

PUBLIC ACCOUNTS 2013-2014

Section I

CONSOLIDATED FINANCIAL STATEMENTS and GOVERNMENT INDICATORS



PUBLIC ACCOUNTS
OF THE
GOVERNMENT OF THE NORTHWEST TERRITORIES
FOR THE YEAR ENDED MARCH 31, 2014

SECTION I
CONSOLIDATED FINANCIAL STATEMENTS

Honourable J. Michael Miltenberger
Minister of Finance

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THE HONOURABLE GEORGE L. TUCCARO
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 (Canada)*, R.S.C. 1985, c. N-27, and Sections 72 through 74 of the *Financial Administration Act*, R.S.N.W.T. 1988, c. F-4, for the fiscal year ended March 21, 2014



Honourable J. Michael Miltenberger
Minister of Finance

October 17, 2014



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

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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 the Government through the Office of the Comptroller General.

The consolidated financial statements have been prepared in accordance with Canadian public sector accounting standards (PSAS). Where PSAS permits alternative accounting methods, management has chosen those that are most appropriate. Where required, management's best estimates and judgments have been applied in the preparation of these consolidated financial statements.

The Government fulfills its 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 the Government's assets, and to ensure that all transactions are in accordance with the *Financial Administration Act*.

The Auditor General of Canada performs an annual audit on the consolidated financial statements in order to express an opinion as to whether the consolidated financial statements present fairly, in all material respects, the financial position of the Government, the results of its operations, changes in its net debt and its cash flows for the year then ended in accordance with PSAS. 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 consolidated financial statements.



Bill Merklinger, CPA, CMA
Comptroller General

October 17, 2014

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INDEPENDENT AUDITOR'S REPORT

To the Legislative Assembly of the Northwest Territories

Report on the Consolidated Financial Statements

I have audited the accompanying consolidated financial statements of the Government of the Northwest Territories, which comprise the consolidated statement of financial position as at 31 March 2014, and the consolidated statement of operations and accumulated surplus, consolidated statement of change in net debt and consolidated statement of cash flow for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Government of the Northwest Territories as at 31 March 2014, and the results of its operations, changes in its net debt, and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Report on Other Legal and Regulatory Requirements

As required by the *Northwest Territories Act*, I report that, in my opinion, the accounting principles in Canadian public sector accounting standards 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 of the Northwest Territories and the consolidated financial statements are in agreement therewith. In addition, the transactions of the Government of the Northwest Territories and of those organizations listed in note 1 to the consolidated financial statements that have come to my notice during my audit of the consolidated financial statements have, in all significant respects, been in accordance with the Government of the Northwest Territories' powers under the *Northwest Territories Act* and regulations, the *Financial Administration Act* of the Northwest Territories and regulations and the specific operating authorities disclosed in note 1 to the consolidated financial statements.



Michael Ferguson, CA
FCA (New Brunswick)
Auditor General of Canada

17 October 2014
Edmonton, Canada

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

as at March 31, 2014

(thousands of dollars)

	2014	2013
	\$	\$
Financial assets		
Cash and cash equivalents (note 4)	62,924	70,461
Portfolio investments (note 5)	89,174	72,515
Due from the Government of Canada (note 14)	28,154	21,996
Accounts receivable (note 7)	68,304	62,183
Inventories for resale (note 8)	32,548	31,958
Loans receivable (note 9)	61,141	60,264
Investment in Northwest Territories Hydro Corporation (note 10)	115,790	110,557
	458,035	429,934
Liabilities		
Short term loans (note 11)	144,909	104,962
Accounts payable and accrued liabilities (note 12)	267,282	224,165
Deferred revenue (note 13)	29,910	43,323
Due to the Government of Canada (note 14)	100,832	116,917
Capital lease obligations (note 15)	3,181	4,331
Long-term debt (note 16)	194,984	195,030
Pensions (note 17)	25,652	25,528
Other employee future benefits (note 18)	55,165	53,744
	821,915	768,000
Net debt	(363,880)	(338,066)
Non-financial assets		
Tangible capital assets (schedule A)	2,138,614	2,027,351
Inventories held for use (note 8)	5,463	5,350
Prepaid expenses	5,341	6,337
	2,149,418	2,039,038
Accumulated surplus	1,785,538	1,700,972

Contractual obligations and contingencies (notes 20 and 21)

Approved:



J. Michael Miltenberger
Minister of Finance



Bill Merklinger CPA, CMA
Comptroller General

The accompanying notes and schedules A and B are an integral part of the consolidated financial statements.

Government of the Northwest Territories

Consolidated Statement of Change in Net Debt

for the year ended March 31, 2014

(thousands of dollars)

	2014	2014	2013
	Budget	Actual	Actual
	\$	\$	\$
Net debt at beginning of year	(338,066)	(338,066)	(457,872)
Items affecting net debt:			
Annual surplus	99,147	84,566	174,987
Acquisition of tangible capital assets	(115,021)	(205,892)	(149,745)
Disposal of tangible capital assets	-	2,478	8,016
Amortization of tangible capital assets	94,352	92,151	89,116
Increase in inventories held for use	(200)	(113)	(2,310)
Decrease (increase) in prepaid expenses	-	996	(258)
Decrease (increase) in net debt	78,278	(25,814)	119,806
Net debt at end of year	(259,788)	(363,880)	(338,066)

The accompanying notes and schedules A and B are an integral part of the consolidated financial statements.

Government of the Northwest Territories

Consolidated Statement of Operations and Accumulated Surplus

for the year ended March 31, 2014

(thousands of dollars)

	2014 Budget \$	2014 Actual \$	2013 Actual \$
Revenues			
Grant from the Government of Canada	1,121,244	1,121,244	1,070,023
Transfer payments (<i>note 22</i>)	123,390	154,370	170,570
	1,244,634	1,275,614	1,240,593
Taxation and general revenues			
Corporate and personal income taxes (<i>note 22</i>)	186,141	170,707	213,782
Other taxes (<i>note 22</i>)	117,994	117,277	116,825
General	48,701	56,072	48,320
Income from portfolio investments	4,470	3,471	2,735
Sales	86,590	93,147	96,354
Recoveries	39,425	52,621	46,138
	483,321	493,295	524,154
Recoveries of prior years' expenses	3,000	7,156	27,688
	1,730,955	1,776,065	1,792,435
Expenses (<i>note 23</i>)			
Environment and economic development	124,580	138,427	137,631
Infrastructure	386,652	392,205	384,231
Education	335,220	335,317	324,057
Health, social services and housing	475,122	524,076	485,806
Justice	116,759	118,868	114,736
General government	181,531	168,739	158,846
Legislative Assembly and statutory offices	18,525	19,100	18,631
	1,638,389	1,696,732	1,623,938
Annual operating surplus	92,566	79,333	168,497
Net income from investment in Northwest Territories Hydro Corporation (<i>note 10</i>)	6,581	5,233	6,490
Projects on behalf of third parties			
Expenses	(60,025)	(60,439)	(62,892)
Recoveries	60,025	60,439	62,892
Annual surplus	99,147	84,566	174,987
Accumulated surplus at beginning of year	1,700,972	1,700,972	1,525,985
Accumulated surplus at end of year	1,800,119	1,785,538	1,700,972

The accompanying notes and schedules A and B are an integral part of the consolidated financial statements.

Government of the Northwest Territories

Consolidated Statement of Cash Flow

for the year ended March 31, 2014

(thousands of dollars)

	2014	2013
	\$	\$
Cash provided by (used in)		
Operating transactions		
Annual surplus*	84,566	174,987
Items not affecting cash:		
Change in valuation allowances	(225)	3,708
Amortization	92,151	89,116
Net income from investment in NWT Hydro Corporation	(5,233)	(6,490)
	171,259	261,321
Changes in non-cash assets and liabilities:		
Due to the Government of Canada	(22,243)	(8,146)
Decrease (increase) in accounts receivable	(7,318)	12,572
Increase in inventories for resale	(590)	(468)
Increase (decrease) in accounts payable	43,117	(33,546)
Decrease in deferred revenue	(13,413)	(33,439)
Increase in pensions	124	1,401
Increase in employee future benefits	1,421	2,264
Increase in inventories held for use	(113)	(2,310)
Decrease (increase) in prepaid expenses	996	(258)
Cash provided by operating transactions	173,240	199,391
Investing transactions		
Disposition of portfolio investments	57,306	71,781
Acquisition of portfolio investments	(73,965)	(89,444)
Loans receivable receipts	9,806	9,504
Loans receivable advanced	(9,261)	(10,593)
Cash provided by (used for) investing transactions	(16,114)	(18,752)
Capital transactions		
Acquisition of tangible capital assets	(205,892)	(149,745)
Proceeds of disposition of tangible capital assets	2,478	8,016
Cash used for capital transactions	(203,414)	(141,729)
Financing transactions		
Net proceeds from (repayment) of short term loans	39,947	(29,979)
Repayment of capital lease obligations	(1,150)	(3,151)
Repayment of long-term financing	(46)	(3,094)
Cash provided by (used for) financing activities	38,751	(36,224)
Decrease in cash and cash equivalents	(7,537)	2,686
Cash and cash equivalents at beginning of year	70,461	67,775
Cash and cash equivalents at end of year**	62,924	70,461

* Total interest paid during the year \$7,676 (2013- \$8,184)

**Cash and cash equivalents are represented by cash and short-term investments.

The accompanying notes and schedules A and B are an integral part of the consolidated financial statements.

Government of the Northwest Territories

Notes to Consolidated Financial Statements

March 31, 2014

(All figures in thousands of dollars)

1. AUTHORITY AND OPERATIONS

(a) Authority and reporting entity

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 consolidated financial statements have been prepared in accordance with the *Northwest Territories Act* (Canada) and the *Financial Administration Act* of the Northwest Territories. The consolidated financial statements present summary information and serve as a means for the Government to show its accountability for the resources, obligations and financial affairs for which it is responsible. The following chart lists the organizations comprising the Government reporting entity, how they are accounted for in the consolidated financial statements and their specific operating authority.

Public Agencies fully consolidated:

Education Act

- Beaufort Delta Divisional Education Council
- Commission scolaire francophone Territoires du Nord-Ouest
- Deh Cho Divisional Education Council
- Dettah District Education Authority
- Sahtu Divisional Education Council
- South Slave Divisional Education Council
- Yellowknife Catholic Schools District Education Authority
- Yellowknife Education District No.1 District Education Authority

Aurora College Act

- Aurora College

Hospital Insurance and Health and Social Services Administration Act

- Beaufort Delta Health and Social Services Authority
- Deh Cho Health and Social Services Authority
- Fort Smith Health and Social Services Authority
- Hay River Health and Social Services Authority
- Sahtu Health and Social Services Authority
- Stanton Territorial Health Authority
- Yellowknife Health and Social Services Authority

Tlicho Community Services Agency Act

- Tlicho Community Services Agency

Northwest Territories Business Development and Investment Corporation Act

- Northwest Territories Business Development and Investment Corporation

Northwest Territories Housing Corporation Act

- Northwest Territories Housing Corporation

Human Rights Act

- Northwest Territories Human Rights Commission

Northwest Territories Societies Act

- Northwest Territories Opportunities Fund
- Northwest Territories Sport and Recreation Council
- Arctic Energy Alliance

Status of Women Council Act

- Status of Women Council of the Northwest Territories

Northwest Territories Heritage Fund Act

- Northwest Territories Heritage Fund

Government Business Enterprise consolidated on the modified equity basis:

Northwest Territories Hydro Corporation Act

- Northwest Territories Hydro Corporation

Government of the Northwest Territories

Notes to Consolidated Financial Statements

March 31, 2014

(All figures in thousands of dollars)

1. AUTHORITY AND OPERATIONS (continued)

All organizations included in the Government reporting entity have a March 31 fiscal year-end with the exception of Aurora College, Divisional Education Councils and District Education Authorities, which have a fiscal year-end of June 30. Transactions of these educational organizations that have occurred during the period to March 31, 2014 and that significantly affect the consolidation have been recorded. Revolving funds are incorporated directly into the Government's accounts while trust assets administered by the Government on behalf of other parties (*note 19*) are excluded from the Government reporting entity. Revolving Funds are segments of the Government that are engaged in commercial activities, with undefined and non-lapsing expense appropriations.

(b) Budget

The consolidated budget figures are the appropriations approved by the Legislative Assembly and the approved budgets for the consolidated entities, adjusted to eliminate budgeted inter-entity revenues and expenses. They represent the Government's original consolidated fiscal plan for the year and do not reflect supplementary appropriations.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These financial statements are prepared in accordance with Canadian public sector accounting standards.

(a) Measurement uncertainty

The preparation of financial statements in accordance with Canadian public sector accounting standards requires the Government to make estimates and assumptions that affect the amounts of assets, liabilities, revenues and expenses reported in the financial statements. By their nature, these estimates are subject to measurement uncertainty. The effect on the financial statements of changes to such estimates and assumptions in future periods could be significant, although, at the time of preparation of these statements, the Government believes the estimates and assumptions to be reasonable.

The more significant management estimates relate to employee future benefits, environmental liabilities, contingencies, revenue accruals, allowances for doubtful accounts for accounts receivable, valuation allowances for loans receivable, and amortization expense. Other estimates, such as the Canada Health Transfer, Canada Social Transfer payments, Corporate and Personal Income Tax revenues are based on estimates made by the Government of Canada's Department of Finance and are subject to adjustments in future years.

(b) Cash and cash equivalents

Cash and cash equivalents are comprised of bank account balances, net of outstanding cheques, and short-term highly liquid investments that are readily convertible to cash with a maturity date of 90 days or less from the date of acquisition.

(c) Portfolio investments

Portfolio investments are long-term investments in organizations that do not form part of the government reporting entity and are accounted for by the cost method. Such investments are normally in shares and bonds of the investee. When there has been a loss in value of a portfolio investment that is other than a temporary decline, the investment is written down to recognize the loss and it is included as a component of investment income. Interest income is recorded on the accrual basis, dividend income is recognized as it is declared, and capital gains and losses are recognized when realized.

Government of the Northwest Territories

Notes to Consolidated Financial Statements

March 31, 2014

(All figures in thousands of dollars)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(d) Inventories

Inventories for resale consist mainly of bulk fuels, liquor products, and arts and crafts. Bulk fuels are valued at the lower of weighted average cost and net realizable value. Liquor products are valued at the lower of cost and net realizable value. Other inventories, including housing materials and supplies and hospital supplies, are valued at the lower of cost, determined on a first in, first out basis, and net replacement value.

(e) Loans receivable

Loans receivable are stated at the lower of cost and net recoverable value. Valuation allowances, determined on an individual basis, are based on past events, current conditions and all circumstances known at the date of the preparation of the financial statements and are adjusted annually to reflect the current circumstances by recording write downs or recoveries, as appropriate. Write-offs are recognized when the assets have been deemed unrealizable and or uncollectable. Recoveries are recorded when loans previously written off are subsequently collected. Interest revenue is recorded on an accrual basis. Interest revenue is not accrued when the collectibility of either principal or interest is not reasonably assured.

(f) Investment in Northwest Territories Hydro Corporation

The Northwest Territories Hydro Corporation ("the Corporation") and its subsidiaries are accounted for in these financial statements using the modified equity method. The Government reports only its investment in, and the consolidated net income of, the Corporation. Amounts receivable or payable from the Corporation are disclosed in the notes to these financial statements.

(g) Non-financial assets

Tangible capital and other non-financial assets are accounted for as assets by the Government as they can be used to provide government services in future periods. These assets do not normally provide resources to discharge the liabilities of the government unless they are sold.

(h) Tangible capital assets and leases

Tangible capital assets are buildings, roads, equipment, etc. whose life extends beyond the fiscal year, original cost exceeds \$50 and are intended to be used on an ongoing basis for delivering programs and services. Individual assets less than \$50 are expensed when purchased. Tangible capital assets are recorded at cost (including qualifying interest expense), or where actual cost was not available, estimated current replacement cost, discounted back to the acquisition date. Assets, when placed in service, are amortized on a straight-line basis over their estimated useful lives as follows:

Asset category	Amortization period
Land	Not amortized
Roads and bridges	75 years or less
Airstrips and aprons	40 years or less
Buildings	40 years or less
Ferries	25 years or less
Water/sewer works	15 - 25 years
Mainframe and software systems	5 - 10 years
Mobile and heavy equipment	7 - 15 years
Major equipment	5 - 15 years
Medical equipment	5 - 15 years
Leasehold improvements	Lesser of useful life or lease term plus renewal option

Government of the Northwest Territories

Notes to Consolidated Financial Statements

March 31, 2014

(All figures in thousands of dollars)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(h) Tangible capital assets and leases (continued)

The estimate of the useful life of tangible capital assets is reviewed on a regular basis and revised where appropriate. The remaining unamortized portion of a tangible capital asset may be extended beyond its original estimated useful life when the appropriateness of such a change can be clearly demonstrated.

Write-downs and write-offs of tangible capital assets are recognized whenever significant events and changes in circumstances and use suggest that the asset can no longer contribute to program or service delivery at the level previously anticipated. A write-down is recognized when a reduction in the value of the asset can be objectively measured. A write-off is recognized when the asset is destroyed, stolen, lost, or obsolete to the Government.

Tangible capital assets under construction or development are recorded as work in progress with no amortization until the asset is placed in service. Capital lease agreements are recorded as a liability and a corresponding asset based on the present value of payments due. The present value is based on the lower of the implicit rate or the Government's borrowing rate at the time the obligation is incurred. Operating leases are charged to expenses. All intangibles, works of art, historical treasures and Commissioner lands are not recorded.

(i) Pensions and other employee future benefits

All eligible employees participate in the Public Service Pension Plan administered by the Government of Canada. The Government's contributions are charged as an expense on a current year basis and represent the total pension obligations. The Government is not required under present legislation to make contributions with respect to actuarial deficiencies of the Public Service Pension Plan.

Pension benefits to Members of the Legislative Assembly and judges are reported on an actuarial basis. This is done to determine the current value of future entitlement and uses various estimates. When actual experience varies from estimates or when actuarial assumptions change, the adjustments are amortized on a straight-line basis over the estimated average remaining service lives of the contributors. Recognition of actuarial gains and losses commences in the year following the effective date of the related actuarial valuations. In addition, immediate recognition of a previously unrecognized net actuarial gain or loss may be required upon a plan amendment, curtailment or settlement.

Under the terms and conditions of employment, government employees may earn non-pension benefits for resignation, retirement and removal costs based on years of service. The benefits are paid upon resignation, retirement or death of an employee. The expected cost of providing these benefits is recognized as employees render service. Termination benefits are also recorded when employees are identified for lay-off. The cost of the benefits has been determined based on management's best estimates using expected compensation levels and employee leave credits.

Government of the Northwest Territories

Notes to Consolidated Financial Statements

March 31, 2014

(All figures in thousands of dollars)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(j) Contractual obligations and contingencies

The nature of the Government's activities requires entry into contracts that are significant in relation to its current financial position or that will materially affect the level of future expenses. Contractual obligations pertain to funding commitments for operating, commercial and residential leases, and capital projects. Contractual obligations are obligations of a government to others that will become liabilities in the future when the terms of those contracts or agreements are met.

The contingencies of the Government are potential liabilities which may become actual liabilities when one or more future events occur or fail to occur. If the future event is considered likely to occur and is quantifiable, an estimated liability is accrued. If the occurrence of the confirming future event is likely but the amount of the liability cannot be reasonably estimated, the contingency is disclosed. If the occurrence of the confirming future event is not determinable, the contingency is disclosed.

(k) Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated into Canadian dollars using exchange rates at year-end. Foreign currency transactions are translated into Canadian dollars using rates in effect at the time the transactions were entered into. All exchange gains and losses are included in net income for the year according to the activities to which they relate.

(l) Projects on behalf of third parties

The Government undertakes projects for the Government of Canada, the Government of Nunavut and others. Where possible, the Government receives accountable advances and any unexpended balances remaining at year-end are recorded as liabilities. Recoveries are accrued when expenses, as allowed under the project contract, exceed advances.

(m) Grant from the Government of Canada

The Grant from the Government of Canada is calculated as the Gross Expenditure Base, offset by eligible revenues, which are based on a three-year moving average, lagged two years, of personal and corporate income taxes, fuel taxes, tobacco tax, payroll tax, and alcoholic beverage revenues at national average tax rates, and a revenue block of other own-source revenues. Population growth rates and growth in provincial/local government spending are variables used to determine the Gross Expenditure Base. The Grant is calculated once for each fiscal year and is not revised, with all payments flowing to the Government prior to the end of the fiscal year.

(n) Transfer payments

Government transfers are recognized as revenue in the period in which the events giving rise to the transfer occurred, as long as the transfer is authorized, eligibility criteria have been met, stipulations that give rise to a liability have been satisfied and a reasonable estimate of the amount can be made. Transfers received before these criteria are fully met are recorded as deferred revenue. Transfers received for tangible capital assets are recorded when the tangible capital asset is put into service.

Government of the Northwest Territories

Notes to Consolidated Financial Statements

March 31, 2014

(All figures in thousands of dollars)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(o) Taxes and general revenues

Corporate and Personal Income tax revenue are recognized on an accrual basis, net of any tax concessions. Income tax is calculated net of tax deductions and credits allowed under the *Income Tax Act*. If an expense provides a financial benefit other than a relief of taxes, it is classified as a transfer made through the tax system. If an expense provides tax relief to a taxpayer and relates to revenue, this expense is considered a tax concession and is netted against tax revenues. Taxes, under the *Income Tax Act*, are collected by the Government of Canada on behalf of the Government under a tax collection agreement. The Government of Canada remits Personal Income taxes monthly throughout the year and Corporate Income tax monthly over a six month period beginning in February. Payments are based on Canada's Department of Finance's estimates for the taxation year, which are periodically adjusted until the income tax assessments for that year are final. Income tax estimates, determined by the Government of Canada, combine actual assessments with an estimate that assumes that previous years' income tax allocations will be sustained and are subject to revisions in future years. Differences between current estimates and future actual amounts can be significant. Any such differences are recognized when the actual tax assessments are finalized.

Fuel, tobacco, payroll and property taxes are levied under the authority of the *Petroleum Products Tax Act*, the *Tobacco Tax Act*, the *Payroll Tax Act*, and the *Property Assessment and Taxation Act*, respectively. Fuel and tobacco tax revenues are recognized on an accrual basis, based on statements received from collectors. Payroll tax is recognized on an accrual basis, based on payroll tax revenues of the prior year. Property tax and school levies are assessed on a calendar year basis and are recognized in the fiscal year in which the billing occurs. Adjustments arising from reassessments are recorded in revenue in the year they are identified. All other revenues are recognized on an accrual basis.

(p) Expenses

Grants and contributions are recognized as long as the grant or contribution is authorized and eligibility criteria have been met. All other expenses are recognized on an accrual basis.

(q) Environmental liabilities

Environmental liabilities consist of the estimated costs related to the management and remediation of environmentally contaminated sites. For contaminated sites, a liability is accrued and an expense recorded based on management's best estimates when the contamination occurs or when the Government becomes aware of the contamination and is obligated, or is likely obligated, to incur such costs. If the likelihood of the Government's obligation to incur these costs is either not determinable, or if an amount cannot be reasonably estimated, the contingency is disclosed in the notes to the financial statements.

(r) Recoveries of prior years' expenses

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

Government of the Northwest Territories

Notes to Consolidated Financial Statements

March 31, 2014

(All figures in thousands of dollars)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(s) Segmented information

The Government reports on segments on the basis of relationships of its operations with similar entities. Segmented information is disclosed in Schedule B. Segments are identified by the nature of an entity's operations and the accountability relationship that a group of similar entities has with the Government.

Government departments are identified as one segment to reflect the direct accountability relationship for financial reporting and budgeting between departments, their respective Ministers and the Legislative assembly. There are no significant allocations of revenues or expenses between segments.

Entities considered Government Business Enterprises for financial reporting purposes are identified as another segment since the nature of their operations is substantially different from the Government and the other entities within the Government Reporting Entity.

Other Public Agencies within the Government Reporting Entity represent another segment. These agencies are typically associated with a particular Government department and have a formalized reporting relationship to that department. For example, Health and Social Services Authorities have an accountability relationship to the Minister of Health and Social Services as well as to their respective board members. The agencies in this segment operate on a not-for-profit basis and assist the Government in delivering its programs and services and in achieving its priorities.

Government of the Northwest Territories

Notes to Consolidated Financial Statements

March 31, 2014

(All figures in thousands of dollars)

3. FUTURE ACCOUNTING CHANGES

The Public Sector Accounting Board issued PS 3260 Liability for Contaminated Sites effective for fiscal years beginning on or after April 1, 2014. Contaminated sites are a result of contamination being introduced into air, soil, water, or sediment of a chemical, organic, or radioactive material, or live organism that exceeds an environmental standard. The Government will be required to recognize a liability related to the remediation of such contaminated sites subject to certain recognition criteria. The Government currently recognizes an estimate for further evaluation or remediation depending on the stage of the investigation. The Government is analyzing the impact of this standard on its financial statements.

The Public Sector Accounting Board issued PS 3450 Financial Instruments effective for fiscal years beginning on or after April 1, 2016. Items within the scope of the standard are assigned to one of two measurement categories: fair value, or cost or amortized cost. Fair value measurement will apply to derivatives and portfolio investments in equity instruments that are quoted in an active market. Also, when groups of financial assets and financial liabilities are managed on a fair value basis they may be reported on that basis. Other financial assets and financial liabilities will generally be measured at cost or amortized cost. Until an item is derecognized, gains and losses arising due to fair value remeasurement will be reported in the Statement of Remeasurement of Gains and Losses.

Government will concurrently be required to adopt: PS 2601 Foreign Currency Translation, PS 1201 Financial Statement Presentation, and PS 3041 Portfolio Investments in the same fiscal period. Government organizations that apply PSAS were required to adopt these standards in the prior year, however there was no significant impact on their financial statements as a result of its application. The Government is currently analyzing any possible future impact of these standards on its financial statements.

4. CASH AND CASH EQUIVALENTS

	2014	2013
	\$	\$
Cash	56,723	56,369
Short-term investments	6,201	14,092
	62,924	70,461

Cash and cash equivalents include investments in a diversified portfolio of high grade, short-term income producing assets. The portfolio yield for the year-ended March 31, 2014 was 1.08% (2013 - 1.12%). The eligible classes of securities, categories of issuers, limits and terms are approved under the Government's investment guidelines. All instruments, depending on the investment class, are rated R-2 High or better from DBRS formally known as the Dominion Bond Rating Service. Investments are diversified by limiting them, depending on the type of investment, to a maximum of 10% to 50% of the total portfolio. There is no significant concentration in any one investment. The average term to maturity, as at March 31, 2014, is 30 days (2013 - 65 days).

Government of the Northwest Territories

Notes to Consolidated Financial Statements

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(All figures in thousands of dollars)

5. PORTFOLIO INVESTMENTS

	2014	2013
	\$	\$
Marketable securities (market value \$92,183; 2013 - \$75,576)	89,108	72,437
Miscellaneous investments	66	78
	89,174	72,515

6. DESIGNATED ASSETS

Designated assets are included in cash and cash equivalents and portfolio investments.

Designated assets

Pursuant to the *Student Financial Assistance Act*, the assets of the Student Loan Fund are to be used to provide financial assistance to post-secondary students that meet eligibility criteria as prescribed in Regulations.

Pursuant to the *Waste Reduction and Recovery Act*, the assets of the Environment Fund are to be used for specified purposes as follows:

- the establishment, operation and evaluation of programs in respect of the reduction or recovery of waste;
- education programs related to the reduction or recovery of waste;
- research and development activities related to the reduction or recovery of waste;
- the appropriate disposal of a designated or prohibited material as waste;
- expenses associated with the work of the advisory committee; or
- other costs associated with programs, initiatives or activities in respect of the reduction or recovery of waste.

Portfolio investments, while forming part of the Consolidated Revenue Fund, are designated for purposes of meeting the obligations of the Legislative Assembly Supplemental Retiring Allowance and Judges Supplemental Pension Plans (*note 17*). Supplementary Retiring Allowance Regulations restrict the investments to those permitted under the *Pension Benefits Standards Act*. The remainder consists of investments held by public agencies listed in note 1(a).

Pursuant to section 27 of the *Northwest Territories Business Development and Investment Corporation Act*, and its Regulations, the Northwest Territories Business Development and Investment Corporation (BDIC) is required to establish a Loan and Investments Fund for its lending and investing activities. Subsection 4(2) of the Program, Projects and Services Continuation Regulations (the Regulations) specifies that a Loans and Bonds Fund will be used to record the lending operations. Subsection 19(2) requires that a Venture Investment Fund be used to record the venture investment operations. Furthermore, under subsection 18(2), the BDIC is obligated to maintain a Capital Fund and Subsidy Fund.

In addition to these funds, the BDIC is required, under subsections 18(6) and 19(5) of the Regulations, to establish a Capital Reserve Fund and a Venture Reserve Fund, respectively. The BDIC will continue to deposit to these reserve funds an amount equal to 10% of each capital or venture investment made. The BDIC may use these reserve funds for further investment or financing for its subsidiaries and venture investments through approved drawdowns.

Government of the Northwest Territories

Notes to Consolidated Financial Statements

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(All figures in thousands of dollars)

6. DESIGNATED ASSETS (continued)

	2014	2013
	\$	\$
Designated assets		
Student Loan Fund:		
Authorized limit for loans receivable	40,000	40,000
Less: Loans receivable balance (<i>note 9</i>)	(39,502)	(37,712)
	<hr/>	<hr/>
Funds designated for new loans	498	2,288
	<hr/>	<hr/>
Environment Fund:		
Beverage Container Program net assets	1,971	1,743
	<hr/>	<hr/>
Portfolio Investments for the Legislative Assembly Supplementary Retiring Allowance and Judges Supplemental Pension Plans:		
Marketable securities (market value \$28,676; 2013 - \$26,088)	25,227	23,435
Money market (market value approximates cost)	604	879
Cash and other assets (market value approximates cost)	301	393
	<hr/>	<hr/>
	26,132	24,707
	<hr/>	<hr/>
Northwest Territories Business Development and Investment Corporation:		
Venture Investment Fund	4,065	4,045
Subsidy Fund	462	518
Capital Fund	873	873
Venture Reserve Fund	485	485
Capital Reserve Fund	147	147
Loans and Bonds Fund	1,192	484
	<hr/>	<hr/>
	7,224	6,552
	<hr/>	<hr/>
	35,825	35,290
	<hr/>	<hr/>

Government of the Northwest Territories

Notes to Consolidated Financial Statements

March 31, 2014

(All figures in thousands of dollars)

7. ACCOUNTS RECEIVABLE

	Accounts Receivable	Allowance for Doubtful Accounts	Net 2014	Net 2013
General	69,507	(23,737)	45,770	36,652
Government of Nunavut	8,870	(188)	8,682	6,102
Hospital related costs due from third parties	7,898	(2,929)	4,969	10,344
Revolving fund sales	8,407	(187)	8,220	8,666
Accrued interest	25	-	25	26
	<hr/>	<hr/>	<hr/>	<hr/>
	94,707	(27,041)	67,666	61,790
Receivables from related parties:				
Northwest Territories Hydro Corporation	135	-	135	184
Workers' Safety and Compensation Commission	529	(26)	503	209
	<hr/>	<hr/>	<hr/>	<hr/>
	95,371	(27,067)	68,304	62,183

8. INVENTORIES

		2014	2013
		\$	\$
Inventories for resale:	Bulk fuels	29,318	28,518
	Liquor products	2,720	2,940
	Arts and crafts	510	500
		<hr/>	<hr/>
		32,548	31,958
Inventories held for use:	Housing materials and supplies	2,441	2,664
	Hospital supplies	2,879	2,532
	Public Stores	143	154
		<hr/>	<hr/>
		5,463	5,350
		<hr/>	<hr/>
		38,011	37,308

Government of the Northwest Territories

Notes to Consolidated Financial Statements

March 31, 2014

(All figures in thousands of dollars)

9. LOANS RECEIVABLE

	2014	2013
	\$	\$
Northwest Territories Business Development and Investment Corporation loans to businesses receivable over a maximum of 25 years, secured by real property, heavy equipment and general security agreements; bearing fixed interest between 5.09% and 5.73%, (2013 between 5.11% and 6.50%) before valuation allowance of \$6,399 (2013 - \$6,429).	42,615	43,940
Arslanian Cutting Works Inc. promissory note receivable secured by equipment, building and personal guarantees. Due on demand, including accrued interest at a rate of 5.06% per annum, before valuation allowance of \$4,135 (2013 - \$4,135). The debtor has initiated legal proceedings for receivership.*	5,060	5,635
Students Loan Fund loans due in installments to 2028, bearing fixed interest between 1.25% and 6.88%, (2013 - 1.25% and 11.75%) unsecured, before valuation allowance and loan remissions of \$19,091 (2013 - \$18,070).	39,502	37,712
Northwest Territories Housing Corporation mortgages and loans to individuals receivable over a maximum of 25 years, some of which are unsecured and others are secured by registered charges against real property bearing fixed interest between 3.00% and 12.00%, (2013 - 3.00% and 12.00%) before valuation allowance of \$11,499 (2013 - \$13,912).	15,086	15,509
Other	2	14
	102,265	102,810
Valuation allowances	(41,124)	(42,546)
	61,141	60,264

Interest earned on loans receivable during the year was \$2,700 (2013 - \$2,697).

Conditional grants have been provided by the Northwest Territories Housing Corporation to eligible homeowners, which are fully forgivable on the condition that the property remains the principal residence and the homeowner's annual income remains below the core need income threshold for the term of the agreement. If the conditions are not met, the grants are repayable to the Northwest Territories Housing Corporation. Conditional grants expensed during the year were \$5,231 (2013 - \$7,096).

*Subsequent to year end, the Arslanian Cutting Works Inc. promissory note receivable was settled for \$1,836.

Government of the Northwest Territories

Notes to Consolidated Financial Statements

March 31, 2014

(All figures in thousands of dollars)

10. INVESTMENT IN NORTHWEST TERRITORIES HYDRO CORPORATION

The following is summarized consolidated financial information for the Northwest Territories Hydro Corporation ("the Corporation") as at March 31, 2014.

	2014 \$	2013 \$
Investment in Northwest Territories Hydro Corporation		
Shareholder's Equity	115,790	110,557
Shareholder's Equity is represented by:		
Assets:		
Cash	1,315	2,015
Accounts receivable	13,347	14,904
Inventories	6,051	5,511
Prepaid expenses	1,052	590
Other long-term assets	29,741	25,170
Property, plant and equipment	344,983	326,513
Total assets	396,489	374,703
Liabilities:		
Short-term debt	17,888	5,979
Accounts payable and accrued liabilities	18,113	15,071
Long-term debt	186,181	188,378
Other long-term liabilities	55,508	53,361
Employee future benefits	3,009	1,357
Total liabilities	280,699	264,146
	115,790	110,557

Statement of Operations and Surplus - Retained Earnings For the year ended March 31

Revenue	103,969	101,392
Expenses	(98,736)	(94,902)
Net income	5,233	6,490
Surplus - Retained Earnings at beginning of the year	67,428	60,938
Surplus - Retained Earnings at end of the year	72,661	67,428

Included in the above are revenues from, and expenses to, entities in the Government reporting entity of \$34,819 (2013 - \$40,126) and \$25,659 (2013 - \$27,288), respectively.

Government of the Northwest Territories

Notes to Consolidated Financial Statements

March 31, 2014

(All figures in thousands of dollars)

10. INVESTMENT IN NORTHWEST TERRITORIES HYDRO CORPORATION (continued)

Contractual obligations and contingencies

In March 2013, the Corporation entered into an agreement with Fortis BC to purchase liquefied natural gas (LNG) at the spot rate until December 31, 2014. On October 30, 2013, the Corporation entered into a contract with Ventures West Transport LP (VW) to transport the LNG from anywhere in Western Canada to the Corporation's LNG storage facility in Inuvik. Under the agreement, the Corporation is able to request the required volumes and quantities and delivery dates for LNG from VW. The agreement is effective for five years until October 31, 2018. The cost of fuel for the Corporation under this agreement includes variable costs for LNG transportation as well as a fixed cost component.

Charges were filed by the Workers' Safety and Compensation Commission on February 20, 2014 against the Corporation and two of its employees under the *Northwest Territories Safety Act*, after an investigation around an event that occurred in 2013 while clearing a transmission line near Fort Smith. The Corporation has made one court appearance and is currently waiting for the discovery phase of the proceedings. It is too early to determine what if any cost may be incurred by the Corporation as a result of these charges.

The Corporation's approved capital plan, including estimated costs to complete capital projects in progress, as at March 31, 2014, was \$26,160 (2013 - \$28,384).

The Corporation has a fuel management services agreement with the Petroleum Products Division (PPD) of the Government. This agreement transferred the fuel inventory and maintenance of fuel tank farms of 20 communities served by the Corporation to PPD, consistent with the Corporation's operational requirements. The price of fuel under this agreement changes with the change in market price, the cost of freight, the Government's fuel tax rate and the amount of fuel purchased by the Corporation from PPD in a given year.

11. SHORT TERM LOANS

Based upon operational needs, the Government may enter into short term borrowing arrangements with its bank. Short-term loans of \$144,909 (2013 - \$104,962) incurred interest at a year end rate of 1.13% (2013 - 1.11%). Interest expense in 2014 was \$737 (2013 - \$723).

12. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2014	2013
	\$	\$
Trade	163,889	131,327
Other liabilities	8,630	8,864
Employee and payroll-related liabilities	64,952	55,164
Environmental liabilities (<i>note 21(a)</i>)	27,327	26,345
Accrued interest	651	686
	265,449	222,386
Payable to related parties:		
Northwest Territories Hydro Corporation	1,831	1,075
Workers' Safety and Compensation Commission	2	704
	267,282	224,165

Government of the Northwest Territories

Notes to Consolidated Financial Statements

March 31, 2014

(All figures in thousands of dollars)

13. DEFERRED REVENUE

	2014	2013
	\$	\$
Government of Canada		
Ministry of Finance	5,802	6,658
Building Canada Plan	18,870	35,196
Inuvialuit Implementation Fund	100	-
Other	5,138	1,469
	29,910	43,323

Deferred revenue mainly consists of funds received from the Government of Canada for the GNWT to establish new airports, construct bridges and reconstruct highways. The GNWT is expected to complete these projects by March 31, 2015.

14. DUE FROM AND TO THE GOVERNMENT OF CANADA

	2014	2013
	\$	\$
Receivables		
Projects on behalf of the Government of Canada	(9,311)	(9,436)
Miscellaneous receivables	(18,843)	(12,560)
	(28,154)	(21,996)
Payables		
Excess income tax advanced	58,833	80,776
Advances for projects on behalf of the Government of Canada	5,383	8,141
Miscellaneous payables	36,616	28,000
	100,832	116,917
	72,678	94,921

The amounts due to the Government of Canada are non-interest bearing. The excess income tax advanced is repayable over the following years:

	\$
2015	47,755
2016	9,806
2017	1,044
2018	228
	58,833

Government of the Northwest Territories

Notes to Consolidated Financial Statements

March 31, 2014

(All figures in thousands of dollars)

15. CAPITAL LEASE OBLIGATIONS

	2014	2013
	\$	\$
Buildings	3,031	4,111
Equipment	150	220
	3,181	4,331

Interest expense related to capital lease obligations for the year was \$301 (2013 - \$540), at an implicit average interest rate of 8.03% (2013 - 9.08%). Capital lease obligations (expiring between 2014 and 2023) are based upon contractual minimum lease obligations for the leases in effect as of March 31, 2014.

		\$
	2015	1,157
	2016	793
	2017	532
	2018	479
	2019	454
	2020 and beyond	350
Total minimum lease payments		3,765
Less: imputed interest		584
Present value of minimum lease payments		3,181

16. LONG-TERM DEBT

	2014	2013
	\$	\$
Loans due to Canada Mortgage and Housing Corporation, repayable in annual installments until the year 2033, bearing interest at a rate of 6.97% (2013 - 6.97%), unsecured.	8,110	8,609
Mortgages payable to Canada Mortgage and Housing Corporation for three third party loans under the Social Housing Agreement, maturing in 2026 and 2027, bearing interest at rates between 2.78% and 3.68% (2013 - 2.78% and 3.68%), unsecured.	3,369	3,588
Mortgage payable to Canada Mortgage and Housing Corporation, repayable in monthly installments of \$7 (2013 - \$7) maturing June 2024, bearing interest at 3.30% (2013 - 3.30%), secured with real property.	802	867
Yellowknife Catholic Schools debentures, repayable in monthly installments of \$68, including fixed interest at 5.73%, final installment due in 2018, unsecured.	3,439	4,039
Real return senior bonds with accrued inflation adjustment, maturing June 1, 2046, redeemable at the option of the issuer, bearing interest at 3.17%, payable semi-annually, unsecured.	179,264	177,927
	194,984	195,030

Government of the Northwest Territories

Notes to Consolidated Financial Statements

March 31, 2014

(All figures in thousands of dollars)

16. LONG-TERM DEBT (continued)

Principal amounts due in each fiscal year for the next five years:

	Principal
	\$
2015	4,300
2016	4,552
2017	4,824
2018	5,033
2019	4,473
2020 and beyond	171,802
	<hr/> 194,984 <hr/>

Interest expense on long-term debt, included in operations and maintenance expenses, was \$10,572 (2013 - \$1,719). Interest incurred for real rate return bonds related to the Deh Cho Bridge was capitalized until the bridge went into service in 2013.

Debt Authority

The Government has the authority to borrow, pursuant to subsection 20(2) of the *Northwest Territories Act (Canada)*, within a borrowing limit authorized by the Government of Canada. The Government's borrowing limit was increased to \$800 million by Order in Council P.C. 2012-279, dated March 8, 2012.

	2014	2013
	\$	\$
Short term borrowing	144,909	104,962
Government of the Northwest Territories Long-term Debt:		
Mortgage payable to Canada Mortgage and Housing Corporation	802	867
Real Return Bonds payable	179,264	177,927
Capital lease obligations	24,223	23,929
NWT Housing Corporation, mortgages and loans payable	11,479	12,197
Guarantees (<i>note 21(b)</i>)	26,421	28,891
NWT Hydro Corporation, long-term debt (net of sinking fund)	177,247	180,404
NWT Hydro Corporation, operational debt	20,309	8,277
Yellowknife Catholic Schools District Education Authority	3,439	4,039
	<hr/> 588,093	<hr/> 541,493
Authorized borrowing limit	800,000	800,000
	<hr/> 211,907	<hr/> 258,507

Government of the Northwest Territories

Notes to Consolidated Financial Statements

March 31, 2014

(All figures in thousands of dollars)

17. PENSIONS

a) Plans' descriptions

The Government administers the following pension plans for Members of the Legislative Assembly (MLAs) and Territorial Court Judges. The Government is liable for all benefits. Benefits provided under all five plans are based on years of service and pensionable earnings.

Plan recipient	Name of plan	Funded status
MLAs	Legislative Assembly Retiring Allowance Plan (MLAs Regular)	Funded
MLAs	Legislative Assembly Supplemental Retiring Allowance Plan (MLAs Supplemental)	Non Funded
Judges	Judges Registered Plan (Judges Regular)	Funded
Judges	Judges Supplemental Pension Plan (Judges Supplemental)	Non Funded
Employees	Retirement Plan for Employees of the Hay River Health and Social Services Authority	Funded

The Regular Plans for both the MLAs and Judges are contributory defined benefit registered pension plans and are pre-funded. The funds related to these plans are administered by independent trust companies. The Supplemental plans for both the MLAs and Judges are non-contributory defined benefit pension plans and are unfunded; however, the Government has designated assets for the purposes of meeting the obligations of the Supplemental plans (*note 6*). The average age of the 4 active members of the Judges' plans is 56. The basic benefit formula of the Judges' plans is 2 percent per year of pensionable service multiplied by the average of the best six consecutive years of earnings, reducing at age 65 by an amount equal to 0.7% of the average Year's Maximum Pensionable Earnings (YMPE) (as defined in the Canada Pension Plan) determined over 3 years at the time of retirement. The assets of the Judges' plans consist of a diversified portfolio of Canadian and foreign equities and bonds. The average age of the 19 active members of the MLAs plans is 49. The basic benefit formula of the MLAs plans is 2 percent per year of pensionable service multiplied by the average of the best four consecutive years of earnings. The assets of the MLAs plans consist of Canadian and foreign equities, and Canadian fixed income securities and bonds.

The Hay River Health and Social Services Authority has a defined benefit pension plan for its employees. Retirement occurs when the aggregate of a member's age plus years of service total 87, but not before age 56 or after age 61. The average age of the 154 plan members is 46 years. The basic benefit formula is 1.5 percent of the final five year average earnings up to the final five year average YMPE, plus 2 percent of the final five year average earnings in excess of the 5-year average YMPE multiplied by years of service. Plan assets consist primarily of Canadian and U.S. equities, bonds and mortgages.

All plans provide death benefits to spouses and eligible dependants. Retired members can opt to continue to contribute to the plan post-retirement. All plans are indexed.

The remaining government employees participate in Canada's Public Service Pension Plan (PSPP). The PSPP provides benefits based on the number of years of pensionable service to a maximum of 35 years. Benefits are determined by a formula set out in the legislation; they are not based on the financial status of the pension plan. The basic benefit formula is 2 percent per year of pensionable service multiplied by the average of the best five consecutive years of earnings.

The public service pension plan was amended during 2013 which raised the normal retirement age and other age related thresholds from age 60 to age 65 for new members joining the plan on or after January 1, 2013. For existing members, the normal retirement age remains age 60. Furthermore, contribution rates for current service for all members of the public service will increase gradually to an employer: employee cost sharing ratio of 50:50 by 2017.

Other benefits include survivor pensions, minimum benefits in the event of death, unreduced early retirement pensions, and disability pensions.

Government of the Northwest Territories

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(All figures in thousands of dollars)

17. PENSIONS (continued)

b) Pension liability

	2014 Regular Funded \$	2014 Supplemental Unfunded \$	2014 Total \$
Accrued benefit obligation	55,809	31,379	87,188
Pension fund assets - market-related value	(57,854)	-	(57,854)
Unamortized actuarial losses	(1,357)	(2,325)	(3,682)
Pension liability (asset)	(3,402)	29,054	25,652

	2013 Regular Funded \$	2013 Supplemental Unfunded \$	2013 Total \$
Accrued benefit obligation	52,368	27,080	79,448
Pension fund assets - market-related value	(53,339)	-	(53,339)
Unamortized actuarial gains (losses)	(1,348)	767	(581)
Pension liability (asset)	(2,319)	27,847	25,528

Included in the pension asset of \$3,402 (2013 - \$2,319) is a surplus for accounting purposes of the Hay River Health and Social Services Authority pension plan in the amount of \$1,002 (2013 - deficit of \$896). The Superintendent of Financial Institutions requires that all plans with a solvency ratio less than 100% file an actuarial valuation annually. There was no solvency shortfall for this plan in 2014 (2013 - \$1,865). Shortfalls are required to be eliminated within 5 years under the *Pension Benefits Standards Act, 1985 (Canada)*. The values of the plan's assets and liabilities on a solvency basis are calculated as though the plan were wound up and settled on the valuation date of January 1, 2014.

Government of the Northwest Territories

Notes to Consolidated Financial Statements

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(All figures in thousands of dollars)

17. PENSIONS (continued)

c) Change in pension liability (asset)

	2014 Regular Funded \$	2014 Supplemental Unfunded \$	2014 Total \$
Opening balance	(2,319)	27,847	25,528
Change to pension liability (asset) from cash items:			
Contributions from plan members	(1,084)	-	(1,084)
Contributions from Government	(3,838)	-	(3,838)
Benefit payment to plan members	(3,534)	(1,229)	(4,763)
Drawdown from plan assets	3,534	-	3,534
Change in pension liability (asset) from cash items	(4,922)	(1,229)	(6,151)
Change to pension liability (asset) from accrual items:			
Current period benefit cost	3,294	1,098	4,392
Amortization of actuarial (gains) losses	570	(29)	541
Interest on average accrued benefit obligation	2,653	1,367	4,020
Expected return on average plan assets	(2,678)	-	(2,678)
Change in pension liability (asset) from accrual items	3,839	2,436	6,275
Ending balance	(3,402)	29,054	25,652
	2013 Regular Funded \$	2013 Supplemental Unfunded \$	2013 Total \$
Opening balance	(2,878)	27,005	24,127
Change to pension liability (asset) from cash items:			
Contributions from plan members	(923)	-	(923)
Contributions from Government	(3,234)	-	(3,234)
Benefit payment to plan members	(3,086)	(1,190)	(4,276)
Drawdown from plan assets	3,086	-	3,086
Change to pension liability (asset) from cash items	(4,157)	(1,190)	(5,347)
Change to pension liability (asset) from accrual items:			
Current period benefit cost	3,448	969	4,417
Amortization of actuarial (gains) losses	2,559	(253)	2,306
Prior period cost of plan amendment	(1,477)	-	(1,477)
Interest on average accrued benefit obligation	2,625	1,316	3,941
Expected return on average plan assets	(2,439)	-	(2,439)
Change in pension liability (asset) from accrual items	4,716	2,032	6,748
Ending balance	(2,319)	27,847	25,528

Government of the Northwest Territories

Notes to Consolidated Financial Statements

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17. PENSIONS (continued)

d) Pension expense

The components of pension expense include current period benefit cost, amortization of actuarial net (gains) / losses and interest on average accrued benefit obligation net of the expected return on average plan assets and contributions from plan members. The total expense is \$5,191 (2013 - \$5,825). The interest cost on the accrued benefit obligation was determined by applying the discount rate determined at the beginning of the period to the average value of the accrued benefit obligation for the period. The expected return on plan assets was determined by applying the assumed rate of return on plan assets to the average market-related value of assets for the period. The difference between the expected and actual return on plan assets was a gain of \$2,151 (2013 - \$947).

In addition to the above, the Government contributed \$53,866 (2013 - \$52,972) to the Public Service Pension Plan. The employees' contributions to this plan were \$30,541 (2013 - \$28,841).

e) Changes to pension plans in the year

Hay River Health and Social Services Authority

In 2014, there were no amendments and/or revisions to the pension plan provisions.

In 2013, the Authority has decided to revise the pension plan provisions as follows:

a) To increase required employee contributions - Effective April 1, 2013, the member required contributions will be increased to 6.85% of earnings up to the yearly maximum pensionable earnings (YMPE) plus 9.2% of earnings above the YMPE. The member required contribution rates will also increase effective April 1, 2014 to 7.5% of earnings up to the YMPE plus 9.8% for earnings above the YMPE. Moreover, effective April 1, 2015, the member required contribution rates will increase 8.15% of earnings up to the YMPE plus 10.4% for earnings above the YMPE.

b) To cease offering portability at certain ages - The plan was amended, with an effective date of January 1, 2018, to cease offering portability for members who are eligible for immediate pension.

c) To increase the eligibility period - On April 1, 2013, the eligibility waiting period changed to two years from six months. This change does not affect any current plan members or employees hired prior to April 1, 2013.

f) Valuation methods and assumptions used in valuing pension liability

Valuation date

Actuarial valuations were last completed for the Legislative Assembly and Judges' plans as of April 1, 2012 and April 1, 2013, respectively. As the actuarial valuations were not valued as at the year-end, the Legislative Assembly plans were extrapolated to January 31, 2014 and the Judges' plans were extrapolated to March 31, 2014. The effective date of the next actuarial valuation for the Legislative Assembly and Judges' plans is April 1, 2016. The actuarial valuation for the Retirement Plan for Employees of the Hay River Health and Social Services Authority was completed as at January 1, 2014, and the results were extrapolated to March 31, 2014. The effective date of the next actuarial valuation for the Hay River Health and Social Services Authority plan is April 1, 2016.

Liability valuation method

The actuarial valuations were performed using the projected accrued benefit method. The valuations are 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.

Government of the Northwest Territories

Notes to Consolidated Financial Statements

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(All figures in thousands of dollars)

17. PENSIONS (continued)

(f) Valuation methods and assumptions used in valuing pension liability (continued)

Asset valuation method

The asset valuation method, market-related value, for the MLA's plans is equal to a smoothed market value which spreads the difference between the actual and expected investment income over a four year period and is then adjusted for payments due to, and payable from, the pension plan. The fair market value of the MLA's regular plan is \$22,490 (2013 - \$20,617). The asset valuation method for the Judges' plans is market value. The market value of the regular Judges' plan is \$5,082 (2013 - \$4,543). The asset valuation method for the Retirement Plan for Employees of the Hay River Health and Social Services Authority is market-related value. The fair market value of its pension plan assets is \$31,901 (2013 - \$28,227).

Actuarial gains and losses

Actuarial gains and losses occur when actual experience varies from estimates or when actuarial assumptions change. The adjustments needed are amortized on a straight-line basis over the estimated average remaining service lives of the contributors. The estimated average remaining service lives of the contributors is 5.0 years (2013 - 6.0 years) for the MLA's plans, 4.0 years (2013 - 4.9 years) for the Judges' plans, and 7.7 years (2013 - 7.7 years) for the Hay River Health and Social Services Authority plan.

Actuarial assumptions

	Hay River H&SS Authority plan	MLA's plans	Judges' plans
Expected rate of return on plan assets	5.7%	4.8%	4.8%
Rate of compensation increase	2.5%	2.3%	2.3%
Annual inflation rate	2.0%	2.3%	2.3%
Discount rate	5.7%	4.8%	4.8%

Retirement assumptions

- Members of Legislative Assembly at the earliest of age 60, thirty years of service or when age plus service equals 80.
- Judges at the earlier of age 60 or when age plus service equals 80.
- Employees of the Hay River H&SS Authority may retire early at age 50. Normal retirement is at age 65.

18. OTHER EMPLOYEE FUTURE BENEFITS

In addition to pension benefits, the Government provides termination and removal benefits to its employees. The cost of these benefits accrues either as employees render service or upon the occurrence of an event resulting in eligibility for benefits under the terms of the plan. This benefit plan is not pre-funded and thus has no assets, resulting in a plan deficit equal to the accrued benefit obligation.

	2014 \$	2013 \$
Resignation and retirement	37,239	36,279
Removal	17,926	17,465
	55,165	53,744

Government of the Northwest Territories

Notes to Consolidated Financial Statements

March 31, 2014

(All figures in thousands of dollars)

19. TRUST ASSETS UNDER ADMINISTRATION

The Government administers trust assets 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.

	2014	2013
	\$	\$
Correctional institutions and other	407	389
Natural Resources - capital	235	244
Public Trustee	6,280	6,414
Territorial and Supreme Courts	795	1,138
Government of New Brunswick	5,132	6,944
Scholarship bequest - Beaufort Delta Divisional Education Council	256	253
Bequest - South Slave Divisional Education Council	80	79
School functions - Sahtu Divisional Education Council	277	430
Patient funds - Stanton Territorial Health Authority	12	10
Patient funds - Dehcho Health and Social Services Authority	5	-
Patient funds - Hay River Health and Social Services Authority	53	-
Patient funds - Fort Smith Health and Social Services Authority	31	18
Patient funds - Beaufort Delta Health and Social Services Authority	164	211
	13,727	16,130

20. CONTRACTUAL OBLIGATIONS

The Government has entered into agreements for, or is contractually committed to, the following payments subsequent to March 31, 2014:

	Expiry Date	2015	2016- 2023	Total
		\$	\$	\$
Operational commitments	2020	77,553	81,291	158,844
RCMP Policing Agreement	2032	44,430	755,310	799,740
Commercial and residential leases	2023	25,310	52,623	77,933
Equipment leases	2019	1,830	1,994	3,824
Tangible capital asset projects in progress at year-end	2018	161,810	112,264	274,074
		310,933	1,003,482	1,314,415

Government of the Northwest Territories

Notes to Consolidated Financial Statements

March 31, 2014

(All figures in thousands of dollars)

21. CONTINGENCIES

(a) Environmental liabilities

The Government recognizes that there are costs related to the remediation of environmentally contaminated sites for which the Government is responsible. The Government has identified 129 (2013 - 126) sites as potentially requiring environmental remediation at March 31, 2014. Where an estimate could be determined for remediation costs, a liability has been recorded and included as a component of accounts payable and accrued liabilities.

One of the 129 sites, Giant Mine, has been formally designated as contaminated under the *Environmental Protection Act* (NWT). In 2005, the Government recorded a liability for its share of the above ground remediation. The balance of the Government's share of the Giant Mine remediation liability at March 31, 2014 is \$3,052 (2013 - \$3,162).

There are 31 active or decommissioned landfill sites that are outside incorporated communities. Further analysis is required to assess the extent, if any, of the Government's liability. Of the remaining 97 sites, the majority of which have been investigated but are still awaiting full environmental assessments, 15 are airports or airport strips or reserves, 18 are sewage lagoons, 14 are fuel tanks and 10 are highways. Remediation costs for the sites that are known to be contaminated and the Government is obligated to remediate are currently estimated at \$24,275 (2013 - \$23,183).

The Government's ongoing efforts to assess the remaining sites may result in additional environmental liabilities. These liabilities will be recorded in the year in which they become known and can be reasonably estimated.

(b) Guarantees

The Government has guaranteed residential housing loans to banks totaling \$3,945 (2013 - \$4,609) and indemnified Canada Mortgage and Housing for third party loans totaling \$22,476 (2013 - \$24,282). In addition, the Government has provided a guarantee to the Canadian Blood Agency and Canadian Blood Services to cover a share of potential claims made by users of the national blood supply. The Government's percentage is limited to the ratio of the Northwest Territories' population to the Canadian population.

(c) Loans

The Northwest Territories Business Development and Investment Corporation (BDIC) has five outstanding loans to three Northern Community Futures organizations totaling \$1,125 (2013 - \$1,000). Loans provided by these three organizations may be assigned to the BDIC when impaired. If assigned, the BDIC would then write-off the Northern Community Futures organization loan balance and would attempt to recuperate its loss. In 2014 no accounts were assigned to the BDIC (2013 - nil).

The BDIC has six outstanding irrevocable standby letters of credit. The amounts of these letters of credit totaled \$2,485 (2013 - \$2450) and expire in 2014. Payment by the BDIC is due from these letters in the event that the applicants are in default of the underlying debt. To the extent that the BDIC has to pay out to third parties as a result of these agreements, these payments will be owed to the BDIC by the applicants. Each letter of credit is secured by promissory note, general security agreement, guarantee or collateral mortgage. During the year, no payments were made (2013 - nil).

Government of the Northwest Territories

Notes to Consolidated Financial Statements

March 31, 2014

(All figures in thousands of dollars)

21. CONTINGENCIES (continued)

(d) Claims and litigation

There are a number of claims and pending and threatened litigation cases outstanding against the Government. In certain of these cases, pursuant to agreements negotiated prior to the division of the territories, the Governments of the Northwest Territories and Nunavut will jointly defend the suits. The cost of defending these actions and any damages that may eventually be awarded will be shared by the two Governments 55.66% and 44.34%, respectively. The Government has recorded an allowance for any claim or litigation where it is likely that there will be a future payment and a reasonable estimate of the loss can be made. The allowance is based upon estimates determined by the Government's legal experts experience or case law in similar circumstances. At year-end, the Government estimated the total claimed amount for which the outcome is not determinable at \$1,225 (2013 - \$49). No provision for such claims has been made in these financial statements as it is not determinable that any future event will confirm that a liability has been incurred as at March 31.

22. TRANSFER PAYMENTS AND TAXATION REVENUE

	2014	2013
	\$	\$
Transfer payments:		
Capital transfers	18,513	37,210
Canada Health and Social Transfer Reform Fund	37,069	51,993
Federal cost shared	76,148	57,582
Other	22,640	23,785
	<hr/> 154,370	<hr/> 170,570
Taxation:		
Corporate Income Tax	81,256	108,422
Personal Income Tax	89,451	105,360
	<hr/> 170,707	<hr/> 213,782
Fuel	18,514	18,607
Tobacco	15,683	15,587
Payroll	41,245	41,619
Property and school levies	37,190	36,249
Insurance	4,645	4,763
	<hr/> 117,277	<hr/> 116,825
	<hr/> 442,354	<hr/> 501,177

Transfer payment revenue comprises of transfers received from the Government of Canada. Federal cost shared transfer payments relate to those service agreements that are funded by both the Government and the Government of Canada. Other transfer payments comprises of contributions from the Canada Mortgage and Housing Corporation and of grants and contributions received by the Government's public agencies.

Government of the Northwest Territories

Notes to Consolidated Financial Statements

March 31, 2014

(All figures in thousands of dollars)

23. EXPENSES

Grants and contributions include transfer payments paid through programs to individuals, and to provide major transfer funding for communities under community government funding arrangements. Payments to individuals include payments for children's benefits, income support or income supplement. Assistance is based on age, family status, income, and employment criteria. Other transfer payments are provided to conduct research, to establish new jobs through support for training and to promote educational, health and cultural activities. Also included are expenses of other consolidated entities and other miscellaneous payments.

	2014	2013
	\$	\$
Expenses by Object:		
Grants	95,978	93,937
Contributions	98,613	107,337
Operations and maintenance	663,484	630,323
Compensation and benefits	743,581	695,830
Change in valuation allowances	2,925	7,395
Amortization of tangible capital assets (<i>schedule A</i>)	92,151	89,116
	1,696,732	1,623,938

Expenses of various Government departments, its territorial corporations and other public agencies are aggregated in the Statement of Operations as follows:

Environment and economic development	Department of Environment and Natural Resources Department of Industry, Tourism and Investment NWT Business Development and Investment Corporation Northwest Territories Opportunities Fund Northwest Territories Heritage Fund Arctic Energy Alliance
Infrastructure	Department of Public Works and Services Department of Municipal and Community Affairs Department of Transportation
Education	Department of Education, Culture and Employment Aurora College All Divisional Education Councils in the NWT All District Education Authorities in the NWT Tlicho Community Services Agency (education portion) NWT Sport and Recreation Council
Health, social services and housing	Department of Health and Social Services All Health and Social Services Authorities in the NWT Tlicho Community Services Agency (health portion) NWT Housing Corporation

Government of the Northwest Territories

Notes to Consolidated Financial Statements

March 31, 2014

(All figures in thousands of dollars)

23. EXPENSES (continued)

Justice	Department of Justice
General government	Department of Aboriginal Affairs and Intergovernmental Relations Department of Executive Department of Finance Department of Human Resources
Legislative Assembly and statutory offices	Legislative Assembly NWT Human Rights Commission NWT Status of Women Council

24. RELATED PARTIES

Significant transactions with related parties and balances at year-end are disclosed separately in the financial statements and notes thereto.

25. SUBSEQUENT EVENTS

Devolution of Federal Responsibilities

Effective April 1, 2014 Canada will devolve the administration and control of public lands, resources, and rights in respect of waters in the Northwest Territories to the Commissioner of the Northwest Territories. The Northwest Territories Lands and Resources Devolution Agreement establishes a framework for a cooperative and coordinated management regime for lands, resources and rights in respect of waters in the Northwest Territories in which the Government of the Northwest Territories and Aboriginal peoples of the Northwest Territories participate. From and after the transfer date, Canada shall provide to the Government additional funding of \$67,300 by making an adjustment with an effective date of April 1, 2014 to the current gross expenditure based grant from Canada as determined under the *Federal-Provincial Fiscal Arrangements Act (Canada)* and *Federal-Provincial Fiscal Arrangements Regulations, 2007 (Canada)* or any successor program governing the financial arrangements between Canada and the GNWT.

26. COMPARATIVE FIGURES

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

Consolidated Schedule of Tangible Capital Assets

for the year ended March 31,

(All figures in thousands of dollars)

	Land	Buildings ¹	Other ²	Leasehold Improvements	Equipment ^{1,3}	Computers	2014	2013
	\$	\$	\$	\$	\$	\$	\$	\$
Cost of tangible capital assets, opening	11,161	1,421,811	1,317,322	37,824	199,525	104,127	3,091,770	2,645,624
Acquisitions	486	26,547	129,615	641	6,696	4,325	168,310	468,754
Disposals	-	(5,842)	-	(449)	(6,170)	(368)	(12,829)	(22,608)
Cost of tangible capital assets, closing	11,647	1,442,516	1,446,937	38,016	200,051	108,084	3,247,251	3,091,770
Accumulated amortization, opening	-	(531,322)	(442,940)	(27,314)	(105,752)	(57,211)	(1,164,539)	(1,090,015)
Amortization expense	-	(41,065)	(34,059)	(1,736)	(8,546)	(6,745)	(92,151)	(89,116)
Disposals	-	3,613	-	448	5,922	368	10,351	14,592
Accumulated amortization, closing	-	(568,774)	(476,999)	(28,602)	(108,376)	(63,588)	(1,246,339)	(1,164,539)
Net book value	11,647	873,742	969,938	9,414	91,675	44,496	2,000,912	1,927,231
Work in Progress							137,702	100,120
							2,138,614	2,027,351

¹ Included in buildings and equipment are assets under capital lease cost, \$11,504 (2013 - \$12,764); accumulated amortization, \$7,941 (2013 - \$8,520); net book value, \$3,563 (2013 - 4,244).

² Includes roads, bridges, airstrips, aprons, and water/sewer works

³ Includes ferries, mobile and heavy equipment, medical and major equipment.

Government of the Northwest Territories

Schedule B

Consolidated Schedule of Segmented Information

for the year ended March 31,

(All figures in thousands of dollars)

	Departments ¹	Government Business Enterprises ²	Other Public Agencies ³	Total for All Segments	Adjustments ⁴	2014	2013
	\$	\$	\$	\$	\$	\$	\$
Revenues							
Grant from the Government of Canada	1,121,244	-	-	1,121,244	-	1,121,244	1,070,023
Transfer payments	131,729	-	22,641	154,370	-	154,370	170,570
	1,252,973	-	22,641	1,275,614	-	1,275,614	1,240,593
Taxation and general revenues							
Corporate and personal income taxes	170,707	-	-	170,707	-	170,707	213,782
Other taxes	107,952	-	9,325	117,277	-	117,277	116,825
General	31,623	72	596,497	628,192	(572,120)	56,072	48,320
Income from portfolio investments	2,642	-	765	3,407	64	3,471	2,735
Sales ⁵	87,349	103,897	6,022	197,268	(104,121)	93,147	96,354
Recoveries	34,341	-	18,280	52,621	-	52,621	46,138
	434,614	103,969	630,889	1,169,472	(676,177)	493,295	524,154
Recoveries of prior years' expenses	7,156	-	-	7,156	-	7,156	27,688
	1,694,743	103,969	653,530	2,452,242	(676,177)	1,776,065	1,792,435
Expenses							
Grants and contributions	722,302	-	4,876	727,178	(532,587)	194,591	201,274
Operations and maintenance	478,949	55,827	226,811	761,587	(98,103)	663,484	630,323
Compensation and benefits	326,468	23,331	413,611	763,410	(19,829)	743,581	695,830
Change in valuation allowances	2,814	-	111	2,925	-	2,925	7,395
Amortization of tangible capital assets	77,021	19,578	14,998	111,597	(19,446)	92,151	89,116
	1,607,554	98,736	660,407	2,366,697	(669,965)	1,696,732	1,623,938
Annual operating surplus (deficit)	87,189	5,233	(6,877)	85,545	(6,212)	79,333	168,497
Net income from investment in Government Business Enterprise - Northwest Territories Hydro Corporation					5,233	5,233	6,490
Projects on behalf of third parties							
Expenses	(60,439)	-	-	(60,439)	-	(60,439)	(62,892)
Recoveries	60,439	-	-	60,439	-	60,439	62,892
Annual surplus (deficit)	87,189	5,233	(6,877)	85,545	(979)	84,566	174,987

¹ Departments consist of all those listed in Note 23 that begin with the word "Department" and the Legislative Assembly.

² The Northwest Territories Hydro Corporation is the only Government Business Enterprise for financial reporting purposes.

³ Public agencies consist of those listed in Note 23 other than Departments that are grouped under environment and economic development, infrastructure, economic, health, social services and housing, justice, general government, and legislative assembly and statutory offices.

⁴ Includes adjustments to remove the effect of Government Business Enterprises accounted on the modified equity basis and entries to eliminate inter-entity balances to comply with Canadian public sector accounting standards of consolidated financial statements; for example, contributions by departments to boards and agencies are shown under grants and contributions expense under the "Departments" column. The amounts received by the applicable board or agency (e.g. Health and Social Services Authority, Divisional Education Council) are shown under general revenue in the "Other Public Agencies" column. These amounts are eliminated upon consolidation to avoid double counting and result in significant amounts shown in the "Adjustments" column.

⁵ To conform with the appropriation process, departments' sales are shown as net of cost of sales and are converted to gross sales for consolidation purposes (via adjustments).

GOVERNMENT OF THE NORTHWEST TERRITORIES
GOVERNMENT INDICATORS
FOR THE YEAR ENDED MARCH 31, 2014
(Unaudited)

HONOURABLE J. MICHAEL MILTENBERGER
Minister of Finance

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INTRODUCTION

The Public Accounts report the financial position and results of operations of the Government for a fiscal year. The Consolidated Statement of Financial Position discloses the assets, liabilities, accumulated surplus or deficit, as well as the net debt position of the Government. The Consolidated Statement of Change in Net Debt discloses the significant items that impacted the Government's net debt position since the last fiscal year end. The financial position of the Government is measured at a specific point in time (March 31 fiscal year end), whereas information relating to revenues and expenses encompasses the results for a fiscal year as disclosed in the Consolidated Statement of Operations. It is important to note that the financial position of a Government is often quite different from the financial condition of the economy.

The financial health of a Government can be measured by its sustainability, flexibility and vulnerability, looked at in the context of the overall economic and financial environment. These terms are defined as follows:

- **Sustainability:** the degree to which a Government can maintain existing programs and meet existing creditor requirements without increasing the debt burden on the economy.
- **Flexibility:** the degree to which a Government can increase its financial resources to respond to rising commitments, by either expanding its revenues, or increasing its debt burden.
- **Vulnerability:** the degree to which a Government becomes dependent on, and therefore vulnerable to, sources of funding outside its control or influence, both domestic and international.

The information provided in the following pages is intended to assist readers of the Public Accounts in their assessment of the Government's financial health. It is important to note that the information contained within the Consolidated Financial Statements (Public Accounts – Section I) includes all Government-controlled organizations. Organizations included in the Government Reporting Entity are listed in Note 1 to the Consolidated Financial Statements.

GROSS DOMESTIC PRODUCT

Gross Domestic Product (GDP) represents the total unduplicated value of goods and services produced within the geographical boundaries of a country, province or territory, regardless of whether the factors of production involved are resident or non-resident. GDP is presented in chained dollars. Chained dollars are a real measure of GDP meaning pricing effects are excluded providing a direct comparison of the quantity of goods and services produced from year to year; GDP changes because the quantity of goods and services changes. Estimates of GDP are typically expressed at basic prices, which exclude the impact of taxes and subsidies in the estimate. The GDP estimates shown below are in chained 2007 dollars at market prices.

For the Northwest Territories (NWT), Statistics Canada estimated GDP was \$3,537 million for 2013, which represents a 1.9% increase relative to the 2012 estimate of \$3,470 million. This rise is a result of an increase in both the oil and gas sector and capital investment (construction) in the 2013 calendar year.

Gross Domestic Product at Market Prices, calendar years 2012 and 2013
Canada, Provinces and Territories
Chained (2007) Dollars (\$ in millions)

	2013	2012	Percent Change
Canada	1,589,488	1,558,077	2.0
Northwest Territories	3,537	3,470	1.9
Nunavut	1,942	1,758	10.5
Yukon	2,258	2,229	1.3
British Columbia	196,519	192,648	2.0
Alberta	289,774	278,795	3.9
Saskatchewan	58,452	55,791	4.8
Manitoba	52,091	50,955	2.2
Ontario	584,231	577,488	1.2
Quebec	306,774	303,473	1.1
New Brunswick	26,077	26,080	0.0
Nova Scotia	33,102	32,843	0.8
Prince Edward Island	4,529	4,467	1.4
Newfoundland and Labrador	27,916	25,878	7.9

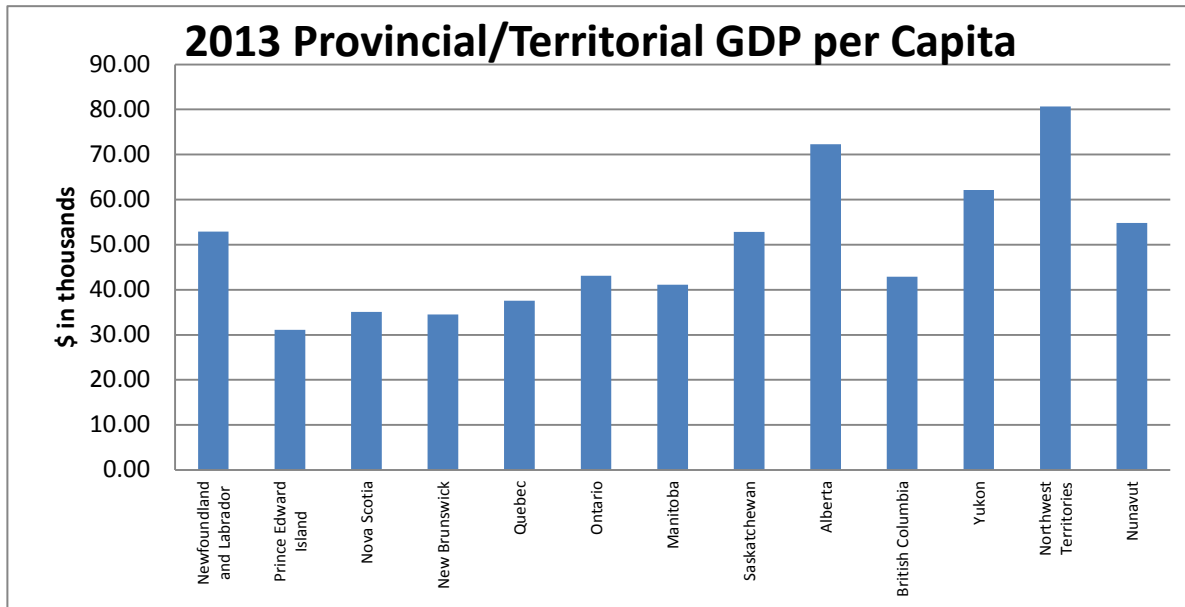
Source: Statistics Canada

Prepared by NWT Bureau of Statistics

Note:

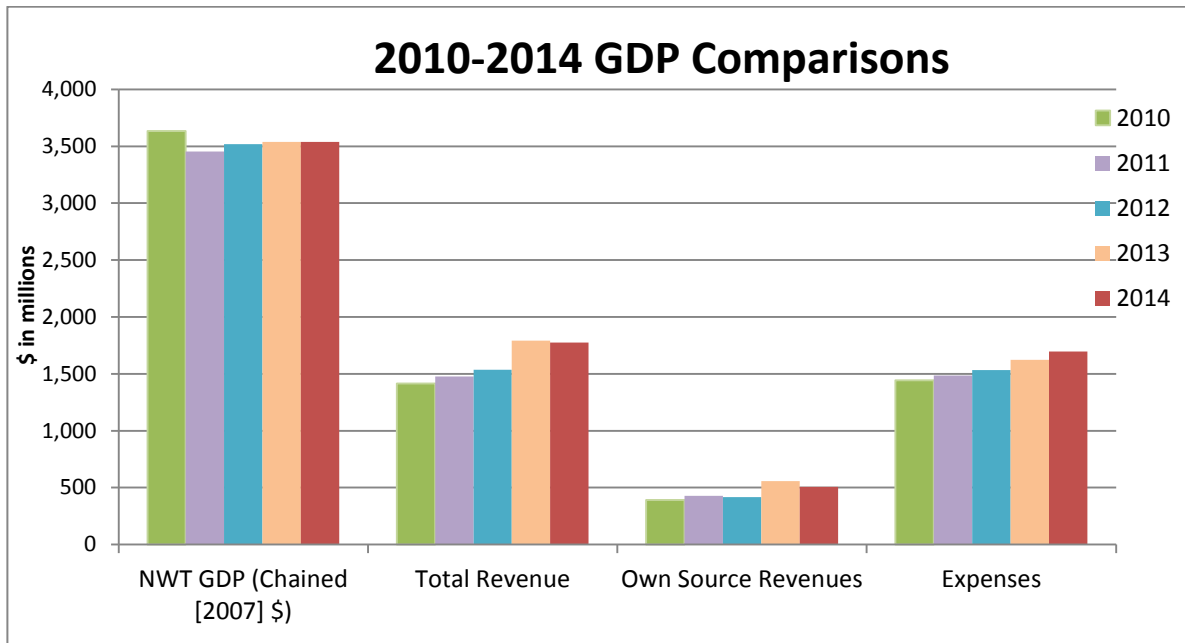
1. Data will not sum to totals since chained dollars are not additive.

GROSS DOMESTIC PRODUCT (continued)



Based on July 1, 2013 population estimates of Statistics Canada

The NWT currently has the highest GDP per capita in Canada. This is an important indicator to note when considering GDP statistics as it shows that while the NWT has a relatively small population our economy is large by comparison.



* NWT GDP is based on a calendar year, while the balance of the information is based on the fiscal yearend (March 31 of the following year). The 2013 figure for NWT GDP has been used for 2014 illustration purposes. Net income from the NWT Hydro Corporation and recoveries are included in GNWT own source revenues.

When comparing the GDP with the Government’s revenues and expenses one can see that a detailed analysis would be required to capture any relational data.

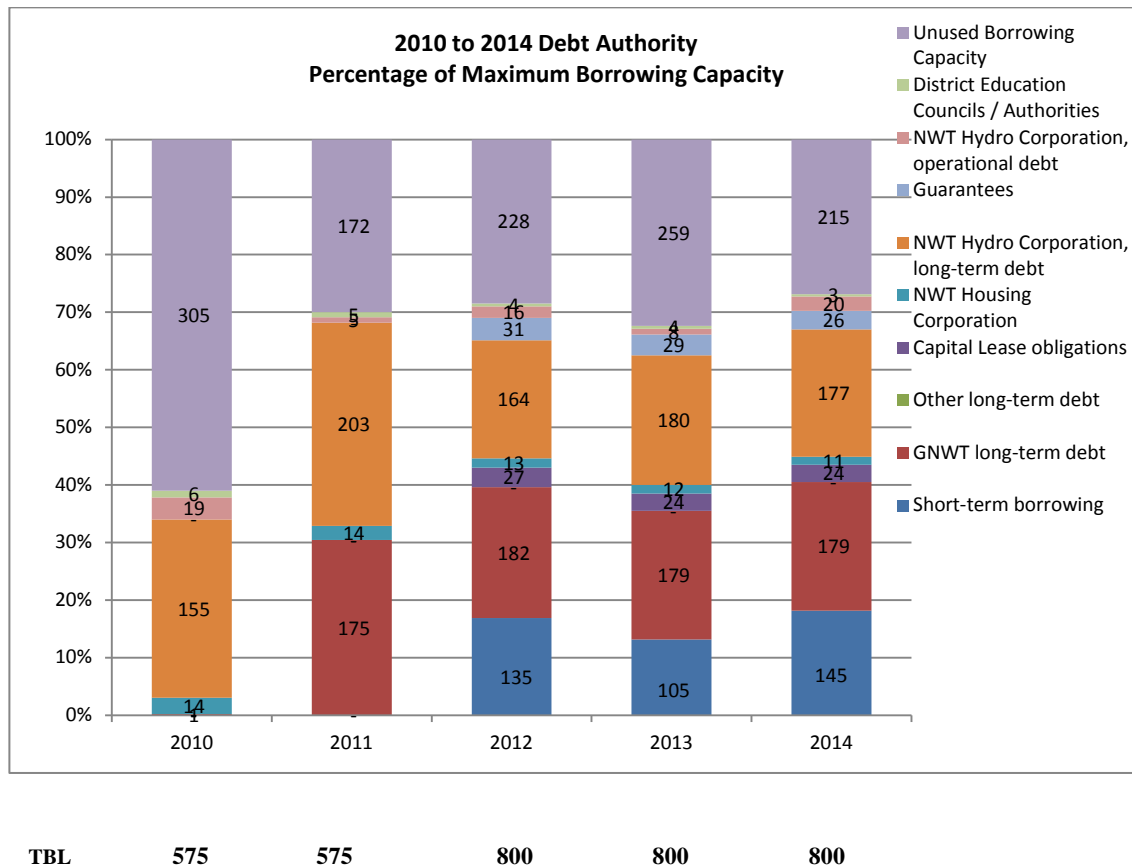
LONG-TERM DEBT BORROWING LIMITS

The borrowing limit of the GNWT is established pursuant to subsection 20(2) of the *Northwest Territories Act*. In 2010 the Government of Canada temporarily increased the GNWT's Territorial Borrowing Limit (TBL) to \$575 million from the \$500 million approved limit. On March 8, 2012, the Government of Canada again increased the TBL to \$800 million. A portion of this \$225 million increase was to offset items that were previously excluded from the definition of borrowing for the purposes of the TBL (for example obligations under capital leases must now be included).

Pressures experienced due to the general state of the economy and the Government's desire to address infrastructure deficits within the Northwest Territories have resulted in the Government's continued negotiation for a further increase to the TBL to support long term planning for the Northwest Territories.

Consolidated debt, for purposes of the TBL, includes the debts of all Government organizations that are included within the Consolidated Public Accounts. The borrowings of the Northwest Territories Hydro Corporation (NWT Hydro Corporation), while included in the calculation, are serviced through revenues generated by the NWT Hydro Corporation, and therefore do not require the Government to fund the related interest expense or principal repayment.

In 2011 the debt associated with the Deh Cho Bridge was assumed by the GNWT and required to be included within the GNWT's debt calculation.



The Government implemented a *Fiscal Responsibility Policy* in 2005 to guide borrowing decisions and allow flexibility in planning for its future infrastructure needs. As part of its fiscal management strategy the Government has obtained a credit rating of Aa1 from Moody's Investors Service to assist in decisions that may be required related to any future debt instruments that the Government may consider. The current Capital Plan includes projects under the GNWT's P3 policy or that will be fully funded by the Government's revenues.

The NWT requires a significant investment in infrastructure. To ensure ongoing fiscal sustainability, but still allow for necessary investments required to address high priority infrastructure needs, the *Fiscal Responsibility Policy* establishes an ongoing approach to finance the Government's infrastructure investments and requires that at least 50% of the Government's annual infrastructure investment be financed by cash generated from operations. A maximum of 50% of the annual infrastructure investment may be financed by debt and annual debt servicing payments (principal and interest) cannot exceed 5% of total revenues. This requires the Government to plan for and realize sufficient operating surpluses on an ongoing basis to finance 50% of capital investments as well as meet debt servicing payments on the amounts borrowed.

The Policy makes the Government accountable for its level of borrowing with the establishment of performance criteria for debt management that ensure the total debt of the Government does not exceed the capacity of the Government to repay the debt as it becomes due.

The debt management criteria include the following:

Ratio: Government Debt to Revenue

- i) From year to year, the ratio of total Government debt, excluding guaranteed debt, compared to consolidated revenue, in relation to provinces shall be in the lowest 4.

In 2013 the NWT was ranked 3.

This ratio is an indicator of the increase in debt in proportion to the increase in revenue, where decreasing ratios are a positive indicator that the rate of increase in revenue is greater than the rate of increase in debt.

Ratio: Debt per Capita

- ii) From year to year, the total debt per capita ratio, compared to provinces shall be in the lowest 5.

In 2013 the NWT was ranked 5.

This ratio is a measure of the debt burden, on a per person basis, where a decreasing ratio is a positive indicator of a decreasing debt burden.

Debt Servicing Costs (interest), as a Percentage of Revenue

- iii) From year to year, debt servicing costs on Government debt, excluding amounts paid by Public Agencies, as a percentage of revenue, compared to other provinces and territories shall be in the lowest 4.

In 2013 the NWT was ranked 2.

This ratio is a measure of the extent that Government revenues are being applied to debt charges, rather than to programs and services, or tax reduction.

Debt Servicing Payments, as a Percentage of Revenue

- iv) From year to year, payments on Government debt, excluding Public Agency debt service payments, as a percentage of revenue shall not exceed 5 percent of revenue.

In 2014 the NWT was at 0.61% of revenue.

This is a measure of the extent that Government revenues are being applied to debt charges and debt repayment, rather than on programs and services or to reducing taxes.

Debt Servicing Payments as a Percentage of 3-year moving GDP average

- v) Given the volatility of GDP in the NWT, a 3-year moving average GDP shall be used.

From year to year, debt-servicing payments, excluding Public Agency debt, as a percentage of the 3-year moving GDP average, compared to debt servicing payments of provinces shall be in the lowest 4.

In 2013 the NWT was ranked 2 (based on GDP nominal dollars since 3 year moving GDP average is not available at this point).

This ratio is a measure of debt growth in relation to economic growth, where ideally, economic growth exceeds the growth rate of public debt. A decreasing ratio reflects a consistent improvement in financial position.

Net Debt per Capita

- vi) From year to year, net debt per capita, compared to provinces shall be in the lowest 5.

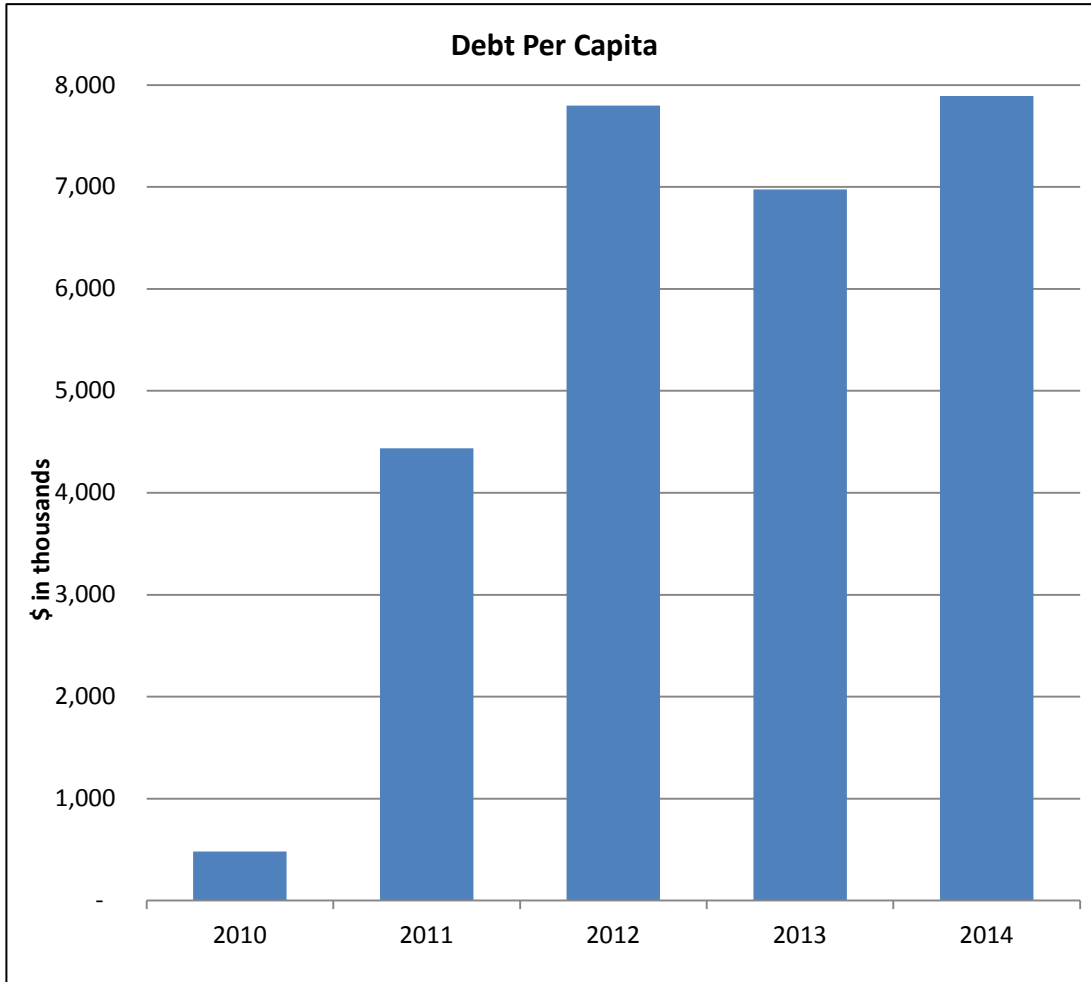
In 2013 the NWT was ranked 5.

This ratio is a measure of the excess of liabilities over financial assets.

The GNWT policy on borrowing and performance measurement criteria, for management of debt, is to be reviewed and updated annually.

DEBT PER CAPITA

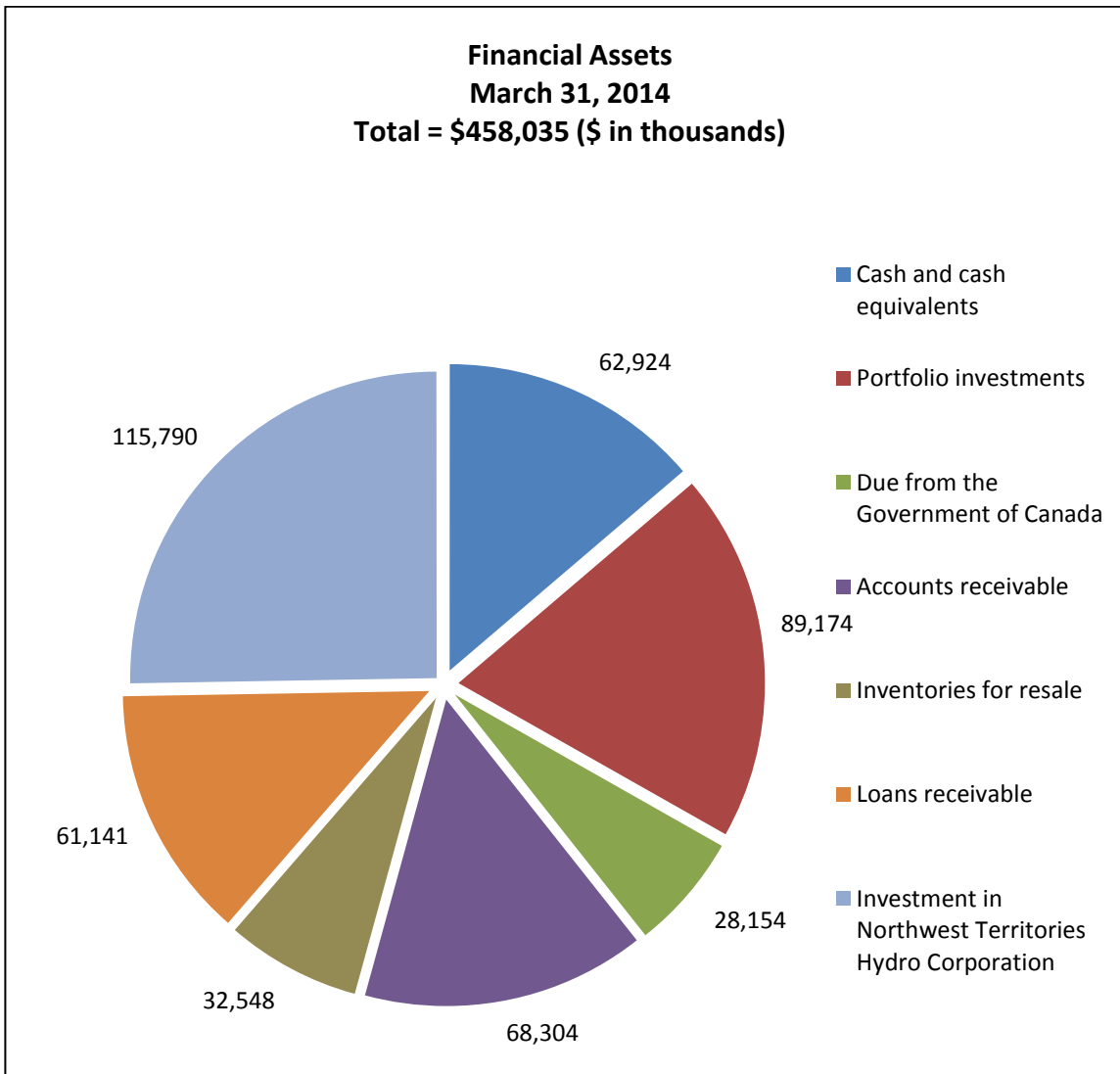
The following chart depicts the debt per capita with respect to the entire debt load that the GNWT is directly responsible for. This debt is comprised of short and long-term borrowing, (excluding the borrowings of the NWT Opportunities Fund (which were repaid in 2012) and the NWT Hydro Corporation as they are not funded through general revenues), capital lease obligations and guarantees. At March 31, 2014, long-term debt was \$198 million (2013 - \$199 million), with short-term borrowings of \$145 million (2013 - \$105 million).



2014 and 2013 amounts are based on 2013 population estimates of Statistics Canada as at April 1, 2014

As disclosed on page 8, the GNWT assumed the debt associated with the Deh Cho Bridge on April 1, 2010, significantly increasing the debt load for 2011 and subsequent fiscal years. In addition the GNWT required significant short term borrowing in 2013 and 2014 of \$105 and \$145 million dollars respectively; the need to utilize short-term debt, particularly at year-end can result in a significant spike in debt per capita.

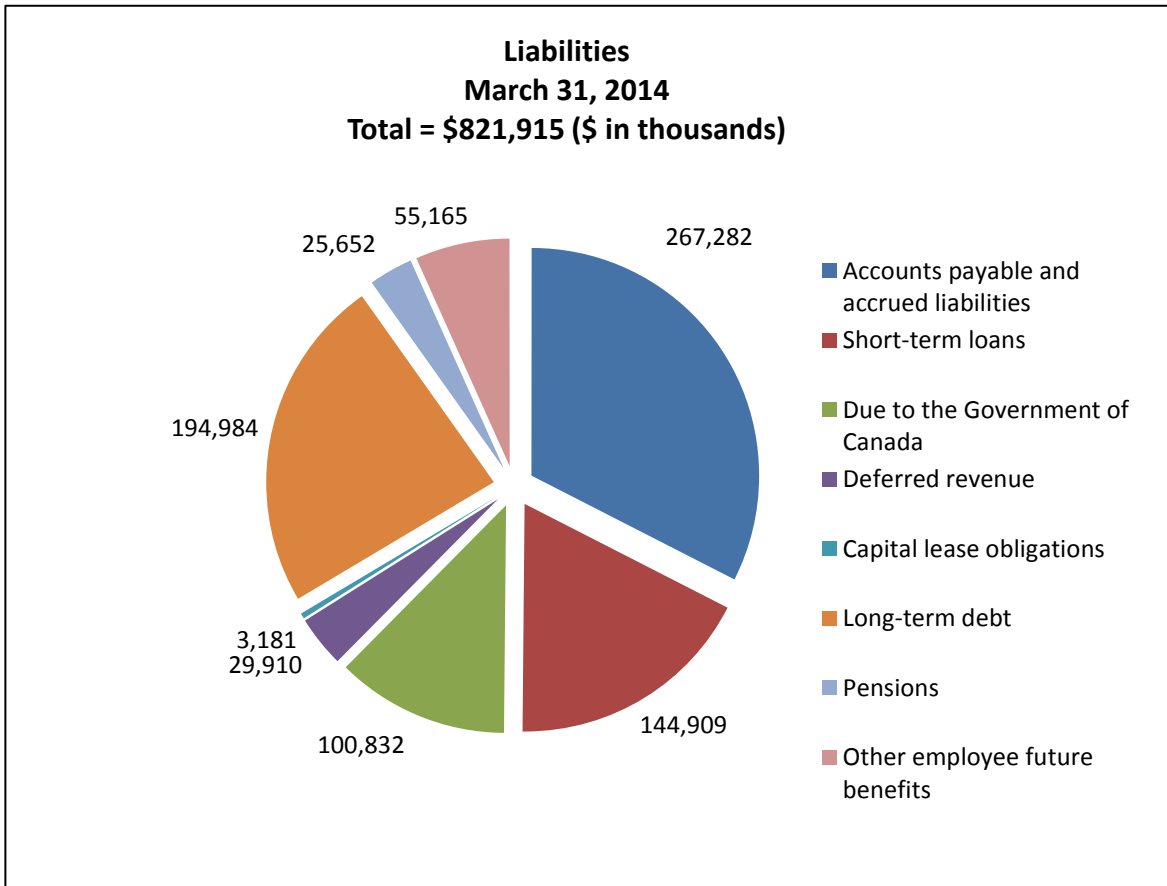
FINANCIAL POSITION



The above graph illustrates the composition of the Government's financial assets.

Approximately 14% of the GNWT's financial assets are cash. The balance is convertible to cash over time, varying from relatively short-term investments and inventory for resale to long term loans receivable. The value of the investment in the Northwest Territories Hydro Corporation is not available "for sale" and as such is not available to discharge the GNWT's liabilities at any point in the foreseeable future. The balance of the financial assets will, over time, contribute to the GNWT's ability to discharge its liabilities as depicted on the following page. The significant gap between the financial assets of the GNWT and its liabilities indicate that some of its future revenues will be required to meet its current obligations.

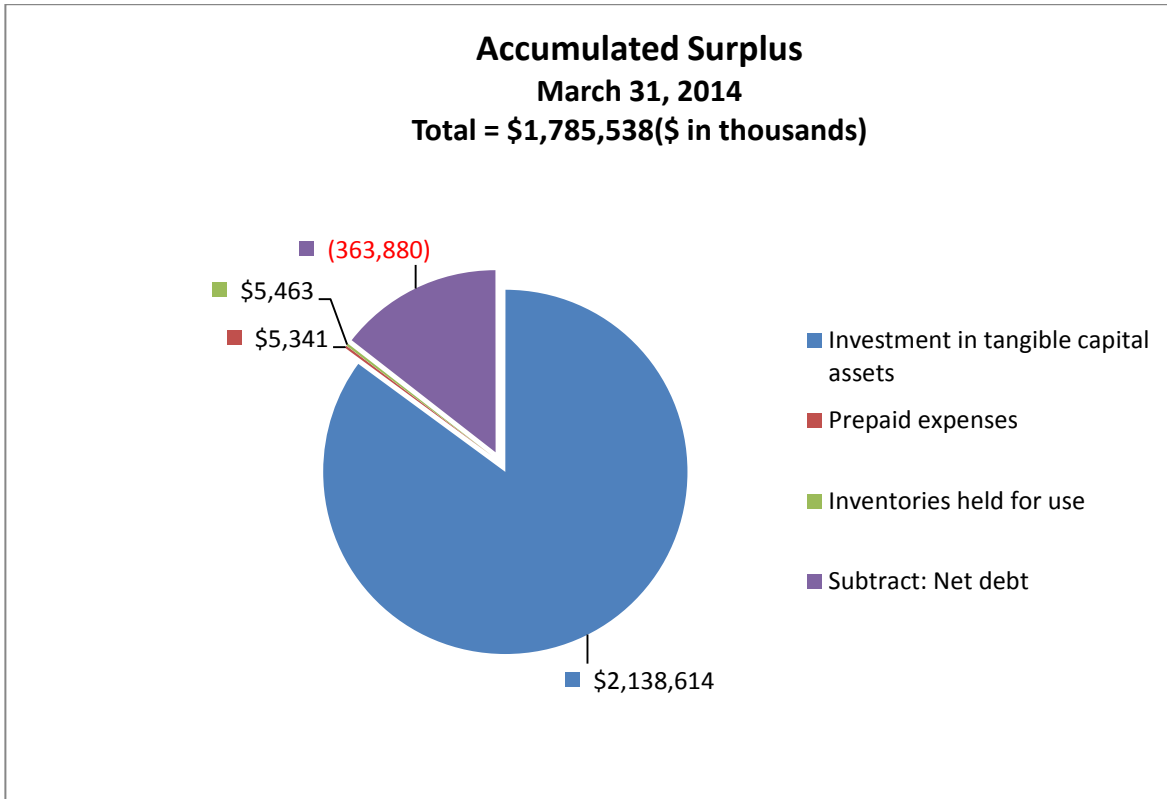
FINANCIAL POSITION (Continued)



The above graph illustrates the composition of the Government's liabilities.

The GNWT presently has approximately \$458 million in financial assets available to discharge its liabilities of approximately \$822 million. Many of the liabilities are not due in the short-term and will be discharged at a later date with a combination of longer term financial assets that provide cash at a later date and cash/accounts receivable that will be generated over future years through normal government operations and future generation of revenues.

FINANCIAL POSITION (continued)

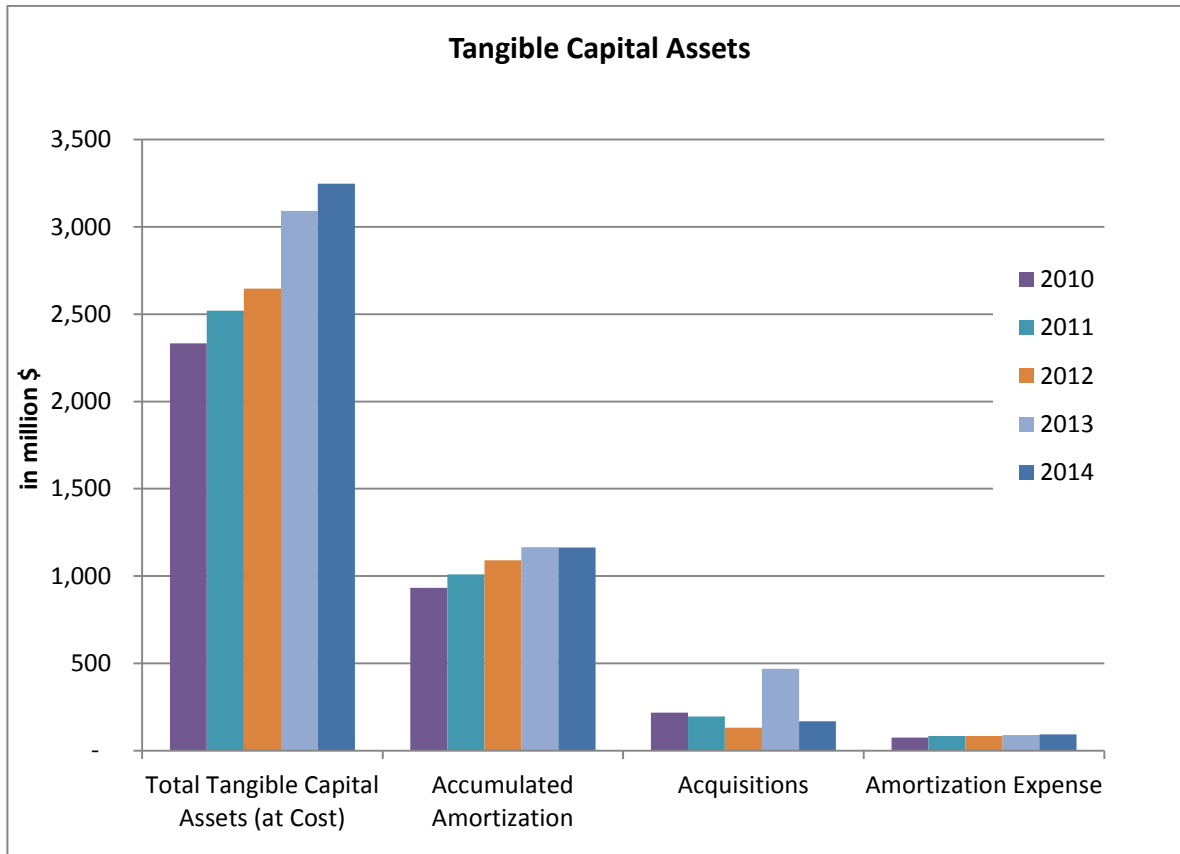


The Government is in a net debt position (depicted above as a negative). This negative amount is subtracted from the Government's accumulated investment in Non-financial Assets (tangible capital assets/prepaid expenses/inventories held for use) to produce the accumulated surplus balance at the end of the year. An important measure of the flexibility of a Government is the level of financial assets available to meet current and future obligations, as well as its flexibility to absorb any budgeted annual deficit without moving to an accumulated deficit position.

TANGIBLE CAPITAL ASSETS

Tangible capital assets include assets purchased or constructed by the Government and assets that were fully or partially contributed to the GNWT by Canada or other parties.

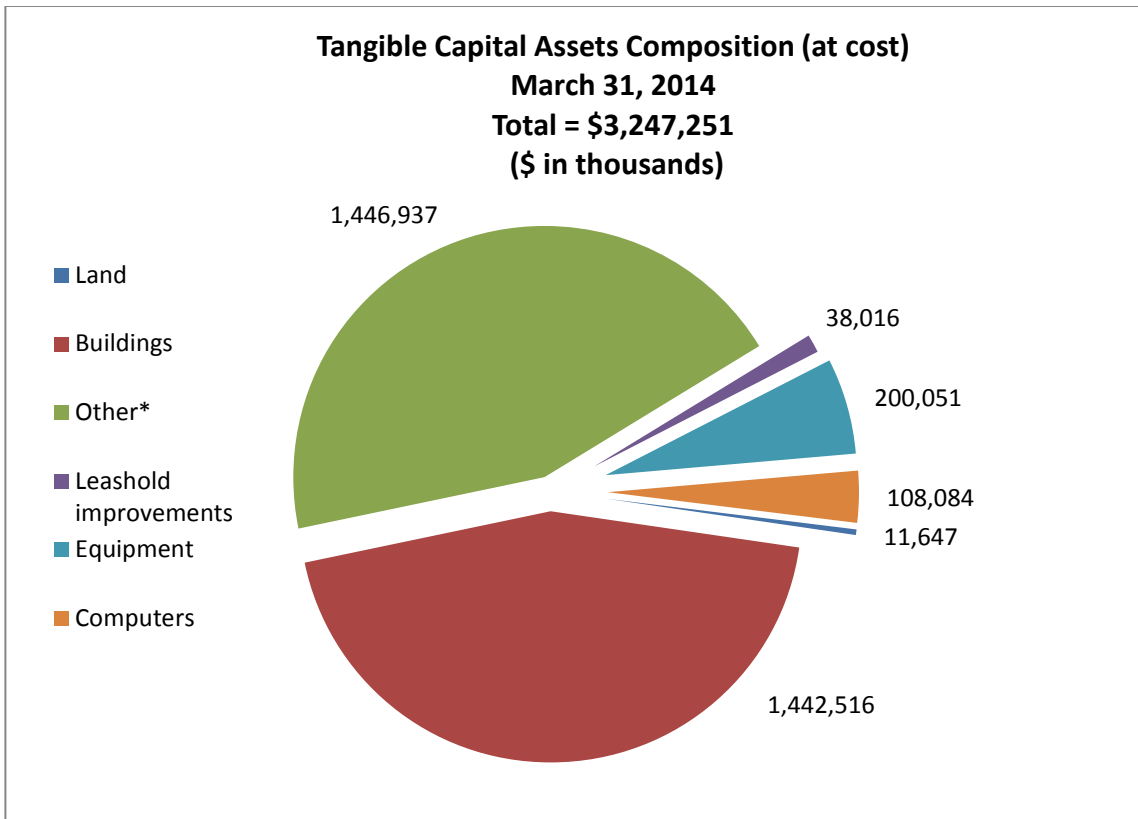
The GNWT records tangible capital assets as non-financial assets on its Consolidated Statement of Financial Position within the Public Accounts. Under this policy, assets valued at \$50,000 or more are capitalized and then expensed as amortization in the Consolidated Statement of Operations based on their estimated useful life.



Tangible capital assets (at cost) do not include adjustments for contributions that may have been received to offset the cost. For further details regarding tangible capital assets refer to Schedule A in the Consolidated Financial Statements included Section I of the Public Accounts.

The Government plans its capital expenditures to ensure that existing tangible capital assets are replaced or expanded in a timely manner in conjunction with the Government’s direction, priorities and fiscal strategy. Tangible capital asset investments are focused on addressing the continued health and safety of NWT residents, the extension of the useful life of existing assets, and providing for program growth.

TANGIBLE CAPITAL ASSETS (continued)



* Includes roads, bridges, airstrips & aprons, and water/sewer works

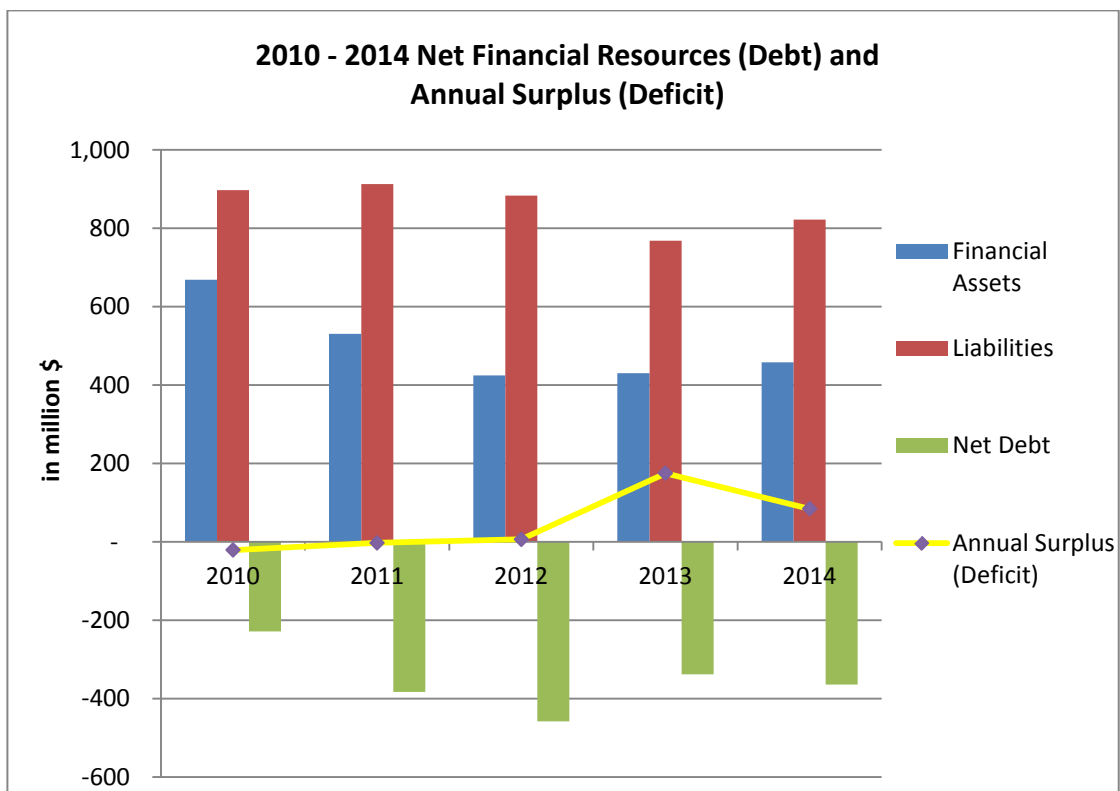
The GNWT is currently investing in tangible capital assets at a level that represents between 50% and 60% of the estimated investment needed for replacement and growth. In the 2014 fiscal year, the Government placed \$168 million of new assets into service (2013 - \$469 million).

ANNUAL SURPLUS (DEFICIT) AND NET FINANCIAL RESOURCES (DEBT)

Net financial resources result when there are financial resources remaining after being reduced by all liabilities of the Government. Net debt results when there is an excess of liabilities over financial assets. The Government is in a net debt position; liabilities exceeded financial assets at the end of the fiscal year. Over the years, the Government’s net debt has fluctuated, but not always with the annual surplus as depicted in the graph below. Other contributing factors must be considered as shown on the Consolidated Statement of Change in Net Debt within Section 1 of the Public Accounts.

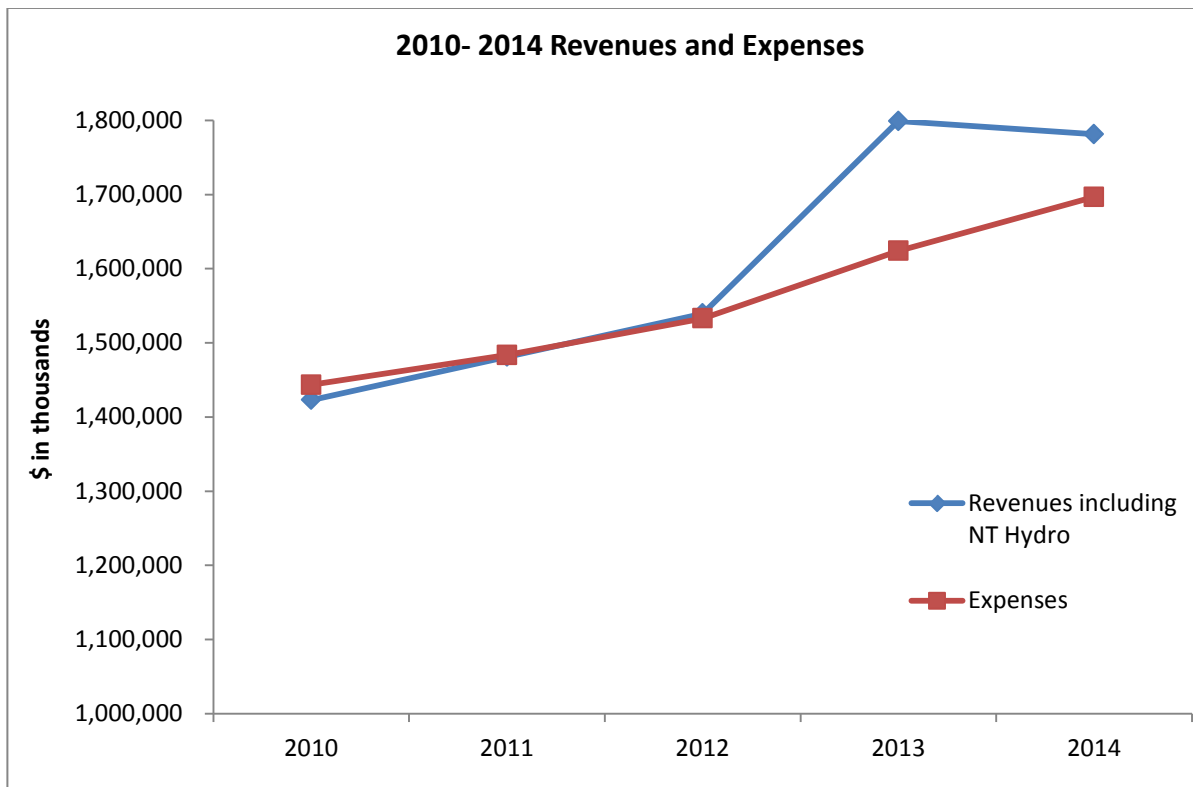
Net debt increased during the 2014 fiscal year primarily due to short term borrowing.

The graph below illustrates the Government’s net financial resources (debt) position and annual surplus (deficit) at the end of each of the last five fiscal years.



The net debt position of a government is a good indicator of a government’s ability to meet existing financial obligations. In the near term, the Government may have to fund tangible capital assets with debt and this will further impact our net debt position. With so many variables in the calculation of our net debt position, a prediction of an increase or decrease cannot be made without an in-depth analysis. However, there is certainty that the Government’s net debt position will increase if revenues do not keep pace with, or exceed, the cost of Government operations.

REVENUES AND EXPENSES



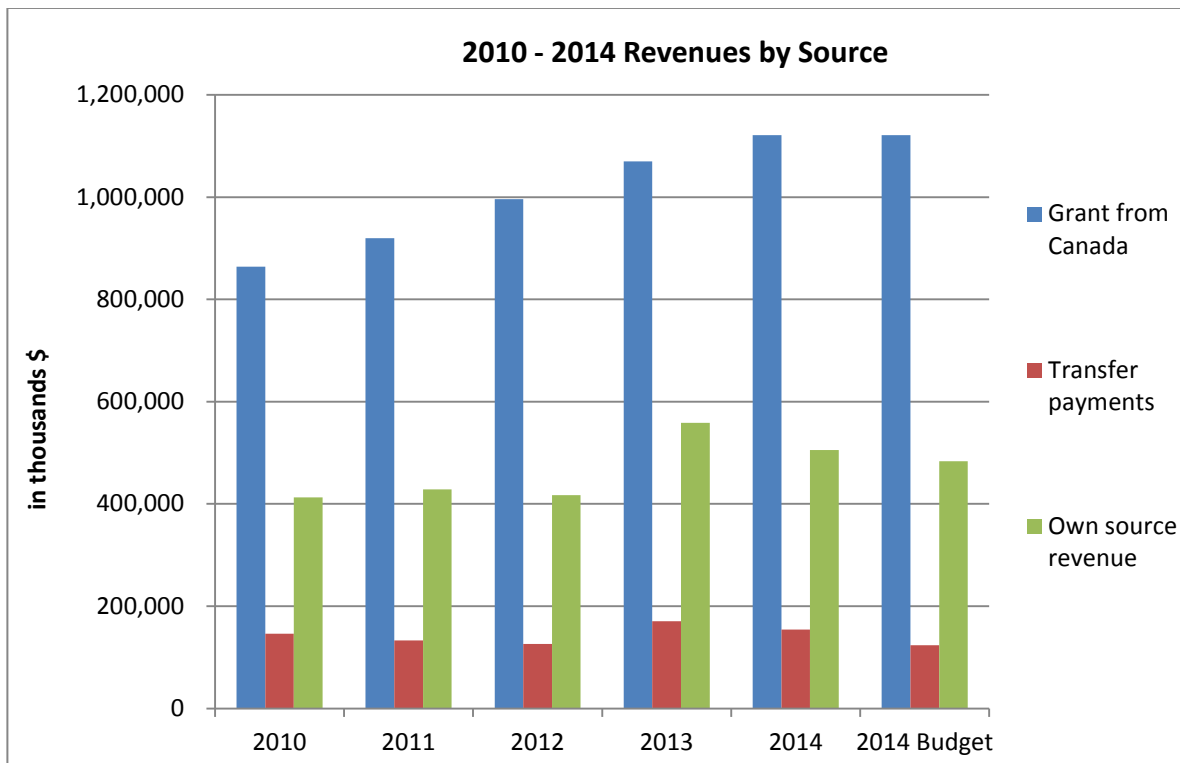
* Revenues depicted above include recoveries of prior year expenditures and net income of the NWT Hydro Corporation.

The GNWT funds government programs and services through a combination of transfers from the federal government and own-source revenues. In order to assess the long-term sustainability of the present level of services, various key indicators are monitored on an ongoing basis, including the following:

- Growth rates of revenues and expenditures;
- Changes in the net debt ratio; and
- Impacts of one-time (or non-recurring) events.

The most significant factor that contributes to revenues being more unpredictable than expenses in any given year is the volatility in corporate income tax. Since April 1, 2007, the Grant from Canada has been calculated based on an equally-weighted three-year moving average of data that is lagged two years. As a result, changes in underlying variables, such as corporate income tax, do not lead to a corresponding impact (up or down) on the Grant from Canada until the second, third and fourth years following the year of the change to the input in question. For example, in the event of a revenue shortfall in corporate income tax, the resulting positive offset on the Grant from Canada would occur in one-third increments; in the second, third and fourth years following the year in which the shortfall took place.

REVENUES BY SOURCE



* Own source revenues include both recoveries of prior year expenditures and the net income of NWT Hydro Corp.

The Grant from Canada is an annual formula-based calculation whereby the NWT's Grant equals the difference between its Gross Expenditure Base (proxy for expenditure requirements) and a measure of revenue capacity known as Eligible Revenues.

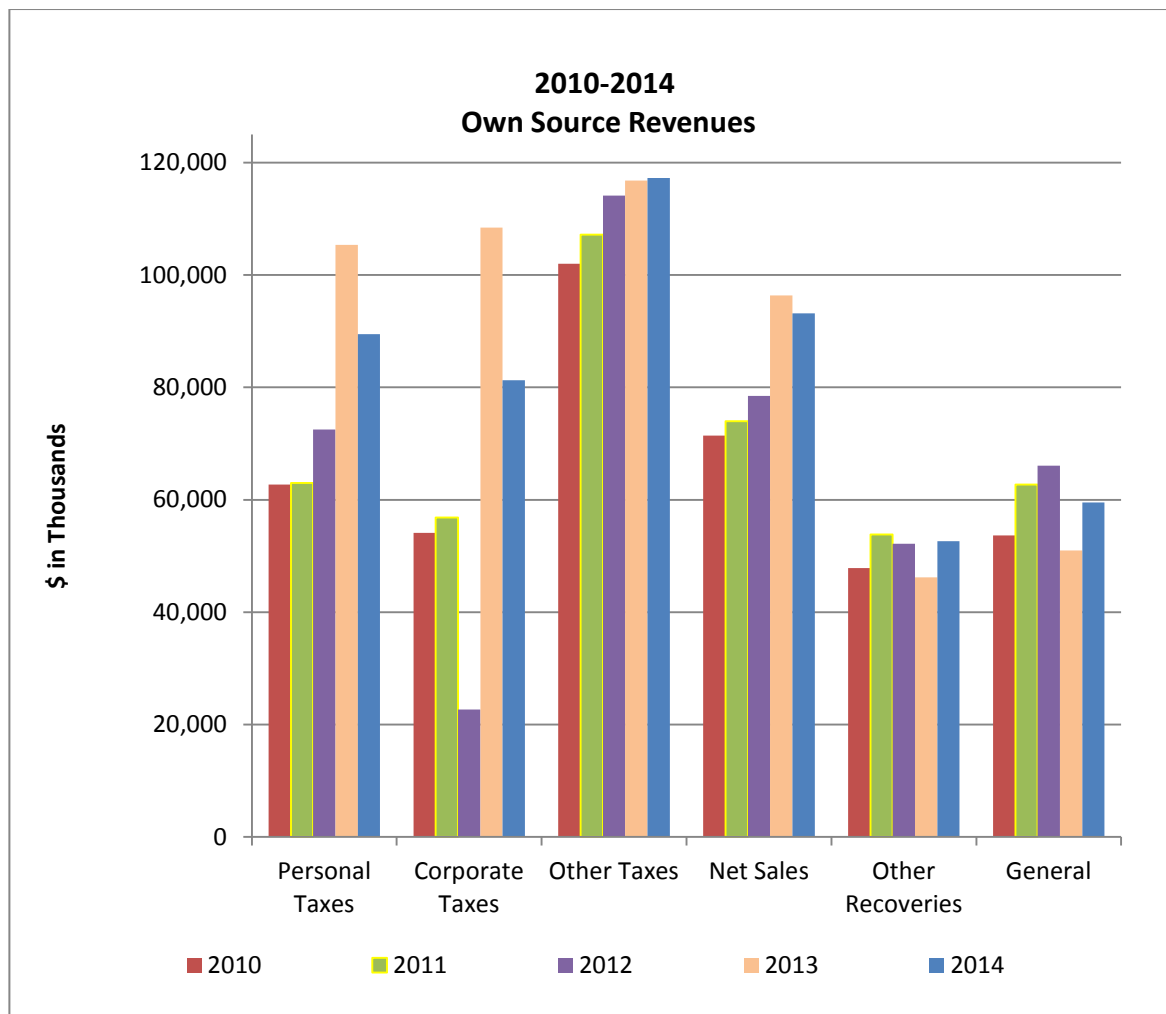
The Government's major own-source revenues, such as corporate and personal income tax, tobacco tax, fuel tax, and payroll tax, have averaged approximately 30% of total revenues indicating a reliance on the Grant from Canada. Other transfer payments from Canada vary, approximately 9% of total revenues for the current year.

Historically the GNWT has not shared in resource revenues generated in the NWT however effective April 1, 2014 Canada has devolved the administration and control of public lands, resources, and rights in respect of waters in the Northwest Territories to the Commissioner of the Northwest Territories. The Northwest Territories Lands and Resources Devolution Agreement establishes a framework for a cooperative and coordinated management regime for lands, resources and rights in respect of waters in the Northwest Territories in which the Government of the Northwest Territories and Aboriginal peoples of the Northwest Territories will participate providing access to resource revenues.

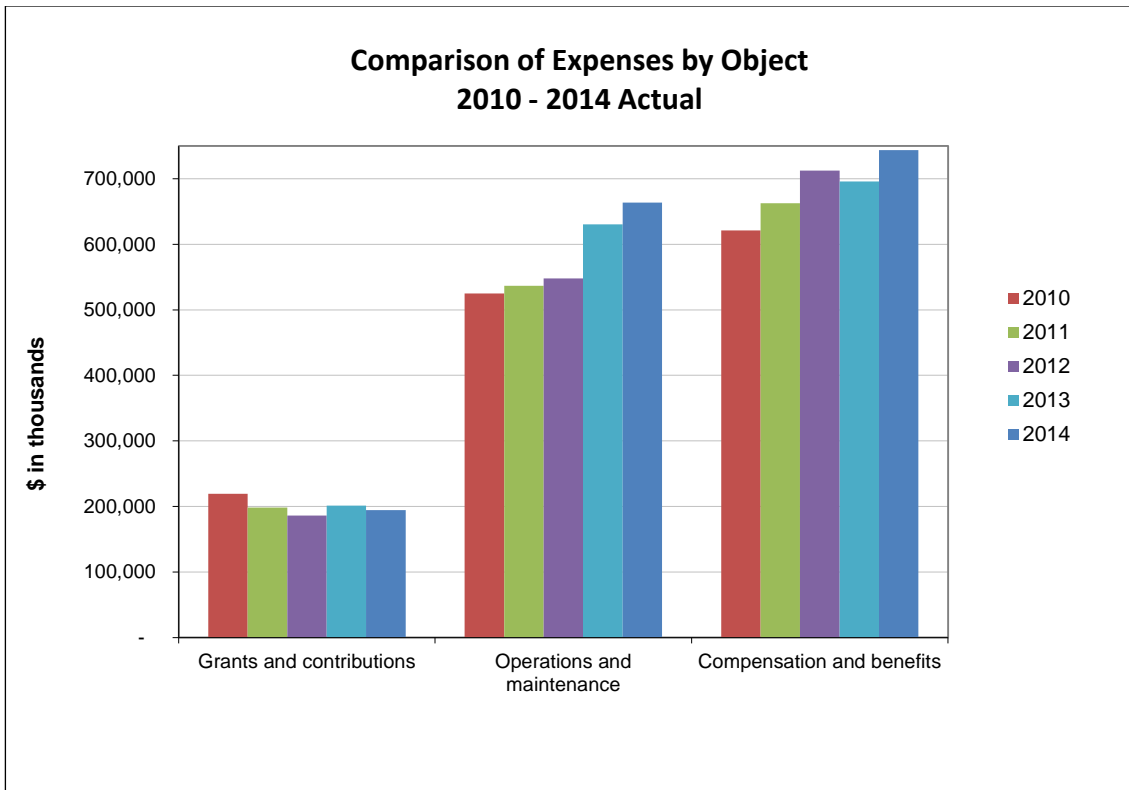
In view of the extreme volatility associated with resource revenues the expected revenue stream could fluctuate by as much as \$30 million from the expected annual average. In addition, resource revenues are also finite in the sense that we cannot rely on receiving them from the same sources forever. For these reasons, resource revenues have not been included in the 2015-2016 budget; rather, resource revenues will be used to fund infrastructure, pay down debt and invest in the NWT Heritage Fund.

From and after the transfer date, Canada shall provide to the GNWT additional funding of \$67.3 million by making an adjustment with an effective date of April 1, 2014 to the current grant from Canada as determined under the *Federal-Provincial Fiscal Arrangements Act (Canada)* and *Federal-Provincial Fiscal Arrangements Regulations, 2007 (Canada)* or any successor program governing the financial arrangements between Canada and the GNWT. The effects of these changes to the Government’s operations will not be captured until the March 31, 2015 Public Accounts.

With the exception of corporate and personal income tax, other own-source revenues have proven to be fairly consistent over the years. Corporate income tax revenue is dependent upon a small base of significant taxpayers that accounts for the volatile nature of this tax revenue. Canada bases estimates of corporate income tax on the latest actual prior year tax revenue information available; for example, 2014 estimates were based on 2012 actual collections.



EXPENSES BY OBJECT

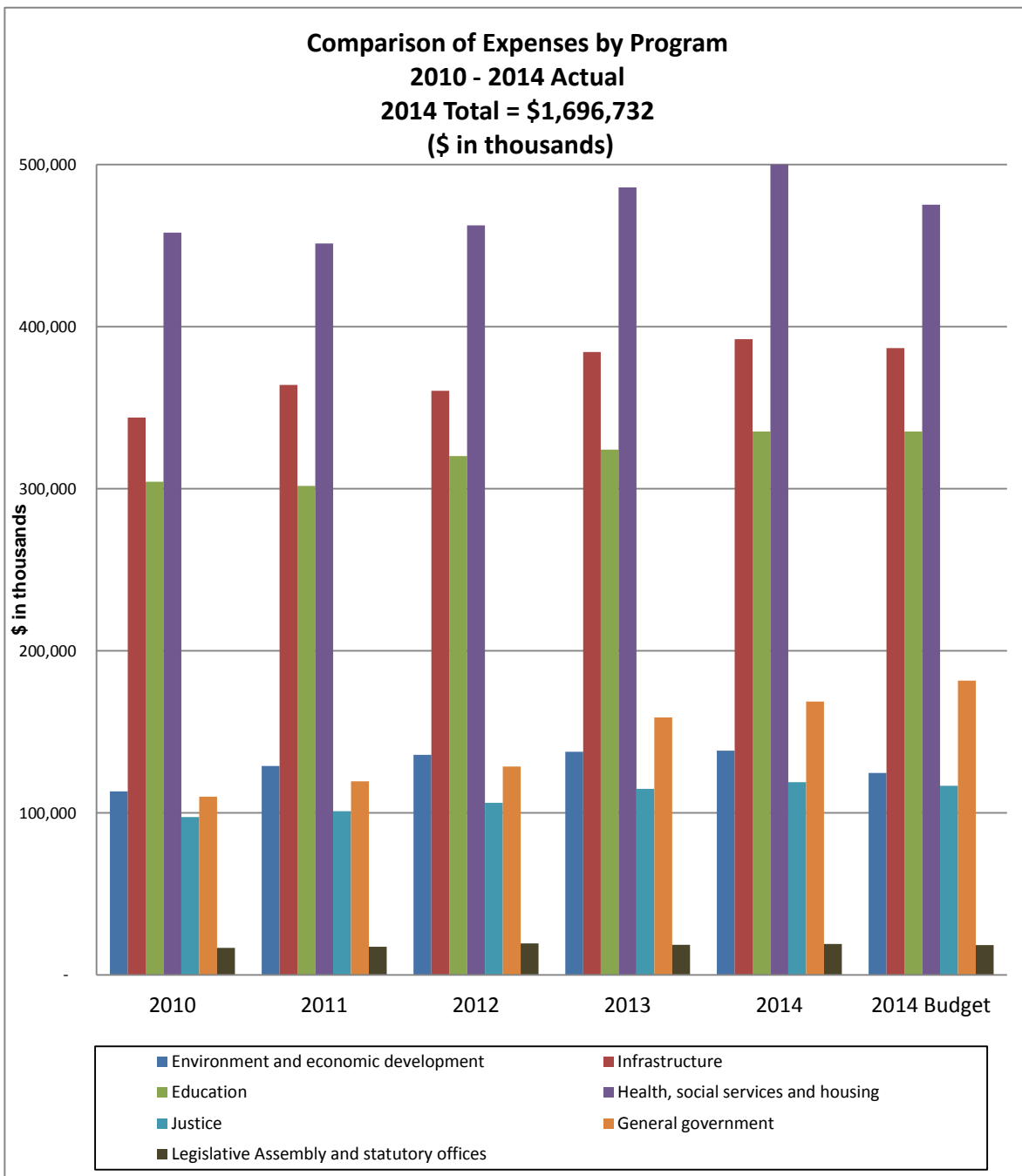


The above graph provides information on the consolidated government operations. Grants and contributions from the GNWT to boards and agencies consolidated in Section I of the Public Accounts are reported under the operations and maintenance and compensation and benefits categories to better reflect the nature of the final expense types that will result. This classification does not change the way that these Government organizations are funded as many of our social and educational programs are funded by contributions from the GNWT. Many components of these funding agreements with boards and agencies are really fixed costs incurred by the recipients and as the major (or sole) provider of funds, the Government cannot vary the funding without affecting the level of output by these boards and agencies.

In addition, lease and other commitments, which are disclosed in the notes to the Consolidated Financial Statements, are long-term fixed costs over which there is no discretion to be exercised in the short-term.

The Government is also vulnerable to inflation both for operational expenses and as an important factor when negotiating compensation and benefits. Not only are the direct wages of the Government vulnerable to this, but wage costs comprise a significant factor in determining the amount of grants and contributions given out to third parties.

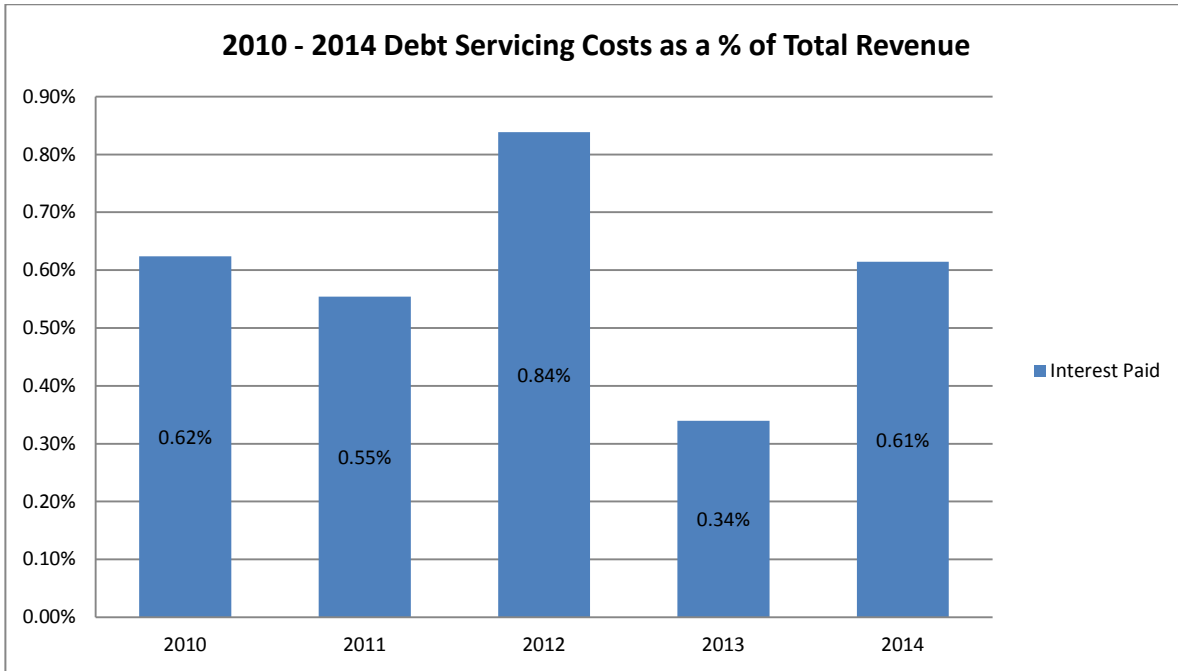
EXPENSES BY PROGRAM



The Government spends the majority of its budget on social programs (education, health, support to community Governments, justice and housing), with the remaining budget allocated to infrastructure, natural resources and economic development. Any additional resources to improve a service often have to be made at the expense of other important needs. Balancing a budget entails not only controlling expenses but also finding the most effective and efficient mix of programs.

DEBT SERVICING COSTS

As shown on the graph below, the GNWT is in the enviable position of having to expend less than 1% of its total revenues to service its debt load. Interest expense on long-term debt, included in operations and maintenance expenses was 0.61% of total revenues. The financing costs incurred for real rate return bonds related to the Deh Cho Bridge was capitalized until the bridge went into service in 2013, resulting in its full impact only being disclosed in 2014.



The Government's *Fiscal Responsibility Policy* requires the ratio cited above to be one of the parameters reported on to ensure that any new debt we assume does not affect our long-term sustainability. Under the *Fiscal Responsibility Policy*, payments on Government debt must not exceed 5% of revenues.

CONCLUSION

As described in the Introduction a Government's financial health should be measured in terms of sustainability, flexibility and vulnerability. The preceding measures have attempted to illustrate how the GNWT's fiscal health measures up from this standpoint. This suggests the following conclusions:

Sustainability – at the end of the 2013-2014 fiscal year the GNWT had a net debt of \$364 million compared to net debt of \$338 million at the end of the prior fiscal year. As stated previously in this document a full analysis is required before conclusions can be drawn. The net debt represents 20.5%, of revenue. At March 31, 2014, the GNWT's long-term debt was \$195 million (excluding the debt of the NWT Hydro Corporation) or 11% of the GNWT's revenues for the year and less than 5.5% of GDP.

Flexibility – pertains to the GNWT's ability to increase its financial resources. The GNWT's own-source revenues decreased from 31.1% of total revenue in 2013 to 28.5% in 2014; income tax revenue is the major source of any fluctuation. The majority of revenue comes from the Grant from the Government of Canada (Formula Financing arrangement). The GNWT did not have access to resource royalty revenues. As previously noted, the GNWT will have access to these revenues beginning April 1, 2014, at which time any increased flexibility will begin to be realized. The GNWT's flexibility to increase taxes and still remain competitive with the other provinces and territories makes a significant increase in other own source revenues unlikely in the short term.

The GNWT has a federally imposed limit on its borrowing of \$800 million. Although the GNWT is currently well under its debt authority limit, \$800 million represents only 47.1% of 2013-2014 expenses. The limit on the borrowing capacity precludes the use of debt to increase financial resources; as well, an increase in debt would at best provide short term flexibility.

Vulnerability – this is a measure of how dependent a Government is on sources of funding outside its control or influence. To assess the GNWT's vulnerability, it is not necessary to look further than the Government's limited own-source revenues and the volatility related to corporate and personal income taxes. The formula determining the Territorial Formula Financing Grant is established in federal legislation and will remain in effect until March 31, 2019.

In summary, the GNWT continues to be financially stable, but it has limited flexibility to raise new revenues. The GNWT continues to be vulnerable to federal control over changes to its future revenues.

PUBLIC ACCOUNTS 2013-2014

Section II

NON-CONSOLIDATED FINANCIAL STATEMENTS



PUBLIC ACCOUNTS
OF THE
GOVERNMENT OF THE NORTHWEST TERRITORIES
FOR THE YEAR ENDED MARCH 31, 2014

SECTION II
NON-CONSOLIDATED FINANCIAL STATEMENT
(unaudited)

HONOURABLE J. MICHAEL MILTENBERGER

Minister of Finance

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Government of the Northwest Territories

Non-Consolidated Statement of Financial Position (unaudited)

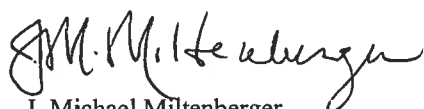
as at March 31, 2014

(thousands of dollars)

	2014 Actual \$	2013 Actual \$
Financial assets		
Portfolio investments (note 4)	26,132	24,706
Accounts receivable (note 5)	108,662	91,433
Due from the Government of Canada (note 9)	28,154	21,996
Inventories (note 6)	32,182	31,612
Loans receivable (note 7)	50,546	52,823
Investment in Northwest Territories Hydro Corporation, at nominal value	-	-
	245,676	222,570
Liabilities		
Bank overdraft (note 4)	13,389	16,655
Short-term loans (note 8)	144,909	104,962
Due to the Government of Canada (note 9)	100,832	116,917
Deferred revenue (note 10)	27,031	43,970
Accounts payable and accrued liabilities (note 11)	231,332	195,680
Capital lease obligations (note 12)	1,965	2,268
Long-term debt (note 13)	180,066	178,794
Pensions (note 14)	26,654	24,632
Other employee future benefits (note 15)	31,341	30,065
	757,519	713,943
Net Debt	(511,843)	(491,373)
Non-financial assets		
Tangible capital assets (schedule C)	1,834,746	1,719,401
Prepaid expenses	3,536	4,399
	1,838,282	1,723,800
Accumulated surplus	1,326,439	1,232,427

Contractual obligations and contingencies (notes 18 and 19)

Approved:



J. Michael Miltenberger
Minister of Finance



Bill Merklinger CPA, CMA
Comptroller General

The accompanying notes and Schedules A, B and C are an integral part of these non-consolidated financial statements.

Government of the Northwest Territories

Non-Consolidated Statement of Change in Net Debt (unaudited)

for the year ended March 31, 2014

(thousands of dollars)

	2014 Main Estimates (note 1b) \$	2014 Actual \$	2013 Actual \$
Net debt at beginning of year	(491,373)	(491,373)	(598,299)
Items affecting net financial resources:			
Annual surplus for the year	112,599	94,012	162,971
Increase in tangible capital assets, net book value (<i>schedule C</i>)	(93,463)	(115,345)	(56,179)
Decrease in prepaid expenses	-	863	134
Net debt at end of year	(472,237)	(511,843)	(491,373)

The accompanying notes and Schedules A, B and C are an integral part of these non-consolidated financial statements.

Government of the Northwest Territories

Non-Consolidated Statement of Operations and Accumulated Surplus (unaudited)

for the year ended March 31, 2014

(thousands of dollars)

	2014 Main Estimates (note 1b) \$	2014 Actual \$	2013 Actual \$
Revenues			
Revenues by source (<i>schedule A</i>)	1,606,354	1,624,624	1,617,661
Recoveries of prior years expenses (<i>schedule 3</i>)	3,000	7,155	27,688
	1,609,354	1,631,779	1,645,349
Expenses (<i>schedule B</i>)			
Environment and economic development	121,800	131,875	131,084
Infrastructure	348,304	353,437	346,951
Education	301,540	296,752	292,674
Health, social services and housing	431,348	469,944	455,654
Justice	116,759	118,928	114,810
General government	158,765	147,891	122,923
Legislative Assembly and statutory offices	18,239	18,656	18,096
	1,496,755	1,537,483	1,482,192
Annual operating surplus (deficit)	112,599	94,296	163,157
Petroleum Products Stabilization Fund Net loss for the year (<i>note 16</i>)	-	(284)	(186)
Projects on behalf of the Government of Canada, Nunavut and Others (<i>schedule 13</i>)			
Expenses	(60,025)	(60,439)	(62,892)
Recoveries	60,025	60,439	62,892
Annual surplus (deficit)	112,599	94,012	162,971
Accumulated surplus at beginning of year	1,232,427	1,232,427	1,069,456
Accumulated surplus at end of year	1,345,026	1,326,439	1,232,427

The accompanying notes and Schedules A, B and C are an integral part of these non-consolidated financial statements.

Government of the Northwest Territories

Non-Consolidated Statement of Cash Flow (unaudited)

for the year ended March 31, (thousands of dollars)	2014 \$	2013 \$
Cash provided by (used in)		
Operating transactions		
Annual surplus (deficit) for the year	94,012	162,971
Items not affecting cash:		
Provision for bad debts and forgivable loans	2,565	3,729
Amortization of tangible capital assets	77,021	73,139
	173,598	239,839
Changes in non-cash assets and liabilities:		
Due to Canada	(22,243)	(8,147)
Increase in other financial assets	(17,799)	(6,863)
Increase (decrease) in other financial liabilities	22,011	(49,634)
Decrease in prepaid expenses	863	135
Cash provided by operating transactions	156,430	175,330
Investing transactions		
Acquisition of tangible capital assets	(192,629)	(129,722)
Disposal of tangible capital assets (net)	263	403
Designated cash and investments purchased	(1,426)	(451)
Loans receivable receipts	6,120	6,182
Loans receivable advanced	(6,408)	(6,728)
Cash used for investing transactions	(194,080)	(130,316)
Financing transactions		
Short-term financing proceeds (repayment)	39,947	(29,979)
Repayment of capital lease obligations	(303)	(547)
Receipt (repayment) of long-term financing	1,272	(1,749)
Cash used for financing activities	40,916	(32,275)
Increase in cash and cash equivalents	3,266	12,739
Cash and cash equivalents at beginning of year	(16,655)	(29,394)
Cash and cash equivalents at end of year*	(13,389)	(16,655)

* Cash and cash equivalents are represented by cash and short-term investments.

The accompanying notes and Schedules A, B and C are an integral part of these non-consolidated financial statements.

Government of the Northwest Territories

Notes to Non-Consolidated Financial Statements (unaudited)

March 31, 2014

(All figures in thousands of dollars)

1. AUTHORITY, OPERATIONS AND REPORTING ENTITY

(a) Authority and reporting entity

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 Government prepares 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 reporting entity is defined in those 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.

These financial statements include the assets, liabilities and operating results of the Government and its revolving funds. 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.

The following related Territorial Crown Corporations, boards and agencies are included in these statements only to the extent of the Government's contributions to, or revenues from, them:

- Arctic Energy Alliance
- Aurora College
- Divisional Educational Councils and District Education Authorities
- Hospitals and Regional Health Boards
- Northwest Territories Business Development and Investment Corporation
- Northwest Territories Heritage Fund
- Northwest Territories Housing Corporation
- Northwest Territories Human Rights Commission
- Northwest Territories Hydro Corporation
- Northwest Territories Opportunities Fund
- Northwest Territories Sport and Recreation Council
- Status of Women Council of the Northwest Territories
- Tlicho Communities Services Agency

(b) Main estimates

The main estimates are the appropriations approved by the Legislative Assembly. They represent the Government's original fiscal plan for the year and do not reflect Supplementary Appropriations.

Government of the Northwest Territories

Notes to Non-Consolidated Financial Statements (unaudited)

March 31, 2014

(All figures in thousands of dollars)

2. SIGNIFICANT ACCOUNTING POLICIES

These financial statements are prepared in accordance with Canadian public sector accounting standards.

(a) Measurement uncertainty

The preparation of financial statements in accordance with Canadian public sector accounting standards requires the Government to make estimates and assumptions that affect the amounts of assets, liabilities, revenues and expenses reported in the financial statements. By their nature, these estimates are subject to measurement uncertainty. The effect on the financial statements of changes to such estimates and assumptions in future periods could be significant, although, at the time of preparation of these statements, the Government believes the estimates and assumptions to be reasonable.

The more significant management estimates relate to employee future benefits, environmental liabilities, contingencies, revenue accruals, allowance for doubtful accounts for accounts receivable, valuation allowances for loans receivable, and amortization expense. Other estimates, such as the Canada Health Transfer, Canada Social Transfer payments, Corporate and Personal Income Tax revenues are based on estimates made by the Government of Canada's Department of Finance and are subject to adjustments in future years.

(b) Cash and cash equivalents

Cash and cash equivalents are comprised of bank account balances, net of outstanding cheques and short-term highly liquid investments that are readily convertible to cash with a maturity date of 90 days or less from the date of acquisition.

(c) Portfolio investments

Portfolio investments are long-term investments in organizations that do not form part of the government reporting entity and are accounted for by the cost method. Such investments are normally in shares and bonds of the investee. When there has been a loss in value of a portfolio investment that is other than a temporary decline, the investment is written down to recognize the loss and is included as a component of investment income. Interest income is recorded on the accrual basis, dividend income is recognized as it is declared, and capital gains and losses are recognized when realized.

(d) Inventories

Inventories for resale consist mainly of bulk fuels and liquor products. Bulk fuels are valued at the lower of weighted average cost and net realizable value. Liquor products are valued at the lower of cost and net realizable value. Other inventories are valued at the lower of cost, determined on a first in, first out basis and net replacement value.

(e) Loans receivable

Loans receivable and advances are stated at the lower of cost and net recoverable value. Valuation allowances, determined on an individual basis, are based on past events, current conditions and all circumstances known at the date of the preparation of the financial statements and are adjusted annually to reflect the current circumstances by recording write downs or recoveries, as appropriate. Write-offs are recognized when the assets have been deemed unrealizable and or uncollectable. Recoveries are recorded when loans previously written off are subsequently collected. Interest revenue is recorded on an accrual basis. Interest revenue is not accrued when the collectibility of either principal or interest is not reasonably assured.

Government of the Northwest Territories

Notes to Non-Consolidated Financial Statements (unaudited)

March 31, 2014

(All figures in thousands of dollars)

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(f) Investment in the Northwest Territories Hydro Corporation

The Northwest Territories Hydro Corporation and its subsidiaries ("the Corporations") are wholly owned and accountable to the Government, and provide utility services in the Northwest Territories. The net assets of the Corporations have been recorded at nominal value.

(g) Non-financial assets

Tangible capital and other non-financial assets are accounted for as assets by the Government as they can be used to provide government services in future periods. These assets do not normally provide resources to discharge the liabilities of the Government unless they are sold.

(h) Tangible capital assets and leases

Tangible capital assets are buildings, roads, equipment, etc. whose life extends beyond the fiscal year, original cost exceeds \$50 and are intended to be used on an ongoing basis for delivering programs and services. Individual assets less than \$50 are expensed when purchased. Tangible capital assets are recorded at cost (including qualifying interest expense), or where actual cost was not available, estimated current replacement cost discounted back to the acquisition date. Assets, when placed in service are amortized on a straight line basis over their estimated useful life as follows:

Asset category	Amortization period
Land	Not amortized
Roads and bridges	75 years or less
Airstrips and aprons	40 years or less
Buildings	40 years or less
Ferries	25 years or less
Water/sewer works	15 - 25 years
Mainframe and software systems	5 - 10 years
Mobile and heavy equipment	7 - 15 years
Major equipment	5 - 15 years
Medical equipment	5 - 15 years
Leasehold improvements	Lesser of useful life or lease term plus renewal option

Estimates of the useful life of tangible capital assets are reviewed on a regular basis and revised where appropriate. The remaining unamortized portion of a tangible capital asset may be extended beyond its original estimated useful life when the appropriateness of a change can be clearly demonstrated.

Write-downs and write-offs of tangible capital assets are recognized whenever significant events and changes in circumstances and use suggest that the asset can no longer contribute to program or service delivery at the level previously anticipated. A write-down is recognized when a reduction in the value of the asset can be objectively measured. A write-off is recognized when the asset is destroyed, stolen, lost, or obsolete to the Government.

Tangible capital assets under construction or development are recorded as work in progress with no amortization until the asset is placed in service. Capital lease agreements are recorded as a liability and a corresponding asset based on the present value of any payments due. The present value is based on the lower of the implicit rate or the Government's borrowing rate at the time the obligation is incurred. Operating leases are charged to expenses. All intangibles, works of art, historical treasures and crown lands are not recorded.

Government of the Northwest Territories

Notes to Non-Consolidated Financial Statements (unaudited)

March 31, 2014

(All figures in thousands of dollars)

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(i) Pensions and other employee future benefits

All eligible employees participate in the Public Service Pension Plan administered by the Government of Canada. The Government's contributions are charged as an expense on a current year basis and represent the total pension obligations. The Government is not required under present legislation to make contributions with respect to actuarial deficiencies of the Public Service Pension Plan.

Pension benefits to Members of the Legislative Assembly and judges are reported on an actuarial basis. This is done to determine the current value of future entitlement and uses various estimates. When actual experience varies from estimates, or when actuarial assumptions change, the adjustments needed are amortized on a straight line basis over the estimated average remaining service lives of the contributors. Recognition of actuarial gains and losses commences in the year following the effective date of the related actuarial valuations. In addition, immediate recognition of a previously unrecognized net actuarial gain or loss may be required upon a plan amendment, curtailment or settlement.

Under the terms and conditions of employment, government employees may earn non-pension benefits for resignation, retirement and removal costs based on years of service. The benefits are paid upon resignation, retirement or death of an employee. The expected cost of providing these benefits is recognized as employees render service. Termination benefits are also recorded when employees are identified for lay-off. The cost of the benefits has been determined based on management's best estimates using expected compensation levels and employee leave credits.

(j) Contractual obligations and contingencies

The nature of the Government's activities requires entry into contracts that are significant in relation to its current financial position or that will materially affect the level of future expenses. Contractual obligations pertain to funding commitments for operating, commercial and residential leases, and capital projects. Contractual obligations are obligations of a government to others that will become liabilities in the future when the terms of those contracts or agreements are met.

The contingencies of the Government are potential liabilities, which may become actual liabilities when one or more future events occur or fail to occur. If the future event is considered likely to occur and is quantifiable, an estimated liability is accrued. If the occurrence of the confirming future event is likely but the amount of the liability cannot be reasonably estimated, the contingency is disclosed. If the occurrence of the confirming future event is not determinable, the contingency is disclosed.

(k) Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated into Canadian dollars using exchange rates at year-end. Foreign currency transactions are translated into Canadian dollars using rates in effect at the time the transactions were entered into. All exchange gains and losses are included in net income for the year according to the activities to which they relate.

(l) Projects on behalf of third parties

The Government undertakes projects for the Government of Canada, the Government of Nunavut and others. Where possible the Government receives accountable advances and any unexpended balances remaining at year-end are recorded as current liabilities. Recoveries are accrued when expenses, as allowed under the project contract, exceed advances.

Government of the Northwest Territories

Notes to Non-Consolidated Financial Statements (unaudited)

March 31, 2014

(All figures in thousands of dollars)

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(m) Grant from the Government of Canada

The Grant from the Government of Canada is calculated as the Gross Expenditure Base, offset by eligible revenues, which are based on a three-year moving average, lagged two years, of personal and corporate income taxes, fuel taxes, tobacco tax, payroll tax and alcoholic beverage revenues at national average tax rates, and a revenue block of other own-source revenues. Population growth rates and growth in provincial/local government spending are variables used to determine the Gross Expenditure Base. The Grant is calculated once for each fiscal year and is not revised, with all payments flowing to the Government prior to the end of the fiscal year.

(n) Transfer payments

Government transfers are recognized as revenue in the period in which the events giving rise to the transfer occurred, as long as the transfer is authorized, eligibility criteria have been met, stipulations that give rise to a liability have been satisfied and a reasonable estimate of the amount can be made. Transfers received before these criteria are fully met are recorded as deferred revenue. Transfers received for tangible capital assets are recorded when the tangible capital asset is put into service.

(o) Taxes and general revenues

Corporate and Personal Income tax revenue are recognized on an accrual basis, net of any tax concessions. Income tax is calculated net of tax deductions and credits allowed under the *Income Tax Act*. If an expense provides a financial benefit other than a relief of taxes, it is classified as a transfer made through the tax system. If an expense provides tax relief to a taxpayer and relates to revenue, this expense is considered a tax concession and is netted against tax revenues. Taxes, under the *Income Tax Act*, are collected by the Government of Canada on behalf of the Government under a tax collection agreement. The Government of Canada remits Personal Income taxes monthly through out the year and Corporate Income tax monthly over a six month period beginning in February. Payments are based on Canada's Department of Finance's estimates for the taxation year, which are periodically adjusted until the income tax assessments for that year are final. Income tax estimates, determined by the Government of Canada, combine actual assessments with an estimate that assumes that previous years' income tax allocations will be sustained and are subject to revisions in future years. Differences between current estimates and future actual amounts can be significant. Any such differences are recognized when the actual tax assessments are finalized.

Fuel, tobacco, payroll and property taxes are levied under the authority of the *Petroleum Products Tax Act*, the *Tobacco Tax Act*, the *Payroll Tax Act*, and the *Property Assessment and Taxation Act*, respectively. Fuel and Tobacco Tax revenues are recognized on an accrual basis, based on statements received from collectors. Payroll Tax is recognized on an accrual basis, based on revenue of the prior year. Property tax and school levies are assessed on a calendar year basis and are recognized in the fiscal year in which the billing occurs. Adjustments arising from reassessments are recorded in revenue in the year they are identified. All other revenues are recognized on an accrual basis.

(p) Expenses

Grants and contributions are recognized as long as the grant or contribution is authorized and eligibility criteria have been met. All other expenses are recognized on an accrual basis.

(q) Environmental liabilities

Environmental liabilities consist of the estimated costs related to the management and remediation of environmentally contaminated sites. For contaminated sites, a liability is accrued and an expense recorded based on management's best estimates when the contamination occurs or when the Government becomes aware of the contamination and is obligated, or is likely obligated, to incur such costs. If the likelihood of the Government's obligation to incur these costs is either not determinable, or if an amount cannot be reasonably estimated, the contingency is disclosed in the notes to the financial statements.

Government of the Northwest Territories

Notes to Non-Consolidated Financial Statements (unaudited)

March 31, 2014

(All figures in thousands of dollars)

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(r) Recoveries of prior years' expenses

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

3. FUTURE ACCOUNTING CHANGES

The Public Sector Accounting Board issued PS 3260 Liability for Contaminated Sites effective for fiscal years beginning on or after April 1, 2014. Contaminated sites are a result of contamination being introduced into air, soil, water, or sediment of a chemical, organic, or radioactive material, or live organism that exceeds an environmental standard. The Government will be required to recognize a liability related to the remediation of such contaminated sites subject to certain recognition criteria. The Government currently recognizes an estimate for further evaluation or remediation depending on the stage of the investigation. The Government is analyzing the impact of this standard on its financial statements.

The Public Sector Accounting Board issued PS 3450 Financial Instruments effective for fiscal years beginning on or after April 1, 2016. Items within the scope of the standard are assigned to one of two measurement categories: fair value, or cost or amortized cost. Fair value measurement will apply to derivatives and portfolio investments in equity instruments that are quoted in an active market. Also, when groups of financial assets and financial liabilities are managed on a fair value basis they may be reported on that basis. Other financial assets and financial liabilities will generally be measured at cost or amortized cost. Until an item is derecognized, gains and losses arising due to fair value remeasurement will be reported in the Statement of Remeasurement of Gains and Losses.

Government will concurrently be required to adopt: PS 2601 Foreign Currency Translation, PS 1201 Financial Statement Presentation, and PS 3041 Portfolio Investments in the same fiscal period. Government organizations that apply PSAS were required to adopt these standards in the prior year, however there was no significant impact on their financial statements as a result of its application. The Government is currently analyzing any possible future impact of these standards on its financial statements.

Government of the Northwest Territories

Notes to Non-Consolidated Financial Statements (unaudited)

March 31, 2014

(All figures in thousands of dollars)

4. CASH AND CASH EQUIVALENTS

(a) Investment pool

The Government has a line of credit provided by a chartered bank, secured by the Consolidated Revenue Fund of the Government. There are no fixed repayment terms and the overdraft limits are negotiated over the year based on the forecasted cash flows and borrowing requirements of the Government. Interest is only charged when there is a net overdraft balance of the Government and its investment pool participants. As at March 31, 2014 the investment pool had no net overdraft balance (2013 - nil).

The surplus cash (deficit) of the Government is pooled with the surplus cash of certain Territorial Crown Corporations, and other public agencies. This investment pool is invested in a diversified portfolio of high grade, short and long term income producing assets.

As of March 31, 2014, on a cash basis, the Government's share in the investment pool was a deficit of \$8,777 (2013 - \$4,409).

The Government's cash deficit related to the investment pool carried interest at a rate of 1.10% and \$122 was paid to it.

The portfolio yield for the year remained steady at 1.20% (2013 - 1.20%). In 2014, the Government earned interest on short-term investments of \$114 (2013 - \$5).

(b) Designated Assets

The Government has the following assets which are designated for specific purposes under legislation and regulations as follows:

	2014 \$	2013 \$
Student Loan Fund:		
Authorized limit for loans receivable	40,000	40,000
Less: Loans receivable balance	(39,502)	(37,712)
	<hr/>	<hr/>
Funds designated for new loans	498	2,288
	<hr/>	<hr/>
Environment Fund:		
Beverage Container Program net assets	1,971	1,743
	<hr/>	<hr/>
Portfolio Investments for the Legislative Assembly Supplementary Retiring Allowance Pension Plan:		
Marketable securities (market value \$29,280; 2013 - \$26,088)	25,227	23,434
Money Market (market value approximates cost)	604	879
Cash and other assets (market value approximates cost)	301	393
	<hr/>	<hr/>
	26,132	24,706
	<hr/>	<hr/>
	28,601	28,737
	<hr/>	<hr/>

Pursuant to the *Student Financial Assistance Act*, the assets of the Student Loan Fund are to be used to provide financial assistance to post-secondary students that meet certain eligibility criteria as prescribed in Regulations.

Government of the Northwest Territories

Notes to Non-Consolidated Financial Statements (unaudited)

March 31, 2014

(All figures in thousands of dollars)

4. CASH AND CASH EQUIVALENTS (continued)

(b) Designated Assets (continued)

Pursuant to the *Waste Reduction and Recovery Act*, the assets of the Environment Fund are to be used for specified purposes as follows:

- (a) the establishment, operation and evaluation of programs in respect of the reduction or recovery of waste;
- (b) education programs related to the reduction or recovery of waste;
- (c) research and development activities related to the reduction or recovery of waste;
- (d) the appropriate disposal of a designated or prohibited material as waste;
- (e) expenses associated with the work of the advisory committee; or
- (f) other costs associated with programs, initiatives or activities in respect of the reduction or recovery of waste.

Portfolio investments, while forming part of the Consolidated Revenue Fund, are designated for the purpose of meeting the obligations of the Legislative Assembly Supplementary Retiring Allowance and Judges Supplemental Pension Plans (*note 14*). Supplementary Retiring Allowance Regulations restrict the investments to those permitted under the *Pension Benefits Standards Act*.

The proportionate asset mix in the investment portfolio is as follows as at March 31:

	2014 %	2013 %
Canadian stocks	18.62	20.50
Cash and other assets	3.46	5.15
Fixed income mutual funds	28.13	23.85
Federal bonds	15.90	16.82
Foreign stocks	33.89	33.66
Provincial bonds	-	0.02
	<u>100.00</u>	<u>100.00</u>

Government of the Northwest Territories

Notes to Non-Consolidated Financial Statements (unaudited)

March 31, 2014

(All figures in thousands of dollars)

5. ACCOUNTS RECEIVABLE

	2014 \$	2013 \$
General	40,756	35,912
Government of Nunavut	7,736	5,008
Revolving funds sales	8,407	8,666
Accrued interest	25	25
	<hr/> 56,924	<hr/> 49,611
Less: allowance for doubtful accounts	<hr/> 8,583	<hr/> 8,233
	<hr/> 48,341	<hr/> 41,378
<hr/> Receivables from related parties:		
Divisional Education Councils and District Education Authorities	5,322	4,559
Health and Social Services Authorities	50,117	42,412
Northwest Territories Business Development and Investment Corporation	255	241
Northwest Territories Housing Corporation	2,170	1,001
Northwest Territories Hydro Corporation	135	184
Tlicho Community Services Agency	1,237	557
Workers' Safety and Compensation Commission (Northwest Territories and Nunavut)	26	209
	<hr/> 60,321	<hr/> 50,055
	<hr/> 108,662	<hr/> 91,433

During the year, no accounts receivable (2013 - \$ nil) were written off and \$55 (2013 - \$ nil) was forgiven.

Government of the Northwest Territories

Notes to Non-Consolidated Financial Statements (unaudited)

March 31, 2014

(All figures in thousands of dollars)

6. INVENTORIES

	2014 \$	2013 \$
Bulk fuels	29,319	28,517
Liquor products	2,720	2,940
Public stores	143	155
	32,182	31,612

Bulk fuel inventory write-down for 2014 was nil (2013 - nil).

7. LOANS RECEIVABLE

	2014 \$	2013 \$
Working capital advances to the Northwest Territories Business Development and Investment 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 each month.	28,015	30,369
Arslanian Cutting Works Inc. promissory note receivable. The debtor has initiated legal proceedings for receivership.*	5,060	5,635
Student Loan Fund loans due in installments to 2028, bearing fixed interest between 1.25% and 6.88%, unsecured.	39,502	37,712
Yellowknife Catholic School Board Advance, unsecured, repayable in monthly installments of \$10. Interest is calculated monthly based upon the Government's current borrowing rate.	1,193	1,298
Other	3	14
	73,772	75,028
Valuation allowance - Student Loan Fund	(19,091)	(18,070)
Valuation allowance - Arslanian Cutting Works	(4,135)	(4,135)
	50,546	52,823

During the year, \$1,497 in student loans (2013 - \$1,400) was remised with proper authority.

Interest earned on loans receivable during the year was \$836 (2013 - \$846).

*Subsequent to year end, the Arslanian Cutting Works Inc. promissory note receivable was settled for \$1,836.

Government of the Northwest Territories

Notes to Non-Consolidated Financial Statements (unaudited)

March 31, 2014

(All figures in thousands of dollars)

8. SHORT-TERM LOANS

Based upon operational needs, the Government may enter into short term borrowing arrangements with its bank. Short term loans of \$144,909 (2013 - \$104,962) incur interest at an average rate of 1.13% (2013 -1.11%). Short-term loans were repaid May, 2014. Interest paid in 2014 was \$737 (2013 - \$723).

The borrowing limit under the *Borrowing Authorization Act* is \$275,000.

9. DUE TO (FROM) THE GOVERNMENT OF CANADA

	2014	2013
	\$	\$
Other receivables:		
Projects on behalf of the Government of Canada	(9,311)	(9,436)
Miscellaneous receivables	(18,843)	(12,560)
	(28,154)	(21,996)
Other payables:		
Advances for projects on behalf of the Government of Canada	5,383	8,141
Excess income tax advanced	58,833	80,776
Miscellaneous payables	36,616	28,000
	100,832	116,917
	72,678	94,921

The amounts due to the Government of Canada are non-interest bearing. The excess income tax advanced is repayable over the following years:

	\$
2015	47,755
2016	9,806
2017	1,044
2018	228
	58,833

Government of the Northwest Territories

Notes to Non-Consolidated Financial Statements (unaudited)

March 31, 2014

(All figures in thousands of dollars)

10. DEFERRED REVENUE

	2014	2013
	\$	\$
Government of Canada		
Ministry of Finance	5,802	6,658
Building Canada Plan	18,870	35,195
Federal Infrastructure Stimulus Funding	-	1,327
Inuvialuit Implementation Funding	100	-
Other	2,259	790
	27,031	43,970

11. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2014	2013
	\$	\$
Trade	145,486	117,874
Other liabilities	4,627	4,493
Employee and payroll-related liabilities	38,699	33,325
Environmental liabilities	27,327	26,345
	216,139	182,037

Payables to related parties:

Aurora College	576	1,888
Divisional Education Councils and District Education Authorities	1,673	337
Health and Social Services Authorities	10,674	9,040
Northwest Territories Business Development and Investment Corporation	33	15
Northwest Territories Housing Corporation	20	360
Northwest Territories Hydro Corporation	1,831	1,075
Tlicho Community Services Agency	364	224
Northwest Territories Human Rights Commission	19	-
Workers' Safety and Compensation Commission (Northwest Territories and Nunavut)	2	704
	15,192	13,643
	231,331	195,680

Government of the Northwest Territories

Notes to Non-Consolidated Financial Statements (unaudited)

March 31, 2014

(All figures in thousands of dollars)

12. CAPITAL LEASE OBLIGATIONS

	2014 \$	2013 \$
Buildings	1,815	2,048
Equipment	150	220
	1,965	2,268

Interest expense related to capital lease obligations for the year was \$163 (2013 - \$186). Capital lease obligations are based upon contractual minimum lease obligations for the leases in effect as of March 31, 2014.

		\$
	2015	476
	2016	455
	2017	382
	2018	382
	2019	382
	Beyond 2019	350
Total minimum lease payments		2,427
Less: imputed interest 7.8%		462
Present value of minimum lease payments		1,965

13. LONG-TERM DEBT

	2014 \$	2013 \$
Mortgage payable to Canada Mortgage and Housing Corporation, repayable in monthly installments of \$7 (2013 - \$7) maturing June 2024, bearing interest at 3.30% (2013 - 3.30%), secured with real property.	802	867
Real return senior bonds with accrued inflation adjustment, maturing June 1, 2046, redeemable at the option of the issuer, bearing interest at 3.17%, payable semi-annually, unsecured.	179,264	177,927
	180,066	178,794

Annual principal repayments are due as follows:

		\$
	2015	2,770
	2016	2,935
	2017	3,127
	2018	3,331
	2019	3,548
	Beyond 2019	164,355
		180,066

Interest expense on long term debt for the year was \$7,504 (2013 - \$4,479).

Government of the Northwest Territories

Notes to Non-Consolidated Financial Statements (unaudited)

March 31, 2014

(All figures in thousands of dollars)

14. PENSIONS

(a) Plans description

The Government administers the following pension plans for Members of the Legislative Assembly (MLAs) and Territorial Court Judges. The Government is liable for all benefits. Benefits provided under all four plans are based on years of service and pensionable earnings.

Plan recipient	Name of plan	Funded status
MLAs	Legislative Assembly Retiring Allowance Plan (MLAs Regular)	Funded
MLAs	Legislative Assembly Supplemental Retiring Allowance Plan (MLAs Supplemental)	Non Funded
Judges	Judges Registered Plan (Judges Regular)	Funded
Judges	Judges Supplemental Pension Plan (Judges Supplemental)	Non Funded

The Regular Plans for both the MLAs and Judges are contributory defined benefit registered pension plans and are pre-funded. The funds related to these plans are administered by independent trust companies.

The Supplemental plans for both the MLAs and Judges are non-contributory defined benefit pension plans and are unfunded; however, the Government has designated assets for the purposes of meeting the obligations of the Supplemental plans.

The average age of the 4 active members of the Judges' plans is 56. The basic benefit formula of the Judges' plans is 2 percent per year of pensionable service multiplied by the average of the best six consecutive years of earnings, reducing at age 65 by an amount equal to 0.7% of the average Year's Maximum Pensionable Earnings (YMPE) (as defined in the Canada Pension Plan) determined over 3 years at the time of retirement. The assets of the Judges' plans consist of a diversified portfolio of Canadian and foreign equities and bonds.

The average age of the 19 active members of the MLAs plans is 49. The basic formula of the MLAs plans is 2 percent per year of pensionable service multiplied by the average of the best four consecutive years of earnings. The assets of the MLAs plans consist of Canadian and foreign equities, and Canadian fixed income securities and bonds.

All plans provide death benefits to spouses and eligible dependants. Retired members can opt to continue to contribute to the plan post-retirement. All plans are indexed.

The remaining government employees participate in Canada's Public Service Pension Plan (PSPP). The PSPP provides benefits based on the number of years of pensionable service to a maximum of 35 years. Benefits are determined by a formula set out in the legislation; they are not based on the financial status of the pension plan. The basic benefit formula is 2 percent per year of pensionable service multiplied by the average of the five consecutive years of highest paid service.

The public service pension plan was amended during 2013 which raised the normal retirement age and other age related thresholds from age 60 to age 65 for new members joining the plan on or after January 1, 2013. For existing members, the normal retirement age remains age 60. Furthermore, contribution rates for current service for all members of the public service will increase gradually to an employer: employee cost sharing ratio of 50:50 by 2017.

Other benefits include survivor pensions, minimum benefits in the event of death, unreduced early retirement pensions, and disability pensions.

Government of the Northwest Territories

Notes to Non-Consolidated Financial Statements (unaudited)

March 31, 2014

(All figures in thousands of dollars)

14. PENSIONS (continued)

(b) Pension liability

	Regular Funded \$	2014 Supplemental Unfunded \$	Total \$
Accrued benefit obligation	25,405	31,379	56,784
Pension fund assets - market related value	(26,126)	-	(26,126)
Unamortized actuarial gains (losses)	(1,679)	(2,325)	(4,004)
Pension liability (asset)	(2,400)	29,054	26,654

	Regular Funded \$	2013 Supplemental Unfunded \$	Total \$
Accrued benefit obligation	22,017	27,080	49,097
Pension fund assets - market related value	(25,047)	-	(25,047)
Unamortized actuarial gains (losses)	(185)	767	582
Pension liability (asset)	(3,215)	27,847	24,632

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

March 31, 2014**(All figures in thousands of dollars)**

14. PENSIONS (continued)**(c) Change in pension liability**

	Regular Funded \$	2014 Supplemental Unfunded \$	Total \$
Opening balance	(3,215)	27,847	24,632
Change to pension liability from cash items:			
Contributions from plan members	(271)	-	(271)
Contributions from Government	(144)	-	(144)
Benefit payment to plan members	(1,023)	(1,229)	(2,252)
Drawdown from plan assets	1,023	-	1,023
Net change to pension liability from cash items	(415)	(1,229)	(1,644)
Change to pension liability from accrual items:			
Current period benefit cost	909	1,098	2,007
Amortization of actuarial (gains) losses	397	(29)	368
Interest on average accrued benefit obligation	1,108	1,367	2,475
Expected return on average plan assets	(1,184)	-	(1,184)
Net change to pension liability from accrual items	1,230	2,436	3,666
Ending balance	(2,400)	29,054	26,654

Government of the Northwest Territories

Notes to Non-Consolidated Financial Statements (unaudited)

March 31, 2014

(All figures in thousands of dollars)

14. PENSIONS (continued)

	Regular Funded \$	2013 Supplemental Unfunded \$	Total \$
Opening balance	(3,828)	27,005	23,177
Change to pension liability from cash items:			
Contributions from plan members	(256)	-	(256)
Contributions from Government	(211)	-	(211)
Benefit payment to plan members	(1,284)	(1,190)	(2,474)
Drawdown from plan assets	1,284	-	1,284
Net change to pension liability from cash items	(467)	(1,190)	(1,657)
Change to pension liability from accrual items:			
Current period benefit cost	833	969	1,802
Amortization of actuarial (gains) losses	342	(253)	89
Interest on average accrued benefit obligation	1,099	1,316	2,415
Expected return on plan assets	(1,194)	-	(1,194)
Net change to pension liability from accrual items	1,080	2,032	3,112
Ending balance	(3,215)	27,847	24,632

(d) Pension expense

The components of pension expense include current period benefit cost, amortization of actuarial gains/losses and interest on average accrued benefit obligation net of the expected return on plan assets and contributions from plan members. The total pension expense is \$3,395 (2013 - \$2,856). The interest cost on the accrued benefit obligation was determined by applying the discount rate determined at the beginning of the period to the average value of the accrued benefit obligation for the period. The expected return on plan assets was determined by applying the assumed rate of return on plan assets to the average market-related value of assets for the period. The difference between the expected return on plan assets and the actual return on plan assets was a gain of \$2,030 (2013 - \$846).

In addition to the above, the Government contributed \$31,136 (2013 - \$29,789) to the Public Service Superannuation Plan. The employees' contributions to this plan were \$17,176 (2013 - \$15,985).

(e) Changes to pension plans in the year

There have been no plan amendments, plan settlements and curtailments or temporary deviations from the plan in 2014 (no changes in 2013).

Government of the Northwest Territories

Notes to Non-Consolidated Financial Statements (unaudited)

March 31, 2014

(All figures in thousands of dollars)

(f) Valuation methods and assumptions used in valuing pension liability

Valuation date

Actuarial valuations were last completed for the Legislative Assembly and Judges plans as of April 1, 2012 and April 1, 2013, respectively. As the actuarial valuations for the plans were not valued as at the year-end, the MLA's plans were extrapolated to January 31, 2014 and the Judges' plans were extrapolated to March 31, 2014. The effective date of the next actuarial evaluation for the plans is April 1, 2016.

Liability valuation method

The actuarial valuations were performed using the projected accrued benefit method. The valuations are 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.

Asset valuation method

The asset valuation method, market-related value, for the MLA's plans is equal to a smoothed market value which spreads the difference between the actual and expected investment income over a four year period and is then adjusted for payments due to, and payable from, the pension plan. The fair market value of the MLA's regular plan is \$22,490 (2013 - \$20,617). The asset valuation method for the Judges' plans is market value. The market value of the Judges' regular plan is \$5,082 (2013 - \$4,543).

Actuarial gains and losses

Actuarial gains and losses occur when actual experience varies from estimates or when actuarial assumptions change. The adjustments needed are amortized on a straight line basis over the estimated average remaining service lives of the contributors. The expected average remaining service lives of the contributors is 5 years (2013 - 6.0 years) for the MLA's plans and 4.0 years (2013 - 4.9 years) for the Judges' plans.

Actuarial assumptions

	Legislative Assembly plans	Judges' plans
Expected rate of return on plan assets	4.8%	4.8%
Rate of compensation increase	2.3%	2.3%
Annual inflation rate	2.3%	2.3%
Annual interest rate	4.8%	4.8%

Retirement assumptions

- Members of Legislative Assembly at the earliest of age 60, thirty years of service or when age plus service equals 80.
- Judges at the earlier of age 60 or when age plus service equals 80.

Government of the Northwest Territories

Notes to Non-Consolidated Financial Statements (unaudited)

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(All figures in thousands of dollars)

15. OTHER EMPLOYEE FUTURE BENEFITS

In addition to pension benefits, the Government provides termination and removal benefits to its employees. The cost of these benefits accrues either as employees render service or upon the occurrence of an event resulting in eligibility for benefits under the terms of the plan. This benefit plan is not pre-funded and thus has no assets, resulting in a plan deficit equal to the accrued benefit obligation.

	2014	2013
	\$	\$
Resignation and retirement	23,418	22,314
Removal	7,923	7,751
	31,341	30,065

16. PETROLEUM PRODUCTS STABILIZATION FUND

The Petroleum Products Stabilization Fund is included in the accumulated surplus. The purpose of the Fund is to stabilize the prices of petroleum products purchased, sold and distributed by the Government. The annual net profit or loss of the Petroleum Products Revolving Fund is charged to the Stabilization Fund. The accumulated surplus or deficit balance in the fund cannot exceed \$1,000.

	2014	2013
	\$	\$
Surplus at beginning of the year	182	368
Add: Petroleum Products Stabilization Fund		
Net loss for the year	(284)	(186)
Surplus (deficit) at end of the year	(102)	182

17. TRUST ASSETS UNDER ADMINISTRATION

The Government administers trust assets 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.

	2014	2013
	\$	\$
Correctional Institutions	335	312
Public Trustee	6,280	6,414
Natural Resources	235	244
Supreme and Territorial Courts	795	1,138
Others	72	77
Government of New Brunswick - Deh Cho Bridge	5,132	6,944
	12,849	15,129

Government of the Northwest Territories

Notes to Non-Consolidated Financial Statements (unaudited)

March 31, 2014

(All figures in thousands of dollars)

18. CONTRACTUAL OBLIGATIONS

The Government has entered into agreements for, or is contractually committed for the following expenses that will be incurred subsequent to March 31, 2014:

	Expiry Date	2015 \$	2016- 2048 \$	Total \$
Operational commitments	2020	60,957	77,802	138,759
RCMP policing agreement	2032	44,430	755,310	799,740
Commercial leases	2023	12,607	27,791	40,398
Equipment leases	2019	793	751	1,544
Tangible capital asset projects in progress at year end	2018	156,300	112,264	268,564
		275,087	973,918	1,249,005

Chargeback of Services

The Government has 1 (2013 - 1) cost recovery service agreement with the Government of Nunavut for the provision of various corporate and program delivery services. The expenses for and costs recovered from these projects on behalf of the Government of Nunavut are estimated at \$1,020 for the fiscal year ended 2014 (2013 - \$3,353).

Government of the Northwest Territories

Notes to Non-Consolidated Financial Statements (unaudited)

March 31, 2014

(All figures in thousands of dollars)

19. CONTINGENCIES

(a) Contractual obligations

The Government is contingently liable for the following guarantees:

	2014
	\$
Debentures issued by the Northwest Territories Power Corporation:	
Sinking fund debentures issued by the Northwest Territories Power Corporation	
maturing October 27, 2018	10,000
maturing February 27, 2026	8,700
maturing December 1, 2032	13,333
maturing September 13, 2040	49,201
Debenture series issued by the Northwest Territories Power Corporation	
maturing May 1, 2025	5,879
maturing July 11, 2025	15,000
maturing October 1, 2025	5,932
maturing September 1, 2026	6,774
maturing August 1, 2028	25,000
maturing December 15, 2034	25,000
Loans payable by the Northwest Territories Housing Corporation to Canada Mortgage and Housing Corporation *	8,762
Guaranteed residential housing loans	4,609
Total Guarantees	178,190

* In addition to this amount, the Northwest Territories Housing Corporation (NWT HC) has mortgages payable to the Canada Mortgage and Housing Corporation (CMHC) under the Social Housing Agreement. The mortgages mature between the years 2026 and 2027, bearing interest ranging from 2.78% to 3.68% (2013 2.78% to 3.68%). These mortgages relate to assets held by NWT HC in trust for CMHC; therefore, these liabilities are not included in the above listing.

The Government has also provided a guarantee to the Canadian Blood Services and Canadian Blood Services Captive Insurance Company Ltd. to cover a share of potential claims made by users of the national blood supply. The Government's share is limited to the ratio of the Northwest Territories' population to the Canadian population.

Government of the Northwest Territories

Notes to Non-Consolidated Financial Statements (unaudited)

March 31, 2014

(All figures in thousands of dollars)

19. CONTINGENCIES (continued)

(b) Environmental liabilities

The Government recognizes that there are costs related to the remediation of environmentally contaminated sites for which the Government is responsible. The Government has identified 125 (2013 - 122) sites as potentially requiring environmental remediation at March 31, 2014. Where an estimate could be determined for remediation costs a liability has been recorded and included as a component of accounts payable and accrued liabilities.

One of the 125 sites, Giant Mine, has been formally designated as contaminated under the *Environmental Protection Act* (NWT). In 2005, the Government recorded a liability for its share of the above ground remediation. The balance of the Government's share of the Giant Mine remediation liability at March 31, 2014 is \$3,052 (2013 - \$3,162).

There are 31 active or decommissioned landfill sites that are outside incorporated communities. Further analysis is required to assess the extent, if any, of the Government's liability.

Of the remaining 93 sites, the majority of which have been investigated but are still awaiting full environmental assessments, 15 are airports or airport strips or reserves, 14 are sewage lagoons, 14 are fuel tanks and 10 are highways. Remediation costs for the sites that are known to be contaminated and the Government is obligated to remediate are currently estimated at \$22,902 (2013 - \$22,288).

The Government's ongoing efforts to assess the remaining sites may result in additional environmental liabilities. These liabilities will be recorded in the year in which they become known and can be reasonably estimated.

(c) Claims and litigation

There are a number of claims and pending and threatened litigation cases outstanding against the Government. In certain of these cases, pursuant to agreements negotiated prior to the division of the territories, the Governments of the Northwest Territories and Nunavut will jointly defend the suits. The cost of defending these actions and any damages that may eventually be awarded will be shared by the two Governments 55.66% and 44.34%, respectively. The Government has recorded an allowance for any claim or litigation where it is likely that there will be a future payment and a reasonable estimate of the loss can be made. At year-end the Government estimated the total claimed amount for any claims and litigation for which the outcome is not determinable at \$1,225. No provision for such claims has been made in these financial statements as it is not determinable that any future event will confirm that a liability has been incurred as at March 31.

Government of the Northwest Territories

Notes to Non-Consolidated Financial Statements (unaudited)

March 31, 2014

(All figures in thousands of dollars)

20. RELATED PARTIES

Transactions with related parties and balances at year-end, not disclosed elsewhere in the financial statements, are disclosed in this note. During the year the Government provided grants and contributions to the following related parties.

	2014	2013
	\$	\$
Aurora College	34,823	33,119
Divisional Education Councils and District Education Authorities	162,746	161,300
Health and Social Services Authorities	252,170	230,168
Northwest Territories Power Corporation	14,303	20,054
Northwest Territories Energy Corporation	1,550	1,330
Northwest Territories Business Development and Investment Corporation	3,754	3,742
Northwest Territories Housing Corporation	69,332	66,961
Northwest Territories Human Rights Commission	229	250
Northwest Territories Sport and Recreation Council	650	-
Status of Women Council of the Northwest Territories	424	396
	539,981	517,320

The Government funds communities, boards and agencies and other organizations offering services to the public. These organizations operate independently of normal Government operations. The Government may be held responsible for any liabilities or deficits on behalf of related boards and agencies. An estimate of the potential liability, if any, cannot be determined.

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.

The Government receives dividend revenue in return for its investment in the Northwest Territories Power Corporation. Dividend revenue for the current year is \$ nil (2013 - \$ nil).

21. OVEREXPENDITURE

During the year no departments (2013 - 1) exceeded their vote (2013 - \$3,794).

Overexpenditure of a vote contravenes subsection 32 of the *Financial Administration Act* which states that "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".

Government of the Northwest Territories

Notes to Non-Consolidated Financial Statements (unaudited)

March 31, 2014

(All figures in thousands of dollars)

22. SUBSEQUENT EVENTS

Devolution of Federal Responsibilities

Effective April 1, 2014 Canada will devolve the administration and control of public lands, resources, and rights in respect of waters in the Northwest Territories to the Commissioner of the Northwest Territories. The Northwest Territories Lands and Resources Devolution Agreement establishes a framework for a cooperative and coordinated management regime for lands, resources and rights in respect of waters in the Northwest Territories in which the Government of the Northwest Territories and Aboriginal peoples of the Northwest Territories participate. From and after the transfer date, Canada shall provide to the GNWT additional funding of \$67,300 by making an adjustment with an effective date of April 1, 2014 to the current gross expenditure based grant from Canada as determined under the *Federal-Provincial Fiscal Arrangements Act* (Canada) and *Federal-Provincial Fiscal Arrangements Regulations, 2007* (Canada) or any successor program governing the financial arrangements between Canada and the GNWT.

Inuvik to Tuktoyaktuk Highway

The Government entered into an agreement with Canada to cost share the construction of a highway from Inuvik to Tuktoyaktuk. The cost share agreement contains two conditions that must be met for Canada's obligation to come into effect. The conditions relate to the finalization of an agreement with the Inuvialuit Regional Corporation with respect to granular royalties and access to Inuvialuit lands. These agreements were not finalized until July 31, 2014. The impact of this is \$22,275 of capital transfer revenue relating to the 2013-14 fiscal year will now be recorded in the 2014-15 fiscal year to be consistent with when the conditions of the agreement were met.

23. COMPARATIVE FIGURES

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

Government of the Northwest Territories**Non-Consolidated Schedule of Revenues by Source (unaudited)****Schedule A****for the year ended March 31, 2014**

(thousands of dollars)

	2014 Main Estimates (note 1b) \$	2014 Actual \$	2013 Actual \$
Revenue from the Government of Canada			
Grant	1,121,244	1,121,244	1,070,023
Transfer payments	116,617	131,729	145,723
	1,237,861	1,252,973	1,215,746

Taxation

Corporate Income Tax	88,034	81,256	108,422
Personal Income Tax	98,107	89,451	105,360
Fuel	18,456	18,514	18,608
Tobacco	16,591	15,683	15,587
Payroll	43,180	41,245	41,619
Property and school levies	25,953	27,866	27,058
Insurance	4,445	4,645	4,763
	294,766	278,660	321,417

Recoveries

Program	21,686	28,112	21,709
Service and miscellaneous	763	1,463	3,609
Lease	3,754	4,766	5,394
	26,203	34,341	30,712

General

Revolving Funds net revenue	25,226	24,383	25,255
Regulatory revenues	20,582	21,812	18,316
Other general revenues	-	285	1,578
Investment income	1,123	11,577	4,002
	46,931	58,057	49,151

Grants in Kind**593 593 635**

Total Revenues 1,606,354 1,624,624 1,617,661

Government of the Northwest Territories

Non-Consolidated Schedule of Expenses (unaudited)

Schedule B

for the year ended March 31, 2014

(thousands of dollars)

	Main Estimates (note 1b) \$	Compensation and Benefits \$	Grants and Contributions \$	Valuation Allowances \$	Other \$	Amortization \$	2014 Total Expenses \$	2013 Total Expenses \$
Legislative Assembly	18,239	11,171	310	-	6,287	888	18,656	18,096
Executive	20,464	17,100	1,584	1	8,742	7	27,434	16,685
Aboriginal Affairs and Intergovernmental Relations	7,416	4,840	846	-	1,212	-	6,898	6,428
Human Resources	42,099	36,957	-	6	5,586	164	42,713	43,225
Finance	156,278	16,312	108,055	13	23,351	2,081	149,812	139,252
Municipal and Community Affairs	126,788	15,063	105,436	120	6,677	160	127,456	125,757
Public Works and Services	104,505	24,700	-	6	76,030	5,125	105,861	98,165
Health and Social Services	363,856	21,491	265,532	-	95,177	8,778	390,978	372,987
Justice	116,759	55,926	2,404	-	58,415	2,183	118,928	114,810
Education, Culture and Employment	301,540	29,112	210,572	2,526	38,983	15,559	296,752	292,674
Transportation	117,011	35,552	1,151	37	44,389	38,992	120,121	123,029
Environment and Natural Resources	71,565	34,061	6,397	-	40,491	2,191	83,140	82,033
Industry Tourism and Investment	50,235	18,718	20,014	105	9,004	893	48,734	49,051
	1,496,755	321,003	722,301	2,814	414,344	77,021	1,537,483	
Prior Year Totals	1,440,033	302,340	714,035	4,456	388,222	73,139		1,482,192

Government of the Northwest Territories

Non-Consolidated Schedule of Tangible Capital Assets (unaudited)

Schedule C

As at March 31, 2014

(thousands of dollars)

	Land \$	Buildings* \$	Other** \$	Leasehold Improvements \$	Equipment* \$	Computers \$	2014 \$	2013 \$
Cost, beginning of year	2,046	948,071	1,317,323	34,262	174,105	104,098	2,579,905	2,145,203
Acquisitions	-	6,912	129,615	484	5,822	4,325	147,158	449,220
Disposals	-	(303)	-	-	(5,203)	(368)	(5,874)	(14,518)
Cost, end of year	2,046	954,680	1,446,938	34,746	174,724	108,055	2,721,189	2,579,905
Accumulated amortization, beginning of year	-	(332,498)	(442,942)	(24,555)	(89,505)	(57,182)	(946,682)	(887,658)
Amortization expense	-	(26,976)	(34,059)	(1,506)	(7,735)	(6,745)	(77,021)	(73,139)
Disposals	-	255	-	-	4,988	368	5,611	14,115
Accumulated amortization, end of year	-	(359,219)	(477,001)	(26,061)	(92,252)	(63,559)	(1,018,092)	(946,682)
Net book value	2,046	595,461	969,937	8,685	82,472	44,496	1,703,097	1,633,223
Work in progress							131,649	86,178
							1,834,746	1,719,401

* Included in buildings and equipment are assets under capital leases: cost, \$4,284 (2013 - \$4,284); accumulated amortization, \$1,483 (2013 - \$1,349); carrying value, \$2,801 (2013 - \$2,935).

** includes roads, bridges, airstrips, aprons and water/sewer works

Change in net book value of tangible capital assets	2014 \$	2013 \$
Acquisitions	147,158	449,220
Disposals/write-downs/adjustments	(263)	(403)
Amortization	(77,021)	(73,139)
Increase in work in progress	45,471	(319,499)
Increase	115,345	56,179

Government of the Northwest Territories

Non-Consolidated Schedule of Revenues by Department (unaudited)

Schedule 1

March 31, 2014

(thousands of dollars)

	Main Estimates \$	Increases (Decreases) \$	Revised Estimates \$	Actual Revenues \$	Over(Under) Estimates \$
Legislative Assembly					
Transfer Payments					
Capital transfers	1	-	1	-	(1)
General Revenues					
Service and miscellaneous	15	-	15	9	(6)
Regulatory revenue	15	-	15	25	10
Investment income	-	-	-	2,649	2,649
	31	-	31	2,683	2,652
Executive					
Transfer Payments					
Federal cost shared	6,071	17,731	23,802	22,500	(1,302)
General Revenues					
Grants in kind	150	-	150	150	-
	6,221	17,731	23,952	22,650	(1,302)
Industry, Tourism and Investment					
Transfer Payments					
Capital transfers	22	243	265	311	46
General Revenues					
Investment income	-	7,230	7,230	7,300	70
Regulatory revenues	60	-	60	70	10
Service and miscellaneous	10	-	10	4	(6)
	92	7,473	7,565	7,685	120
Environment and Natural Resources					
Transfer Payments					
Capital transfers	1,015	-	1,015	-	(1,015)
General Revenues					
Regulatory revenues	555	(246)	309	627	318
Beverage Container Program, Others, Net	246	-	246	259	13
	1,816	(246)	1,570	886	(684)

Government of the Northwest Territories

Non-Consolidated Schedule of Revenues by Department (unaudited)

Schedule 1 (continued)

March 31, 2014

(thousands of dollars)

	Main Estimates \$	Increases (Decreases) \$	Revised Estimates \$	Actual Revenues \$	Over(Under) Estimates \$
Finance					
Revenue from the Government of Canada					
Grant	1,121,244	-	1,121,244	1,121,244	-
Transfer Payments					
Federal cost shared	-	-	-	271	271
Canada Health Transfer and Reform Fund	29,513	(8,001)	21,512	21,512	-
Canada Social Transfer	15,153	95	15,248	15,248	-
	1,165,910	(7,906)	1,158,004	1,158,275	271
Taxation					
Corporate	88,034	(9,039)	78,995	81,256	2,261
Personal	98,107	(10,955)	87,152	89,451	2,299
Fuel	18,456	195	18,651	18,514	(137)
Tobacco	16,591	(1,154)	15,437	15,683	246
Payroll	43,180	103	43,283	41,245	(2,038)
Property and school levies	25,953	1,619	27,572	27,866	294
Insurance	4,445	405	4,850	4,645	(205)
	294,766	(18,826)	275,940	278,660	2,720
General Revenues					
Service and miscellaneous	-	-	-	734	734
Program	60	-	60	-	(60)
Revolving funds net revenue	24,980	-	24,980	24,124	(856)
Investment income	680	-	680	1,153	473
Regulatory revenue	453	-	453	505	52
Other general revenues	-	-	-	242	242
	26,173	-	26,173	26,758	(89)
	1,486,849	(26,732)	1,460,117	1,463,693	3,576
Municipal and Community Affairs					
Transfer Payments					
Federal cost shared	-	2,374	2,374	2,262	(112)
General Revenues					
Regulatory revenue	214	-	214	218	4
Lease	700	-	700	1,295	595
	914	2,374	3,288	3,775	487
Justice					
Transfer payments					
Federal cost shared	4,719	327	5,046	5,048	2
Capital transfers	10	-	10	-	(10)
	4,729	327	5,056	5,048	(8)
General Revenues					
Lease	7	-	7	8	1
Service and miscellaneous	17	-	17	8	(9)
Program	4,492	-	4,492	4,135	(357)
Regulatory revenue	5,025	-	5,025	5,735	710
Investment income	3	-	3	-	(3)
	9,544	-	9,544	9,886	707
	14,273	327	14,600	14,934	334

Government of the Northwest Territories

Non-Consolidated Schedule of Revenues by Department (unaudited)

Schedule 1 (continued)

March 31, 2014

(thousands of dollars)

	Main Estimates \$	Increases (Decreases) \$	Revised Estimates \$	Actual Revenues \$	Over(Under) Estimates \$
Public Works and Services					
General Revenues					
Service and miscellaneous	343	-	343	395	52
Lease	13	-	13	244	231
Regulatory revenue	1,027	-	1,027	1,106	79
Other general revenues	235	-	235	43	(192)
	1,618	-	1,618	1,788	170
Health and Social Services					
Transfer Payments					
Federal cost shared	36,372	-	36,372	36,376	4
Canadian Health and Social Transfer	315	-	315	309	(6)
Capital transfers	1,450	(298)	1,152	-	(1,152)
	38,137	(298)	37,839	36,685	(1,154)
General Revenues					
Program	14,500	-	14,500	19,835	5,335
Regulatory revenue	300	-	300	364	64
Grants in Kind	443	-	443	443	-
	53,380	(298)	53,082	57,327	4,245
Education, Culture and Employment					
Transfer Payments					
Federal cost shared	8,409	(61)	8,348	8,551	203
Capital transfers	661	(661)	-	-	-
	9,070	(722)	8,348	8,551	203
General Revenues					
Service and miscellaneous	50	-	50	18	(32)
Lease	10	(5)	5	19	14
Program	1,020	-	1,020	1,020	-
Investment income	440	10	450	475	25
Regulatory revenue	15	(1)	14	22	8
	1,535	4	1,539	1,554	15
	10,605	(718)	9,887	10,105	218
Human Resources					
General Revenues					
Program	750	-	750	1,560	810

Government of the Northwest Territories**Non-Consolidated Schedule of Revenues by Department (unaudited)****Schedule 1 (continued)**

March 31, 2014

(thousands of dollars)

	Main Estimates \$	Increases (Decreases) \$	Revised Estimates \$	Actual Revenues \$	Over(Under) Estimates \$
Transportation					
Transfer Payments					
Federal cost shared	406	46,850	47,256	1,140	(46,116)
Capital transfers	12,500	11,400	23,900	18,201	(5,699)
	12,906	58,250	71,156	19,341	(51,815)
General Revenues					
Lease	2,789	-	2,789	3,200	411
Program	864	-	864	1,562	698
Service and miscellaneous	328	-	328	295	(33)
Regulatory revenue	12,918	-	12,918	13,140	222
	16,899	-	16,899	18,197	1,298
	29,805	58,250	88,055	37,538	(50,517)
	1,606,354	58,161	1,664,515	1,624,624	(39,891)

Government of the Northwest Territories

Non-Consolidated Schedule of Expenses by Department (unaudited)

Schedule 2

March 31, 2014

(thousands of dollars)

	Main Estimates \$	Supplementary Estimates \$	Transfers \$	Total Appropriation \$	Actual Expenditures \$	(Over)Under Appropriation \$
Legislative Assembly						
Office of the Clerk	7,738	270	-	8,008	8,538	(530)
Expenditures on Behalf of Members	7,934	2	-	7,936	7,412	524
Office of the Chief Electoral Officer	626	-	-	626	649	(23)
Statutory Offices	1,603	120	-	1,723	1,653	70
Office of the Speaker	338	60	-	398	404	(6)
	18,239	452	-	18,691	18,656	35
Executive						
Directorate	6,756	18,008	(211)	24,553	14,242	10,311
Ministers' Offices	3,635	25	-	3,660	3,743	(83)
Executive Operations	7,552	4	-	7,556	7,101	455
Cabinet Support	2,521	-	-	2,521	2,348	173
	20,464	18,037	(211)**	38,290	27,434	10,856
Human Resources						
Directorate	625	-	-	625	969	(344)
Human Resource Strategy and Policy	6,774	346	-	7,120	5,789	1,331
Management and Recruitment Services	4,056	1	-	4,057	4,765	(708)
Corporate Human Resources	9,163	-	-	9,163	5,825	3,338
Employee Services	14,293	1,142	-	15,435	17,898	(2,463)
Region Operations	4,574	9	116	4,699	4,982	(283)
Labour Relations	2,614	1	(116)	2,499	2,485	14
	42,099	1,499	-	43,598	42,713	885
Aboriginal Affairs and Intergovernmental Relations						
Directorate	2,760	-	-	2,760	2,721	39
Implementation	694	-	-	694	535	159
Negotiations	2,437	-	-	2,437	2,026	411
Intergovernmental Relations	1,525	-	-	1,525	1,616	(91)
	7,416	-	-	7,416	6,898	518
Industry, Tourism and Investment						
Economic Diversification & Business Support	22,961	15	-	22,976	21,742	1,234
Directorate	7,908	(96)	(14)	7,798	7,432	366
Tourism and parks	11,962	603	16	12,581	12,246	335
Energy	1,679	(100)	(1)	1,578	1,866	(288)
Minerals and Petroleum Resources	5,725	343	(1)	6,067	5,448	619
	50,235	765	-	51,000	48,734	2,266

* Infrastructure investments that were not classified as capital have been transferred to operations. See schedule 8 for details.

** Infrastructure investments classified as capital as a result of Devolution.

Government of the Northwest Territories

Non-Consolidated Schedule of Expenses by Department (unaudited)

Schedule 2 (continued)

March 31, 2014

(thousands of dollars)

	Main Estimates \$	Supplementary Estimates \$	Transfers \$	Total Appropriation \$	Actual Expenditures \$	(Over)Under Appropriation \$
Environment and Natural Resources						
Wildlife Management	15,286	13	-	15,299	14,786	513
Forest Management	32,067	14,074	-	46,141	43,696	2,445
Directorate	11,492	(95)	-	11,397	11,554	(157)
Land and Water	5,752	-	1	5,753	5,465	288
Environmental Protection	6,968	502	(1)	7,469	7,639	(170)
	71,565	14,494	-	86,059	83,140	2,919
Finance						
Directorate	79,725	1,824	(2)	81,547	82,113	(566)
Budget, Treasury and Debt Management	26,762	-	-	26,762	20,528	6,234
Office of the Comptroller General	22,377	560	2	22,939	21,399	1,540
Office of the Chief Information Officer	2,469	-	-	2,469	1,899	570
Fiscal Policy	24,945	-	-	24,945	23,811	1,134
	156,278	2,384	-	158,662	149,750	8,912
Amortization of tangible capital assets of the NWT Liquor Commission	-	-	-	-	62	(62)
	156,278	2,384	-	158,662	149,812	8,850
Municipal and Community Affairs						
Regional Operations	106,958	10	408	107,376	106,829	547
Community Operations	2,483	6,452	-	8,935	3,541	5,394
Directorate	4,395	(68)	(140)	4,187	4,699	(512)
School of Community Government	3,076	1	-	3,077	2,838	239
Lands Administration	3,047	-	(135)	2,912	2,524	388
Sport, Recreation and Youth	5,200	-	-	5,200	5,526	(326)
Public Safety	1,629	-	(133)	1,496	1,499	(3)
	126,788	6,395	-	133,183	127,456	5,727
Justice						
Corrections	38,169	335	(305)	38,199	36,815	1,384
Policing Services	40,856	1,307	(200)	41,963	41,962	1
Court Services	11,803	602	535	12,940	13,768	(828)
Services to Government	10,925	(91)	469	11,303	11,241	62
Legal Aid Services	6,141	4	(8)	6,137	5,696	441
Services to the Public	5,028	-	(4)	5,024	5,486	(462)
Community Justice and Policing	3,837	316	233	4,386	3,960	426
	116,759	2,473	720 *	119,952	118,928	1,024

* Infrastructure investments that were not classified as capital have been transferred to operations. See schedule 8 for details.

Government of the Northwest Territories

Non-Consolidated Schedule of Expenses by Department (unaudited)

Schedule 2 (continued)

March 31, 2014

(thousands of dollars)

	Main Estimates \$	Supplementary Estimates \$	Transfers \$	Total Appropriation \$	Actual Expenditures \$	(Over)Under Appropriation \$
Health and Social Services						
Directorate	8,599	120	180	8,899	9,731	(832)
Health Services Programs	198,582	13,006	(575)	211,013	211,241	(228)
Community Health Programs	89,259	10,950	(1,312)	98,897	97,114	1,783
Program Delivery Support	40,686	656	1,649	42,991	42,924	67
Supplementary Health Programs	26,730	2,521	58	29,309	29,968	(659)
	363,856	27,253	-	391,109	390,978	131
Education, Culture and Employment						
Directorate	10,521	(196)	1,053	11,378	13,018	(1,640)
Primary and Secondary School Education	200,301	314	(1,058)	199,557	196,624	2,933
Advanced Education and Careers	49,127	149	134	49,410	45,798	3,612
Income Security	41,591	9	-	41,600	41,312	288
	301,540	276	129 *	301,945	296,752	5,193
Transportation						
Directorate	10,326	192	62	10,580	10,194	386
Airports	29,704	3,162	(3)	32,863	29,617	3,246
Highways	64,766	413	(3)	65,176	65,764	(588)
Marine	5,717	1,398	-	7,115	8,120	(1,005)
Road Licensing and Safety	5,490	3	(55)	5,438	5,535	(97)
Community Local Access Roads	1,008	-	-	1,008	891	117
	117,011	5,168	1 *	122,180	120,121	2,059
Public Works and Services						
Asset Management	92,341	3,128	2,168	97,637	93,024	4,613
Directorate	8,988	858	-	9,846	9,555	291
Technology Services Centre	1,282	-	-	1,282	1,177	105
Petroleum Products	1,894	-	-	1,894	2,105	(211)
	104,505	3,986	2,168	110,659	105,861	4,798
	1,496,755	83,182	2,807 *	1,582,744	1,537,483	45,261

* Infrastructure investments that were not classified as capital have been transferred to operations. See schedule 8 for details.

Government of the Northwest Territories

Non-Consolidated Schedule of Recoveries of Prior Years Expenses (unaudited)

Schedule 3

March 31, 2014

(thousands of dollars)

DEPARTMENT	Over-Accruals \$	Other Recoveries \$	Total \$
Legislative Assembly	-	447	447
Aboriginal Affairs and Intergovernmental Relations	12	-	12
Human Resources	467	47	514
Finance	30	133	163
Municipal and Community Affairs	-	161	161
Public Works and Services	169	340	509
Health and Social Services	1,613	183	1,796
Justice	31	159	190
Education, Culture and Employment	331	1,052	1,383
Transportation	210	44	254
Environment and Natural Resources	177	283	460
Industry, Tourism and Investment	347	919	1,266
	3,387	3,768	7,155

Non-Consolidated Schedule of Summary of Capital Acquisitions (unaudited)

Schedule 4

March 31, 2014

(thousands of dollars)

DEPARTMENT	Main Estimates \$	Supplementary Estimates \$	Total Appropriation \$	Actual Expenditure \$
Legislative Assembly	-	275	275	46
Human Resources	300	117	417	393
Finance	-	600	600	19
Public Works and Services	19,507	7,462	26,969	23,161
Health and Social Services	36,381	30,350	66,731	37,121
Justice	415	847	1,262	508
Education, Culture and Employment	4,245	6,430	10,675	7,416
Transportation	26,427	108,283	134,710	120,942
Environment and Natural Resources	1,861	1,147	3,008	1,972
Industry, Tourism and Investment	2,060	1,322	3,382	1,594
	91,196	156,833	248,029 *	193,172

\$3,018 of budget associated with infrastructure investments that were classified as non-capital in nature has been transferred to operations, as disclosed in Schedules 2 and 8. Projects completed by PWS on behalf of other Departments are reported as expenditures under the owner Department when completed.

Government of the Northwest Territories

Non-Consolidated Schedule of Grants (unaudited)

Schedule 5

for the year ended March 31, 2014

(thousands of dollars)

	Main Estimates \$	Supplementary Estimates \$	Transfers \$	Total Appropriation \$	Actual Expenditures \$	(Over)Under Appropriation \$
Executive						
Band Council Leases (in kind)	150	-	-	150	150	-
Women's Initiatives	50	-	-	50	50	-
Indspire Awards	35	-	-	35	35	-
Non - Government Organization						
Operational Assistance	-	-	-	-	17	(17)
Canadian Red Cross	-	25	-	25	25	-
Non-Government Organization Stabilization Fund	350	-	-	350	350	-
Devolution Negotiations, Aboriginal Government Participation and Engagement	-	216	-	216	162	54
	585	241	-	826	789	37

Transportation

Highways - Deh Cho Bridge	200	-	-	200	200	-
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Aboriginal Affairs and Intergovernmental Relations

Core Funding to Metis Locals	225	-	-	225	225	-
Special Events - Aboriginal Organizations	75	-	-	75	191	(116)
Aboriginal Intergovernmental Meetings Fund	350	-	-	350	350	-
	650	-	-	650	766	(116)

Finance

Government of Yukon - Connectivity	-	-	10	10	10	-
Public Policy Forum Grant	-	-	15	15	15	-
Cost of Living Tax Credit	22,400	-	-	22,400	21,390	1,010
NWT Child Benefit	1,200	-	-	1,200	1,116	84
	23,600	-	25	23,625	22,531	1,094

Municipal and Community Affairs

Community Government Funding	168	-	-	168	168	-
New Deal Taxation Revenue Program	475	-	-	475	488	(13)
High Performance Athlete Grant Program	100	-	-	100	82	18
Community Government Funding	47,030	-	-	47,030	47,030	-
Grant in Lieu of Taxes	6,371	-	-	6,371	6,034	337
Senior and Disabled Persons Tax Relief	366	-	-	366	549	(183)
Funding for Regional Operations	1,440	-	-	1,440	1,424	16
	55,950	-	-	55,950	55,775	175

Government of the Northwest Territories**Non-Consolidated Schedule of Grants (unaudited)****Schedule 5 (continued)****for the year ended March 31, 2014**

(thousands of dollars)

	Main Estimates \$	Supplementary Estimates \$	Transfers \$	Total Appropriation \$	Actual Expenditures \$	(Over)Under Appropriation \$
Environment and Natural Resources						
Disaster Compensation	100	-	-	100	37	63
Health and Social Services						
Medical Professional Development	40	-	-	40	40	-
Lease Extension - Rockhill Apartments	443	-	-	443	443	-
	483	-	-	483	483	-
Justice						
National Justice Issues	9	-	-	9	8	1
Aboriginal Court Challenges	40	-	-	40	5	35
	49	-	-	49	13	36
Education, Culture and Employment						
Student Grants	11,136	-	-	11,136	9,901	1,235
Community Broadcasting Grants	52	-	-	52	24	28
	11,188	-	-	11,188	9,925	1,263
Industry, Tourism and Investment						
Fur Price Program	610	-	-	610	398	212
Disaster Compensation Program	15	-	-	15	-	15
Diavik Socio - Economic Agreement	-	-	-	-	45	(45)
	625	-	-	625	443	182
Total	93,430	241	25	93,696	90,962	2,734

Government of the Northwest Territories

Non-Consolidated Schedule of Contributions (unaudited)

Schedule 6

for the year ended March 31, 2014

(thousands of dollars)

	Main Estimates \$	Supplementary Estimates \$	Transfers \$	Total Appropriation \$	Actual Expenditures \$	(Over) Under Appropriation \$
Legislative Assembly						
Human Rights Commission	250	-	-	250	250	-
Yellowknife Community Foundation	-	60	-	60	60	-
	250	60	-	310	310	-
Executive						
Status of Women Council	379	-	-	379	379	-
Native Women's Association	416	-	-	416	416	-
	795	-	-	795	795	-
Aboriginal Affairs and Intergovernmental Relations						
Consultation Funding	-	-	-	-	80	(80)
Finance						
Northwest Territories Power Corporation Contribution - General Rate Application Support	9,400	-	-	9,400	9,400	-
Energy Corporation Contribution - Grid Expansion Phase 1	-	-	500	500	450	50
Territorial Power Subsidy Program	11,085	-	-	11,085	6,008	5,077
Northwest Territories Heritage Fund	250	-	-	250	250	-
Mackenzie Valley Fibre Link - Funding	7,000	-	(7,000)	-	-	-
Northwest Territories Housing Corporation - Operations	67,492	1,824	-	69,316	69,316	-
Falcon Communications	100	-	-	100	100	-
	95,327	1,824	(6,500)	90,651	85,524	5,127

Government of the Northwest Territories

Non-Consolidated Schedule of Contributions (unaudited)

Schedule 6 (continued)

for the year ended March 31, 2014

(thousands of dollars)

	Main Estimates \$	Supplementary Estimates \$	Transfers \$	Total Appropriation \$	Actual Expenditures \$	(Over) Under Appropriation \$
Municipal and Community Affairs						
Contribution Funding - Directorate	470	-	-	470	489	(19)
Management of Drinking Water	50	-	-	50	35	15
Ground Ambulance	200	-	-	200	200	-
Recreation Contributions	450	-	-	450	560	(110)
Volunteer Contributions	70	-	-	70	65	5
Training Services-Community Governments	-	-	-	-	17	(17)
Youth Centers	500	-	-	500	485	15
Pan Territorial Sport Program	272	-	-	272	272	-
Youth Corps-Regional Operations	675	-	-	675	643	32
Water Sewer Services Funding	14,647	-	-	14,647	14,655	(8)
Youth Contributions-Regional Operations	25	-	-	25	10	15
A Brilliant North	680	-	-	680	456	224
Multi Sport Games	650	-	-	650	650	-
Healthy Choices	615	-	-	615	646	(31)
Community Financial Services Contributions	135	-	-	135	156	(21)
Infrastructure Contributions	28,002	6,452	-	34,454	28,223	6,231
Get Active	100	-	-	100	100	-
Regional Youth Sport Events	400	-	-	400	382	18
Youth Corp Regional Operations	500	-	-	500	434	66
Youth Regional Operations Contributions	225	-	-	225	238	(13)
Assistance to Community Governments	-	-	-	-	66	(66)
Volunteer Recognition	-	-	-	-	3	(3)
Joint Emergency Preparedness Program	-	-	-	-	47	(47)
Recreation Funding	825	-	-	825	829	(4)
	49,491	6,452	-	55,943	49,661	6,282
Transportation						
Airport Career Development Program	30	-	-	30	50	(20)
Community Access Program	980	-	-	980	863	117
Corporate Services - Ice Engineering	-	-	-	-	25	(25)
Students Against Drinking and Driving	-	-	-	-	13	(13)
	1,010	-	-	1,010	951	59

Government of the Northwest Territories

Non-Consolidated Schedule of Contributions (unaudited)

Schedule 6 (continued)

for the year ended March 31, 2014

(thousands of dollars)

	Main Estimates \$	Supplementary Estimates \$	Transfers \$	Total Appropriation \$	Actual Expenditures \$	(Over) Under Appropriation \$
Health and Social Services						
Health & Social Services Authorities	16,495	82	819	17,396	17,396	-
Professional Development Recruitment	2,701	-	-	2,701	1,023	1,678
System Navigation	-	-	-	-	59	(59)
Hospital Services	83,830	2,227	336	86,393	85,820	573
Anti-Poverty Strategy and Framework	-	-	150	150	220	(70)
Territorial Health Services	739	-	330	1,069	819	250
Office of the Chief Public Health Officer	11	-	-	11	594	(583)
Aboriginal Health and Community Wellness	1,114	-	30	1,144	1,335	(191)
Equipment Evergreening	250	-	-	250	326	(76)
Medical Travel Benefits	16,316	2,521	1	18,838	18,838	-
Mental Health and Addictions	1,463	-	-	1,463	911	552
Residential Care - Elderly & Persons with Disabilities	21,646	-	16	21,662	21,872	(210)
Health Centres	28,618	730	232	29,580	30,159	(579)
Health Awareness, Activities and Education	1,809	-	502	2,311	2,057	254
Children's Services	12,323	-	-	12,323	12,346	(23)
Physician Services	39,426	(326)	(739)	38,361	39,422	(1,061)
Community Services	33,589	22	(2,060)	31,551	31,815	(264)
Tlicho Cultural Coordinator	35	-	-	35	37	(2)
	260,365	5,256	(383)	265,238	265,049	189
Environment and Natural Resources						
Mackenzie River Basin Board	40	-	-	40	40	-
Energy Guides for Houses	150	-	-	150	150	-
Energy Management	1,323	-	-	1,323	1,269	54
Climate Change Adaptation Plan	51	-	-	51	-	51
Traditional Knowledge Contributions	65	-	-	65	17	48
Interim Resource Management Agreement	305	-	-	305	305	-
Energy Conservation Contributions	200	-	-	200	357	(157)
Energy Initiatives	-	400	-	400	680	(280)
Alternative Energy Program Contributions	775	-	-	775	576	199
Biomass Energy	400	-	-	400	511	(111)
Stewardship Program	500	-	-	500	450	50
Biomass Supply (Forest)	-	-	-	-	86	(86)
Forest Management	-	-	-	-	17	(17)
Wildfire Risk Management Plans	50	-	-	50	41	9
Wildlife Research Support	50	-	-	50	22	28
Barren Ground Caribou Monitoring	178	-	-	178	163	15
Energy Efficiency Incentive Program	300	100	-	400	408	(8)
Environmental Stewardship Program	-	-	-	-	-	-
Aquatic Ecosystems Research Partnership Program	200	-	-	200	200	-
Wildlife Research Support - Various	-	-	-	-	25	(25)
Northwest Territories Water Strategy	250	-	-	250	677	(427)
Protected Areas Contribution - Various	60	-	-	60	61	(1)
Policy and Strategy Planning - Various	-	-	-	-	14	(14)
Caribou Strategy	275	-	-	275	275	-
Disease Contaminants	20	-	-	20	16	4
	5,192	500	-	5,692	6,360	(668)

Government of the Northwest Territories

Non-Consolidated Schedule of Contributions (unaudited)

Schedule 6 (continued)

for the year ended March 31, 2014

(thousands of dollars)

	Main Estimates \$	Supplementary Estimates \$	Transfers \$	Total Appropriation \$	Actual Expenditures \$	(Over) Under Appropriation \$
Industry, Tourism and Investment						
Business Development and Investment Corporation Core Funding	3,754	-	-	3,754	3,754	-
Community Futures	1,272	-	-	1,272	986	286
Community Transfers Initiative	1,582	-	-	1,582	1,380	202
Fur Marketing Service	-	-	-	-	138	(138)
Support for Entrepreneur and Economic Development	3,866	-	-	3,866	3,865	1
Investment and Economic Analysis	-	-	-	-	90	(90)
Mackenzie Valley Development	715	-	-	715	611	104
Energy Contributions	1,100	-	-	1,100	1,260	(160)
Tourism Core Support	2,736	600	-	3,336	3,336	-
Tourism 2015 - Marketing Contribution	400	-	-	400	400	-
Agriculture Development Infrastructure	300	-	-	300	285	15
Tourism Diversification Program	900	-	-	900	1,030	(130)
Assist Tourism	111	-	-	111	111	-
Tourism Contribution - Various	-	-	-	-	39	(39)
Sport Hunt Outfitter Marketing Support	300	-	-	300	139	161
Take A Kid Trapping	125	-	-	125	-	125
Community Harvester Assistance	1,074	-	-	1,074	1,137	(63)
Commercial Fisheries	225	-	-	225	237	(12)
Western Harvester Assistance Program	-	-	-	-	134	(134)
Local Wildlife Committees	257	-	-	257	122	135
Northern Food Development Program	250	-	-	250	179	71
SocioEconomic Monitoring Agreement	210	-	-	210	45	165
Sahtu Land Claims Implementation	-	-	-	-	20	(20)
Northwest Territories Chamber of Mines	30	-	-	30	110	(80)
Great Northern Arts Festival	25	-	-	25	25	-
Growing Forward II	300	-	-	300	138	162
	19,532	600	-	20,132	19,571	561
Justice						
YWCA of Yellowknife	105	-	-	105	105	-
Victims Assistance Support Projects	615	-	-	615	525	90
Community Justice Committees and Projects	1,371	-	-	1,371	1,761	(390)
Wilderness Camps	149	-	-	149	-	149
Elder's Program	30	-	-	30	-	30
	2,270	-	-	2,270	2,391	(121)

Government of the Northwest Territories

Non-Consolidated Schedule of Contributions (unaudited)

Schedule 6 (continued)

for the year ended March 31, 2014

(thousands of dollars)

	Main Estimates \$	Supplementary Estimates \$	Transfers \$	Total Appropriation \$	Actual Expenditures \$	(Over) Under Appropriation \$
Education, Culture and Employment						
Education Authority Contributions	150,682	88	(1,058)	149,712	146,210	3,502
Aurora College Contributions	32,543	-	121	32,664	32,812	(148)
Community Skills for Work	650	-	70	720	410	310
Literacy	1,996	-	-	1,996	1,977	19
Teachers Professional Improvement Fund	1,916	-	-	1,916	1,704	212
Healthy Children Initiative	2,110	-	-	2,110	1,812	298
Early Childhood Program	3,958	-	-	3,958	3,496	462
Minority Language Education and Second- Language Instruction	2,401	-	-	2,401	2,495	(94)
Official Languages:						
Aboriginal Languages Broadcasting	170	-	-	170	188	(18)
Francophone Affairs	350	-	-	350	276	74
Aboriginal Languages	4,389	-	-	4,389	4,345	44
Community Library Services	763	-	-	763	755	8
Cultural Organizations	554	-	-	554	554	-
Cultural Projects	36	-	-	36	105	(69)
Heritage Centres	491	-	-	491	491	-
Arts Council	500	-	-	500	498	2
Support to Northern Performers	181	-	-	181	165	16
Small Community Employment	160	-	-	160	185	(25)
New Northern Arts Program	250	-	-	250	244	6
Cultural Component of Sports Events	50	-	-	50	10	40
Infrastructure Contributions for Education and Culture	1,529	50	-	1,579	1,407	172
Infrastructure Contributions: Advanced Education	400	108	-	508	508	-
	206,079	246	(867)	205,458	200,647	4,811
Total	640,311	14,938	(7,750)	647,499	631,339	16,160

Government of the Northwest Territories**Non-Consolidated Schedule of Special Warrants (unaudited)****Schedule 7****for the year ended March 31, 2014**

(thousands of dollars)

	Date of FMB Approval	Amount Authorized \$
OPERATIONS AND MAINTENANCE		
A special warrant was approved on July 9, 2013 to fund the projected shortfall in the forest fire suppression budget due to a severe forest fire season in 2013.	09-Jul-2013	11,052
A special warrant was approved on August 29, 2013 to fund the projected shortfall in the forest fire suppression budget due to a severe forest fire season in 2013.	29-Aug-2013	<u>2,842</u>
Total Special Warrants		<u>13,894</u>

Government of the Northwest Territories**Non-Consolidated Schedule of Inter-activity Transfers Exceeding \$250,000 (unaudited)****Schedule 8****for the year ended March 31, 2014**(thousands of dollars)

	Transfer to (from) \$	Explanation
OPERATIONS AND MAINTENANCE		
Municipal and Community Affairs		
Regional Operations	408	Establish new Assistant Regional Superintendent positions in each Regional Office by reallocating Mackenzie Gas Project funding.
Lands Administration	(135)	Establish new Assistant Regional Superintendent positions in each Regional Office by reallocating Mackenzie Gas Project funding.
Directorate	(140)	Establish new Assistant Regional Superintendent positions in each Regional Office by reallocating Mackenzie Gas Project funding.
Public Safety	(133)	Establish new Assistant Regional Superintendent positions in each Regional Office by reallocating Mackenzie Gas Project funding.
Health and Social Services		
Program Delivery Support	361	Realignment of resources as a result of the re-organization and the creation of the Aboriginal Health and Community Wellness Division.
Community Programs	(361)	Realignment of resources as a result of the re-organization and the creation of the Aboriginal Health and Community Wellness Division.
Community Programs	(990)	Reallocation of \$1.67M from Prevention and Promotion Activities to Early Childhood Development Action Plan and Anti-Poverty Framework. Budgets have been transferred to the activities and divisions responsible for the program.
Directorate	100	Reallocation of \$1.67M from Prevention and Promotion Activities to Early Childhood Development Action Plan and Anti-Poverty Framework. Budgets have been transferred to the activities and divisions responsible for the program.
	180	Reallocation of \$1.67M from Prevention and Promotion Activities to Early Childhood Development Action Plan and Anti-Poverty Framework. Budgets have been transferred to the activities and divisions responsible for the program.
Program Delivery Support	505	Reallocation of \$1.67M from Prevention and Promotion Activities to Early Childhood Development Action Plan and Anti-Poverty Framework. Budgets have been transferred to the activities and divisions responsible for the program.
	25	Reallocation of \$1.67M from Prevention and Promotion Activities to Early Childhood Development Action Plan and Anti-Poverty Framework. Budgets have been transferred to the activities and divisions responsible for the program.
Health Services Programs	180	Reallocation of \$1.67M from Prevention and Promotion Activities to Early Childhood Development Action Plan and Anti-Poverty Framework. Budgets have been transferred to the activities and divisions responsible for the program.

Government of the Northwest Territories**Non-Consolidated Schedule of Inter-activity Transfers Exceeding \$250,000 (unaudited) Schedule 8 (continued)**

for the year ended March 31, 2014 (thousands of dollars)

	Transfer to (from) \$	Explanation
Program Delivery Support	472	In 2013-14, Stanton Territorial Health Authority received New Initiative funding for the Territorial Support Network. The funding was mistakenly reported under the Supplementary Benefits Program activity in the 2013-14 Main Estimates.
Supplementary Health Programst	(472)	In 2013-14, Stanton Territorial Health Authority received New Initiative funding for the Territorial Support Network. The funding was mistakenly reported under the Supplementary Benefits Program activity in the 2013-14 Main Estimates.
Health Services Programs	(529)	Stanton Territorial Health Authority receives funding from the Government of the Northwest Territories related to medical travel. The funding was mistakenly reported under the Health Services Programs activity in the 2013-14 Main Estimates.
Supplementary Health Programs	529	Stanton Territorial Health Authority receives funding from the Government of the Northwest Territories related to medical travel. The funding was mistakenly reported under the Health Services Programs activity in the 2013-14 Main Estimates.
Health Services Programs	(330)	Responsibility for the delivery of the Midwifery program has been transferred to the Program Delivery Support activity.
Program Delivery Support	330	Responsibility for the delivery of the Midwifery program has been transferred to the Program Delivery Support activity.
Education, Culture and Employment		
Corporate Management	1,058	To reallocate funding to improve corporate governance and program functions with the department.
Education and Culture	(1,058)	To reallocate funding to improve corporate governance and program functions with the department.
Infrastructure Project Classification	129	The infrastructure budget associated with project costs that are not classified as capital expenditures has been transferred to the operations and maintenance budget.
Public Works and Services		
Infrastructure Project Reclassification	2,168	The infrastructure budget associated with project costs that are not classified as capital expenditures has been transferred to the operations and maintenance budget.

Government of the Northwest Territories**Non-Consolidated Schedule of Inter-activity Transfers Exceeding \$250,000 (unaudited) Schedule 8 (continued)**

for the year ended March 31, 2014 **(thousands of dollars)**

	Transfer to (from) \$	Explanation
Justice		
Services to Government	385	Consolidation of budget for the Information Services Division which supports Court Services and Corrections into the Services to Government activity.
Court Services	(185)	Consolidation of budget for the Information Services Division which supports Court Services and Corrections into the Services to Government activity.
Corrections	(200)	Consolidation of budget for the Information Services Division which supports Court Services and Corrections into the Services to Government activity.
Infrastructure Project Classification	720	The infrastructure budget associated with project costs that are not classified as capital expenditures has been transferred to the operations and maintenance budget.
Transportation		
Infrastructure Project Classification	1	The infrastructure budget associated with project costs that are not classified as capital expenditures has been transferred to the operations and maintenance budget.

for the year ended March 31, 2014

ACCOUNTS RECEIVABLE WRITTEN OFF

No amounts were written off during the
fiscal year ended March 31, 2014.

FORGIVENESS OF DEBT

The total debts forgiven during the fiscal
year ended March 31, 2014 was \$54,579.

Government of the Northwest Territories**Non-Consolidated Schedule of Bad Debt Write-offs, Forgiveness
and Student Loan Remissions (unaudited)****Schedule 9
(continued)****for the year ended March 31, 2014**

STUDENT LOAN REMISSIONS

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.

Name	\$	Name	\$
Adam, Aaliya	895	Brasseur, Kali	3,683
Adam, Shariff	603	Brebner, Ashley	655
Alty, Rebecca	3,814	Brebner, Courtney	2,250
Anavilok, Judy	3,507	Brenton, Sarah	2,411
Anderson, Neil	2,082	Broddy, Taylor	2,225
Anderson, Fraser	2,543	Bromley, Kelty	2,970
Anderson, Kari	1,743	Bromley, Tara	2,017
Arberry, Sandra	1,008	Bruser, Ben	2,148
Ashby, Kaleigh	3,726	Bruser, Benjamin	1,907
Ashcroft, Sunny	5,677	Bruser, Rebecca	3,507
Auge, Michael	2,371	Buchanan, Christopher	1,622
Bachand, Brendan	1,732	Buchanan, David	6,455
Ballantyne, Alexandra	1,786	Buchand, Brendan	2,017
Bannon, Joseph	5,568	Byatt, Gabriel	5,527
Bannon, Sarah	1,503	Bye, Miranda	223
Baron, Vanessa	679	Callas, Michael	3,573
Bauhaus, Stephanie	3,650	Campbell, Donald	3,617
Bell, Andrian	5,129	Campbell, Lana	2,389
Bell, Jason	3,529	Campbell, Terrence	3,683
Bell, Tyler	1,786	Carey, Katie	1,238
Bell, Margaret Jean	3,496	Carrillo, Karen	3,891
Bengts, Amanda	1,633	Cartwright, Aiden	3,584
Bengts, Lauren	2,784	Castillo, Anthony	2,800
Bengts, Stacie	1,425	Castillo, Cristina	1,326
Bennett, Shane	3,946	Chassie, Ann Mary	15,842
Bentley-Little, Mackenzie	2,280	Chenkie, Jessica	1,458
Besarra, Renfred	2,718	Chenkie, Ryan	3,529
Bevan, Kyle	4,143	Cherwaty, Kyla	1,567
Bloomstrand, Candace	2,242	Chetwynd, Courtney	1,644
Bokovay, David	1,611	Christensen, Julia	1,469
Bolstad, Mandi	3,836	Christensen, Michael	3,978
Bolstad, Joshua	3,836	Chung, Carissa	3,496
Bonnell, Nicole	3,124	Coakwell, Heather	3,540
Booth, Miranda	3,496	Coedy, Luke	2,630
Borden, Robert	3,518	Collier, Emily	3,025
Borkovic, Joey	3,529	Collier, Ryan	2,707
Borschneck, Thomas	5,568	Collins, Alexander	2,800
Bothamley, Kelly	2,674	Coolen, Catherine	849
Bouressa, Darcy	1,556	Cooper, Hawna	3,507
Bourgeois, Stephanie	3,660	Cooper, Kayla	1,397
Bowden, Rachel	1,578	Cote, Lee Ann	1,578
Bradbury, Amanda	3,551	Couturier, Donald	2,718
Bradbury, Chelsea	3,156	Cracknell, Alexander	2,247
Braden, Carmen	3,584	Cracknell, James	1,491
Bradford, Adam	3,540	Creed, Leslie	7,602

Government of the Northwest Territories**Non-Consolidated Schedule of Bad Debt Write-offs, Forgiveness
and Student Loan Remissions (unaudited)****Schedule 9
(continued)**

for the year ended March 31, 2014

Cruzpe, Rhon Marlo	460	Hall, Heather	1,512
Cumming, George	4,244	Hamilton, Janet	2,006
Cutler, Joseph	4,790	Hamilton, Shelby	3,091
Dahl, Daniel	2,488	Hand, Michael	1,502
Dang, Debbie	3,507	Harding, Jonathan	1,776
Dautel, Janell	7,727	Harriot, Brittany	2,017
De Bastiani, Thomas	3,606	Harris, Brooke	2,718
Debassige, Lindsay Elizabeth	1,326	Hehn, Brandi	7,683
Debogorski, Amelia	1,907	Hehn, Nikita	2,773
Debogorski, Andrew	1,480	Heide, Hanna	2,575
Debogorski, Dominic	2,104	Heine, Kathryn	2,466
Desilets, Angela	3,694	Hernandez, Anneluzelia	3,420
Desrosiers, Veronica	1,961	Hernandez, Moses	6,236
Devitt, Matthew	2,839	Herriot, Brittany	3,496
Digness, Samantha	3,551	Heslep, Alison	3,737
Dillon, Kathleen	1,567	Hess, Samera	3,825
Dumbuya, Hawa	1,765	Hiebert, Talia	6,839
Dunbar, Stephen	822	Hnatiw, Keegan	3,069
Elanik, Shelley	5,294	Hobbs, Brandon	4,954
Enns, Monica	2,718	Hoyles, Moriah	1,304
Escalante, Jean	902	Huang, Xin Xin	1,074
Esau, Sally Lynn	3,989	Hurley, Tara	7,584
Fabien, Katelyn	2,115	Hurst, Michaelis	2,302
Faster, Brianne	1,808	Hussey, Steven	2,192
Fisher, Whitney	3,770	Hysert, Gwen	3,529
Foley, Tara	2,148	Inglangasuk, Alexandra	2,181
Forget-Manson, Aviva	3,748	Irvine, Taylor	2,356
Forget-Manson, Elijah	7,661	Jaffray, Caitlin	6,291
Foster, Brianne	2,017	Jameson, Brette	5,382
Fournier, Tristen	2,630	Jarris, Alicia	4,159
Fowler, Travis	1,750	Jefferson, Kate	3,518
Franklin, James	844	Jen, Brook	2,663
Freeman, Daniel	6,477	Johansen, Nichol	4,121
Freund, Charlene	1,874	Johnson, Jessi	2,795
Fryer, Janine	4,428	Johnson, Kate	1,754
Fryer, Lisa	224	Johnston, Andrew	2,598
Gagnon, Angela	7,508	Jonasson, Jessica	6,554
Gard, Tehnille	1,129	Jones, Brittany	3,803
Gardiner, Corin	4,055	Jones, Julie	2,017
Gebauer, Morgan	3,814	Jones, Quintin	3,639
Gibbons, Katelyn	2,718	Jung, Courtney	3,694
Gilbert, Stephanie	3,507	Kaip, Kirsten	3,304
Gillander, Amanda	3,748	Kalnay, William	3,913
Glowach, Christine	2,674	Kanwal, Inderjit	3,836
Grabke, Dwight	3,694	Kefalas, Kyle	2,653
Graf, Derek	3,606	Kelln, Danae	2,050
Gray, Kyla	3,014	Kimble, Jessica	5,590
Grayston, Jodi	4,099	Kimble, Stephanie	4,154
Green, Ashley	3,529	King, Christine	1,600
Groenheyde, Amy	3,672	King, Emily	3,803
Groenheyde, Cali	2,181	King, Sharla	2,466
Guthrie, Lydia	2,543	Kinney, Allan	4,328
Gzowski, Angela	1,951	Kipling, Keisha	2,773
Hachey, Mason Eugene	2,800	Klengenberg, Deborah	1,666

Government of the Northwest Territories**Non-Consolidated Schedule of Bad Debt Write-offs, Forgiveness
and Student Loan Remissions (unaudited)****Schedule 9
(continued)**

for the year ended March 31, 2014

Kocik, Derrick	2,148	Marta, Ashley	6,784
Kocik, Kirsten Denise	6,828	Martel, Shawna	7,047
Komi, Arisa	3,529	Martin, Gabrielle	1,589
Kornichuk, Rebecca	4,669	Martin-Elson, Sonja	2,729
Koswan, Bradley	3,529	Matthews, Brendan	4,220
Kraft-Bailey, Corinne	6,675	McCabe, Stephanie	3,496
Kronstal, Alana	3,783	McCormack, Megan	1,030
Kronstal, Karin	2,948	McCreadie, Allister	3,595
Kruse, Sabine	1,052	McDonald, Mande	1,425
Lafferty, Jessica	8,176	McGreish, Kendra	2,367
Laity, Daniel	4,461	Mckee, Janel	3,606
Laity, Erin Molly	3,496	McKiel, Courtney	2,050
Laratta, Elisabeth	3,518	McLeod, Laura	1,644
Lavoie, Arlene	3,497	McNaughton, Gillian	2,828
Lavoie, Robyn	1,589	McNully, Brenegan	2,159
LeDrew, Jeffrey	4,406	McNulty, Meredith	1,545
LeDrew, Mark	3,496	Merrithew, Leslie	3,672
Lemieux, Kyle	2,800	Meulenbroek, Yvonne	3,387
Lemieux, Tanya	3,485	Michel, Gina	1,940
LePrieur, Joanna	1,195	Miklosovic, Stefanie	351
Letts, Jillian (Snodgrass)	2,844	Milne, Christopher	2,630
Lewis, Michelle	5,524	Miltenberger, Jacky	4,384
Lindsay, Michel	1,808	Mitev, Sierra	2,542
Linloff, Jenna	1,600	Miyok, Valerie	3,102
Lippert, Joshua	6,346	Moffitt, Morgan	2,718
Lodge, Emily	2,707	Moir, Lauren	2,498
Long, Jenna	3,748	Moore, Kelly	3,540
Look, Rayner	3,683	Moore, Kristin	2,356
Lukaniuk, Crystal	1,732	Moran, Colton	3,518
MacDonald, Amy	5,502	Morgan, Nawsheen	1,885
MacDonald, Cameron	2,619	Morse, Julian	3,748
MacDonald, David	3,518	Morse, Melanie	5,535
MacDonald, Laura	3,529	Morton, Fallon	3,661
MacKenzie, James	3,748	Munroe-Rosen, Soura	3,803
Mackenzie, Samantha	2,333	Murphy, Christine	3,474
MacLellan, Joseph	3,540	Murray, Daniel	2,181
MacNeill, Laura	3,858	Murray, John	2,060
Maddeaux-Young, Hayley	3,540	Myrick, Andrea	1,578
Madsen, Devin	2,269	Ndlova, Princes	827
Mahler, Kirstin	1,523	Nendsa, Troy	2,126
Mahler, Rebecca	2,060	Nilson, Andrea	2,674
Mair, Dylan	3,124	Noel, Jeremy	3,540
Maisonneuve, Shayle	3,770	Nogarin, Franco	2,443
Makletzoff, Tonya	1,743	Nojeda, Jovilynn	5,688
Malakoe, Alexandra	3,683	Nolting, Michael	3,773
Maliloux, Justin	4,329	Norbert, Nigit'stil	1,096
Mandeville, Curtis	3,474	Normandin, Jessie	3,507
Maracle, Alisen	3,507	O'Connor, Elise	1,271
Marin, Chavez	2,800	Offredi, Stephen	1,523
Marquez, Vickie	5,053	O'Keefe, Harry	5,491
Marriott, Jessica	3,803	Oliver, Heather	3,500
Marriott, Samantha	1,107	Orbell, Mark	6,718
Marshall, Jasmin	2,115	Pagonis, Meghan	1,502
Marshman, Michelle	1,480	Pagonis, Shayla	3,661

Government of the Northwest Territories

**Non-Consolidated Schedule of Bad Debt Write-offs, Forgiveness
and Student Loan Remissions (unaudited)**

**Schedule 9
(continued)**

for the year ended March 31, 2014

Paquin, Jahlieel	3,573	Scheper, Samtha	7,760
Paquin, Myriam	2,216	Schmalz, Alexandra	5,590
Parker, Desiree	6,300	Shwartzemberger, Jeffrey	2,798
Parker, Melody	1,567	Seeton, Matt	5,535
Parrell, Cassandra	3,814	Shaben, Krystal	3,177
Parsons, Dustin	854	Shannon, Samuel	5,590
Paul, Lyndsay	2,674	Shea, Keegan	17,682
Pawluk, Tierra	3,178	Short, Greg	1,198
Pearl, Sheldon	3,321	Shouhda, Lyle	5,732
Peter, Kristopher	7,223	Shouhda, Meagan	5,962
Philippon, Dustin	3,518	Sidhu, Harjot	4,483
Phypers, Daena	2,926	Sidhu, Marjot	2,017
Pierrot, Christina	7,530	Silke, Ryan	2,662
Polakoff, Dayna	2,576	Silke, Andrew	1,754
Pond, Ryan	2,663	Silke, David	6,401
Porter, Raylene	6,565	Silverio, Sandra	5,754
Posynick, Jon	464	Simpson, Tanis	6,938
Pound, Shawna	3,584	Sinclair, Frances	5,513
Power, Sarah	3,825	Singer, Claire	1,480
Purchase, Eli	2,170	Smith, Jodi	1,502
Purchase, Elizabeth	3,650	Snyder, Cody	3,518
Pyke, Caitlynd	2,444	Soderberg, Jonathan	1,414
Pynten, Kirsten	1,030	Sorenson, Alanna	2,800
Radicchi, Laura	3,715	Sosiak, Kevin	3,891
Radicchi, Lisa	130	St. Arnaud, Jessica	3,803
Raffai, Roland	1,502	St. Croix, Aleat	1,206
Rattray, Kevin	3,595	St. Germaine, Kevin	3,518
Redshaw, Walker	1,271	Starling, Brent	1,677
Reid, Katie	632	Steen, Rebecca	2,828
Reid, Taylor	5,644	Stephenson, Gord	3,650
Remtmeister, Tylor	4,121	Stinson, Cleo	3,672
Rivera, Jill	3,606	Stinson, Ella	3,713
Roberts, Brittany	3,661	Stipdonk, Chris	2,017
Robertson, Drew	3,650	Stirling, Aislinn	7,540
Rocher, Jacqueline	716	Stock, Edeil	2,674
Rocher, Lorna	3,529	Straker, Devon	2,948
Rodgers, Tylor	2,655	Strand, Jesslyn	2,126
Rodriques-Masongsong, Rebecca	3,540	Strus, Tynan	2,696
Roesch, Kendra	2,477	Styan, Bryce	3,968
Ropson, Ashley	2,749	Sullivan, Joshua	100
Ross, Jamie	2,411	Sumcad, Jasmin	4,581
Ross, Lee	7,508	Sutherland, Logan	2,800
Rossouw, Max	2,795	Sveinsson, Chelsea	2,619
Rozestraten, Katherine	3,496	Swanson, Laura	3,562
Rozestraten, Scott	3,770	Tabifranca-Antiglio, Mitsouko	5,600
Ruptash, Kenneth	3,606	Taggart, Craig	5,513
Ruttle, Pam	625	Tam, Alexander	3,595
Saravanja, Natacha	6,930	Tam, Jared	2,247
Sartor-Pielak, Carina	2,674	Tennant, James	3,902
Sasseville, Jamie-Lee	3,814	Thopson, Kristan	1,533
Savage, Genevieve	3,080	Torindo, Defny	1,425
Savage, Pascale-Laure	6,444	Tram, John	3,759
Schaap, Jamie	7,530	Tremblay, Brad	3,518
Scheper, Phyllip	2,587	Tremblay, Dawn	3,507

Government of the Northwest Territories**Non-Consolidated Schedule of Bad Debt Write-offs, Forgiveness
and Student Loan Remissions (unaudited)****Schedule 9
(continued)**

for the year ended March 31, 2014

Triffo, Daniel	1,337
Tucker, Carly	8,472
Tymchatyn, Shantel	3,770
Ukkhoy, Nushreen	1,929
Van Dyke, Christian	3,694
Van Metre, Stacey	3,529
Vaydik, Jill	1,852
Velez, Victoria	5,513
Vendiola, Arnel	3,847
Vician, Kristin	2,060
Vivian, Adam	5,776
Vuorela, Arleen	2,179
Ward, Emma	2,729
Watson, Jeffrey	2,800
Watson, Sasha	2,800
Waugh, Jennifer	3,529
Webber, Jayson	327
Webber, Paul	6,017
Weitzel, Caitlin	2,729
Wells, Aaron	3,485
Welsh, Megan	2,192
Westergreen, Anneka	3,704
Westman, Lorraine	1,217
White, Amanda	3,529
White, Rebecca	5,688
Whiteford, Morgan	2,521
Wickens, Kim	5,787
Wile, Griffin	2,795
Williams, Lisa	6,094
Williams, Robert	2,488
Wilson, Joseph	1,228
Wong, Daniel	5,820
Wong, Janet	3,683
Wood, Lisa	2,800
Wood, Melissa	2,571
Woodward, Devon	2,992
Wigglesworth, Patrick	3,211
Wright, Kyla	7,607
Wright, Briony	3,518
Wright, Erica	3,661
Wright, Kimberly	5,918
Zenko, Benjamin	1,907

Total Remissions 1,496,622

Government of the Northwest Territories

**Non-Consolidated Schedule of Recoveries of Debts and Student Loans Previously Written Off
(unaudited)**

Schedule 10

for the year ended March 31, 2014

Name	\$
Transportation	
994486 NWT	1,009
Snowshoe, Sheena	<u>600</u>
	<u>1,609</u>
Justice	
Peffer, Dolly	<u>3,431</u>
Individual amounts under \$500	<u>477</u>
	<u><u>5,517</u></u>

Government of the Northwest Territories

Non-Consolidated Schedule of Overdue Travel Advances (unaudited)

Schedule 11

for the year ended March 31, 2014

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.

\$

Public Works and Services

Hardisty, Robert 250

Education, Culture and Employment

Bonnetrouge, Cindi-Rae 1,000

Justice

Takazo, Elizabeth 505

1,755

Government of the Northwest Territories

**Non-Consolidated Schedule of Overdue Accountable Advances Related to Previous Fiscal Years
(unaudited)**

Schedule 12

for the year ended March 31, 2014

There were no overdue accountable advances relating to previous fiscal years.

Government of the Northwest Territories**Non-Consolidated Schedule of Projects for the Government of Canada, Nunavut and Others
- Expenditures Recovered (unaudited)****Schedule 13****for the year ended March 31, 2014**

\$

Executive

Bureau of Statistics Analytical Product Survey	60,000
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Aboriginal Affairs and Intergovernmental Relations

Inuvialuit Implementation	97,030
Gwich'in Land Claim Implementation	125,920
Sahtu Land Claim Implementation	94,247
Tlicho Agreement Implementation	136,924
Interchange Agreement - Secondment Indian and Northern Affairs	123,696

577,817

Finance

Interchange Agreement - Administrative Coordinator	60,427
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Municipal and Community Affairs

Gas Tax	12,784,786
Tli Cho Implementation	84,879
Inuvialuit Land Claim	100,000
Pan Territorial Sport Strategy	351,230

13,320,895

Transportation

National Safety Code	153,371
Airline Glycol Recovery	54,421
Wood Buffalo National Park Highway Maintenance	1,169,990
Winter Maintenance of the Prelude Lake Access Road	7,000
Hold Baggage System at the Yellowknife Airport	132,408
Alberta Road Maintenance	534,441
Hay River Access Corridor	66,879
Federal Arctic Marine Maintenance Program	399,094

2,517,604

Government of the Northwest Territories**Non-Consolidated Schedule of Projects for the Government of Canada, Nunavut and Others
- Expenditures Recovered (unaudited)****Schedule 13
(continued)****for the year ended March 31, 2014**

\$

Public Works and Services

Sahtu Land Claim Implementation	4,489
Gwich'in Land Claim Implementation	4,489
Tlicho Implementation	15,206
Beaufort Delta Education Board	140,136

164,320

Justice

Sahtu Land Claims Implementation	22,269
Gwich'in Land Claims Implementation	19,316
Tlicho Implementation	87,100
Estates Clerk	177,322
Framework for Enhancing Victim Services	500,000
Aboriginal Courtwork Program National Training Event 13/14	20,953
Library Materials and Supplies	20,000
Translation of the Occupational Health and Safety Regulations	19,113
Framework for Capacity Equalization Workshop	100,000
Northwest Territories Law Foundation Library Project	50,000
Supporting Families Fund	200,562

1,216,635

Health and Social Services

Territorial Oral Health Project	447,128
Home and Community Care Enhancement	4,686,007
Inuit and Metis Cancer Control Initiative Planning	102,904
Working on Wellness in Strategic Populations	20,947
Collaborative Action on Childhood Obesity	27,542
Territorial Mental Health and First Aid	30,499
Dialogue/Storybook Project	33,147
Non-Insured Health Benefits	12,372,250
Continuity of Care	5,309
Territorial Fetal Alcohol Syndrome Disorder Project	587,120
Canadian Diabetes Association	145,485
Canadian Public Health Network	9,298
Fetal Alcohol Spectrum Disorder Prevention and Awareness	49,184
Toll Free Tobacco Quitline Services	40,595
Chronic Disease Prevention	129,739
Territorial Health Access Fund Operational Secretariat	114,727
Youth Drug Treatment	304,689
Territorial Healthy Eating	341,591
Health Portfolio Funding	7,891,360

27,339,521

Government of the Northwest Territories**Non-Consolidated Schedule of Projects for the Government of Canada, Nunavut and Others
- Expenditures Recovered (unaudited)****Schedule 13
(continued)****for the year ended March 31, 2014**

\$

Education, Culture and Employment

Sahtu Land Claim Implementation	17,543
Gwich'in Land Claim Implementation	20,827
Tlicho Implementation	64,968
Labour Market Agreement	1,275,184
Labour Market Development	4,507,393
Older Workers	239,602
Territorial Gathering of Arts and Cultural Organizations	15,000
Early Childhood	28,938

6,169,455

Environment and Natural Resources

Sahtu Implementation - Consultation	145,329
Gwich'in Implementation - Consultation	209,612
Tlicho Implementation	84,732
Inuvialuit Implementation	3,625,128
Nature Conservancy of Canada	41,431
Biomass Energy Strategy	1,400,000
Sahtu Land Use Planning Board	22,468
Sahtu Geographic Information Systems	7,400
Climate Change Adaptation	500,000
Sahtu Banding Project	(1,077)
Caribou Tracking Project	40,000
Mineral Information Tenure System - Devolution	125,130
Bison Control Program	52,459
Water Stewardship Strategy	50,000
Succession and Regeneration of Response on Seismic Lines	60,000
Implementation of Northwest Territories Water Quality Monitoring	100,000
Viscount - Melville Sound Polar Bear	15,000
Aerial Surveys of the Viscount-Melville Sound Polar Bear Population	120,000
Landscape Scale Flood	8,920
Environmental Change and Human Activity Impact on the Tathlina Watershed	5,000
Transboundary Water Agreement Consultation and Engagement Activities	40,000
Territorial Permafrost Workshop	100,000
Bluenose-West Caribou Monitoring	30,000
Aboriginal Forest Biomass Harvesting and Forest Management Training	200,000
Community Water Based Monitoring - Land	100,000
Debeers - Wildlife Monitoring	69,000
13/14 Program Development	116,000
Boreal Caribou Monitoring	25,000
Diavik Diamond Mines Incorporated - Wildlife Monitoring	75,000
Fort Resolution Youth Cumulative Impact Monitoring and Assessment	40,000
Central MacKenzie Valley Wildlife Knowledge Sharing	133,624
Dominion Diamond Ekati Corporation - Caribou Monitoring Programs	105,000
Wolves of Bathurst Caribou	40,000
Discovery Portal Enhancements Phase 2	67,671

7,752,827

Government of the Northwest Territories**Non-Consolidated Schedule of Projects for the Government of Canada, Nunavut and Others
- Expenditures Recovered (unaudited)****Schedule 13
(continued)**

for the year ended March 31, 2014

\$

Industry, Tourism and Investment

Strategic Investments in Northern Economic Development	510,000
Growing Forward II	480,738
Sahtu Implementation	20,100
Economic Opportunity Strategy	95,000
Cumulative Impact Monitoring Program - Geoscience Office	8,800
Investment & Economic Analysis of Territorial Art and Artists	60,000
Investment & Economic Film Sector Strategy	39,750
Norman Wells Seismic - Geoscience Office	44,961

1,259,349

Total**60,438,850**
