimates and judgements. Management has determined such amounts on a reasonable basis in order to ensure that the consolidated financial statements are presented fairly in all material respects. Management has prepared financial information presented elsewhere in the annual report and has ensured that it is consistent with that in the consolidated 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 economically, are used to further the Corporation's aims, are protected from loss or unauthorized use and that the Corporation acts in accordance with the laws of the Northwest Territories and Canada. The Corporation's management recognizes its responsibility for conducting the Corporation's affairs in accordance with the requirements of applicable laws and sound business principles, and for maintaining standards of conduct that are appropriate to a Territorial Crown corporation. An internal auditor reviews the operation of financial and management systems to promote compliance and to identify changing requirements or needed improvements.

The Auditor General of Canada provides an independent, objective audit for the purpose of expressing his opinion on the consolidated financial statements. He also considers whether the transactions that come to his notice in the course of this audit are, in all significant respects, in accordance with the specified legislation.


The Board of Directors appoints certain of its members to serve on the Audit Committee. This Committee oversees management's responsibilities for financial reporting and reviews and recommends approval of the consolidated financial statements. The internal and external auditors have full and free access to the Audit Committee.

The consolidated financial statements have been approved by the Board of Directors.



Pierre R. Alvarez
Chairman & CEO

Hay River, NWT
May 31, 1996



Leon Coumeya
Vice President,
Finance and CFO



AUDITOR GENERAL OF CANADA

VÉRIFICATEUR GÉNÉRAL DU CANADA

AUDITOR'S REPORT

To the Minister responsible for the
Northwest Territories Power Corporation

I have audited the consolidated balance sheet of the Northwest Territories Power Corporation as at March 31, 1996 and the consolidated statements of income, retained earnings, 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 consolidated financial statements present fairly, in all material respects, the financial position of the Corporation as at March 31, 1996 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 and the financial statements are in agreement therewith and the transactions of the Corporation and of its wholly-owned subsidiaries that have come to my notice during my audit of the consolidated financial statements have, in all significant respects, been in accordance with the Financial Administration Act and regulations, the Northwest Territories Power Corporation Act and the by-laws of the Corporation and its wholly-owned subsidiaries.

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

Ottawa, Canada
May 31, 1996

NORTHWEST TERRITORIES POWER CORPORATION

Consolidated Balance Sheet as at March 31, 1996 (\$000's)

ASSETS

	<u>1996</u>	<u>1995</u>
Current		
Cash and short term investments (Note 2)	\$ 12,573	\$ 704
Accounts receivable (Note 4)	13,962	15,664
Current portion of loan receivable (Note 8)	1,217	—
Prepaid expenses	645	412
Inventories		
Fuel and lubricants	10,485	8,923
Materials and supplies	4,171	3,490
	43,053	29,193
Property and equipment		
In service (Note 5)	175,077	166,714
Construction work in progress	8,399	7,400
	183,476	174,114
Other		
Housing loans receivable (Note 6)	600	723
Deferred charges (Notes 3 and 7)	4,314	1,464
Loan receivable (Note 8)	14,694	3,046
	19,608	5,233
	\$ 246,137	\$ 208,540

Approved by the Board:


 Pierre R. Alvarez
 Chairman & CEO


 Ron Williams
 Director

See Accompanying Notes

NORTHWEST TERRITORIES POWER CORPORATION

**Consolidated Balance Sheet
as at March 31, 1996
(\$000's)**

LIABILITIES

	<u>1996</u>	<u>1995</u>
Current		
Accounts payable (Note 9)	\$ 12,929	\$ 13,067
Current portion of long-term debt (Note 11)	8,311	6,072
Due to the Town of Inuvik - in trust (Note 10)	3,358	2,490
	<hr/>	<hr/>
	24,598	21,629
	<hr/>	<hr/>
Long-term		
Long-term debt (Note 11)	117,151	89,606
Employee termination benefits (Note 12)	1,374	1,125
	<hr/>	<hr/>
	118,525	90,731
	<hr/>	<hr/>
Deferred credits	9,289	8,828
	<hr/>	<hr/>

SHAREHOLDER'S EQUITY

Capital stock		
Authorized: Unlimited number of voting, common shares without par value		
Issued and fully paid:		
431,288 common shares	43,129	43,129
Retained earnings	50,596	44,223
	<hr/>	<hr/>
	93,725	87,352
	<hr/>	<hr/>
	\$ 246,137	\$ 208,540
	<hr/>	<hr/>

See Accompanying Notes

NORTHWEST TERRITORIES POWER CORPORATION

**Consolidated Statement of Income
for the year ended March 31, 1996
(\$000's)**

	<u>1996</u>	<u>1995</u>
Revenues (Note 3)		
Sale of power	\$ 96,547	\$ 96,838
Sale of heat	2,545	3,244
Other	3,263	3,022
	102,355	103,104
Expenses (Note 13)		
Fuel and lubricants	34,018	36,568
Salaries and wages	21,989	21,870
Supplies and services	14,158	13,369
Amortization	9,372	8,850
Travel and accommodation	3,138	2,742
	82,675	83,399
Income from operations	19,680	19,705
Allowance for funds used during construction	794	626
Interest income	1,927	718
	2,721	1,344
Income before interest expense	22,401	21,049
Interest expense (Note 14)	11,736	10,510
Net income	\$ 10,665	\$ 10,539

See Accompanying Notes

NORTHWEST TERRITORIES POWER CORPORATION

**Consolidated Statement of Retained Earnings
for the year ended March 31, 1996
(\$000's)**

	<u>1996</u>	<u>1995</u>
Retained earnings, at beginning of the year	\$ 44,223	\$ 37,222
Net income	10,665	10,539
	<hr/> 54,888	<hr/> 47,761
Dividend (Note 15)	4,292	3,538
	<hr/> \$ 50,596	<hr/> \$ 44,223

See Accompanying Notes

NORTHWEST TERRITORIES POWER CORPORATION

**Consolidated Statement of Changes in Financial Position
for the year ended March 31, 1996
(\$000's)**

	<u>1996</u>	<u>1995</u>
Cash provided by (used for):		
Operating activities		
Net income	\$ 10,665	\$ 10,539
Items not requiring an outlay of funds		
Amortization	9,372	8,850
Allowance for funds used during construction	(794)	(626)
	19,243	18,763
Non-cash current assets	(774)	(1,416)
Accounts payable	(138)	(1,529)
Due to the Town of Inuvik - in trust	868	309
Employee termination benefits	249	(148)
	19,448	15,979
Investing activities		
Acquisition of property and equipment	(17,443)	(14,777)
Proceeds on disposal of property and equipment	185	8
Housing loans receivable	123	200
Deferred charges	(3,072)	(813)
Advances on loan receivable	(12,865)	(3,046)
	(33,072)	(18,428)
Financing activities		
Proceeds from long-term debt	36,000	20,000
Repayment of long-term debt	(5,450)	(5,350)
Sinking fund installment	(765)	(722)
Dividend paid	(4,292)	(3,538)
	25,493	10,390
Increase during the year	11,869	7,941
Cash (bank indebtedness) at beginning of the year	704	(7,237)
Cash at end of the year	\$ 12,573	\$ 704

See Accompanying Notes

NORTHWEST TERRITORIES POWER CORPORATION

Notes to Consolidated Financial Statements

March 31, 1996

(\$000's)

1. Authority and Operations

The Corporation operates under the authority of the *Northwest Territories Power Corporation Act* and the *Financial Administration Act* and is a Crown corporation of the Government of the Northwest Territories.

The Corporation operates diesel and hydro-electric production facilities to provide utility services on a self-sustaining basis in the Northwest Territories. The Corporation is regulated by the Public Utilities Board of the Northwest Territories.

The Corporation is exempt from income tax.

2. Accounting policies

A summary of the significant accounting policies follows:

Consolidation

These financial statements are prepared on a consolidated basis and include the accounts of the Corporation and its wholly-owned subsidiaries, NWT Energy Corporation Ltd. and 923204 NWT LTD.

The NWT Energy Corporation Ltd., under the authority of the Northwest Territories Power Corporation Act, is authorized to provide construction and project financing to the Dogrib Power Corporation for the construction of a 4.3 MW hydro facility on the Snare River. 923204 NWT LTD. was inactive throughout the year. Subsequent to March 31, 1996, 923204 NWT LTD. has acquired a 50% interest in Aadri Ltd., a company developing a district heating system in Fort McPherson, NWT.

Revenue

Customers are billed on a cycle basis and revenues are recognized on the accrual basis. Revenues relating to the Public Utilities Board of the Northwest Territories' decisions affecting revenues collectable or refundable in a subsequent year are recorded at the end of the current year.

Inventories

Fuel and lubricants are valued at the lower of average cost and net realizable value. Materials and supplies are valued at the lower of cost and replacement cost.

Property and equipment

Property and equipment, excluding that donated to the Corporation, are carried at cost less accumulated amortization. Costs of additions, betterment and major renewals are capitalized. In addition to direct costs of goods and services, capital project costs include an allowance for funds used during construction at a rate approved by the Public Utilities Board and a share of engineering and general administration expense which is directly attributable to the project.

Property and equipment donated to the Corporation are recorded at their estimated fair value less accumulated amortization.

NORTHWEST TERRITORIES POWER CORPORATION

Notes to Consolidated Financial Statements

March 31, 1996

(\$000's)

2. Accounting policies (continued)

Amortization

On the retirement or sale of depreciable assets, the cost of the assets retired less disposal proceeds are charged or credited to accumulated amortization with no gain or loss being reflected in operations. Gains and losses resulting from exceptional circumstances are credited or charged to operations in the year that they are recognized.

Property and equipment in service are amortized on a straight-line basis over their estimated useful lives as follows:

Electric power plants:	
Hydro-electric plants and equipment	27 - 65 years
Diesel engines and associated equipment	15 - 20 years
Fuel storage equipment	20 - 30 years
Buildings	20 - 40 years
Transmission and distribution systems	20 - 50 years
Warehouses, equipment, motor vehicles, and general facilities:	
Warehouses	25 years
Buildings	25 - 40 years
Office and general equipment	15 years
Computer equipment and software	5 years
Motor vehicles	8 years
Staff accommodation	10 - 25 years
Other utilities:	
Heating systems	20 years
Sewerage and water	20 years
Other	5 years

Cash and short term investments

Investments are valued at the lower of costs or market value. Interest income is recognized on an accrual basis.

Deferred charges

Financing costs relating to the issue of long-term debt is amortized on a straight-line basis over the period to maturity of the related debt. Regulatory costs are amortized on a straight-line basis over a period not exceeding three years.

Deferred credits

Deferred credits include a provision for site restoration costs, donations of assets and contributions to aid in the construction and acquisition of property and equipment. Deferred credits are amortized over the estimated useful lives of the respective property and equipment.

Pension plan

Contributions are made by the Corporation and its employees to the Public Service Superannuation Plan administered by the Government of Canada. These contributions represent the total liability of the Corporation and are recognized in the accounts on a current basis.

NORTHWEST TERRITORIES POWER CORPORATION

Notes to Consolidated Financial Statements

March 31, 1996

(\$000's)

2. Accounting policies (continued)

Site restoration costs

The Corporation is regulated by the Public Utilities Board of the Northwest Territories (PUB) which allows the Corporation to recover its costs from rates charged to customers. The Corporation operates diesel generation plants and fuel storage facilities in the majority of communities in the Northwest Territories. In due course, the Corporation may be responsible for site restoration costs for certain plants. The recovery of such costs through the rates is subject to PUB approval.

The Corporation estimates the site restoration costs for all diesel generation plants. This provision is based on management's best estimate of the cost of demolishing all structures and fuel tanks and replacing any contaminated soil.

The Corporation includes these costs as a liability with a corresponding amount recorded as a deferred charge. The site restoration costs will be amortized against income when permitted by the PUB. Costs incurred in the current year are charged to the liability.

3. Rate matters

The Corporation is regulated by the Public Utilities Board of the Northwest Territories (PUB) and filed a General Rate Application with the Board in December 1995 for the 1995/96 and the 1996/97 fiscal years. The application included the following:

(a) This application identified a revenue shortfall of approximately \$4,500, largely attributable to the continued low water situation at the Corporation's Snare/Yellowknife hydro system which has resulted in the Corporation producing more of its requirements with diesel power at a cost of \$3,983. The Corporation applied for and received an approval for an interim refundable rider to be collected by October 1996. As at March 31, 1996 the Corporation has collected \$1,549 and included this amount in revenue. The balance of approximately \$2,434 has been included in deferred charges and will be expensed in 1996/97 against the balance of revenue received under riders approved by the PUB. Approval by the PUB of the Corporation's application would result in the Corporation earning its allowable return on equity.

(b) The General Rate Application also proposes the establishment of Rate Stabilization Funds to protect customers and the Corporation from rate changes caused by fluctuations in water levels and fuel price changes. The Corporation is proposing that four stabilization funds be established and funded by a surcharge. Amounts in these funds will be held for the benefit of the ratepayers. The funds are proposed to begin in the 1996/97 year.

(c) The Corporation has also submitted an application to establish amortization estimates based upon the average group useful life basis. The new estimates will include allowances for future site restoration costs. If these estimates are accepted, they will result in an accumulated reserve variance of \$26,897 which will be amortized over a period of time to be approved by the PUB beginning in 1996/97.

NORTHWEST TERRITORIES POWER CORPORATION

**Notes to Consolidated Financial Statements
March 31, 1996
(\$000's)**

4. Accounts receivable

	<u>1996</u>	<u>1995</u>
Utilities, net of allowance for doubtful accounts of \$83 (1995 - \$83)	\$ 12,939	\$ 14,905
Recoverable services, net of allowance for doubtful accounts of \$17 (1995 - \$17)	959	692
Other	64	67
	\$ 13,962	\$ 15,664

Included in utility accounts receivable is \$6,586 (1995-\$5,860) in unbilled amounts.

5. Property and equipment in service

	<u>1996</u>			<u>1995</u>
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Electrical power plants	\$ 214,712	\$ 90,739	\$ 123,973	\$ 115,648
Transmission and distribution systems	63,556	22,389	41,167	40,403
Warehouses, equipment, motor vehicles and general facilities	22,286	13,132	9,154	9,260
Other utilities	2,070	2,037	33	82
Other	2,916	2,166	750	1,321
	\$ 305,540	\$ 130,463	\$ 175,077	\$ 166,714

6. Housing loans receivable

Employee housing loans are non-interest bearing. All existing loans are repayable by the year 2001. Loans are secured by a second mortgage on the properties as title is transferred to the employee. Principal repayment is due on demand upon employee termination.

NORTHWEST TERRITORIES POWER CORPORATION

Notes to Consolidated Financial Statements March 31, 1996 (\$000's)

7. Deferred charges

	<u>1996</u>	<u>1995</u>
Low water fuel and lubricant costs	\$ 2,434	\$ —
Financing costs	748	655
Site restoration costs	645	488
Regulatory costs	433	285
Other	54	36
	\$ 4,314	\$ 1,464

8. Loan Receivable

The loan receivable is due from the Dogrib Power Corporation and will be repaid over a 30-year period starting in 1996 upon completion of the hydro facility. The facility will be leased by the Corporation for an initial 65 year period. The loan is secured by a charge against the facility and the Power Acquisition Agreement with the Corporation. The current loan bears interest at a blended rate of 9.875%. Further advances will bear interest at prime until the long-term debt financing arranged by the NWT Energy Corporation Ltd. has been established at which time loans will bear interest at the applicable long-term rate.

	<u>1996</u>	<u>1995</u>
Principal	\$ 14,725	\$ 2,988
Accrued interest on principal	1,186	58
	15,911	3,046
Less current portion	1,217	—
	\$ 14,694	\$ 3,046

9. Accounts payable

	<u>1996</u>	<u>1995</u>
Trade payables	\$ 6,468	\$ 6,197
Accrued interest	2,883	2,734
Fuel tax	997	860
Payroll	868	788
Employee leave and termination benefits	766	916
Deposits	591	802
G.S.T.	258	476
Contractors' holdbacks	100	294
	\$ 12,929	\$ 13,067

NORTHWEST TERRITORIES POWER CORPORATION

Notes to Consolidated Financial Statements

March 31, 1996

(\$000's)

10. Due to the Town of Inuvik - in trust

This amount represents funds held in trust for the Town of Inuvik for capital repairs to the utilidor system.

Expenditures are made from this trust account, subject to the agreement of the Inuvik Utilities Planning Committee made up of representatives of the Town of Inuvik, the Department of Municipal and Community Affairs of the Government of the Northwest Territories, and the Northwest Territories Power Corporation. During the year the funds held in trust earned \$187 (1995 -\$147) of interest at rates ranging from 5.45% to 8.53% (1995-5.63% to 7.90%).

11. Long-term debt

	<u>1996</u>	<u>1995</u>
Promissory note to the Government of the Northwest Territories, repayable in ten equal annual instalments of, \$5,350 maturing June 23, 1998, bearing interest at 11% payable semi-annually.	\$ 16,050	\$ 21,400
11% sinking fund debentures, due March 9, 2009.	20,000	20,000
11 1/8% sinking fund debentures, due June 6, 2011.	15,000	15,000
10 3/4% sinking fund debentures, due May 28, 2012.	20,000	20,000
9 3/8 % sinking fund debentures, due May 12, 2014.	20,000	20,000.
8.41 % sinking fund debentures, due February 27, 2026.	20,000	—
10.0% debenture series 1, due May 1, 2025 repayable in equal monthly payments of \$70.	7,939	—
9 3/4% debenture series 2, due October 1, 2025 repayable in equal monthly payments of \$69.	7,960	—
	126,949	96,400
Less: - current portion	8,311	6,072
- funds on deposit with sinking fund trustee	1,487	722
	\$ 117,151	\$ 89,606

All debentures are unconditionally guaranteed by the Government of the Northwest Territories. Sinking funds are held by the trustee, Montreal Trust of Canada. The rate of return is estimated to be 8 1/4%.

NORTHWEST TERRITORIES POWER CORPORATION

Notes to Consolidated Financial Statements

March 31, 1996

(\$000's)

11. Long-term debt (continued)

Principal repayments by fiscal year for the debentures and the promissory note are as follows:

1997	\$ 6,745
1998	7,495
1999	8,247
2000	2,907
2001	2,922
2001-2026	<u>98,833</u>
	<u>\$ 126,949</u>

Sinking fund installments for the next five years are as follows:

Sinking fund establishment date	<u>1996/97</u>	<u>1997/98</u>	<u>1998/99</u>	<u>1999/00</u>	<u>2000/01</u>
\$20 million 11% March 1995	\$ 740	\$ 740	\$ 740	\$ 740	\$ 740
\$15 million 11 1/8% June 1996	558	558	558	558	558
\$20 million 10 3/4% May 1997		740	740	740	740
\$20 million 9 3/8% May 1999			740	740	740
	<u>\$ 1,298</u>	<u>\$ 2,038</u>	<u>\$ 2,778</u>	<u>\$ 2,778</u>	<u>\$ 2,778</u>

12. Employee leave and termination benefits

Under their conditions of employment, employees qualify for annual leave of varying lengths depending on length of service. Certain employees also earn retirement and severance remuneration based on the number of years of service. Annual leave is payable within one fiscal year. The payment of the other amounts is dependent on employees leaving the Corporation.

13. Expenses

An amount of \$11,228 (1995 - \$10,646) in engineering and general administration expenses has been incurred. Of this amount \$1,491 (1995 - \$1,494) has been capitalized. An amount of \$2,434 in fuel and lubricant costs incurred as a result of the continuing low water situation has been deferred.

NORTHWEST TERRITORIES POWER CORPORATION

Notes to Consolidated Financial Statements

March 31, 1996

(\$000's)

14. Interest expense

	<u>1996</u>	<u>1995</u>
Interest on long-term debt		
Sinking fund debentures	\$ 8,072	\$ 7,695
Debentures	1,162	—
Government of the Northwest Territories	1,901	2,490
Other	601	325
	\$ 11,736	\$ 10,510

15. Dividend

Pursuant to the *Northwest Territories Power Corporation Act*, the Government of the Northwest Territories directed the Corporation to declare a dividend of \$4,292 (1995 -\$3,538).

16. Commitments and Contingencies

(a) Capital projects

The estimated cost to complete capital projects as at March 31, 1996, was \$13,132 (1995 - \$19,576).

(b) Lease payments

Minimum annual lease payments for office space, staff accommodation, vehicles and office equipment for which the Corporation is committed are as follows:

1996	\$ 615
1997	312
1998	212
1999	84
2000	84
2001-2020	<u>108</u>
	<u>\$1,415</u>

(c) Long-term lease

The Northwest Territories Power Corporation has entered into an agreement to lease Phase 1 Plant, Snare Cascades from the Dognrib Power Corporation. The term of the lease is for 65 years and is expected to commence July 1996.

(d) Debentures

The NWT Energy Corporation Ltd. has arranged to borrow \$25 million by issuing debentures repayable over a 30-year period in equal monthly installments. This debt is guaranteed by the Government of the Northwest Territories and the Corporation has drawn \$16,000 to date. The final draw of \$9,000 can be borrowed at any time up to October 31, 1996.

NORTHWEST TERRITORIES POWER CORPORATION

Notes to Consolidated Financial Statements

March 31, 1996

(\$000's)

16. Commitments and Contingencies (continued)

(e) Agreement with Dogrib Power Corporation

Under a loan agreement dated September 30, 1994, the NWT Energy Corporation Ltd. has agreed to provide up to \$24 million in construction and project financing to the Dogrib Power Corporation for the construction of a hydro facility. The facility is expected to be completed in July 1996.

17. Related party transactions

The Corporation is a Territorial Crown corporation and consequently is related to the Government of the Northwest Territories and its agencies and Crown corporations.

The Corporation provides utility services to, and purchases fuel and other services from these related parties. These transactions are at the same rates and terms as those with similar unrelated customers.

Transactions with related parties and balances at year end, not disclosed elsewhere in the financial statements, are as follows:

	<u>1996</u>	<u>1995</u>
Sale of power, heat, water and other	\$ 24,534	\$ 22,656
Purchase of fuel	10,751	9,826
Fuel tax	2,738	2,428
Workers' compensation payments	187	172
Other	1,177	1,375
Balances at year end:		
Accounts receivable	1,684	1,290
Accounts payable	2,356	2,292

18. Franchises

Subsection 38(1) of the *Public Utilities Act* of the Northwest Territories states:

No public utility shall operate within a municipality unless the franchise of the public utility has been approved by the Board.

The Corporation requires franchises for 49 communities. As of March 31, 1996, 27 franchises have been approved by the Public Utilities Board. The remaining franchises are at various stages of the application process.

NORWEST TERRITORIES HOUSING CORPORATION

FINANCIAL STATEMENTS

March 31, 1996

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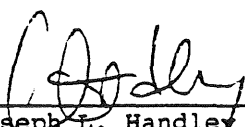
MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

Minister Responsible for the
Northwest Territories Housing Corporation

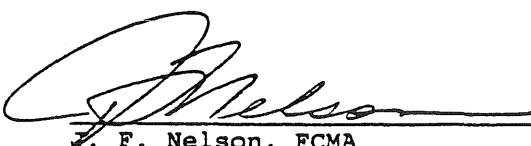
The accompanying financial statements have been prepared by management, which is responsible for the reliability, integrity and objectivity of the information provided. They have been prepared in accordance with generally accepted accounting principles. Where necessary the statements include amounts that are based on informed judgements and estimates by management, giving appropriate consideration to reasonable limits of materiality.

In discharging its responsibility for the integrity and fairness of the financial statements and for the accounting systems from which they are derived, management maintains the necessary system of internal controls designed to provide assurance that transactions are authorized, assets are safeguarded and proper records are maintained. These controls include quality standards in hiring and training employees, written policies and procedures manuals, and accountability for performance within appropriate and well-defined areas of responsibility. The Corporation's management recognizes its responsibility for conducting the Corporation's affairs in accordance with the requirements of applicable laws and sound business principles, and for maintaining standards of conduct that are appropriate to a Territorial Crown corporation.

The Auditor General of Canada annually provides an independent, objective audit for the purpose of expressing his opinion on the financial statements in accordance with generally accepted auditing standards. The auditor also considers whether the transactions that come to his notice in the course of this audit are, in all significant respects, in accordance with specified legislation.



Joseph L. Handley
President



F. F. Nelson, FCMA
Vice President
Finance and Administration

Yellowknife, NWT
June 28, 1996



AUDITOR GENERAL OF CANADA

VÉRIFICATEUR GÉNÉRAL DU CANADA

AUDITOR'S REPORT

To the Minister responsible for the
Northwest Territories Housing Corporation

I have audited the balance sheet of the Northwest Territories Housing Corporation as at March 31, 1996 and the statements of operations, equity, 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, 1996 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, after giving retroactive effect to the change in the method of accounting for mortgages and the related allowance for mortgage impairment as explained in note 3 to the financial statements, on a basis consistent with that of the preceding year.

Further, in my opinion, proper books of account have been kept 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 Northwest Territories Housing Corporation Act and the Financial Administration Act.

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

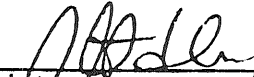
Ottawa, Canada
June 28, 1996

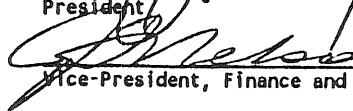
NORTHWEST TERRITORIES HOUSING CORPORATION

Balance Sheet
as at March 31, 1996

<u>ASSETS</u>	1996 (thousands of dollars)	1995 (thousands of dollars)	<u>LIABILITIES</u>	1996 (thousands of dollars)	1995 (thousands of dollars)
Current			Current		
Cash and short term investments	\$ 26,564	\$ 10,854	Accounts payable - trade	\$ 7,256	\$ 9,839
Accounts receivable			Accounts payable - Government of the Northwest Territories	345	-
Canada Mortgage and Housing Corporation	9,916	8,487	Accrued Interest	1,612	1,638
Government of the Northwest Territories	684	14,899	Due to the Government of the Northwest Territories (Note 4)	1,739	101
Other	<u>3,252</u>	<u>4,147</u>	Unapplied capital contributions (Note 8)	19,566	19,208
	<u>40,416</u>	<u>38,387</u>	Contractors' holdbacks	1,991	1,180
			Current portion of long-term debt	1,195	1,135
			Current portion of leave and termination benefits	<u>916</u>	<u>727</u>
				34,620	33,828
Investment in housing projects			Long-term debt (Note 9)	91,818	93,312
Land and buildings (Note 5)	191,311	182,165	Leave and termination benefits	<u>1,333</u>	<u>1,178</u>
Mortgages receivable (Note 6)	<u>6,476</u>	<u>11,531</u>		127,771	128,318
	<u>197,787</u>	<u>193,696</u>			
Property and equipment (Note 7)	<u>9,579</u>	<u>8,485</u>	EQUITY		
	<u>\$247,782</u>	<u>\$240,568</u>	Government of the Northwest Territories (Note 3)	<u>120,011</u>	<u>112,250</u>
				<u>\$247,782</u>	<u>\$240,568</u>
Commitments (Note 12)					

Approved by Management:



 President


 Vice-President, Finance and Corporate Services

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

NORTHWEST TERRITORIES HOUSING CORPORATION

Statement of Operations
For the year ended March 31, 1996

	<u>1996</u>	<u>1995</u>
	(thousands of dollars)	
Expenses		
Contributions to local housing organizations	\$ 86,097	\$ 81,312
Administration (Schedule of administration expenses)	20,112	20,987
Repairs, maintenance, grants and other costs funded by capital contributions	16,036	13,447
Amortization	9,187	8,534
Mortgage write-off (Note 2 (b)(i))	8,562	-
Interest on long-term debt	6,520	6,629
Staff housing	1,307	-
Workshops and studies	253	291
	<u>148,074</u>	<u>131,200</u>
Revenues and recoveries		
Contribution from the Government of the Northwest Territories (Note 2(e))	72,477	66,531
Recoveries from Canada Mortgage and Housing Corporation (Note 10)	49,637	51,568
Interest and other revenue	7,707	3,928
Recoveries from the Government of the Northwest Territories for staff housing	1,307	-
Gain on disposal of land and buildings	324	350
Recovery of prior year grants	261	188
	<u>131,713</u>	<u>122,565</u>
Excess of expenses over revenues and recoveries (Note 11)	<u>\$ 16,361</u>	<u>\$ 8,635</u>

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

NORTHWEST TERRITORIES HOUSING CORPORATION

**Statement of Equity
For the year ended March 31, 1996**

	<u>1996</u> (thousands of dollars)	<u>1995</u> (thousands of dollars)
Opening balance as previously reported	\$112,250	\$ 80,754
Mortgage remeasurement (Note 3)	(10,567)	-
Prior period adjustment (Note 15)	<u>-</u>	<u>115</u>
Balance, as restated	101,683	80,869
Excess of expenses over revenues and recoveries	<u>(16,361)</u>	<u>(8,635)</u>
	<u>85,322</u>	<u>72,234</u>
Contributions from the Government of the Northwest Territories		
Capital contributions used for capital expenditures (Note 8)	32,979	39,437
Other capital contributions	1,198	100
Contributions provided for loan principal repayments of long term debt (Note 4)	<u>512</u>	<u>479</u>
	<u>34,689</u>	<u>40,016</u>
Balance at end of the year	<u>\$120,011</u>	<u>\$112,250</u>

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

NORTHWEST TERRITORIES HOUSING CORPORATION

Statement of Changes in Financial Position
For the year ended March 31, 1996

	<u>1996</u>	<u>1995</u>
	(thousands of dollars)	
Cash provided by (used for):		
Operating activities		
Excess of expenses over revenues and recoveries	\$(16,361)	\$ (8,635)
Items not involving cash		
Amortization	9,187	8,534
(Decrease), increase in allowance for impaired mortgages	(379)	665
Increase in leave and termination benefits	344	357
Gain on disposal of land and buildings	(324)	(350)
Mortgage write-off	8,562	-
Changes in non-cash operating working capital	<u>13,559</u>	<u>(11,420)</u>
	<u>14,588</u>	<u>(10,849)</u>
Financing activities		
Contributions from the Government of the Northwest Territories credited to equity	34,689	40,016
Repayment of long-term debt	<u>(1,433)</u>	<u>(1,355)</u>
	<u>33,256</u>	<u>38,661</u>
Investing activities		
Additions to investment in housing projects		
Land and buildings	(42,043)	(43,347)
Mortgages receivable	(16,944)	(10,246)
Additions to property and equipment	(1,850)	(83)
Proceeds from disposal of land and buildings	12,494	8,421
Recovery of capital costs from Canada Mortgage and Housing Corporation (Note 10)	12,296	3,956
Reduction of mortgages receivable	<u>3,913</u>	<u>1,420</u>
	<u>(32,134)</u>	<u>(39,879)</u>
 Increase (decrease) in cash	 15,710	 (12,067)
Cash at beginning of the year	<u>10,854</u>	<u>22,921</u>
Cash at end of the year	<u>\$ 26,564</u>	<u>\$ 10,854</u>

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

NORTHWEST TERRITORIES HOUSING CORPORATION

Notes to Financial Statements
March 31, 1996

1. Authority, objective and operations

The Northwest Territories Housing Corporation, established in 1974 pursuant to the Northwest Territories Housing Corporation Act, is a Territorial Crown corporation named in Schedule B to the Financial Administration Act. Its principal objective is to develop, maintain and manage public housing programs in the Northwest Territories.

The Corporation participates in various public housing and homeownership programs some of which are cost-shared with Canada Mortgage and Housing Corporation in accordance with the National Housing Act (NHA). Canada Mortgage and Housing Corporation provides funds under cost-sharing agreements for a specified proportion of expenditures, subject to a maximum amount, on individual projects within each program.

The Corporation is dependent upon the Government of the Northwest Territories, either directly or indirectly through guarantees, for the funds required to finance the net cost of its operations.

2. Significant accounting policies

The Corporation's Financial Statements are prepared in accordance with generally accepted accounting policies. The significant accounting policies are as follows:

(a) Investment in housing projects - land and buildings

Land and buildings constructed by the Corporation are stated at cost, less recoveries from Canada Mortgage and Housing Corporation. Northern rental housing, which has been transferred from the Government of the Northwest Territories, is stated at the transferred amount. Construction in progress includes amounts which may be transferred to land and building for rental or may be transferred to homeowners and a mortgage taken back against the property. These costs includes labour, material and freight. Amortization is provided using the following methods and annual rates. The provisions for amortization begins in the year the building is completed and is taken for the full year.

Public housing, senior citizen's housing and lease purchase housing	Declining	5%
Northern rental housing	Straight-line	5%

(b) Investment in housing projects - mortgages receivable

(i) Mortgage write-off

The Corporation, under section 44(1) of its Act, subsidizes principal and interest payments due from homeowners under the legal terms and conditions of mortgages. These subsidies vary in amount depending on the income of mortgagees. Subsidies are expensed at the time the decision is made by the Corporation to subsidize a mortgage.

The mortgage receivable balance represents the present value of the expected future payments from the mortgagees, net of an allowance for impaired mortgages.

NORTHWEST TERRITORIES HOUSING CORPORATION

Notes to Financial Statements
March 31, 1996

2. Significant accounting policies(continued)

(ii) Allowance for impaired mortgages

Mortgages are considered impaired when there is reasonable doubt as to the timely collection of principal and interest. A mortgage is considered impaired when a payment is six months in arrears. An allowance is established to reduce the recorded value of the mortgage to its estimated realizable value based on the present value of expected payments.

Initial and subsequent changes in the amount of mortgage impairment are recorded through the provision for mortgage impairment.

(c) Interest revenue

Interest income on mortgages is recorded on the accrual basis. When a mortgage becomes impaired, recognition of interest ceases. Thereafter, interest income is recognized on a cash basis, but only after prior write-offs arising from credit losses and the allowance for impairment have been recovered.

(d) Property and equipment

Property and equipment are stated at cost. Amortization is provided using the following methods and annual rates:

Office furniture and equipment	Declining balance	20%
Warehouses, office buildings and staff housing	Straight-line	5%

Leasehold improvements are amortized on a straight-line basis over the term of the leases.

(e) Contributions from the Government of the Northwest Territories

Contributions from the Government of the Northwest Territories for operations and maintenance are credited to operations, except for those amounts provided for loan principal repayments which are credited to equity. Capital contributions are credited to equity if used for capital expenditures, or to operations if used for repairs, maintenance, grants and other costs.

NORTHWEST TERRITORIES HOUSING CORPORATION

Notes to Financial Statements
March 31, 1996

2. Significant accounting policies (continued)

(f) Contributions to local housing organizations

Houses owned by the Corporation are operated by local housing associations and authorities. The Corporation provides contributions for the annual operating requirements of these local housing organizations. These contributions are recorded on an accrual basis by the Corporation.

(g) Recoveries from Canada Mortgage and Housing Corporation

The Corporation recovers from Canada Mortgage and Housing Corporation its share of the contributions to local housing organizations for the operating costs of public housing units built under the various NHA programs. The recovery is shown net of an allowance for administration expenses.

(h) 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. The Corporation is not required under present legislation to make contributions with respect to actuarial deficiencies of the Public Service Superannuation Account.

(i) Leave and termination benefits

The Corporation accrues in its accounts the estimated liabilities for severance pay, annual leave and overtime compensatory leave, which are payable to its employees under its collective agreements.

3. Change in accounting policy

During the year, the Corporation adopted the new accounting standards governing impaired loans issued by the Canadian Institute of Chartered Accountants. In adopting these standards, the mortgage portfolio was valued based on amounts due from mortgagees only. Previously, mortgage subsidies, recoverable through government appropriations were included as part of the mortgage receivable balance. In addition, in adopting the new standards, the impairment allowance was determined based on the present value of expected payments. Previously the allowance was determined based on the depreciated value of mortgaged properties. A restatement of prior period comparative figures is not practical. Accordingly, the April 1, 1996 opening equity has been restated to give effect to the cumulative prior period adjustment as follows.

NORTHWEST TERRITORIES HOUSING CORPORATION

Notes to Financial Statements
March 31, 1996

3. Change in Accounting Policy (continued)

	<u>1996</u>	<u>1995</u>
	(thousands of dollars)	
Opening balance as previously reported	\$112,250	\$ 80,754
Mortgage remeasurement	<u>(10,567)</u>	<u>-</u>
Opening balance restated	<u>\$101,683</u>	<u>\$ 80,754</u>

The effect of this change in accounting policy on the 1996 accounts is a decrease to interest income of \$1,196,000 .

4. Due to the Government of the Northwest Territories

	<u>1996</u>	<u>1995</u>
	(thousands of dollars)	
Balance at beginning of the year	<u>\$ 101</u>	<u>\$ (383)</u>
Operating contributions	62,329	57,049
Contributions provided for loan principal repayments of long-term debt	(512)	(479)
Capital contributions used for repairs, maintenance, grants and other cost	<u>12,298</u>	<u>10,445</u>
	74,115	67,015
Cost of operations net of unfunded items	<u>72,477</u>	<u>66,531</u>
	<u>1,638</u>	<u>484</u>
Balance at end of year	<u>\$ 1,739</u>	<u>\$ 101</u>

NORTHWEST TERRITORIES HOUSING CORPORATION

Notes to Financial Statements
March 31, 1996

5. Investment in housing projects - land and buildings

	1996		1995	
	Cost	Accumulated Amortization	Net	Net
	(thousands of dollars)			
Land	\$ 568	\$ -	\$ 568	\$ 215
Public housing	218,425	92,829	125,596	129,536
Northern rental housing	3,045	2,965	80	1
Senior citizens' housing	4,988	1,655	3,333	3,711
Lease/Purchase housing	33,205	2,418	30,786	15,198
Staff Housing	487	24	463	-
Construction in progress	30,484	-	30,485	33,504
	\$291,202	\$ 99,891	\$191,311	\$182,165

6. Mortgages receivable

	1996	1995
	(thousands of dollars)	
First mortgages, rural and remote housing, bearing interest at rates varying between 0% and 14.25% per annum, repayable over a maximum period of 25 years	\$ 532	\$ 1,244
Less: allowance	(457)	(449)
	75	795
Other mortgages, bearing interest at rates varying between 6% and 14.25% per annum, repayable over a maximum period of 25 years	4,454	10,129
Less: allowance	(838)	(686)
	3,616	9,443
Interim financing, direct lending and land acquisition loans bearing interest at rates varying between 7.75% and 13.25% per annum, repayable over a maximum period of 25 years	3,007	1,444
Less: allowance	(222)	(151)
	2,785	1,293
	\$ 6,476	\$ 11,531

The recorded value of those mortgages specifically identified as being impaired is \$ 1,517,000.

NORTHWEST TERRITORIES HOUSING CORPORATION

Notes to Financial Statements
March 31, 1996

7. Property and equipment

	<u>1996</u>			<u>1995</u>
	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>Net</u>	<u>Net</u>
	(thousands of dollars)			
Warehouses	\$ 12,999	\$ 4,469	\$ 8,530	\$ 8,016
Office furniture and equipment	1,736	1,376	360	321
Staff housing	531	435	96	123
Leasehold improvements	225	225	-	-
Office buildings	163	150	13	21
Construction in progress	580	-	580	4
	<u>\$ 16,234</u>	<u>\$ 6,655</u>	<u>\$ 9,579</u>	<u>\$ 8,485</u>

8. Unapplied capital contributions

	<u>1996</u>	<u>1995</u>
	(thousands of dollars)	
Balance at beginning of the year	\$ 19,208	\$ 24,915
Repayment	(4,000)	(5,089)
Capital contributions received	<u>49,635</u>	<u>49,264</u>
	<u>64,843</u>	<u>69,090</u>
Capital expenditures	32,979	39,437
Capital contributions used for repairs, maintenance, grants and other costs	<u>12,298</u>	<u>10,445</u>
	<u>45,277</u>	<u>49,882</u>
Balance at end of the year	<u>\$ 19,566</u>	<u>\$ 19,208</u>
Representing unapplied capital contributions for		
1996	\$ 15,076	\$ -
1995	1,227	13,216
1994	2,660	5,389
1993	<u>603</u>	<u>603</u>
	<u>\$ 19,566</u>	<u>\$ 19,208</u>

NORTHWEST TERRITORIES HOUSING CORPORATION

Notes to Financial Statements
March 31, 1996

9. Long-term debt

	<u>1996</u>	<u>1995</u>
	(thousands of dollars)	
NHA Section 82 loans from Canada Mortgage and Housing Corporation, repayable in annual instalments until the year 2033, bearing interest at an average weighted rate of 7.0% (1995 - 7.0%)	\$ 90,864	\$ 91,980
NHA Section 81 loans from Canada Mortgage and Housing Corporation for use in financing costs of land development, repayable when land is removed from inventory, bearing interest at an average weighted rate of 10.9% (1995 - 10.5%)	49	79
NHA Section 26 loans from Canada Mortgage and Housing Corporation, repaid in 1996	-	272
Loans from Canada, repaid in 1996	-	<u>16</u>
	90,913	92,347
Loan from the Government of the Northwest Territories for the provision of Direct Lending Mortgages which is repayable when the program is terminated	1,000	1,000
Loans from the Government of the Northwest Territories for the provision of Interim Financing which is repayable when the program is terminated	<u>1,100</u>	<u>1,100</u>
	93,013	94,447
Portion included in current liabilities	<u>1,195</u>	<u>1,135</u>
	<u>\$ 91,818</u>	<u>\$ 93,312</u>

The loans are guaranteed by the Government of the Northwest Territories.

Principal repayments and interest requirements over the next four years on outstanding loans are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
	(thousands of dollars)		
1997	\$ 1,194	\$ 6,449	\$ 7,643
1998	1,279	6,364	7,643
1999	1,369	6,274	7,643
2000	1,467	6,176	7,643

Long-term debt will be renegotiated in the year 2000.

NORTHWEST TERRITORIES HOUSING CORPORATION

Notes to Financial Statements
March 31, 1996

10. Recoveries from Canada Mortgage and Housing Corporation

	<u>1996</u>	<u>1995</u>
	(thousands of dollars)	
Recoveries in respect of:		
Operations and maintenance		
Contributions to local housing organizations including interest expense	\$ 45,321	\$ 48,392
Repairs, maintenance, grants and other costs funded by capital contributions	<u>4,316</u>	<u>3,176</u>
	<u>\$ 49,637</u>	<u>\$ 51,568</u>
Capital		
Additions to land and buildings	<u>\$ 12,296</u>	<u>\$ 3,956</u>

Emergency Repair Program (ERP) projects are included in the Repairs, maintenance, grants and other costs funded by capital contributions. The projects amount to \$189,000 in 1996 and \$135,000 in 1995.

11. Excess of expenses over revenues and recoveries

The excess is represented by the following unfunded expenses:

	<u>1996</u>	<u>1995</u>
	(thousands of dollars)	
Amortization	9,187	8,534
Mortgage write-off	\$ 8,562	\$ -
Long-term portion of leave and termination benefits	154	215
Recovery of small capital program grants	(578)	(173)
Provision for mortgage impairment (Principal portion)	(379)	597
Recovery of prior year grants	(261)	(188)
Gain on disposal of land and buildings	<u>(324)</u>	<u>(350)</u>
	<u>\$ 16,361</u>	<u>\$ 8,635</u>

NORTHWEST TERRITORIES HOUSING CORPORATION

Notes to Financial Statements
March 31, 1996

12. Commitments

(a) The Corporation leases office space and rent supplement public housing units under long-term operating lease agreements and is committed to basic rental payments over the next five years. The leases contain escalation clauses for operating costs and property taxes which may cause the payments to exceed the basic rental. Of this amount, Canada Mortgage and Housing Corporation will share in the costs of the rent supplement public housing units. The basic rental payments and cost sharing of those payments is as follows:

	<u>Total</u>	<u>CMHC portion</u>
	(thousands of dollars)	
1997	\$ 10,369	\$ 2,665
1998	9,244	1,943
1999	8,357	1,467
2000	6,892	950
2001	6,580	799

Rent Supplement leases are renewable after five years for three further five year periods at rates to be determined when renewing.

(b) At March 31, 1996 the estimated cost to complete housing projects in progress was \$ 9,000,000 of which Canada Mortgage and Housing Corporation will share in the approved cost to the extent of \$ 2,000,000.

13. 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.

14. Subsequent events

The Corporation entered into a Memorandum of Understanding on July 4th, 1996 with the Government of the Northwest Territories to provide management and maintenance functions of their staff housing units, excluding the collection of rent. The funding arrangement is such that the Government has agreed to pay for all allowable expenditures incurred by the Corporation. The budget for managing the 1242 units in the portfolio for the period April 1, 1996 to March 31, 1997 was \$ 17,000,000.

15. Correction of a prior period

The Corporation's current financial statements have been adjusted to reflect a prior period adjustment to correct an error. The 1995 accounts payable have been decreased by \$115,000 and the 1995 closing equity has been increased by \$115,000.

16. Comparison with prior year

Certain of the 1995 figures have been reclassified to conform to the presentation adopted.

SCHEDULE

NORTHWEST TERRITORIES HOUSING CORPORATION

Schedule of Administration Expenses
For the year ended March 31, 1996

	<u>1996</u>	<u>1995</u>
	(thousands of dollars)	
Salaries and benefits	\$ 13,106	\$ 13,259
Travel and relocation	3,693	3,393
Building and equipment rentals	1,730	1,715
Professional and special services	543	1,210
Communications	426	452
Materials and supplies	379	464
Computer services	170	157
Land title fees and expenses	64	324
Miscellaneous	<u>1</u>	<u>13</u>
	<u>\$ 20,112</u>	<u>\$ 20,987</u>

Financial Statements of

**NORTHWEST TERRITORIES
LIQUOR COMMISSION**

Year ended March 31, 1996

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MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The Northwest Territories Liquor Commission ("the Commission") 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 and that the Commission acts in accordance with the laws of the Northwest Territories and Canada. The Commission's management recognizes its responsibility for conducting the Commission's affairs in accordance with the requirements of applicable laws and sound business principles, and for maintaining standards of conduct that are appropriate to a Territorial agency.

The accompanying financial statements were prepared by management in conformity with generally accepted accounting principles appropriate in the circumstances.

The Auditor General of Canada annually provides an independent, objective audit for the purpose of expressing an opinion on the financial statements. He also considers whether the transactions which come to his notice in the course of this audit are, in all significant respects, in accordance with the specified legislation.


R.J. Courtoreille
General Manager


K. Reid
Manager, Finance and Administration

May 30, 1996

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AUDITOR GENERAL OF CANADA

VÉRIFICATEUR GÉNÉRAL DU CANADA

AUDITOR'S REPORT

To the Minister of Safety and Public Services

I have audited the balance sheet of the Northwest Territories Liquor Commission as at March 31, 1996 and the statements of income, amount due to the Government of the Northwest Territories and changes in financial position for the year then ended. These financial statements are the responsibility of the Commission'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 Commission as at March 31, 1996 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 and the financial statements are in agreement therewith and the transactions of the Commission 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, and the Northwest Territories Liquor Act and regulations.

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

Ottawa, Canada
May 30, 1996

NORTHWEST TERRITORIES LIQUOR COMMISSION

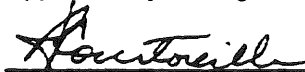
Balance Sheet

March 31, 1996, with comparative figures for 1995

	1996	1995
	(\$000's)	(\$000's)
Assets		
Current assets:		
Cash	\$ 497	\$ 792
Accounts receivable	3	2
Store supplies	21	11
Inventories (note 3)	2,544	2,335
	<u>3,065</u>	<u>3,140</u>
Capital assets (note 4)	133	95
	<u>\$ 3,198</u>	<u>\$ 3,235</u>
Liabilities		
Current liabilities:		
Accounts payable	\$ 1,156	\$ 1,221
Accrued employee leave and termination benefits	147	92
Due to the Government of the Northwest Territories	1,895	1,922
Commitment (note 6)		
	<u>\$ 3,198</u>	<u>\$ 3,235</u>

See accompanying notes to financial statements.

Approved by Management:



R. Courtoreille
General Manager



K. Reid
Manager, Finance and Administration

NORTHWEST TERRITORIES LIQUOR COMMISSION

Statement of Income

Year ended March 31, 1996, with comparative figures for 1995

	1996	1995
	(\$000's)	(\$000's)
Sales:		
Beer	\$ 15,348	\$ 14,969
Spirits	12,531	12,296
Wine	2,536	2,464
	<u>30,415</u>	<u>29,729</u>
Cost of goods sold:		
Beer	6,368	6,571
Spirits	3,836	3,893
Wine	939	796
	<u>11,143</u>	<u>11,260</u>
Gross profit on sales	19,272	18,469
Other income:		
License fees and permits	622	574
Import fees and other income	261	222
	<u>883</u>	<u>796</u>
	<u>20,155</u>	<u>19,265</u>
Expenses:		
Commissions and discounts to agents	2,327	2,224
Salaries, wages and employee benefits	1,137	1,255
Rent - warehouse	272	257
Travel	85	98
Rent - office	61	58
Losses due to breakage, spoilage and theft	52	9
Communications	44	46
Office supplies	42	46
Grants in lieu of taxes	38	35
Computer services	37	35
Utilities	29	40
Amortization of fixed assets	27	14
Insurance	21	17
Advertising	21	17
Board member honoraria	19	19
Miscellaneous	17	9
Repairs and maintenance	12	6
Contractors' fees	9	44
	<u>4,250</u>	<u>4,229</u>
Net income	\$ 15,905	\$ 15,036

See accompanying notes to financial statements.

NORTHWEST TERRITORIES LIQUOR COMMISSION

Statement of Amount Due to the Government of the Northwest Territories

Year ended March 31, 1996, with comparative figures for 1995

	1996	1995
	(\$000's)	(\$000's)
Balance, beginning of year	\$ 1,922	\$ 1,951
Net income	15,905	15,036
Salaries, wages and benefits paid by the Government	1,047	1,246
	18,874	18,233
Net transfer of funds to the Government	16,979	16,311
Balance, end of year	\$ 1,895	\$ 1,922

See accompanying notes to financial statements.

NORTHWEST TERRITORIES LIQUOR COMMISSION

Statement of Changes in Financial Position

Year ended March 31, 1996, with comparative figures for 1995

	1996	1995
	(\$000's)	(\$000's)
Cash provided by (used in):		
Operations:		
Net income	\$ 15,905	\$ 15,036
Salaries, wages and benefits paid by the Government of the Northwest Territories	1,047	1,246
Amortization which does not affect cash	27	14
Changes in non-cash operating working capital:		
Increase in accounts receivable	(1)	-
Increase in store supplies	(10)	(11)
Increase in inventories	(209)	(281)
Increase (decrease) in accounts payable	(65)	98
Increase (decrease) in accrued employee leave and termination benefits	55	(33)
	16,749	16,069
Financing:		
Purchase of capital assets	(65)	-
Cash transferred to the Government of the Northwest Territories	(16,979)	(16,311)
	(17,044)	(16,311)
Decrease in cash	(295)	(242)
Cash, beginning of year	792	1,034
Cash, end of year	\$ 497	\$ 792

See accompanying notes to financial statements.

NORTHWEST TERRITORIES LIQUOR COMMISSION

Notes to Financial Statements

Year ended March 31, 1996

1. Authority and operations:

The Northwest Territories Liquor Commission is responsible for the operation of liquor stores and the purchase and distribution of liquor in the Northwest Territories under Part II of the Northwest Territories Liquor Act. It is named in Schedule A to the Financial Administration Act. The Commission is authorized by the Legislative Assembly to receive interest free working capital advances from time to time not exceeding \$6,500,000 to finance its operations. The Northwest Territories Liquor Commission also operates the Liquor Licensing Board of the Northwest Territories.

Net income for the year is to be transferred to the Government of the Northwest Territories in accordance with the Liquor Act.

2. Significant accounting policies:

(a) Inventories:

Inventories are valued at replacement cost which is not materially different than cost. Cost includes invoiced cost, freight, duties and taxes.

(b) Capital assets:

Recycling equipment is stated at cost. Amortization is provided on cost less estimated salvage value on the straight-line basis at an annual rate of 10%.

Leasehold improvements are stated at cost. Amortization is provided on the straight-line basis at an annual rate of 20%.

Furniture and fixtures are stated at cost. Amortization is provided on cost less estimated salvage value on the straight-line basis at an annual rate of 20%.

(c) Employee leave and termination benefits:

Under their conditions of employment, employees qualify for annual leave of varying lengths depending on length of service. Employees also earn retirement and severance remuneration based on the number of years of service. Annual leave is payable within one fiscal year. The payment of the other amounts is dependent on employees leaving the Commission.

NORTHWEST TERRITORIES LIQUOR COMMISSION

Notes to Financial Statements, continued

Year ended March 31, 1996

(d) Pension contribution:

The Commission 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 Commission. These contributions represent the total liability of the Commission and are recognized in the accounts on a current basis. The Commission is not required under present legislation to make contributions with respect to actuarial deficiencies of the Public Service Superannuation Account.

3. Inventories:

	1996	1995
	(\$000's)	(\$000's)
Spirits	\$ 1,234	\$ 1,139
Wine	516	426
Beer	794	770
	\$ 2,544	\$ 2,335

4. Capital assets:

	1996		1995	
	Cost	Accumulated amortization	Net book value	Net book value
	(\$000's)	(\$000's)	(\$000's)	(\$000's)
Recycling equipment	\$ 151	\$ 68	\$ 83	\$ 95
Leasehold improvements	36	7	29	-
Furniture and fixtures	26	5	21	-
	\$ 213	\$ 80	\$ 133	\$ 95

NORTHWEST TERRITORIES LIQUOR COMMISSION

Notes to Financial Statements, continued

Year ended March 31, 1996

5. Related party transactions:

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

Certain warehouses are owned by the Government of the Northwest Territories. These are provided for the use of the Commission, the cost of which is reflected as warehouse rent in the financial statements.

The Government of the Northwest Territories provides the Commission with various administrative services, the value of which are not reflected in these financial statements.

6. Commitment:

The Commission has entered into a new lease agreement that commenced on September 1, 1995 for an initial term of five years to August 31, 2000. The Commission has an option to renew for one additional term. The minimum annual lease payments are:

March 31:	
1997	\$ 49,938
1998	49,938
1999	49,938
2000	49,938
2001	20,808
	<hr/>
	\$ 220,560

Annual lease payments include operating costs which are subject to annual increases based on the consumer price index and adjustments for tax assessments.

Financial Statements of the
PETROLEUM PRODUCTS REVOLVING FUND
of the Government of the Northwest Territories
for the year ended March 31, 1996

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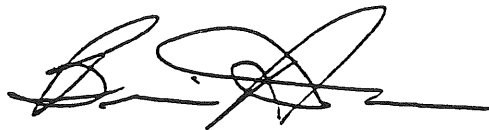
PETROLEUM PRODUCTS REVOLVING FUND

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The accompanying financial statements were prepared by management in accordance with generally accepted accounting principles. When alternative accounting methods exist, management has chosen those it deems most appropriate in the circumstances. Financial statements contain certain amounts based on estimates and judgements. Management has determined such amounts on a reasonable basis in order to ensure that the financial statements are presented fairly in all material respects.

The Petroleum Products Revolving Fund 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 which are used to further the objectives of the Fund are protected from loss or unauthorized use; and that the Fund acts in accordance with the laws of the Northwest Territories and Canada. Management of the Petroleum Products Revolving Fund recognizes its responsibility to oversee the affairs of the fund in accordance with the requirements of applicable laws and sound business principles, and for maintaining standards of conduct that are appropriate to a territorial revolving fund. On a periodic basis, the Territorial Audit Bureau of the Government of the Northwest Territories reviews the operation of financial and management systems to promote compliance and to recommend areas of improvement.

The Auditor General of Canada annually 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 respects, in accordance with the specified legislation.



Brian Austin
Director

Rankin Inlet, Canada
June 28, 1996





AUDITOR GENERAL OF CANADA

VÉRIFICATEUR GÉNÉRAL DU CANADA

AUDITOR'S REPORT

To the Minister of Public Works and Services

I have audited the balance sheet of the Petroleum Products Revolving Fund of the Government of the Northwest Territories as at March 31, 1996 and the statement of operations for the year then ended. These financial statements are the responsibility of the Fund'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 Fund as at March 31, 1996 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 and the financial statements are in agreement therewith and the transactions of the Fund 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 and the Revolving Funds Act.

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

Ottawa, Canada
June 28, 1996

GOVERNMENT OF THE NORTHWEST TERRITORIES
PETROLEUM PRODUCTS REVOLVING FUND

Balance Sheet
as at March 31, 1996

ASSETS

	<u>1996</u>	<u>1995</u>
	(thousands of dollars)	
Current		
Accounts receivable		
Territorial agencies	\$ 3,911	\$ 4,541
Northwest Territories Power Corporation	2,262	1,835
Government of Canada	487	571
Other	<u>4,205</u>	<u>3,742</u>
	10,865	10,689
Less: Allowance for doubtful accounts	<u>182</u>	<u>186</u>
	10,683	10,503
Inventories (Note 3)	<u>26,775</u>	<u>26,720</u>
	<u>\$ 37,458</u>	<u>\$ 37,223</u>

LIABILITIES

Current		
Trade accounts payable	\$ 1,806	\$ 1,246
Distribution charges payable	1,142	1,230
Fuel and sales taxes payable	860	912
Employee leave and termination benefits	<u>247</u>	<u>135</u>
	4,055	3,523
Long-term		
Employee termination benefits	135	229
Due to the Government of the Northwest Territories (Note 4)	<u>33,268</u>	<u>33,471</u>
	<u>\$ 37,458</u>	<u>\$ 37,223</u>

Community fuel delivery contracts (Note 7)
 Fuel supply contracts (Note 8)

Approved by Management:


 Director

GOVERNMENT OF THE NORTHWEST TERRITORIES
PETROLEUM PRODUCTS REVOLVING FUND

Statement of Operations
for the year ended March 31, 1996

	<u>1996</u>	<u>1995</u>
	(thousands of dollars)	
Sales		
Territorial agencies	\$ 12,877	\$ 12,948
Commercial	12,433	11,889
Northwest Territories Power Corporation	10,652	9,656
Individuals	8,885	8,318
Government of the Northwest Territories	6,468	6,542
Government of Canada	1,371	1,572
Interest revenue	93	210
	<u>52,779</u>	<u>51,135</u>
 Cost of sales	 <u>39,315</u>	 <u>38,079</u>
 Gross profit	 <u>13,464</u>	 <u>13,056</u>
 Expenses		
Distribution charges	8,371	8,027
Salaries, wages and employee benefits	2,760	3,018
Computer services and systems development	465	328
Maintenance of storage facilities	456	643
Travel	427	529
Utilities	385	349
Office and equipment rentals	303	293
Communication and equipment rentals	256	294
Supplies - operations	247	263
Insurance	210	137
Consulting services	85	219
Maintenance of vehicles and equipment	39	54
Bad debt	29	27
Miscellaneous	201	204
	<u>14,234</u>	<u>14,385</u>
 Net Loss	 <u>\$ (770)</u>	 <u>\$ (1,329)</u>

GOVERNMENT OF THE NORTHWEST TERRITORIES
PETROLEUM PRODUCTS REVOLVING FUND

Notes to the Financial Statements
for the year ended March 31, 1996

1. Authority and operations

The Petroleum Products Revolving Fund, formerly known as the Petroleum Oil and Lubricants Revolving Fund, was established in 1973 and has been continued under the Revolving Funds Act, 1986. The Fund provides working capital to finance inventory, accounts receivable and operating expenses required for distributing petroleum products in most communities in the Northwest Territories. It is the expectation of the Government of the Northwest Territories that operating expenses incurred by the Fund will be recovered through the price structure to achieve a break-even operation.

The Petroleum Products Division of the Department of Public Works and Services is responsible for the administration of the Fund. The authorized limit of the Fund, being the maximum amount by which the assets exceed the liabilities, is currently \$55 million.

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

In February 1996, the Government of the Northwest Territories announced its intention to privatize the operations of the Petroleum Products Division. The potential impact on the Petroleum Products Revolving Fund is not known at this time.

2. Significant accounting policies

These financial statements have been prepared by management in accordance with generally accepted accounting principles. A summary of significant accounting policies of the Fund follows:

a. Inventories

Inventories are valued at the lower of weighted average cost and net realizable value.

b. Capital assets and services provided without charge

The Fund does not record the value of capital assets and related future removal and site restoration costs, financing cost and services provided without charge by the Government of the Northwest Territories. Capital assets include fuel storage facilities and fuel delivery equipment. Services include internal audit, purchasing, legal and personnel services. Furthermore, the Fund receives audit services without charge from the Auditor General of Canada. Further information is provided in Note 6.

GOVERNMENT OF THE NORTHWEST TERRITORIES
PETROLEUM PRODUCTS REVOLVING FUND

Notes to the Financial Statements
for the year ended March 31, 1996

c. Pensions

Contributions are made by the Fund and its employees to the Public Service Superannuation Plan administered by the Government of Canada. These contributions represent the total liability of the Fund and are recorded in the accounts on a current basis. The Fund is not required under present legislation to make contributions with respect to actuarial deficiencies of the Public Service Superannuation Account.

d. Employee leave and termination benefits

Under the conditions of employment, employees may qualify and earn employment benefits for annual leave, retirement, severance, and removal costs. Annual leave is payable within one fiscal year and is recorded at an estimated value based on outstanding leave credits. Other amounts are estimates based on experience.

3. Inventories

	<u>1996</u>	<u>1995</u>
	(thousands of dollars)	
Heating fuel	\$ 16,844	\$ 18,064
Gasoline	5,201	5,063
Other fuel and lubricants	<u>4,730</u>	<u>3,593</u>
	<u>\$ 26,775</u>	<u>\$ 26,720</u>

GOVERNMENT OF THE NORTHWEST TERRITORIES
PETROLEUM PRODUCTS REVOLVING FUND

Notes to the Financial Statements
for the year ended March 31, 1996

4. Due to the Government of the Northwest Territories

	<u>1996</u>	<u>1995</u>
	(thousands of dollars)	
Balance at beginning of the year	\$ 33,471	\$ 33,431
Payments made by the Government on behalf of the Fund :		
Purchases	38,815	38,426
Other expenses	<u>14,351</u>	<u>14,503</u>
	86,637	86,360
Transferred to the Government :		
Sales proceeds	(52,599)	(51,560)
Net loss for the year	<u>(770)</u>	<u>(1,329)</u>
Balance at end of the year	<u>\$ 33,268</u>	<u>\$ 33,471</u>

5. Related party transactions

In addition to those transactions with related parties disclosed elsewhere in the financial statements, the Fund enters into sales transactions with the following related parties: Northwest Territories Development Corporation, its subsidiaries and other equity investments; Aurora College; Nunavut Arctic College; education and health boards. Transactions with those related parties are on the same terms and conditions as those with unrelated parties.

**GOVERNMENT OF THE NORTHWEST TERRITORIES
PETROLEUM PRODUCTS REVOLVING FUND**

**Notes to the Financial Statements
for the year ended March 31, 1996**

6. Capital assets and services provided without charge

Capital assets

Management estimated that the amount of capital assets, excluding office furnishings, in use during the year is \$42,288,000 (1995=\$38,296,000) based on estimated cost less amortization.

Equipment in service is amortized on a declining balance basis. The annual amortization rates used and the asset pools follow:

Fuel storage facilities	10%
Fuel delivery equipment	30%

	1996			1995
	(thousands of dollars)			
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Fuel storage facilities	\$83,107	\$41,854	\$41,253	\$37,115
Fuel delivery equipment	<u>4,924</u>	<u>3,889</u>	<u>1,035</u>	<u>1,181</u>
	<u>\$88,031</u>	<u>\$45,743</u>	<u>\$42,288</u>	<u>\$38,296</u>

Financing cost

Management estimated that the Fund required up to \$52 million in working capital with an estimated financing cost of \$2,737,000 (1995=\$51 million and \$2,309,000 respectively) for the year, based on the average monthly balance due to the Government of the Northwest Territories at a monthly average borrowing rate applicable to the Government ranging from 5.50% to 8.55% (1995=5.50% to 8.60%).

GOVERNMENT OF THE NORTHWEST TERRITORIES
PETROLEUM PRODUCTS REVOLVING FUND

Notes to the Financial Statements
for the year ended March 31, 1996

7. Community fuel delivery contracts

The Fund provides community fuel delivery services in forty-five communities in the Northwest Territories. These services are carried out through formal fuel delivery contracts which are awarded to individuals residing in the community or local businesses.

Twenty-two long term fuel delivery contracts were awarded in 1991. These contracts are for 15 years and establish a fixed commission rate for the first five years of the agreement with a price review at the end of this period. The remaining twenty-three fuel delivery contracts are from one to five years in duration. Any existing contract that expires will be renewed on a month to month basis until privatization is finalized. Delivery contracts are awarded upon the approval of the Financial Management Board.

8. Fuel supply contracts

The Government of the Northwest Territories has entered into contracts for the supply of petroleum products with Imperial Oil for the Western Arctic, expiring on September 30, 1998 and with Northern Transportation Ltd for the Eastern Arctic, expiring on November 30, 1998.

9. Statement of changes in financial position

A statement of changes in financial position has not been prepared since the Petroleum Products Revolving Fund operates through the Consolidated Revenue Fund and its financial activities with the Government are disclosed in Note 4.

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**Report to the Commissioner of the
Northwest Territories
on the examination of the accounts
and financial statements of the**

**PUBLIC TRUSTEE FOR THE
NORTHWEST TERRITORIES**

For the Year Ended March 31, 1996

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Avery, Cooper & Co.

Certified General Accountants

4918 - 50th Street, P. O. Box 1620
Yellowknife, N.W.T. X1A 2P2
Telephone: (403) 873-3441
Fax: (403) 873-2353

Gerald F. Avery, C.G.A.
Douglas E. Cooper, C.G.A.
W. Brent Hinchey, B. Comm., C.G.A.
Kent D. Ferguson, B. Comm., C.G.A.

AUDITORS' REPORT

Commissioner

We have audited the Balance Sheets of the Estate and Trust Fund and the Special Reserve Fund as at March 31, 1996, the Statements of Operations for both funds and Changes in Fund Balance for the Estate and Trust Fund for the year then ended. These financial statements are the responsibility of the Office of the Public Trustee. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we 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 our opinion, these financial statements present fairly in all material respects, the financial positions of the Funds as at March 31, 1996, the results of operations and the changes in the Estate and Trust Fund Balance and the results of operations of the Special Reserve Fund for the year then ended in accordance with accounting policies of the Public Trustee as outlined in Note 2 to the financial statements and as required by the Public Trustee Act and Regulations.

We further report that in our opinion, proper books of account have been kept by the Public Trustee, the financial statements are in agreement therewith and the transactions that have come under our notice have in all significant respects, been within the statutory powers of the Public Trustee.

Avery, Cooper & Co.

AVERY, COOPER & CO.
Certified General Accountants
Yellowknife, N.W.T.

May 30, 1996

**PUBLIC TRUSTEE FOR THE NORTHWEST TERRITORIES
ESTATE AND TRUST FUND**

**BALANCE SHEET
March 31, 1996**

ASSETS

	<u>1996</u>	<u>1995</u>
Cash in bank (Note 3)	\$4,484,434	\$4,326,958
Other assets at nominal value	<u>1</u>	<u>1</u>
	<u>\$4,484,435</u>	<u>\$4,326,959</u>

LIABILITIES

Due to Government of the Northwest Territories Consolidated Revenue Fund	\$ 14,854	\$ -
Undistributed Common Fund earnings per Statement II (Note 4)	115,275	124,881
Estate and Trust Fund per Statement III (Note 5)	<u>4,354,306</u>	<u>4,202,078</u>
	<u>\$4,484,435</u>	<u>\$4,326,959</u>

APPROVED:



Public Trustee for the Northwest Territories

See the accompanying notes.

**PUBLIC TRUSTEE FOR THE NORTHWEST TERRITORIES
ESTATE AND TRUST FUND**

**STATEMENT OF OPERATIONS
For the year ended March 31, 1996**

	<u>1996</u>	<u>1995</u>
Undistributed Common Fund earnings, opening	\$124,881	\$ 96,387
Add		
Common Fund earnings	<u>303,963</u>	<u>288,067</u>
	<u>428,844</u>	<u>384,454</u>
Less		
Interest paid to estates and trusts	255,781	199,589
Management fees	42,403	42,123
Excess interest paid into the Special Reserve Fund	<u>15,385</u>	<u>17,861</u>
	<u>313,569</u>	<u>259,573</u>
Undistributed Common Fund earnings, closing	<u>\$115,275</u>	<u>\$124,881</u>

See the accompanying notes.

**PUBLIC TRUSTEE FOR THE NORTHWEST TERRITORIES
ESTATE AND TRUST FUND**

**STATEMENT OF CHANGES IN ESTATE AND TRUST
FUND BALANCE**

For the year ended March 31, 1996

	<u>1996</u>	<u>1995</u>
Estate and trust funds provided:		
Estate and trust assets received	\$1,689,443	\$1,159,144
Common Fund interest paid to estates and trusts	<u>255,781</u>	<u>199,589</u>
	<u>1,945,224</u>	<u>1,358,733</u>
 Estate and trust funds applied:		
Payments to beneficiaries	1,396,131	961,619
Disbursements made on behalf of estates and trusts	264,114	227,720
Administration fees	130,066	61,461
Court fees	<u>2,685</u>	<u>2,649</u>
	<u>1,792,996</u>	<u>1,253,449</u>
 Increase (Decrease) in Estate and Trust Fund balance	 152,228	 105,284
 Estate and Trust Fund balance, opening	 <u>4,202,078</u>	 <u>4,096,794</u>
 Estate and Trust Fund balance, closing	 <u>\$4,354,306</u>	 <u>\$4,202,078</u>

**PUBLIC TRUSTEE FOR THE NORTHWEST TERRITORIES
SPECIAL RESERVE FUND**

**BALANCE SHEET
March 31, 1996**

ASSETS

	<u>1996</u>	<u>1995</u>
Cash in bank (Note 3)	<u>\$636,519</u>	<u>\$578,515</u>

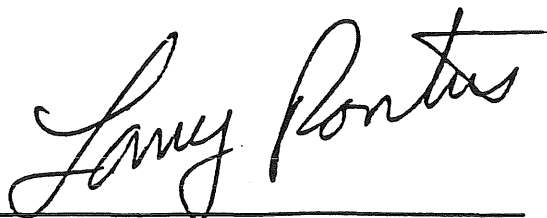
LIABILITIES

Due to Government of the Northwest Territories Consolidated Revenue Fund (Note 7)	\$ 78,966	\$ -
--	-----------	------

SURPLUS

Special Reserve Fund per Statement V	<u>557,553</u>	<u>578,515</u>
	<u>\$636,519</u>	<u>\$578,515</u>

APPROVED:



Public Trustee for the Northwest Territories

See the accompanying notes.

STATEMENT V

**PUBLIC TRUSTEE FOR THE NORTHWEST TERRITORIES
SPECIAL RESERVE FUND**

**STATEMENT OF OPERATIONS
For the year ended March 31, 1996**

	<u>1996</u>	<u>1995</u>
Surplus, opening	\$578,515	\$524,307
Add		
Bank interest	42,619	36,347
Excess interest from the Common Fund	<u>15,385</u>	<u>17,861</u>
	636,519	578,515
Less		
Bank interest transferred to the Government of the Northwest Territories Consolidated Revenue Fund (Note 7)	<u>78,966</u>	<u>-</u>
Surplus, closing	<u>\$557,553</u>	<u>\$578,515</u>

PUBLIC TRUSTEE FOR THE NORTHWEST TERRITORIES

NOTES TO THE FINANCIAL STATEMENTS

March 31, 1996

NOTE 1 Authority

The Public Trustee operates under the authority of the Public Trustee Act, Revised Statutes of the Northwest Territories 1988, Chapter P-19 as amended.

NOTE 2 Accounting policies

- a) These financial statements have been prepared on the cash basis of accounting except as otherwise stated.
- b) All Estate and Trust Fund assets other than cash, which include business interests, mortgages, stocks, bonds, term deposits, real estate and other assets, are carried at a nominal value of one dollar (\$1).
- c) Expenditures for the operation of the Office of the Public Trustee are paid from the Consolidated Revenue Fund of the Government of the Northwest Territories and, except for \$251,435 (1995 - \$103,584) paid to the Consolidated Revenue Fund as administration fees, management fees, and the transfer of interest earned by the Special Reserve Fund, are not reflected in these financial statements.

NOTE 3 Cash in bank

The Office of the Public Trustee is a member of the Government of the Northwest Territories investment pool.

The Government of the Northwest Territories consolidates and invests the cash balances of all investment pool participants in money market securities. The monies for these investments flow out of the Government of the Northwest Territories main revenue account and accordingly do not affect the cash balances of the participants. Investment pool revenues are prorated and paid to participants weekly.

NOTE 4 Undistributed Common Fund earnings

Common Fund earnings are distributed half-yearly, on April 30 and October 31 each year, as interest paid to estates and trusts, management fees and excess interest paid into the Special Reserve Fund.

The balance of Undistributed Common Fund earnings represents the cumulative earnings of the Common Fund between November 1 and March 31 which will be distributed on April 30 of the next fiscal year.

PUBLIC TRUSTEE FOR THE NORTHWEST TERRITORIES

NOTES TO THE FINANCIAL STATEMENTS

March 31, 1996

NOTE 5 Estate and Trust Fund

The Estate and Trust Fund reflects all known assets of the estates and trusts administered by the Public Trustee. The Estate and Trust Fund is comprised of the following amounts:

	<u>1996</u>	<u>1995</u>
Common Fund	\$4,354,305	\$4,202,077
Other assets, at nominal value	<u>1</u>	<u>1</u>
	<u>\$4,354,306</u>	<u>\$4,202,078</u>

NOTE 6 Special Reserve Fund Transfers to the Common Fund

Pursuant to Subsection 32(3)(b) of the Public Trustee Act, the Special Reserve Fund may be utilized to reimburse deficiencies between the aggregate amount of sums invested in the Common Fund and the realized value of the investments of the Common Fund. No transfers were undertaken in the current or prior fiscal year.

NOTE 7 Due to the Government of the Northwest Territories Consolidated Revenue Fund

Pursuant to Subsection 32(9) of the Public Trustee Act, an agreement has been entered into between the Public Trustee and the Comptroller General, to transfer the bank interest earned in the Special Reserve Fund to the Government of the Northwest Territories Consolidated Revenue Fund. During the prior year, no agreement existed between the parties and accordingly no liability was recorded at the prior fiscal year end.

As at March 31, 1996, the amount payable by the Special Reserve Fund to the Government of the Northwest Territories Consolidated Revenue Fund represented bank interest earned in the Special Reserve Fund which had not been transferred to the Government of the Northwest Territories Consolidated Revenue Fund as follows:

Bank interest received, prior year	\$ 36,347
Bank interest received, current year	42,619
Less	
Paid to Government of the Northwest Territories, current year	<u>-</u>
	<u>\$ 78,966</u>

**Northwest Territories
Business Credit Corporation**

Financial Statements

**for the year ended
March 31, 1996**

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NORTHWEST TERRITORIES BUSINESS CREDIT CORPORATION

Management's Responsibility for Financial Reporting

The accompanying financial statements of the Northwest Territories Business Credit 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, and that assets are acquired prudently, 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 establishing policy guidelines. 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.

The Board of Directors appoints certain of its members to serve on the Management Sub-Committee. This Sub-Committee oversees management's responsibility for financial reporting and reviews and recommends the financial statements to the Board for approval.

The Auditor General of Canada annually 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 17, 1996



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, 1996 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, 1996 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, after giving retroactive effect to the change in the method of accounting for impaired loans as explained in note 2 to the financial statements, 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.

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

Ottawa, Canada
May 17, 1996

NORTHWEST TERRITORIES BUSINESS CREDIT CORPORATION

**BALANCE SHEET
MARCH 31, 1996
(Thousands of Dollars)**

ASSETS	<u>1996</u>	<u>1995</u>
Cash	\$ 134	\$ 58
Loans Receivable (Note 3)	23,438	19,131
Accrued Interest Receivable	265	291
	<u>23,703</u>	<u>19,422</u>
Less: Allowance for Losses on Impaired Loans (Note 3)	4,775	5,240
	<u>18,928</u>	<u>14,182</u>
Capital Assets (net of accumulated amortization of \$28 (1995: \$12))	27	31
	<u>\$ 19,089</u>	<u>\$ 14,271</u>
 LIABILITIES		
Accounts Payable	\$ 26	\$ 100
Working Capital Advance from the Government of the Northwest Territories (Note 4)	21,180	16,952
	<u>21,206</u>	<u>17,052</u>
 DEFICIT		
Deficit	<u>(2,117)</u>	<u>(2,781)</u>
	<u>\$ 19,089</u>	<u>\$ 14,271</u>

STATUTORY LIMIT (NOTE 4)

CONTINGENT LIABILITY (NOTE 6)

APPROVED:



Chairperson of the Board of Directors



Chief Executive Officer

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

NORTHWEST TERRITORIES BUSINESS CREDIT CORPORATION

STATEMENT OF OPERATIONS AND DEFICIT

For the Year Ended March 31, 1996

(Thousands of Dollars)

	1996	1995
LOANS		
Interest Income on Loans Receivable	\$ 1,726	\$ 1,549
Interest Expense on the Working Capital Advance from the Government of the Northwest Territories (Note 4)	1,284	1,316
Net Interest Income	442	233
 Recovery from (Provision for) Losses on Impaired Loans (Note 3)	 154	 (389)
 Net Income (Loss) on Lending Activities	 596	 (156)
 ADMINISTRATIVE EXPENSES		
Salaries and Benefits	601	696
Board Meetings	65	73
Office	53	49
Computer Services	45	44
Professional Fees	44	2
Amortization	16	9
Communications	15	13
	839	886
 Less: Operating Contribution - Government of the Northwest Territories	 839	 886
Additional Contribution (Note 5)	68	-
	907	886
 Net Operating Contributions	 68	 -
 NET INCOME (LOSS) FOR THE YEAR	 664	 (156)
 DEFICIT AT THE BEGINNING OF THE YEAR	 (2,781)	 (2,625)
 DEFICIT AT THE END OF THE YEAR	 \$ (2,117)	 \$ (2,781)

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

NORTHWEST TERRITORIES BUSINESS CREDIT CORPORATION

STATEMENT OF CHANGES IN FINANCIAL POSITION

**For the Year Ended March 31, 1996
(Thousands of Dollars)**

	<u>1996</u>	<u>1995</u>
OPERATING ACTIVITIES		
Net Income (Loss) for the Year	\$ 664	\$ (156)
Items Not Affecting Treasury Position		
(Recovery from) Provision for Losses on Impaired Loans	(154)	389
Amortization	<u>16</u>	<u>9</u>
	526	242
Increase (Decrease) in Treasury Position		
Accrued Interest Receivable	26	41
Accrued Interest Written-off or Forgiven	(2)	(8)
Accounts Receivable	-	8
Accounts Payable	<u>(74)</u>	<u>59</u>
Cash Generated by Operating Activities	<u>476</u>	<u>342</u>
INVESTING ACTIVITIES		
Loans Receivable Disbursed	(9,297)	(6,252)
Loans Receivable Repaid	4,681	4,657
Purchase of Capital Assets	<u>(12)</u>	<u>(18)</u>
Cash Used by Investing Activities	<u>(4,628)</u>	<u>(1,613)</u>
DECREASE IN TREASURY POSITION FOR THE YEAR	(4,152)	(1,271)
TREASURY POSITION AT BEGINNING OF THE YEAR	<u>(16,894)</u>	<u>(15,623)</u>
TREASURY POSITION AT END OF THE YEAR	<u>\$ (21,046)</u>	<u>\$ (16,894)</u>
Working Capital Advance from the Government of the Northwest Territories	\$ (21,180)	\$ (16,952)
Cash	<u>134</u>	<u>58</u>
TREASURY POSITION AT END OF THE YEAR	<u>\$ (21,046)</u>	<u>\$ (16,894)</u>

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

NORTHWEST TERRITORIES BUSINESS CREDIT CORPORATION

NOTES TO FINANCIAL STATEMENTS

March 31, 1996

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 Financial Administration Act and is a Crown corporation of the Government of the Northwest Territories (the Government).

The Corporation's objective is to stimulate economic development and employment in the Northwest Territories, by making loans to resident business enterprises, guaranteeing loans made by financial institutions to resident business enterprises, 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.

Economic dependency

The Corporation is economically dependent upon the Government's continuing contributions for operations and working capital advances.

2. SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Corporation have been prepared in accordance with generally accepted accounting principles. The significant accounting policies followed by the Corporation in the preparation of these financial statements are summarized below.

Loans

Loans are stated at principal amounts receivable. Accrued interest receivable and an allowance for loan impairment are recorded separately.

Allowance for loan impairment

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

NORTHWEST TERRITORIES BUSINESS CREDIT CORPORATION

NOTES TO FINANCIAL STATEMENTS

March 31, 1996

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Allowance for loan impairment (cont'd)

In 1996, the Corporation adopted the new accounting standards governing impaired loans issued by the Canadian Institute of Chartered Accountants. No adjustments were considered necessary to the comparative figures presented in the financial statements as a result of adopting these new accounting standards.

a) **Specific allowance:** A loan is classified as impaired when one or more of the following conditions exist:

- in the opinion of management, there is reasonable doubt to the ultimate collectability of principal or interest, or
- principal or interest is six months past due, unless the loan is well secured, or
- the loan has been previously restructured and principal or interest is three months past due, or
- principal or interest is twelve months past due regardless of whether or not the loan is well secured.

When a loan is considered to be impaired, the carrying amount of the loan is reduced to its estimated realizable value. This is the lower of the recorded amount of the loan or the net realizable value of the underlying security of the loan. The amount of initial impairment and any subsequent changes resulting from revised net realizable values of previously identified impaired loans are recorded through the provision for impaired loans as an adjustment to the specific allowance.

b) **General allowance:** In addition to the specific allowance, the Corporation maintains a general allowance to reflect management's estimate for losses on those impaired loans which cannot yet be specifically identified. The general allowance is determined based on historical loss experience, aggregate exposure in particular industries or geographical regions, and prevailing economic conditions.

NORTHWEST TERRITORIES BUSINESS CREDIT CORPORATION

NOTES TO FINANCIAL STATEMENTS

March 31, 1996

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Revenue recognition

Interest is generally recognized on an accrual basis. The Corporation ceases to accrue interest once a loan is classified as impaired. Cash received on impaired loans is recognized as income only when the related allowance for impairment has been reversed. Cash receipts on any previously written off loans are recorded on a cash basis.

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, direct administrative expenses paid by the Government are recorded by the Corporation as an operating contribution from the Government.

Direct administrative expenses paid by the Government include salaries and benefits, cost of board meetings, office and computer services, professional fees, amortization of capital assets and communications. Direct administrative costs exclude costs of lending activities. 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 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.

NORTHWEST TERRITORIES BUSINESS CREDIT CORPORATION

NOTES TO FINANCIAL STATEMENTS

March 31, 1996

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Pension contributions

The Corporation and its employees, 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.

3. LOANS RECEIVABLE

Loans and allowance for losses on impaired loans

<u>Region</u>	<u>Range of Annual Interest Rates</u>		<u>Principal Balance</u>	
	<u>1996</u>	<u>1995</u>	<u>1996</u>	<u>1995</u>
			(thousands of dollars)	
Baffin	7.50-11.75%	7.50-13.25%	\$ 2,130	\$ 2,134
Deh Cho	7.50-15.50%	7.50-16.25%	1,783	1,593
Inuvik	7.50-13.00%	7.00-13.00%	1,377	1,487
Keewatin	7.50-11.50%	7.50-16.25%	2,839	2,922
Kitikmeot	7.50-10.75%	7.50-10.00%	2,636	786
North Slave	7.50-15.50%	7.50-15.50%	7,479	5,396
South Slave	7.50-13.25%	7.50-13.25%	<u>5,194</u>	<u>4,813</u>
Gross Loans Receivable			23,438	19,131
Accrued Interest			<u>265</u>	<u>291</u>
			<u>23,703</u>	<u>19,422</u>
Less Allowance for Losses on Impaired Loans:				
Specific			4,393	4,528
General			<u>382</u>	<u>712</u>
			<u>4,775</u>	<u>5,240</u>
Loans Receivable Net of Allowance for Losses on Impaired Loans			<u>\$ 18,928</u>	<u>\$ 14,182</u>

NORTHWEST TERRITORIES BUSINESS CREDIT CORPORATION

NOTES TO FINANCIAL STATEMENTS

March 31, 1996

3. LOANS RECEIVABLE (CONT'D)

Accrued interest receivable

	<u>1996</u>	<u>1995</u>
	(thousands of dollars)	
Current	\$ 109	\$ 49
Arrears	<u>156</u>	<u>242</u>
	<u>\$ 265</u>	<u>\$ 291</u>

Gross loans receivable and accrued interest include loans of \$5,350,000 (1995: \$4,649,000) that the Corporation has specifically classified as impaired.

Allowance for losses on impaired loans

Balance at beginning of year	\$ 5,240	\$ 5,307
Less: write-offs	72	27
forgiveness	<u>239</u>	<u>429</u>
	4,929	4,851
 (Recovery from) provision for losses on impaired loans		
Specific	176	357
General	<u>(330)</u>	<u>32</u>
	(154)	389
 Balance at end of year	 <u>\$ 4,775</u>	 <u>\$ 5,240</u>

In 1996, the general component rate established by management in previous years at five percent (5%) of loans receivable, net of specific provision was reduced to two percent (2%). This reduction in estimate is prudential in nature and continues to provide for losses on those impaired 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.

NORTHWEST TERRITORIES BUSINESS CREDIT CORPORATION

NOTES TO FINANCIAL STATEMENTS

March 31, 1996

3. LOANS RECEIVABLE (CONT'D)

Write-offs

Under the provisions of the Financial Administration Act, a loan (outstanding principal and interest) can only be approved for write-off by either the Legislative Assembly (over \$20,000) or the Board of Directors (\$20,000 or less). A loan written off is still subject to collection action.

In 1996, the Board of Directors approved the write-off of four loans totalling \$34,700 (1995: two loans totalling \$26,700) and the Legislative Assembly approved the write-off of one loan in the amount of \$34,000 (1995: nil). Recoveries on loans written off in previous years totalled \$54,000 (1995: \$41,000).

Forgiveness

Under the provisions of the Financial Administration Act, only the Legislative Assembly has the authority to forgive a loan (outstanding principal and interest). Once a loan has been forgiven, no further collection action is possible.

	<u>1996</u>	<u>1995</u>
Number of borrowers' accounts forgiven	10	12
Number of borrowers forgiven	7	10
Total amount forgiven	\$ 161,000	\$ 870,000

4. STATUTORY LIMIT AND THE WORKING CAPITAL ADVANCE FROM THE GOVERNMENT OF THE NORTHWEST TERRITORIES

The Northwest Territories Business Credit Corporation Act authorizes the Corporation to have outstanding loans, guarantees, bonds, and bond indemnities to borrowers up to \$50 million. The Corporation is required to establish a fund to process the lending activity of the Corporation. Pending formal establishment thereof, funding is made available through a working capital advance from the Government. The balance of the working capital advance fluctuates based on the need of the Corporation, but is not to exceed \$28 million (1995: \$25 million), as approved by the Financial Management Board.

NORTHWEST TERRITORIES BUSINESS CREDIT CORPORATION

NOTES TO FINANCIAL STATEMENTS

March 31, 1996

4. STATUTORY LIMIT AND THE WORKING CAPITAL ADVANCE FROM THE GOVERNMENT OF THE NORTHWEST TERRITORIES (CONT'D)

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

5. ADDITIONAL CONTRIBUTION

In 1996, the Government provided an additional contribution of \$68,000 to the Corporation to fund administrative expenditures incurred by the Corporation in 1993 and 1994 that had exceeded approved operating contributions for those years. The administrative expenditures were paid for by Government when they were incurred in 1993 and 1994 and the Corporation had recorded a liability to the Government for reimbursement. As a result of the 1996 additional contribution, the Corporation's liability to the Government for these administrative expenditures has been extinguished.

6. CONTINGENT LIABILITY

Two 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.

7. SERVICES PROVIDED WITHOUT CHARGE

The value of services provided without charge by the Government of the Northwest Territories is estimated as follows:

	<u>1996</u>	<u>1995</u>
	(thousands of dollars)	
Staff support	\$ 172	\$ 160
Accommodation	47	47
Employee long term benefits	<u>4</u>	<u>52</u>
	<u>\$ 223</u>	<u>\$ 259</u>

NORTHWEST TERRITORIES BUSINESS CREDIT CORPORATION

NOTES TO FINANCIAL STATEMENTS

March 31, 1996

8. 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.

9. COMPARATIVE FIGURES

Certain of the 1995 comparative figures have been reclassified to conform with the presentation adopted in 1996.

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**LEGISLATIVE ASSEMBLY
RETIRING ALLOWANCES FUND
(Northwest Territories)
Financial Statements
March 31, 1996**

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING


Legislative Assembly management are responsible for the preparation, integrity and objectivity of the financial statements. The financial statements have been prepared in accordance with generally accepted accounting principles considered appropriate in the circumstances and have been approved by the Management and Services Board. Where appropriate, the preparation of financial information contained in this report includes estimates and judgements based on careful consideration of information available to management.


Legislative Assembly management have developed and maintain books of account, records, financial and management controls and management practices. These are designed to provide reasonable assurance as to the reliability of financial information in accordance with the Legislative Assembly Retiring Allowances Act. The Management and Services Board ensures that the Legislative Assembly's management fulfil their responsibilities for financial reporting, internal control and safeguarding assets.

The Auditor General of Canada annually provides an independent, objective audit for the purpose of expressing his opinion on the financial statements. He also considers whether the transactions which come to his notice in the course of this audit are, in all significant respects, in accordance with the specified legislation.

The Coles Group, an independent firm of consulting actuaries, has been engaged to provide an opinion on the adequacy and appropriateness of actuarial valuations of accrued pension benefits of the Fund.

On behalf of the Management and Services Board


Chair


Secretary

September 27, 1996

AUDITOR'S REPORT

To the Legislative Assembly of the Northwest Territories

I have audited the statement of accrued pension benefits and net assets available for benefits of the Legislative Assembly Retiring Allowances Fund (Northwest Territories) as at March 31, 1996 and the statement of changes in net assets available for benefits for the year then ended. These financial statements are the responsibility of the Fund'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 accrued pension benefits and net assets available for benefits of the Fund as at March 31, 1996 and the changes in its net assets available for benefits for the year then ended in accordance with generally accepted accounting principles. As required by the Legislative Assembly Retirement Allowances 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 in respect of the Fund and the transactions that have come to my notice during my audit of the financial statements have, in all significant respects, been in accordance with the Legislative Assembly Retiring Allowances Act.

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


Ottawa, Canada
September 27, 1996

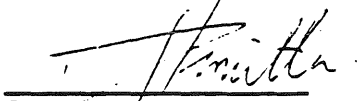
LEGISLATIVE ASSEMBLY RETIRING ALLOWANCES FUND
(Northwest Territories)

Statement of Accrued Pension Benefits
and Net Assets Available for Benefits
as at March 31, 1996

	<u>1996</u>	<u>1995</u>
ACCRUED PENSION BENEFITS (Pension Obligations)		
Actuarial value of accrued pension benefits (Note 3)	\$ <u>8,759,000</u>	\$ <u>9,418,000</u>
NET ASSETS AVAILABLE FOR BENEFITS		
ASSETS		
Investments (Note 4)	11,665,753	10,328,458
Accounts receivable and accrued investment income	<u>39,844</u>	<u>36,479</u>
Total Assets	11,705,597	10,364,937
LIABILITIES		
Accounts payable and accrued liabilities	<u>142,601</u>	<u>37,599</u>
Net assets available for benefits	<u>11,562,996</u>	<u>10,327,338</u>
Excess of net assets over actuarial value of accrued pension benefits	\$ <u>2,803,996</u>	\$ <u>909,338</u>

Approved by the Management and Services Board:


Chair


Secretary

**LEGISLATIVE ASSEMBLY RETIRING ALLOWANCES FUND
(Northwest Territories)**

**Statement of Changes in Net Assets Available for Benefits
for the year ended March 31, 1996**

	<u>1996</u>	<u>1995</u>
INCREASE IN ASSETS		
Investment income	\$ 640,672	\$ 952,581
Current year change in fair value of investments	<u>883,805</u>	<u>(492,929)</u>
	<u>1,524,477</u>	<u>459,652</u>
Contributions:		
Members	153,612	168,850
Government of the Northwest Territories	<u>39,623</u>	<u>24,754</u>
	<u>193,235</u>	<u>193,604</u>
Total increase in assets	<u>1,717,712</u>	<u>653,256</u>
DECREASE IN ASSETS		
Expenses:		
Investment management fees	52,807	53,784
Actuary fees	<u>39,623</u>	<u>24,754</u>
	<u>92,430</u>	<u>78,538</u>
Benefits and Refunds:		
Benefits paid	259,604	184,108
Refund of contributions	130,020	24,760
Refund of voluntary contributions	<u>-</u>	<u>20,734</u>
	<u>389,624</u>	<u>229,602</u>
Total decrease in assets	<u>482,054</u>	<u>308,140</u>
INCREASE IN NET ASSETS	1,235,658	345,116
Net assets available for benefits at beginning of year	<u>10,327,338</u>	<u>9,982,222</u>
Net assets available for benefits at end of year	<u>\$ 11,562,996</u>	<u>\$10,327,338</u>

1. Description of the Plan

(a) General

The Fund was established pursuant to the Legislative Assembly Retiring Allowances Act and is administered by the Management and Services Board. The Act provides retiring allowances on a contributory, defined benefit basis to Members of the Legislative Assembly who have been Members at any time for six or more years since March 10, 1975, the date of the first fully elected Legislative Assembly.

(b) Funding policy

Under the Act, Members are required to contribute 9% of their biweekly earnings and per diem allowances to the plan. In order to keep the plan fully funded, the Government of the Northwest Territories contributes the balance of the plan's funding requirements.

(c) Refunds of contributions

Members who cease to be Members with less than six years service are refunded their contributions with interest.

(d) Retirement benefits

A Member with six or more years of service or a full term as a member of the Legislative Assembly is entitled to a retirement benefit of:

- i) 2 percent of the average annual pensionable remuneration multiplied by years of service, and
- ii) 2 percent of the average best earnings as a Minister, Speaker, Deputy Speaker or Committee Chairperson multiplied by years of service. A position must be held for at least one year to be eligible for pension.

In both cases, the average earnings are calculated on any four year period of service selected by the Member. Service is limited to 15 years. Members eligible for a pension may receive it after reaching 55 years of age. Benefits may be deferred until the age of 71.

(e) Death benefits

The spouse of a Member who dies is entitled to an allowance of 60 percent of the Member's entitlement. Children are entitled to an allowance of 10 percent of the Member's entitlement, or 25 percent if there is no surviving spouse. Children's death benefits are payable to the age of 18, or 25 if the child is a full time student and unmarried. There are limits on the total death benefits which can be received by more than one surviving child.

(f) Indexing

In order to protect the pension benefits against inflation, pension entitlements are indexed by the Benefit Index in the Supplementary Retirement Benefits Act (Canada).

1. Description of the Plan (continued)

(g) Income Taxes

The Fund is a registered pension plan under the Income Tax Act and is therefore not subject to income taxes.

2. Accounting policies

(a) Basis of presentation

These financial statements represent only the financial position of the Legislative Assembly Retiring Allowances Fund (LARAF) established for Members of the Legislative Assembly under the Legislative Assembly Retiring Allowances Act. They do not include any other pension benefits which Members may receive under other plans. They do not portray the funding requirements of the plan, or the benefit security of individual Members.

(b) Investments

Investments are valued at fair value. Actively traded investments are valued at market value, based on the closing quotations as at the last business day of the year. Non-traded bonds are valued by internal assessment. Real estate investments are valued on the basis of appraisal.

3. Actuarial value of accrued pension benefits

The present value of accrued pension benefits was calculated as of March 31, 1996 by The Coles Group, the Fund's actuaries, using best estimate assumptions and the projected benefit method prorated on years of service.

The actuarial value of net assets available for benefits as at March 31, 1996 was \$11,205,000 (1995 - \$10,532,000). The actuaries determine this amount using a four year moving-average-market method, rather than the fair values used in these financial statements.

The actuarial present value of pension benefits as at March 31, 1996 and the principal components of changes in actuarial present values during the year are as follows:

	<u>1996</u>	<u>1995</u>
Actuarial present value of accrued pension benefits at beginning of year	\$ 9,418,000	\$ 8,400,000
Interest on accrued benefits	781,000	706,000
Cost of benefits accrued	542,000	542,000
Benefits paid out	(386,000)	(230,000)
Change in management's best estimate assumptions	1,279,000	-
Experience (gain) loss	<u>(2,875,000)</u>	<u>-</u>
Actuarial present value of accrued pension benefits at end of year	<u>\$ 8,759,000</u>	<u>\$ 9,418,000</u>

4. Investments

The assets of the Fund are managed by Canada Trust and are invested in RT Capital Management Inc. Balanced Fund, Confederation Life Real Estate Fund and NWT Legislative Assembly Building Society Bonds (see Note 5).

The proportionate asset mix as at March 31 is as follows:

	<u>1996</u>	<u>1995</u>
Balanced Fund	92.83	93.04
Building Society Bonds	3.85	4.44
Real Estate Fund	3.04	2.36
Cash	<u>0.28</u>	<u>0.16</u>
Total	<u>100.00%</u>	<u>100.00%</u>

5. Related party transactions

Included in the investments described in Note 4 are NWT Legislative Assembly Building Society (the "Society") Bonds with a value of \$453,230 (1995 - \$459,269), which represent 3.85% (1995 - 4.44%) of the portfolio's value. Interest income of \$12,801 (1995 - \$7,420) was recorded during the year. The Legislative Assembly leases a building from the Society.

The Fund receives various management and administrative services from the Government of the Northwest Territories at no charge.

Northwest Territories Development Corporation

Consolidated Financial Statements

March 31, 1996

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Northwest Territories Development Corporation

Consolidated Statement of Operations

For the years ended March 31,	1996	1995
Revenue		
Sales	\$ 6,365,383	\$ 7,293,593
Cost of goods sold	6,737,818	6,678,436
Gross margin	(372,435)	615,157
Interest	176,026	254,975
Other	14,829	187,312
	(181,580)	1,057,444
Expenses		
Selling and administrative (Schedule 1)	5,881,165	5,747,835
Amortization	5,840,237	4,235,183
Provision for loss on investments	73,600	168,000
Business development	182,585	128,616
	11,977,587	10,279,634
Net loss from operations	(12,159,167)	(9,222,190)
Other items		
Minority interest	(40,000)	(225,300)
	(40,000)	(225,300)
Net loss before government contributions	(12,119,167)	(8,996,890)
Government operating contributions		
Government of the Northwest Territories		
Contribution for subsidies to subsidiaries	3,678,168	2,293,900
Operating contribution to head office	987,492	889,000
Contribution for business development expenses	182,585	128,616
Project contributions	-	224,650
Federal and territorial subsidies to subsidiaries	480,594	330,276
	5,328,839	3,866,442
Net loss	\$ (6,790,328)	\$ (5,130,448)

Northwest Territories Development Corporation**Consolidated Statement of Deficit and Contributed Equity**

For the years ended March 31,	1996	1995
Deficit		
Balance, beginning of year	\$ (11,302,807)	\$ (6,172,359)
Net loss	(6,790,328)	(5,130,448)
Balance, end of year	\$ (18,093,135)	\$ (11,302,807)

Contributed Equity - Capital Investments

Balance, beginning of year	\$ 20,817,298	\$ 17,543,770
Contribution from Government of the Northwest Territories	216,593	3,273,528
Balance, end of year	\$ 21,033,891	\$ 20,817,298

Contributed Equity - Venture Investments

Balance, beginning of year	\$ 3,797,890	\$ 3,762,445
Contribution from Government of the Northwest Territories	340,285	35,445
Balance, end of year	\$ 4,138,175	\$ 3,797,890

Northwest Territories Development Corporation

Consolidated Balance Sheet

March 31,	1996	1995
Assets		
Current		
Cash	\$ 636,313	\$ 2,211,658
Accounts receivable	1,042,311	1,476,902
Due from the Government of the Northwest Territories	15,000	7,049
Deferred contributions (Note 3)	1,146,959	1,536,294
Inventory	3,362,950	2,426,874
Deposits and prepaid expenses	64,577	198,404
	6,268,110	7,857,181
Reserve funds (Note 4)	423,480	559,414
Venture investments (Note 5)	958,375	737,625
Capital assets (Note 6)	4,554,736	7,579,181
	\$ 12,204,701	\$ 16,733,401
Liabilities		
Current		
Bank indebtedness (Note 7)	\$ 1,190,000	\$ 665,000
Accounts payable and accrued liabilities	2,222,974	1,409,934
Deferred subsidy contribution from Government of the Northwest Territories	1,034,827	676,458
	4,447,801	2,751,392
Equity		
Government of the Northwest Territories Contributed surplus (Note 9)	677,969	669,628
Contributed equity - Capital Investments	21,033,891	20,817,298
Contributed equity - Venture Investments	4,138,175	3,797,890
Deficit	(18,093,135)	(11,302,807)
	7,078,931	13,312,381
	7,756,900	13,982,009
	\$ 12,204,701	\$ 16,733,401

Approved by the Board

Bob Leonard
Chairman of the Board

Ernie Daniels
Chairman of the Audit Committee

Northwest Territories Development Corporation

Consolidated Statement of Changes in Financial Position

For the years ended March 31,	1996	1995
Operating activities		
Net loss	\$ (6,790,328)	\$ (5,130,448)
Items not affecting cash		
Amortization	5,840,237	4,235,183
Minority interest	(40,000)	(225,300)
Provision for loss on investments	73,600	168,000
Change in non-cash operating working capital (Note 11)	826,766	(279,200)
Cash for operating activities	(89,725)	(1,231,765)
Financing activities		
Contribution from the Government of the Northwest Territories	1,271,453	3,352,833
Cash from financing activities	1,271,453	3,352,833
Investing activities		
Investment in venture investments	(294,350)	(258,000)
Investment in capital assets	(3,123,657)	(3,044,461)
Cash for investing activities	(3,418,007)	(3,302,461)
Decrease in cash	(2,236,279)	(1,181,393)
Cash, beginning of year	2,106,072	3,287,465
Cash, end of year	\$ (130,207)	\$ 2,106,072
Represented by		
Cash	\$ 636,313	\$ 2,211,658
Reserve funds	423,480	559,414
Bank indebtedness	(1,190,000)	(665,000)
	\$ (130,207)	\$ 2,106,072

Northwest Territories Development Corporation

Notes to Consolidated Financial Statements

March 31, 1996

1. Authority and operations

(a) Authority

The Corporation is a Crown corporation of the Government of the Northwest Territories, and operates under the authority of the Northwest Territories Development Corporation Act, which came into effect August 24, 1990, and the Financial Administration Act.

(b) Operations

The Corporation directly invests in or operates business enterprises in accordance with the economic objectives of the Government of the Northwest Territories through equity investments, loans and subsidies. These economic objectives are to create employment and income opportunities for residents of the Northwest Territories, primarily in small communities, to stimulate growth of businesses in the Northwest Territories and to promote economic diversification and stability. It is the intention of the Corporation to divest itself of its subsidiary investments once the subsidiary has attained a sustainable level of profitability.

(c) Economic dependency

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

2. Accounting Policies

(a) Principles of consolidation

These consolidated financial statements include the accounts of the parent company, Northwest Territories Development Corporation, and its subsidiaries. At March 31, 1996 these subsidiaries were:

Subsidiary	Location	Percentage Ownership	Acquisition */ Incorporation Date
Arctic Foods			
Keewatin Meat & Fish Ltd.	Rankin Inlet, NT	100%	October 2, 1992
Kitikmeot Foods Ltd.	Cambridge Bay, NT	100%	April 9, 1992
Pangnirtung Fisheries Ltd.	Pangnirtung, NT	96.2%	September 11, 1992
Light Manufacturing			
913044 N.W.T. Ltd. (operating as Fort McPherson Tent & Canvas)	Fort McPherson, NT	100%	September 25, 1991
Ivalu Ltd.	Rankin Inlet, NT	100%	October 2, 1992
Jessie Oonark Ltd.	Baker Lake, NT	100%	September 25, 1991

Northwest Territories Development Corporation

Notes to Consolidated Financial Statements

March 31, 1996

2. Accounting Policies (continued)

(a) Principles of consolidation (continued)

Subsidiary	Location	Percentage Ownership	Incorporation Date
Fine Arts and Souvenirs			
Acho Dene Crafts Ltd.	Fort Liard, NT	100%	October 15, 1992
Beaufort-Delta Ltd.	MacKenzie Delta	100%	September 7, 1993
Uqqurmiut (1993) Ltd.	Pangnirtung	51%	March 1, 1994
Lumber			
933261 N.W.T. Ltd.	Hay River, NT	100%	February 1, 1993
Great Slave Lake Forest Products Ltd.	Ft Resolution	100%	December 13, 1993
Northern Forest Products Ltd.	N W T	100%	September 7, 1993
Wholesale/Retail Stores			
Arctic Canada Foods Ltd.	N W T	100%	November 24, 1993
Arctic Canada Gift Boutique Ltd.	Toronto, ON	100%	October 2, 1992
Arctic Canada Wholesale Arts & Crafts Ltd.	N W T	100%	September 7, 1993
Nahanni Butte General Store Ltd.	Nahanni Butte, NT	100%	October 15, 1992
Rae Lakes General Store Ltd.	Rae Lakes, NT	100%	October 14, 1992

These statements include the assets and liabilities of the above-named subsidiaries as at December 31, 1995 and the results of their operations for the year then ended, and the assets, liabilities and equity of the Northwest Territories Development Corporation as at March 31, 1996 and the results of its operations for the year then ended.

(b) Inventory

Inventory is valued at the lower of cost and net realizable value, with cost being determined on a first-in, first-out basis.

Northwest Territories Development Corporation

Notes to Consolidated Financial Statements

March 31, 1996

2. Accounting Policies (continued)

(c) Venture investments

Forgivable loans which relate to capital items are carried at the amount of the funds advanced less accumulated forgiveness. When conditions of the loan agreement are not met, the loan becomes due and receivable.

Investments in preferred shares are carried at cost, or at cost less an allowance for loss on realization where there has been a decline in value.

Investments in which the Corporation exercises significant influence are accounted for using the equity method.

Provision for loss on realization of venture investments is determined following a detailed review of the investments and specific provisions are made for those investments known to be in difficulty. A general provision of 25% of the balance of the portfolio is also recognized. This provision is established to absorb losses attributable to the deterioration of the quality of investments on an aggregate basis.

(d) Capital assets

Capital assets are carried at cost less accumulated amortization. Amortization is recorded by the straight line method at rates set out below:

Buildings	5-20%
Trailers	30%
Equipment	10-50%
Office furniture and equipment	10-25%
Leasehold improvements	20-50%
Computer equipment	20-50%
Vehicles	20-30%
Vessel	20%

Additional amortization on capital assets used in those subsidiaries which are reliant on subsidies from the Corporation to maintain operations is provided for in order to fully amortize the asset over five years or the period of approved subsidy, whichever is less.

(e) Taxes

The Corporation and its subsidiaries are exempt from municipal and territorial taxes pursuant to section 27 of the Northwest Territories Development Corporation Act. Furthermore, the Corporation and its subsidiaries are exempt from federal income taxes, pursuant to Paragraph 149(1)(d) of the Income Tax Act (Canada).

Northwest Territories Development Corporation

Notes to Consolidated Financial Statements

March 31, 1996

2. Accounting Policies (continued)

(f) Business Development Expenses

Business Development expenses include spending on feasibility studies, business plans, investigations, due diligence assessments and appraisals which have been approved by the Board of Directors in accordance with the Corporation's Investment Guidelines. It is the Corporation's policy to charge these expenses to current year operations. The expenses are offset by the capital contribution received.

(g) Contributions from the Government of the Northwest Territories

The Corporation receives two types of contributions from the Government of the Northwest Territories, as set out below.

The **operating contribution** is used for the purpose of financing the day-to-day operations of the Corporation. The operating contribution is recognized as revenue in the year in which it is approved by the Legislative Assembly of the Government of the Northwest Territories.

The **capital contribution** is allocated, at the discretion of the Board of Directors, for the purposes of acquiring capital and venture investments, purchasing capital assets for the Corporation, providing operating subsidies to approved investments based on need, providing project contributions to approved incorporated investments, and for paying business development expenses.

The amount of the capital contribution approved by the Board for investment in majority-owned subsidiaries and for acquisition of capital assets for the Corporation is recorded as Contributed Equity - Capital Investments, and is recognized when approved by the Legislative Assembly of the Government of the Northwest Territories.

The amount of the capital contribution approved by the Board for investment in loans receivable, preferred shares or non-controlling interests in common shares is recorded as Contributed Equity - Venture Investments, and is recognized when approved by the Legislative Assembly of the Government of the Northwest Territories.

The amount of the capital contribution approved by the Board for providing operating subsidies to the investments is recognized as revenue in the year that the operating subsidy is paid to the subsidiary. A subsidy contribution which has not been expended at year end may be carried forward to the following year and is recorded as Deferred Subsidy Contribution.

(h) Employee leave and termination benefits

Under their conditions of employment, employees qualify for annual leave and severance of varying lengths depending on length of service. Annual leave is accrued as earned by employees and is payable within one fiscal year. Severance is accrued as earned by employees, based on term of service.

Northwest Territories Development Corporation

Notes to Consolidated Financial Statements

March 31, 1996

2. Accounting Policies (continued)

(i) Pension contributions

The Corporation and its employees make contributions to a pension plan. The Corporation matches contributions made by employees up to established limits. These contributions represent the total liability of the Corporation and are recognized in the accounts on a current basis.

3. Deferred Contributions

This amount represents subsidy and capital contributions from the Northwest Territories Development Corporation to its subsidiaries during the period January 1, 1996 to March 31, 1996. Subsidiary year-ends are not coterminous with that of the Corporation (as explained in Note 2(a)). Accordingly, contributions made in this period have been recognized in the records of the parent as at March 31, 1996, but not in the subsidiaries' financial statements as at December 31, 1995.

4. Reserve Funds

Pursuant to sections 16 and 17 of the Northwest Territories Development Corporation Act, the Corporation is required to establish a Capital Reserve Fund and a Venture Reserve Fund, respectively. The Corporation is to deposit to the Funds an amount equal to 10% of each capital and venture investment, up to a prescribed maximum of \$1 million respectively.

The Corporation may use the Funds for further investment or financing for its subsidiaries and venture investments. The Corporation is required to return amounts in the Capital Reserve Fund that exceed the prescribed maximum of \$1 million to the Consolidated Revenue Fund of the Government of the Northwest Territories. The Corporation is only required to contribute to the Venture Reserve Fund until it reaches the prescribed maximum of \$1 million.

	1996	1995
Capital Reserve Fund		
Opening reserve	\$ 370,583	\$ 615,604
Current reserve	234,631	282,979
Approved reserve drawdown	(400,000)	(528,000)
Ending reserve	205,214	370,583
Venture Reserve Fund		
Opening reserve	188,831	248,386
Current reserve	29,435	(39,555)
Approved reserve drawdown	-	(20,000)
Ending reserve	218,266	188,831
Total reserve funds	\$ 423,480	\$ 559,414

Northwest Territories Development Corporation

Notes to Consolidated Financial Statements

March 31, 1996

5. Venture Investments

	1996	1995
Loan receivable		
Uqurmiut Inuit Artists Association, non-interest bearing, for the purpose of financing building costs, maturing April 1, 2001	\$ 679,000	\$ 679,000
Less: Allowance for loss	(679,000)	(679,000)
	-	-
Investments in preferred shares		
NCSTV Ltd.	650,000	650,000
Marathon Waterworks Ltd.	437,401	437,401
Rae-Edzo	294,350	-
175119 Canada Inc. (operating as Norweta Cruises)	238,311	238,311
923095 N.W.T. Ltd. (operating as Branson's Lodge)	263,500	263,500
902848 N.W.T. Ltd (operating as Great Bear Lake Lodges)	250,000	250,000
West Baffin Cooperative Ltd	250,000	250,000
Wekweti Development Ltd.	220,000	220,000
Arctic Red River Incorporated	100,000	100,000
	2,703,562	2,409,212
Less: Allowance for loss	(1,745,187)	(1,671,587)
	958,375	737,625
	1996	1995
Investments in common shares		
Kakivak Fisher Foods Ltd. (Arviat) - 30% of common shares	1	1
Less: Share of losses	(1)	(1)
	-	-
Marathon Waterworks Ltd. - 99 common shares (49.7%)	99	99
Less: Share of losses	(99)	(99)
	-	-
	\$ 958,375	\$ 737,625

Investments in preferred shares carry the right of conversion to common shares. This right may result in the holding of a controlling interest under certain circumstances. Preferred shares are redeemable at the option of the Corporation, and earn dividends at variable rates. Dividends have been waived for the first three years for certain of the investments.

Northwest Territories Development Corporation

Notes to Consolidated Financial Statements

March 31, 1996

6. Capital Assets

	Cost	Accumulated Amortization	1996 Net Book Value	1995 Net Book Value
Land	\$ 3,197	\$ -	\$ 3,197	\$ 3,197
Construction in progress	-	-	-	322,646
Buildings	11,768,180	8,388,310	3,379,870	5,436,047
Trailers	194,738	163,806	30,932	48,456
Equipment	3,318,772	2,722,886	595,886	1,268,454
Office furniture and equipment	419,987	257,862	162,125	139,861
Leasehold improvements	487,723	319,319	168,404	35,515
Computer equipment	345,051	239,227	105,824	139,187
Vehicles	196,744	158,046	38,698	85,433
Vessel	253,754	183,954	69,800	100,385
	\$ 16,988,146	\$ 12,433,410	\$ 4,554,736	\$ 7,579,181

7. Bank Indebtedness

Demand loan secured by a debenture over inventory and capital assets. Interest is at prime plus 2%.

8. Note Payable

Note payable is due to Nuni(Ye) Forest Products Ltd. and is to be paid through the issuance of Class B non-voting common shares in Great Slave Lake Forest Products Ltd.

9. Contributed Surplus

Contributed surplus arose on the transfer of net assets from the Government of the Northwest Territories to the following subsidiaries:

	1996	1995
913044 N.W.T. Ltd.	\$ 277,377	\$ 277,378
Acho Dene Crafts Ltd.	141,057	132,715
Nahanni Butte General Store Ltd.	105,495	105,495
Aklavik Furs Ltd.	14,392	14,392
Rae Lakes General Store Ltd.	139,648	139,648
	\$ 677,969	\$ 669,628

Northwest Territories Development Corporation

Notes to Consolidated Financial Statements

March 31, 1996

10. Change in Non-cash Operating Working Capital

	1996	1995
Accounts receivable	\$ 434,591	\$ (247,805)
Due from the Government of the Northwest Territories	(7,951)	67,015
Deferred contributions	389,335	144,919
Inventory	(936,076)	(383,985)
Deposits and prepaid expenses	133,827	(91,195)
Accounts payable and accrued liabilities	813,040	231,851
	\$ 826,766	\$ (279,200)

The Consolidated Statement of Changes in Financial Position excludes changes in non-cash operating working capital caused by the transfer of non-monetary assets.

11. Commitments

The Corporation is committed under an operating lease for rental of office space at the future minimum payments as set out below:

	1996	1995
1996	\$ -	\$ 94,349
1997	83,153	83,153
1998	83,153	83,153
1999	83,153	83,153
2000	83,153	83,153
2001	83,153	-
	\$ 415,765	\$ 426,961

12. Related Party Transactions

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.

Northwest Territories Development Corporation

Notes to Consolidated Financial Statements

March 31, 1996

13. Segmented Information

	Arctic Foods	Light Manufacturing	Fine Arts & Souvenirs	Lumber	Wholesale Retail Stores	Subsidiaries Total	Inter- Segment	Corporate	1996 TOTAL	1995 TOTAL
Sales	\$ 2,554,835	\$ 995,216	\$ 622,437	\$ 868,375	\$ 3,915,184	\$ 8,956,047	\$(2,590,664)	\$ -	\$ 6,365,383	\$ 7,293,593
Net loss from operations	\$ 4,549,824	\$ 2,600,712	\$ 1,198,292	\$ 3,030,764	\$(757,374)	\$ 10,622,218	\$ -	\$ 1,536,949	\$ 12,159,167	\$ 9,222,190
Amortization	\$ 2,368,961	\$ 1,104,796	\$ 348,799	\$ 1,279,845	\$ 567,841	\$ 5,670,242	\$ -	\$ 169,995	\$ 5,840,237	\$ 4,235,183
Assets										
Current	\$ 854,342	\$ 758,512	\$ 459,004	\$ 888,037	\$ 1,692,973	\$ 4,652,868	\$ -	\$ 1,615,242	\$ 6,268,110	\$ 7,857,181
Capital	2,189,298	297,792	474,663	-	532,720	3,494,473	-	2,442,118	5,936,591	8,876,220
	\$ 3,043,640	\$ 1,056,304	\$ 933,667	\$ 888,037	\$ 2,225,693	\$ 8,147,341	\$ -	\$ 4,057,360	\$ 12,204,701	\$ 16,733,401
Capital expenditures	\$ 871,504	\$ 515,728	\$ 747,837	\$ 252,599	\$ 646,059	\$ 3,033,727	\$ -	\$ 89,930	\$ 3,123,657	\$ 3,044,461

Inter-segment sales are accounted for at prices comparable to open market prices for similar products and services.

Northwest Territories Development Corporation**Schedule 1 - Consolidated Selling and Administrative Expenses**

For the years ended March 31,	1996	1995
Salaries and wages	\$ 2,819,659	\$ 2,750,225
Office and general	640,723	624,312
Professional fees	426,719	503,606
Travel	411,780	478,706
Advertising and promotion	340,185	447,265
Utilities	404,359	264,341
Rent	230,814	205,281
Telephone	200,753	186,640
Board members	135,155	137,102
Workshops	191,916	85,091
Bad debts	79,102	65,266
	\$ 5,881,165	\$ 5,747,835

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DEPARTMENT OF PUBLIC WORKS & SERVICES
GRANULAR PROGRAM REVOLVING FUND
FOR THE YEAR ENDED MARCH 31, 1996

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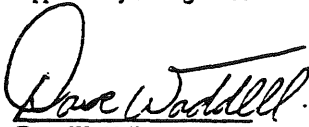
GOVERNMENT OF THE NORTHWEST TERRITORIES

Granular Program Revolving Fund

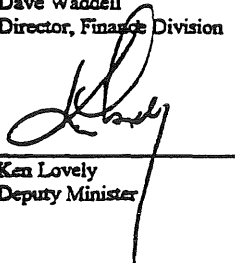
Balance Sheet
as at March 31, 1996

<u>ASSETS</u>	<u>1996</u>	<u>1995</u>
Current		
Accounts receivable		
Government of the Northwest Territories departments	\$ 354,534	\$ 105,052
Northwest Territories Housing Corporation	559	37,584
Commercial enterprises	74,598	97,061
Municipalities	130,522	65,269
Individuals	<u>2,132</u>	<u>2,189</u>
	562,344	307,155
Prepaid expenses	<u>0</u>	<u>(558)</u>
	562,344	306,597
Fixed assets		
Screeners	425,533	425,533
Less: Accumulated Depreciation (Note 1)	<u>166,202</u>	<u>137,388</u>
	259,331	288,145
Granular inventories (Note 2)	<u>8,157,215</u>	<u>7,438,763</u>
	<u>\$8,978,890</u>	<u>\$8,033,505</u>
 <u>LIABILITIES</u> 		
Current		
Accounts payable and accrued liabilities	\$ 12,354	\$ 710
Holdback payable	<u>0</u>	<u>91,275</u>
	12,354	91,985
Long-term		
Retained earnings	34,561	(53,928)
Due to the Government of the Northwest Territories	<u>8,931,975</u>	<u>7,995,447</u>
	8,966,536	7,941,520
	<u>\$8,978,890</u>	<u>\$8,033,505</u>

Approved by Management:



Dave Waddell
Director, Finance Division



Ken Lovely
Deputy Minister

GOVERNMENT OF THE NORTHWEST TERRITORIES

Granular Program Revolving Fund

Income Statement
for the year ended March 31, 1996

	<u>1996</u>	<u>1995</u>
Sales		
Government of the Northwest Territories departments	\$ 750,847	\$ 334,352
Northwest Territories Housing Corporation	0	51,552
Commercial enterprises	70,655	194,733
Municipalities	128,352	95,488
Individuals	<u>1,111</u>	<u>1,581</u>
	<u>950,965</u>	<u>677,706</u>
Opening inventory	7,438,763	5,349,865
Operating costs		
Freight	1,866	1,909
Salaries	3,700	3,831
Site cleanup	5,522	6,300
Signage	2,335	5,600
Courier services	0	474
Computer Services Chargeback	3,126	0
Material and supplies	2,368	4,192
Agent fees	39,834	41,700
Casual wages	8,810	41,332
Depreciation of screeners	28,815	32,016
Surveys	1,546	19,944
Royalty fees		7,500
Rental of equipment	6,182	7,089
Duty travel-Investigations & Surveys/Production costs	38,720	62,533
Production costs	<u>1,492,031</u>	<u>2,586,111</u>
	<u>1,634,856</u>	<u>2,320,531</u>
Cost of Goods Available for Sale	9,073,619	8,170,396
Less closing inventory	<u>8,157,215</u>	<u>7,438,763</u>
Cost of goods sold	<u>916,404</u>	<u>731,633</u>
Net operating profit (loss) (Note 3)	<u>\$ 34,561</u>	<u>\$ (53,928)</u>

GOVERNMENT OF THE NORTHWEST TERRITORIES

Granular Program Revolving Fund

Notes to Financial Statements
March 31, 1996

Significant accounting policies

1. Fixed assets (screeners) are depreciated at the rate of 10% per year.
2. Inventories are valued at cost less sales which is assumed to equal net realizable value.
3. A calculated profit of \$34,561 on the years operations has been credited to a revenue account in accordance with Section 60 of the Financial Administration Act.

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DEPARTMENT OF EDUCATION, CULTURE & EMPLOYMENT

STUDENTS LOAN FUND

FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 1996

(unaudited)

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GOVERNMENT OF THE NORTHWEST TERRITORIES

**Student Loan Revolving Fund
for the year ending March 31, 1996**

STATEMENT OF OPERATIONS

	<u>1996</u>	<u>1995</u>
	(thousands of dollars)	(thousands of dollars)
Loans receivable, opening balance	\$ 14,820	\$ 12,361
Add: Loans granted during the year	3,820	4,233
Reversal of previous loan remissions	<u>11</u>	<u>-</u>
	18,651	16,594
Less: Principal amount of loans repaid	927	762
Principal amount of loans written off	132	108
Principal amount of loan remissions	<u>995</u>	<u>904</u>
Loans receivable, closing balance	16,597	14,820
Less: Estimated provision for remission and written off accounts	<u>8,965</u>	<u>7,870</u>
Net loans receivable, closing balance	<u>\$ 7,632</u>	<u>\$ 6,950</u>

**Effect of Student Loan Revolving Fund
on Government Operations**

Interest earned and credited to general revenues	290	202
Less: Financial Collection Agency fees	9	3
Estimated provision for remission and written off accounts	<u>2,204</u>	<u>2,456</u>
Operating deficiency for the year	<u>\$ 1,923</u>	<u>\$ 2,257</u>

- (1) During the fiscal year the allowance for remission and written off accounts was increased by \$2,204,000 (1994-95 - \$2,456,000). These allowances represent estimated accrued expenses charged against the Consolidated Revenue Fund. These expenses represent loans that are unlikely to be collected, or loans which qualify for remission.
- (2) During the fiscal year, loans totalling \$131,923 (1994-95 - \$107,846) were written off due to uncollectability, \$995,037 (1994-95 - \$903,558) were remitted, and \$26,593 (1994-95 - \$7,182) were funds collected by the FCA.
- (3) No costs for administration of the Student Loan Fund are included.

APPROVED:

Mark Cleveland
A/Deputy Minister
Department of Education, Culture and Employment

Paul Devitt
Director, Financial & Mgmt. Services
Department of Education, Culture and Employment

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DEPARTMENT OF RENEWABLE RESOURCES
FUR MARKETING SERVICE REVOLVING FUND
FOR THE YEAR ENDED MARCH 31, 1996
(unaudited)

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GOVERNMENT OF THE NORTHWEST TERRITORIES

**Fur Marketing Service Revolving Fund
March 31, 1996**

	<u>1996</u>	<u>1995</u>
Receivable balance, beginning of the year	\$ 183,142	\$ 166,962
Add: Fur Price Program	375,486	—
Total amount of fur advances issued	752,145	263,252
Total amount of other adjustments	—	5,451
Less: Total amount of fur advances repaid	898,798	246,878
Total amount of fur advances written off	280	5,645
Total amount of other adjustments	<u>26,782</u>	<u>—</u>
Receivable balance, end of the year	<u>\$ 384,913</u>	<u>\$ 183,142</u>

Note: The purpose of this fund is to provide working capital for the operation of a fur advance system. Trappers receive interest free advances on fur sent to southern auction houses. The authorized limit of the fund is \$900,000 (1995 - \$900,000).

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**DEPARTMENT OF PUBLIC WORKS & SERVICES
PUBLIC STORES REVOLVING FUND INVENTORIES**

(unaudited)

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GOVERNMENT OF THE NORTHWEST TERRITORIES

**Schedule of Public Stores Revolving Fund Inventories
for the year ended March 31, 1996**

	Balance March 31, 1995	Net Receipts	Net Issues	Board of Survey	Inventory (Write-downs) Write-ups	Balance March 31, 1996
<u>Public Stores</u>						
Yellowknife	\$201,351	\$488,792	\$504,286	-	(\$275)	\$185,582
Fort Smith	11,386	24,206	22,313	-	90	13,369
Inuvik	25,220	60,755	64,009	-	(848)	21,118
Iqaluit	31,955	27,585	29,073	-	30	30,497
Rankin Inlet	45,779	94,524	63,019	-	-	77,284
Cambridge Bay	93,827	18,904	11,145	(\$39,475)	-	62,111
	<u>\$409,518</u>	<u>\$714,766</u>	<u>\$693,845</u>	<u>(\$39,475)</u>	<u>(\$1,003)</u>	<u>\$389,961</u>

