Public Accounts 2016-2017

Section I

CONSOLIDATED FINANCIAL STATEMENTS and FINANCIAL STATEMENT DISCUSSION AND ANALYSIS

Government of
Northwest Territories

PUBLIC ACCOUNTS

OF THE

GOVERNMENT OF THE NORTHWEST TERRITORIES

FOR THE YEAR ENDED MARCH 31, 2017

SECTION I

CONSOLIDATED FINANCIAL STATEMENTS

HONOURABLE ROBERT C. MCLEOD

Minister of Finance

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THE HONOURABLE MARGARET THOM
DEPUTY COMMISSIONER OF THE NORTHWEST TERRITORIES

I have the honour to present the Public Accounts of the Northwest Territories (NWT) in accordance with Sections 37 through 43 of the *Northwest Territories Act (Canada)*, S.C. 2014, c.2, s.2, and Sections 34 through 35 of the *Financial Administration Act*, S.N.W.T. 2015, c.13, for the fiscal year ended March 31, 2017.

Honourable Robert C. McLeod,
Minister, Finance

October 26, 2017

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Public Accounts of the
Government of the Northwest Territories

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FINANCIAL STATEMENT DISCUSSION AND ANALYSIS

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Government of Northwest Territories
Gouvernement des Territoires du Nord-Ouest

RESPONSIBILITY FOR FINANCIAL REPORTING

The preparation of the Consolidated Financial Statements of the Government of the Northwest Territories (Government), 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 judgment 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 (FAA)*.

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 change in its net debt, the results of its operations 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.

Jamie Koe

Jamie Koe, CPA, CGA
Comptroller General, Finance
Government of the Northwest Territories

October 26, 2017

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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 2017, 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.

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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 2017, 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

In my opinion, 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, CPA, CA
FCPA, FCA (New Brunswick)
Auditor General of Canada

26 October 2017
Ottawa, Canada

Government of the Northwest Territories

Consolidated Statement of Financial Position

as at March 31, 2017 (thousands of dollars)

	2017 $	2016 $
Financial assets		
Cash	116,724	91,775
Portfolio investments *(note 3)*	100,408	97,085
Due from the Government of Canada *(note 12)*	46,096	75,020
Accounts receivable *(note 5)*	124,864	131,551
Inventories for resale *(note 6)*	28,273	28,360
Loans receivable *(note 7)*	79,249	81,661
	495,614	**505,452**
Liabilities		
Short term loans *(note 8)*	234,807	277,403
Accounts payable and accrued liabilities *(note 9)*	300,410	306,594
Deferred revenue *(note 10)*	19,610	10,774
Environmental liabilities and asset retirement obligations *(note 11)*	72,285	66,232
Due to the Government of Canada *(note 12)*	125,828	146,231
Capital lease obligations *(note 13)*	19,954	19,911
Long-term debt *(note 14)*	561,699	451,062
Pensions *(note 15)*	25,396	26,353
Other employee future benefits and compensated absences *(note 16)*	83,459	84,205
	1,443,448	**1,388,765**
Net debt	**(947,834)**	**(883,313)**
Non-financial assets		
Tangible capital assets *(schedule A)*	3,117,522	2,878,110
Inventories held for use *(note 6)*	14,579	15,046
Prepaid expenses	8,585	8,275
	3,140,686	**2,901,431**
Accumulated surplus	**2,192,852**	**2,018,118**

Contractual obligations and contingencies *(notes 18 and 19)*

Approved:

Robert McLeod

Robert C. McLeod
Minister of Finance

Jamie Koe

Jamie Koe, CPA, CGA
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, 2017 (thousands of dollars)

	2017 Budget $	2017 Actual $	2016 Actual $
Net debt at beginning of year	**(883,313)**	**(883,313)**	**(777,459)**
Items affecting net debt:			
Annual surplus	140,176	174,734	128,148
Acquisition of tangible capital assets	(364,126)	(368,375)	(359,568)
Amortization of tangible capital assets *(schedule A)*	122,876	122,269	116,668
Loss on sale of tangible capital assets	314	5,049	6,172
Proceeds on sale of tangible capital assets	1,086	1,645	3,494
Write-downs of tangible capital assets	-	-	652
	(99,674)	(64,678)	(104,434)
Consumption of inventories held for use	4,747	14,820	15,240
Purchase of inventories held for use	(5,247)	(14,353)	(15,169)
Increase in prepaid expenses	(25)	(310)	(1,491)
	(525)	157	(1,420)
Increase in net debt	**(100,199)**	**(64,521)**	**(105,854)**
Net debt at end of year	**(983,512)**	**(947,834)**	**(883,313)**

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, 2017 (thousands of dollars)

	2017 Budget $	2017 Actual $	2016 Actual $
Revenues			
Grant from the Government of Canada *(note 2(l))*	1,219,888	1,219,888	1,232,755
Transfer payments *(note 20)*	213,721	218,594	213,851
	1,433,609	**1,438,482**	**1,446,606**
Taxation, non-renewable resource and general revenues			
Corporate and personal income taxes *(note 20)*	170,606	190,938	134,847
Other taxes *(note 20)*	114,207	123,235	120,856
General *(note 20)*	64,717	64,516	68,024
Income from portfolio investments	762	3,089	5,039
Non-renewable resource revenue	62,347	63,671	58,203
Sales	148,338	145,532	139,520
Recoveries	50,441	35,130	36,219
	611,418	**626,111**	**562,708**
Recoveries of prior years' expenses	3,000	10,966	19,806
	2,048,027	**2,075,559**	**2,029,120**
Expenses (schedule B)			
Environment and economic development	161,021	161,094	183,353
Infrastructure	388,136	375,248	391,452
Education	338,174	344,288	338,561
Health, social services and housing	553,808	554,206	533,864
Justice	127,092	127,147	128,276
General government	320,284	320,522	305,221
Legislative Assembly and statutory offices	19,336	18,320	20,245
	1,907,851	**1,900,825**	**1,900,972**
Annual operating surplus	140,176	174,734	128,148
Projects on behalf of third parties			
Expenses	(89,526)	(84,299)	(81,123)
Recoveries	89,526	84,299	81,123
Annual surplus	**140,176**	**174,734**	**128,148**
Accumulated surplus at beginning of year	2,018,118	2,018,118	1,889,970
Accumulated surplus at end of year	**2,158,294**	**2,192,852**	**2,018,118**

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, 2017 (thousands of dollars)

	2017	2016
	$	$
Cash provided by (used in)		
Operating transactions		
Annual surplus*	174,734	128,148
Items not affecting cash:		
Change in valuation allowances	2,007	(1,533)
Loss on tangible capital assets	5,049	6,824
Amortization	122,269	116,668
Adjustments to tangible capital assets	-	(5,604)
Inflation adjustment on real return bonds	3,494	-
	307,553	244,503
Changes in non-cash assets and liabilities:		
Increase (decrease) in due to the Government of Canada	8,521	(2,979)
Decrease in accounts receivable	6,381	20,360
Decrease in inventories for resale	87	1,114
Increase in accounts payable	8,177	3,550
Increase (decrease) in environmental liabilities and asset retirement obligations	5,508	(2,663)
Increase (decrease) in deferred revenue	8,836	(12,653)
Increase (decrease) in pensions	(957)	33
Decrease in other employee future benefits and compensated absences	(746)	(3,615)
Decrease in inventories held for use	467	71
Increase in prepaid expenses	(310)	(1,491)
Cash provided by operating transactions	**343,517**	**246,230**
Investing transactions		
Disposition of portfolio investments	55,618	91,348
Acquisition of portfolio investments	(58,941)	(80,269)
Loans receivable receipts	10,647	11,228
Loans receivable advanced	(9,936)	(12,665)
Cash (used for) provided by investing transactions	**(2,612)**	**9,642**
Capital transactions		
Acquisition of tangible capital assets	(318,010)	(262,753)
Proceeds of disposition of tangible capital assets	1,645	3,494
Cash used for capital transactions	**(316,365)**	**(259,259)**
Financing transactions		
Net proceeds from (repayment of) short term loans	(42,596)	24,429
Repayment of capital lease obligations	(794)	(2,668)
Proceeds from long-term financing	60,000	-
Repayment of long-term financing	(16,201)	(4,434)
Cash provided by financing activities	**409**	**17,327**
Increase in cash	**24,949**	**13,940**
Cash at beginning of year	**91,775**	**77,835**
Cash at end of year	**116,724**	**91,775**

*Total interest paid during the year $23,942 (2016- $22,628)

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

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
- Dehcho Divisional Education Council
- Dettah District Education Authority
- N'dìlo District Education Authority
- Sahtu Divisional Education Council
- South Slave Divisional Education Council
- Yellowknife Public Denominational District Education Authority (Yellowknife Catholic Schools)
- Yellowknife District No.1 Education Authority

Aurora College Act
- Aurora College

Hospital Insurance and Health and Social Services Administration Act
- Hay River Health and Social Services Authority
- Northwest Territories 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 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

Northwest Territories Waters Act
- Inuvialuit Water Board

Northwest Territories Hydro Corporation Act
- Northwest Territories Hydro Corporation (NT Hydro)

Northwest Territories Surface Rights Board Act
- Northwest Territories Surface Rights Board

1. AUTHORITY AND OPERATIONS (continued)

(a) Authority and reporting entity (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, 2017 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 17)* 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 authority.

(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 as issued by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada.

(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, asset retirement obligations, 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 payments, Canada Social Transfer payments, and 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

Cash is 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.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(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 or amortized 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.

(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. Inventories held for use by NT Hydro consist of materials and supplies, lubricants, critical spare parts, and fuel and are recorded at cost as determined using the weighted average cost method. The remaining inventories held for use (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. Impairments, when recognized, result in write-downs to net realizable 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 downs are recognized when the loans have been deemed unrealizable and or uncollectable. Recoveries are recorded when loans previously written down are subsequently collected. Interest revenue is recorded on an accrual basis. Interest revenue is not accrued when the collectability of either principal or interest is not reasonably assured.

(f) 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.

March 31, 2017 (All figures in thousands of dollars)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(g) 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 is not available, estimated current replacement cost, discounted back to the acquisition date. Costs include contracted services, materials and supplies, direct labour, attributable overhead costs, and directly attributable interest. Capitalization of interest ceases when no construction or development is taking place or when a tangible capital asset is ready for use in producing goods or delivering services. 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
Watercrafts	25 years or less
Fences	20 years or less
Signs	20 years or less
Electric power plants	15 - 100 years
Transmission and distribution systems	20 - 65 years
Aircrafts	20 - 40 years
Fuel distribution systems	15 - 40 years
Water/sewer works	15 - 25 years
Park improvements	10 - 40 years
Mobile and heavy equipment	7 - 15 years
Mainframe and software systems	5 - 10 years
Major equipment	5 - 15 years
Medical equipment	5 - 15 years
LNG and NT Hydro equipment under capital lease	5 years
Leasehold improvements	Lesser of useful life or lease term plus renewal

The estimate of the useful life of tangible capital assets is reviewed on a regular basis and revised where appropriate on a prospective basis. 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 the minimum lease payments, excluding executory costs. 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 or Territorial lands are not recorded.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(h) Pensions and other employee future benefits and compensated absences

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 any 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. Eligible employees earn benefits based on years of service to a maximum entitlement based on terms of employment. Eligibility is based on a variety of factors including place of hire, date employment commenced, and reason for termination. Benefit entitlements 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. Compensated absences include sick, special, parental and maternity leave. Accumulating non-vesting sick and special leave are recognized in the period the employee provides service, whereas parental and maternity leave are event driven and are recognized when the leave commences. An actuarial valuation of the cost of these benefits (except maternity and parental leave) has been prepared using data provided by management and assumptions based on management's best estimates.

(i) 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 or if the occurrence of the confirming future event is not determinable, the contingency is disclosed.

(j) 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.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(k) Projects on behalf of third parties

The Government undertakes projects for the Government of Canada, the Government of Nunavut and others. Where the agreement allows, the Government receives accountable advances and any unexpended balances remaining at year-end are recorded as liabilities in accounts payable and accrued liabilities or due to Canada, as applicable. Recoveries are accrued when expenses as allowed under the project contract, exceed advances and are recorded as receivables in accounts receivable or due from Canada.

(l) Grant from the Government of Canada

Under *Federal-Provincial Fiscal Arrangements Act* (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 representative revenue bases at national average tax rates. Population growth rates and growth in provincial/local government spending are variables used to determine the growth in 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.

(m) 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 recognized when the tangible capital asset is put into service.

(n) Taxes, regulatory, resource, general, and restricted 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.

Regulatory revenues, which are part of general revenues, are recognized on an accrual basis and include revenues for fines, fees, licenses, permits, and registrations. Amounts received prior to the end of the year, which relate to revenues that will be earned in a subsequent year, are recorded as deferred revenues and are recognized as revenue when earned.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(n) Taxes, regulatory, resource, general, and restricted revenues (continued)

Resource revenues are recognized on an accrual basis and include mineral, quarry, oil and gas, and water revenues as defined in the Northwest Territories Lands and Resources Devolution Agreement. Mineral and quarry revenues are collected under the authority of the *NWT Lands Act*, water revenues are collected under the authority of the *Water Act* and oil and gas revenues are collected under the authority of the *Petroleum Resources Act*. The Government is entitled to 50 percent of the resource revenues collected (which is referred to as the net fiscal benefit), up to a maximum amount based on a percentage of the Gross Expenditure Base under Territorial Formula Financing. The Government of Canada will deduct its share of the resource revenues collected by the Government (the remaining amount) from the Territorial Formula Financing Grant (*note 2(l)*) payable to the Government two years hence. The Government has also committed to sharing up to 25 percent of the net fiscal benefit with Aboriginal governments that are signatories to the Northwest Territories Lands and Resources Devolution Agreement as per the *Northwest Territories Intergovernmental Resource Revenue Sharing Act*.

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. Revenues from the sale of power and fuel riders are recognized in the period earned based on cyclical meter readings. All other revenues are recognized on an accrual basis.

Certain tangible capital asset additions of NT Hydro are made with the assistance of cash contributions from customers. These contributions are recorded as revenues when all external restrictions or stipulations imposed by an agreement with the external party related to the contribution have been satisfied, generally when the resources are used for the purposes intended.

(o) Expenses

Grants and contributions are recognized as long as the grant or contribution is authorized and eligibility criteria have been met. 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. Under the authority of the *Northwest Territories Intergovernmental Resource Revenue Sharing Act,* a transfer to the Aboriginal parties who are signatories to the Northwest Territories Intergovernmental Resource Revenue Sharing Agreement will be made of up to 25 percent of the net fiscal benefit from resource revenues that is received by the Government *(note 2 (n))*. All other expenses are recognized on an accrual basis.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(p) Environmental liabilities

Environmental liabilities are the result of contaminated sites, defined as a site where as 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. A liability for remediation of contaminated sites is recognized when all of the following criteria are satisfied: an environmental standard exists, contamination exceeds the environmental standard, the Government is directly responsible or accepts responsibility, it is expected that future economic benefits will be given up and a reasonable estimate of the amount can be made. The liability reflects the Government's best estimate of the amount required to remediate the sites to the current minimum standard for its use prior to contamination.

Environmental liabilities consist of the estimated costs related to the management and remediation of environmentally contaminated sites, including costs such as those for future site assessments, development of remedial action plans, resources to perform remediation activities, land farms and monitoring. All costs associated with the remediation, monitoring and post-closing of the site are estimated and accrued. Where estimates are not readily available from third party analyses, an estimation methodology is used to record a liability when sufficient information is available. The methodology used is based on costs or estimates for sites of similar size and contamination when the Government is obligated, or is likely obligated, to incur such costs. If the likelihood of a future event that would confirm the Government's responsibility to incur these costs is either not determinable, or in the event it is not possible to determine if future economic benefits will be given up, or if an amount cannot be reasonably estimated, the contingency is disclosed in the notes to the consolidated financial statements and no liability is accrued. The environmental liabilities for contaminated sites are reassessed on an annual basis.

(q) Asset retirement obligations

On an annual basis, NT Hydro identifies legal obligations associated with the retirement of its tangible capital assets. Management's best estimate of the future expenditures required to settle the legal obligations are recognized to the extent that they can be reasonably estimated and are calculated based on the estimated future cash flows necessary to discharge the legal obligations, discounted using the NT Hydro's cost of borrowing for maturity dates that coincide with the expected cash flows.

The estimated asset retirement obligation (ARO) is recorded as a liability and a corresponding increase to tangible capital assets. The liability for AROs is increased annually for the passage of time by calculating accretion on the liability based on the discount rates implicit in the initial measurement. Changes in the obligation resulting from revisions to the timing or amount of the estimated undiscounted cash flows or revisions to the discount rate are recognized as an increase or decrease in the related carrying amount of the related tangible capital asset.

NT Hydro has identified AROs for certain hydro, thermal, transmission and distribution assets where NT Hydro expects to maintain and operate these assets indefinitely and therefore no related ARO has been recognized.

(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.

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. There are no significant allocations of revenues or expenses between segments.

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.

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. Other Public Agencies also includes agencies that report directly to a Minister responsible for their operations. For example, the Northwest Territories Housing and Hydro Corporations have Ministers specifically assigned to their operations. The agencies in this segment assist the Government in delivering its programs and services and in achieving its priorities.

(t) Public-Private Partnerships

The Government may, as an alternative to traditional forms of procurement governed by the Government's Contract Regulations, enter into public private partnership (P3) agreements with the private sector to procure services and public infrastructure when: the total projected threshold for procuring those services, including capital, operating and service costs over the life of the agreement, exceeds $50,000; there is appropriate risk sharing between the Government and the private sector partners; the agreement extends beyond the initial capital construction of the project, and; the arrangement results in a clear net benefit to the Government as opposed to being merely neutral in comparison with standard procurement processes. The operating and service costs, that are clearly identified in the agreements, are expensed as they are incurred.

The Government accounts for P3 projects in accordance with the substance of the underlying agreements. In circumstances where the Government is determined to bear the risks and rewards of an asset under construction, the asset and the corresponding liability are recognized over time as the construction progresses. The capital asset (classified as work in progress) and the corresponding liability are recorded based on the actual costs incurred by the P3 partner. In circumstances where the Government does not bear the risks and rewards of the asset until substantial completion the future associated agreement is disclosed.

The capital asset value is the total of progress payments made during construction and net present value of the future payments, discounted using the Government's imputed interest rate for the agreement. Capital expenditures may occur throughout the project or at the capital in-service date. Service fees may occur throughout the project or when the project is operational; these fees will include both a service and operational component. All payments are adjusted to reflect performance standards as outlined in the specific agreement and penalties may be deducted for sub-standard performance.

A P3 agreement may encompass certain revenues, including those collected by the partner on behalf of the Government. In such instances the Government will report the gross revenue along with the asset, liability, and expenses as determined from the specific project.

March 31, 2017 (All figures in thousands of dollars)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(u) Future accounting changes

Financial instruments
The Public Sector Accounting Board (PSAB) issued PS 3450 Financial Instruments effective for fiscal years beginning on or after April 1, 2019. 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.

Other New Standards
Effective April 1, 2019, the 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 effective April 1, 2012, however there is no significant impact on the consolidated financial statements as a result of its application. The Government will analyze the impact of these new standards on its financial statements.

PSAB issued new standards in March 2015 on Related Party Transactions (PS 2200 Related Party Disclosures and PS 3420 Inter-Entity Transactions) and four new standards related to Assets (PS 3210), Contingent Assets (PS 3320), Contractual Rights (PS 3380) and Restructuring Transactions (PS 3430) in June 2015. All these new standards have an effective date of April 1, 2017, except for PS 3430 that has an effective date of April 1, 2018.

There is no significant impact on the consolidated financial statements as a result of the new standards.

3. PORTFOLIO INVESTMENTS

	2017	2016
	$	$
Marketable securities (market value $101,942; 2016 - $97,470)	100,023	96,685
Miscellaneous investments	385	400
	100,408	**97,085**

4. DESIGNATED AND RESTRICTED ASSETS

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

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 its regulations.

Pursuant to the *Northwest Territories Heritage Fund Ac*t, the assets of the Hertiage Fund are to be used to ensure that the future generations of people of the Northwest Territories benefit from on-going economic development, including the development of non-renewable resources.

Pursuant to the *Land Titles Act*, the assets of the Land Titles Assurance Fund are to be used to compensate owners for certain financial losses they incur due to real estate fraud or omissions and errors of the land registration system.

4. DESIGNATED AND RESTRICTED 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 Supplemental Retiring Allowance Pension Plan *(note 15)*. 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.

Sinking fund investments of NT Hydro are held by a Trustee for the redemption of debentures. The agreements require annual installments to retire debt at maturity. NT Hydro's sinking fund policy allows only Canadian fixed-income investments with investment grade credit.

Northwest Territories Housing Corporation has a cash reserve designated by management to settle mortgage principal where the underlying asset has been disposed. It is anticipated that the funds will be disbursed in December 2018.

Northwest Territories Sport and Recreation Council has a cash reserve designated by management to fund building, programs and games expenditures.

Beaufort Delta Divisional Education Council has restricted cash to establish the Harry Stallworthy - Noah Carpenter Fund. The terms of the bequest state that the principal shall remain intact and the net annual income therefrom shall be made available to students of Inuit heritage for financial assistance in the High School Orientation program.

Commission scolaire francophone Territoires du Nord-Ouest has restricted cash for the purpose of covering legal costs related to legal action against the Government for the provision of additional classroom space in Hay River.

Northwest Territories Health and Social Services Authority has restricted funds for special projects, employee future benefits for funds received for the severance liability of employees transferred from the Government and an internally restricted fund for monies transferred from the inactive Beaufort Delta Hospital Foundation.

March 31, 2017 (All figures in thousands of dollars)

4. DESIGNATED AND RESTRICTED ASSETS (continued)

	2017 $	2016 $
Student Loan Fund:		
Authorized limit for loans receivable	45,000	45,000
Less: Loans receivable balance (*note* 7)	(41,320)	(41,953)
Funds designated for new loans	**3,680**	**3,047**
Heritage Fund:		
Heritage Fund net assets	**10,614**	**5,525**
Land Titles Assurance Fund:		
Land Titles net assets	**4,355**	**4,208**
Environment Fund:		
Beverage Container Program net assets	**2,557**	**2,097**
Portfolio Investments for the Legislative Assembly Supplementary Retiring Allowance (*note*15)		
Marketable securities (market value $32,995; 2016 - $31,767)	30,274	30,004
Cash and other assets (market value approximates cost)	412	339
	30,686	**30,343**
BDIC:		
Venture Investment Fund	4,190	4,182
Subsidy Fund	471	488
Capital Fund	873	873
Venture Reserve Fund	486	486
Capital Reserve Fund	147	147
Loans and Bonds Fund	4,613	1,076
	10,780	**7,252**
NT Hydro:		
Sinking Funds (market value approximates cost)	**5,800**	**7,988**
Other:		
Cash	2,013	1,625
Guaranteed investment certificate	778	743
	2,791	**2,368**
	71,263	**62,828**

March 31, 2017 (All figures in thousands of dollars)

5. ACCOUNTS RECEIVABLE

	Accounts Receivable $	Allowance for Doubtful Accounts $	Net 2017 $	Net 2016 $
General	66,087	(24,797)	41,290	39,231
Utilities			9,220	9,826
	9,350	(130)		
Non-renewable resource revenue	58,343	-	58,343	67,723
Government of Nunavut	8,493	(149)	8,344	6,571
Health related costs due from third parties	8,682	(3,755)	4,927	4,118
Revolving fund sales	2,176	-	2,176	3,657
	153,131	**(28,831)**	**124,300**	**131,126**
Receivables from related parties:				
Workers' Safety and Compensation Commission	564	-	564	425
	153,695	**(28,831)**	**124,864**	**131,551**

6. INVENTORIES

		2017 $	2016 $
Inventories for resale:	Bulk fuels	23,815	24,280
	Liquor products	3,906	3,527
	Arts and crafts	552	553
		28,273	**28,360**
Inventories held for use:			
	Materials and supplies:		
	Housing	3,009	2,843
	NT Hydro	8,284	8,981
	Hospital supplies	3,150	3,086
	Public Stores	136	136
		14,579	**15,046**
		42,852	**43,406**

Inventory write-down for 2017 is $300 (2016- $292).

March 31, 2017 (All figures in thousands of dollars)

7. LOANS RECEIVABLE

	2017 $	2016 $
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 5.06% and 5.62%, (2016 between 5.10% and 5.78%) before valuation allowance of $5,363 (2016 - $5,141).	42,402	44,350
Northwest Territories Energy Corporation Ltd. loan to the Dogrib Power Corporation due July 2026, bearing interest at an annual rate of 9.6% (2016 - 9.6%), repayable in equal monthly payments of $195 (2016 - $195), secured by a $4,000 guarantee and a restricted bank account.	14,395	15,307
Students Loan Fund loans due in installments to 2028, bearing fixed interest between 0.00% and 11.75%, (2016 - 1.25% and 11.75%) unsecured, before valuation allowance and loan remissions of 17,697 (2016 - $19,247).	41,320	41,953
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%, (2016 -3.00% and 12.00%) before valuation allowance of $10,450 (2016 - $10,302).	14,622	14,741
Other	20	-
	112,759	**116,351**
Valuation allowances	(33,510)	(34,690)
	79,249	**81,661**

Interest earned on loans receivable during the year is $4,280 (2016 - $5,148).

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 $2,519 (2016 - $2,908).

March 31, 2017 (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 banks. Short-term loans of $234,807 (2016 - $277,403) incurred interest at a weighted average year-end rate of 0.86% (2016 - 0.95%). Interest expense on short term loans included in operations and maintenance expenses is $2,072 (2016 - $1,773).

The borrowing limit under the *Borrowing Authorization Act* is $377,000.

9. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2017 $	2016 $
Trade	204,327	216,074
Government of Nunavut	158	262
Other liabilities	14,331	10,178
Employee and payroll-related liabilities	80,755	77,857
Accrued interest	713	706
	300,284	**305,077**
Payable to related parties:		
Workers' Safety and Compensation Commission	126	1,517
	300,410	**306,594**

10. DEFERRED REVENUE

	2017 $	2016 $
Government of Canada		
Ministry of Finance	5,842	4,082
Building Canada Plan	256	513
Ministry of Infrastructure and Communities	4,478	-
Transport Canada	350	350
Canadian Northern Economic Development Agency	2,762	-
Work deposits, commercial use permits and tourism licences	934	-
Mining Recorders	1,125	1,350
NPR Limited Partnership	1,856	2,070
Other	2,007	2,409
	19,610	**10,774**

Deferred revenue in the current year consists mainly of funds received from the Government of Canada for corporate income tax, improvements to highways and bridge rehabilitation.

March 31, 2017 (All figures in thousands of dollars)

11. ENVIRONMENTAL LIABILITIES AND ASSET RETIREMENT OBLIGATIONS

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 279 (2016 - 223) sites as potentially requiring environmental remediation at March 31, 2017. Where remediation costs have been estimated and a liability has been recorded the methodology used to estimate the liability is either based on third party analyses or extrapolated from costs previously incurred to remediate, monitor, or manage sites of similar size and contamination.

Type of Site	2016 Liability	Remediation Expenditures	New Sites in 2017	Increase (Decrease) in Estimate	2017 Liability	Number of Sites
	$	$	$	$	$	
Abandoned mines(1)	13,778	(1,035)	-	572	13,315	7
Landfills(2)	11,145	(465)	820	(1,047)	10,453	43
Abandoned infrastructure and schools(3)	12,258	(1,069)	1,750	872	13,811	75
Airports, airport strips or reserves(4)	1,874	(129)	-	(41)	1,704	23
Sewage lagoons(5)	2,784	(200)	68	(34)	2,618	29
Fuel tanks and resupply lines(2)	2,359	(17)	-	101	2,443	12
Abandoned lots and maintenance facilities(3)	15,156	(1,340)	4,603	2,319	20,738 *	90
Total environmental liabilities	**59,354**	**(4,255)**	**7,241**	**2,742**	**65,082**	**279**
Asset retirement obligations	6,878	-	-	325	**7,203**	
Total	**66,232**				**72,285**	

Possible types of contamination identified under each type of site include the following:

(1) metals, hydrocarbons, asbestos, wood/metal debris, waste rock, old mine buildings, lead paint;

(2) hydrocarbons, glycol, metals;

(3) hydrocarbons, petroleum products;

(4) hydrocarbons, vehicle lubricants, asbestos, glycol;

(5) metals, e.coli, total coliforms.

*Includes estimated costs to perform due diligence related to identifying environmental contamination that may be transferred back to Canada under the *Northwest Territories Lands and Resources Devolution Agreement.*

One of the 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 remaining balance of the Government's share of the Giant Mine remediation liability at March 31, 2017 is $2,708 (2016 - $2,851). There are 6 other abandoned non-operating mine sites that the Government will be remediating in conjunction with Canada based on cost allocations similar to that of Giant Mine.

There were 6 (2016 - 2) sites closed during the fiscal year as they were either remediated or no longer meet all the criteria required to record a liability for contaminated sites.

March 31, 2017 (All figures in thousands of dollars)

11. ENVIRONMENTAL LIABILITIES AND ASSET RETIREMENT OBLIGATIONS (continued)

Included in the 279 sites, there are 80 sites where no liability has been recognized. The contamination is not likely to affect public health and safety, cause damage, or otherwise impair the quality of the surrounding environment and there is likely no need for action unless new information becomes available indicating greater concerns, in which case, the site will be re-examined. These sites will continue to be monitored as part of the Government's ongoing environmental protection program.

The asset retirement obligation includes NT Hydro's disposal of generating plants on leased land, storage tanks systems and the associated piping for petroleum products in all communities serviced by the Northwest Territories Power Corporation, a subsidiary of NT Hydro. The carrying amount of the obligation is based on total expected cash flows, expected timing of cash flows (majority to occur post 2040), and the weighted average discount rate of 2.47% for obligations to be settled in 10 years or less and 3.5% for obligations to be settled in 10 years or more.

12. DUE TO (FROM) THE GOVERNMENT OF CANADA

	2017 $	2016 $
Receivables		
Projects on behalf of the Government of Canada	(13,522)	(15,605)
Miscellaneous receivables	(32,574)	(59,415)
	(46,096)	**(75,020)**
Payables		
Excess income tax advanced	65,961	74,002
Advances for projects on behalf of the Government of Canada	22,620	18,923
Miscellaneous payables	37,247	53,306
	125,828	**146,231**
	79,732	**71,211**

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

	$
2018	37,479
2019	26,873
2020	1,268
2021	341
	65,961

March 31, 2017 (All figures in thousands of dollars)

13. CAPITAL LEASE OBLIGATIONS

	2017 $	2016 $
Buildings	997	1,343
Equipment	18,957	18,568
	19,954	**19,911**

Interest expense related to capital lease obligations for the year is $1,894 (2016 - $1,934), at an implicit average interest rate of 9.21% (2016 - 9.42%). Capital lease obligations (expiring between 2019 and 2061) are based upon contractual minimum lease obligations for the leases in effect as of March 31, 2017.

		$
	2018	3,139
	2019	2,776
	2020	2,422
	2021	1,982
	2022	1,922
	2023 and beyond	44,530
Total minimum lease payments		56,771
Less: imputed interest		36,817
Present value of minimum lease payments		**19,954**

March 31, 2017 (All figures in thousands of dollars)

14. LONG-TERM DEBT

	2017 $	2016 $
Loans due to Canada Mortgage and Housing Corporation, repayable in annual installments until the year 2033, bearing interest at a rate of 6.97% (2016 - 6.97%), unsecured.	6,402	7,004
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% (2016 - 2.78% and 3.68%), unsecured.	2,662	2,907
Mortgage payable to Canada Mortgage and Housing Corporation, repayable in monthly installments of $7 (2016 - $7) maturing June 2024, bearing interest at 3.30% (2016 - 3.30%), secured with real property.	595	666
Yellowknife Catholic Schools debentures, repayable in monthly installments of $68 (2016 - $68), including fixed interest at 5.73%, final installment due in 2024, unsecured.	1,417	2,130
Debentures, due 2025 to 2052, bearing interest between 3.82% and 6.00% (2016 - 3.82% and 6.00%), unsecured.	90,000	90,000
Sinking Fund debenture, due 2018, bearing interest at 6.33% (2016 - 6.33% and 8.41%), secured by sinking funds earning a weighted average effective rate of return of 0.48% (2016 - 0.48%).	10,000	18,700
Amortizing Debentures, due 2032 to 2047, bearing interest between 3.98% and 6.42% (2016 - 5.16% and 6.42%), unsecured.	116,233	57,876
Series 1, 2 and 3 Debentures, repayable in monthly installments between $69 and $73 (2016 - $69 and $73), maturing 2025 to 2026, bearing interest between 9.11% and 10.00% (2016 - 9.11% and 10.00%), unsecured.	14,916	15,971
Real return senior bonds with accrued inflation adjustment, maturing June 1, 2046, redeemable at the option of the issuer, bearing interest at 3.17% (2016 - 3.17%) payable semi-annually, unsecured.	178,277	177,801
Loan due to Boreal Health Partnership, repayable in monthly installments of $794 starting at the expected in service date November 2018 until November 2048, bearing interest at 6.10% (imputed), unsecured.	51,181	13,730
Loan due to Northern Lights General Partnership, repayable in monthly installments of $620 at the expected in service date August 2017 until July 2037, bearing interest at 6.39% (imputed), unsecured.	90,900	65,007
	562,583	**451,792**
Unamortized premium, discount and issuance costs	(884)	(730)
	561,699	**451,062**

March 31, 2017 (All figures in thousands of dollars)

14. LONG-TERM DEBT (continued)

Long-term debt principal repayments and investment in sinking funds *(note 4)* due in each fiscal year for the next five years:

	Long-term Principal $	Sinking Fund Investment $
2018	20,278	425
2019	23,405	425
2020	13,992	-
2021	14,866	-
2022	15,618	-
2023 and beyond	474,424	-
	562,583	**850**

Interest expense on long-term debt, included in operations and maintenance expenses, is $20,689 (2016 - $19,627).

Debt Authority

The Government has the authority to borrow, pursuant to subsection 28(4) of the *Northwest Territories Act* (Canada), within a borrowing limit authorized by the Government of Canada.

	2017 $	2016 $
Government of the Northwest Territories:		
Mortgage payable to Canada Mortgage and Housing Corporation	595	666
Guarantees *(note 19(a))*	17,404	21,926
Real Return Bonds payable	178,277	177,801
Capital lease obligations	1,834	1,290
Short term borrowing	234,807	244,803
NWT Housing Corporation, mortgages and loans payable	9,063	9,911
NWT Housing Corporation, capital lease obligations	-	53
NT Hydro, capital lease obligations	18,120	18,568
NT Hydro, long-term debt (net of sinking fund)	224,465	173,830
NT Hydro, operational debt	-	32,600
Fuel Services Division, capital lease obligations	-	1,375
Yellowknife Catholic Schools District Education Authority	1,417	2,130
	685,982	**684,953**
Authorized borrowing limit	1,300,000	1,300,000
Available borrowing capacity before P3s	**614,018**	**615,047**
Future encumbrances relating to P3s long term debt (*note 14*)	142,081	78,737
Available borrowing capacity	**471,937**	**536,310**

15. PENSIONS

a) Plans' description

The Government administers the following pension plans for Members of the Legislative Assembly (MLAs), Territorial Court Judges, Employees of the Hay River Health and Social Services Authority and the Employees and Superintendent and Assistant Superintendents of the Yellowknife Catholic Schools. The Government is liable for all benefits. Benefits provided under all seven 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
Employees	Retirement Plan for Employees of the Yellowknife Catholic Schools	Funded
Superintendent and Assistant Superintendents	Retirement Plan for Superintendent and Assistant Superintendents of the Yellowknife Catholic Schools (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 MLA Supplemental plan *(note 4)*.

The average age of the 19 active members of the MLAs plans is 51. 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. Plan assets consist of Canadian and foreign equities, and Canadian fixed income securities and bonds.

The average age of the 4 active members of the Judges' plans is 59. 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. Plan assets consist of a diversified portfolio of Canadian and foreign equities and bonds.

The Hay River Health and Social Services Authority has a defined benefit pension plan for its employees. The average age of the 146 plan members is 47 years. The basic benefit formula is 1.5 percent of the member's best average pensionable earnings up to the average YMPE plus 2 percent of the member's best average pensionable earnings in excess of the average YMPE, multiplied by years of the pensionable service. Plan assets consist primarily of Canadian and U.S. equities, bonds and mortgages.

15. PENSIONS (continued)

a) Plans' description (continued)

Yellowknife Catholic Schools has a defined benefit pension plan for its employees. The average age of the 157 plan members is 46 years. The basic benefit formula is 1.3 percent of the member's best average pensionable earnings up to the average YMPE plus 2 percent of the member's best average pensionable earnings in excess of the average YMPE, multiplied by years of the pensionable service. Earnings and YMPE are averaged over the best 10 years prior to termination, death or retirement. Plan assets consist primarily of fixed income and equity securities. The Supplemental plan for Superintendent and Assistant Superintendents is a non-contributory defined benefit pension plan and not funded until the employee terminates their employment from Yellowknife Catholic Schools.

All plans provide death benefits to spouses and eligible dependents. 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 members with start dates before January 1, 2013, the normal retirement age remains age 60. Furthermore, contribution rates for current service for all members of the public service will increasegradually to an employer: employee cost sharing ratio of 50:50 by 2017. The employer contribution rate effective at the end of the year is 1.01 times (2016 – 1.15) the employees' contributions for employees who started prior to January 2013 and 1.0 times (2016 – 1.1) the employees' contributions for all other employees.

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

March 31, 2017 (All figures in thousands of dollars)

15. PENSIONS (continued)

b) Pension liability

	2017 Regular Funded $	2017 Supplemental Unfunded $	2017 Total $
Accrued benefit obligation	78,501	34,877	113,378
Pension fund assets - market-related value	(93,052)	-	(93,052)
Unamortized actuarial gains	4,963	107	5,070
Pension liability (asset)	**(9,588)**	**34,984**	**25,396**

	2016 Regular Funded $	2016 Supplemental Unfunded $	2016 Total $
Accrued benefit obligation	71,022	34,444	105,466
Pension fund assets - market-related value	(81,715)	-	(81,715)
Unamortized actuarial gains (losses)	3,972	(1,370)	2,602
Pension liability (asset)	**(6,721)**	**33,074**	**26,353**

Included in the pension asset of $(9,588) (2016 - $(6,721)) is a deficit for accounting purposes of the Judges' plan in the amount of $1,564 (2016 - $1,249).

March 31, 2017 (All figures in thousands of dollars)

15. PENSIONS (continued)

c) Change in pension liability (asset)

	2017 Regular Funded $	2017 Supplemental Unfunded $	2017 Total $
Opening balance	**(6,721)**	**33,074**	**26,353**
Change to pension liability (asset) from cash items:			
Contributions from plan members	(2,832)	-	(2,832)
Contributions from Government	(5,126)	-	(5,126)
Benefit payment to plan members	(4,412)	(1,446)	(5,858)
Drawdown from plan assets	4,412	-	4,412
Change in pension liability (asset) from cash items	**(7,958)**	**(1,446)**	**(9,404)**
Change to pension liability (asset) from accrual items:			
Current period benefit cost	5,953	1,254	7,207
Amortization of actuarial (gains) losses	(610)	549	(61)
Prior period cost of plan amendment	18	-	18
Change in valuation allowance	317	-	317
Interest on average accrued benefit obligation	3,720	1,553	5,273
Expected return on average plan assets	(4,307)	-	(4,307)
Change in pension liability (asset) from accrual items	**5,091**	**3,356**	**8,447**
Ending balance	**(9,588)**	**34,984**	**25,396**

	2016 Regular Funded $	2016 Supplemental Unfunded $	2016 Total $
Opening balance	**(4,616)**	**30,936**	**26,320**
Change to pension liability (asset) from cash items:			
Contributions from plan members	(2,570)	-	(2,570)
Contributions from Government	(5,147)	-	(5,147)
Benefit payment to plan members	(5,856)	(1,294)	(7,150)
Drawdown from plan assets	5,856	-	5,856
Change to pension liability (asset) from cash items	**(7,717)**	**(1,294)**	**(9,011)**
Change to pension liability (asset) from accrual items:			
Current period benefit cost	5,984	1,269	7,253
Amortization of actuarial (gains) losses	(239)	567	328
Prior period cost of plan amendment	51	-	51
Change in valuation allowance	163	-	163
Interest on average accrued benefit obligation	3,412	1,596	5,008
Expected return on average plan assets	(3,759)	-	(3,759)
Change in pension liability (asset) from accrual items	**5,612**	**3,432**	**9,044**
Ending balance	**(6,721)**	**33,074**	**26,353**

15. 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, change in valuation allowance and contributions from plan members. The total expense is $5,615 (2016 - $6,474). The interest cost on the accrued benefit obligation is 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 is 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 is a gain of $3,134 (2016 - $3,981).

In addition to the above, the Government contributed $55,331 (2016 - $58,220) to the Public Service Pension Plan. The employees' contributions to this plan were $47,004 (2016 - $43,485).

e) Changes to pension plans in the year

Hay River Health and Social Services Authority
As at the valuation date, the Authority has decided to revise the pension plan provisions as follows:

a) To increase required employee contributions - Effective January 1, 2017, the employer required contributions increased to 1.73 (previously 1.62). The employee remitted portion as was approved by the Authority pension committee on May 8, 2017 and an accrual has been set up in the financial statements to reflect this change retroactively.

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.

f) Valuation methods and assumptions used in valuing pension liability

Valuation date

The actuarial valuation for the Legislative Assembly was completed as of April 1, 2016 and the results were extrapolated to January 31, 2017. The effective date of the next actuarial valuation is April 1, 2020. The actuarial valuation for the Judge's plan was completed as of April 1, 2016 and the results were extrapolated to March 31, 2017. The effective date of the next actuarial valuation is April 1, 2020. The actuarial valuation for the Retirement Plan for Employees of the Hay River Health and Social Services Authority was completed as at January 1, 2017 and extrapolated to March 31, 2017. The effective date of the next actuarial valuation is January 1, 2018. The actuarial valuation for the Retirement Plan for Employees of the Yellowknife Catholic Schools was completed as at June 30, 2015 and the results were extrapolated to June 30, 2016. The effective date of the next actuarial valuation for the Yellowknife Catholic Schools plan is June 30, 2017.

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.

March 31, 2017 (All figures in thousands of dollars)

15. PENSIONS (continued)

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

Asset valuation method

The asset valuation method 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 $23,145 (2016 - $22,524). The asset valuation method for the Judges' plans is market-related value. The market value of the regular Judges' regular plan is $5,889 (2016 - $5,637). The asset valuation method for the Retirement Plans for Employees of the Hay River Health and Social Services Authority and of the Yellowknife Catholic Schools are market-related value. The fair market value of its pension plan assets is 52,062 (2016 - $45,091) and $13,113 (2016 - $10,237) respectively.

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 7.0 years (2016 - 3.0 years) for the MLA's plans, 2.7 years (2016 - 2.0 years) for the Judges' plans, 7.0 years (2016 - 7.6 years) for the Hay River Health and Social Services Authority plan and 13.9 years (2016 - 14.2 years) for the Yellowknife Catholic Schools plan.

Actuarial assumptions	**Yellowknife Catholic Schools' plans**	**Hay River H&SS Authority plan**	**MLA's plans**	**Judges' plans**
Expected rate of return on plan assets	4.5%	5.5%	4.8%	4.1%
Rate of compensation increase	2.0%	2.5%	2.0%	3.5%
Annual inflation rate	2.0%	2.0%	2.0%	2.0%
Discount rate	4.5%	5.5%	4.8%	4.1%

Retirement assumptions

- Members of Legislative Assembly may retire at the earliest of age 60, thirty years of service or when age plus service equals 80.
- Judges may retire 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.
- Employees of the Yellowknife Catholic Schools may retire at the earlier of age 65 or when age plus service equals 90.

March 31, 2017 (All figures in thousands of dollars)

16. OTHER EMPLOYEE FUTURE BENEFITS AND COMPENSATED ABSENCES

In addition to pension benefits, the Government provides severance (resignation and retirement), removal and compensated absence (sick, special, maternity and parental leave) benefits to its employees. The benefit plans are not pre-funded and thus have no assets, resulting in a plan deficit equal to the accrued benefit obligation.

Severance benefits are paid to the Government's employees based on the type of termination (e.g. resignation versus retirement) and appropriate combinations that include inputs such as when the employee was hired, the rate of pay, the number of years of continuous employment and age and the benefit is subject to maximum benefit limits. Removal benefits are subject to several criteria, the main ones being location of hire, employee category and length of service. The benefits under these two categories were valued using the projected unit credit methodology.

Compensated absence benefits generally accrue as employees render service and are paid upon the occurrence of an event resulting in eligibility for benefits under the terms of the plan. Events include, but are not limited to employee or dependent illness and death of an immediate family member. Non-accruing benefits include maternity and parental leave. Benefits that accrue under compensated absence benefits were actuarially valued using the expected utilization methodology.

Valuation results

The actuarial valuation was completed as at March 31, 2017. The effective date of the next actuarial valuation is March 31, 2020. The liabilities are actuarially determined as the present value of the accrued benefits at February 17, 2017 and the results were extrapolated to March 31, 2017. The values presented below are for all of the benefits under the Compensated Absences and Termination Benefits for the consolidated Government.

	Severance and Removal $	Compensated Absences $	2017 $	2016 $
Changes in Obligation				
Accrued benefit obligations, beginning of year	51,423	10,876	62,299	76,334
Current period benefit cost	2,690	838	3,528	12,315
Interest accrued	1,507	335	1,842	1,887
Benefits payments	(6,686)	(2,496)	(9,182)	(11,451)
Plan amendments	-	54	54	79
Actuarial (gains)/losses	1,738	4,033	5,771	(16,865)
Accrued benefit obligations, end of year	50,672	13,640	64,312	62,299
Unamortized net actuarial gain/(loss)	10,738	(1,651)	9,087	16,790
Net future obligation	61,410	11,989	73,399	79,089
Other employee future benefits	8,628	-	8,628	3,922
Other compensated absences	-	1,432	1,432	1,194
Total employee future benefits and compensated absences	**70,038**	**13,421**	**83,459**	**84,205**

March 31, 2017 (All figures in thousands of dollars)

16. OTHER EMPLOYEE FUTURE BENEFITS AND COMPENSATED ABSENCES (continued)

	Severance and Removal $	Compensated Absences $	2017 $	2016 $
Benefits Expense				
Current period benefit cost	2,690	838	3,528	12,315
Interest accrued	1,507	335	1,842	1,887
Plan amendments	-	54	54	79
Amortization of actuarial (gain)/loss	(1,641)	(311)	(1,952)	9
	2,556	**916**	**3,472**	**14,290**

The discount rate used to determine the accrued benefit obligation is an average of 3.3% (2016- 3.2%). No inflation rate was applied . The expected payments during the next five fiscal years are:

	Severance and Removal $	Compensated Absences $	Total $
2018	14,567	3,320	17,887
2019	8,897	2,201	11,098
2020	6,837	1,717	8,554
2021	5,827	1,447	7,274
2022	5,045	1,288	6,333
	41,173	**9,973**	**51,146**

March 31, 2017 (All figures in thousands of dollars)

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.

	2017 $	2016 $
Bequest - South Slave Divisional Education Council	80	80
Correctional institutions and other	463	438
Government of New Brunswick	721	713
Natural Resources	236	236
Patient funds - Hay River Health and Social Services Authority	101	71
Public Trustee	5,527	5,605
Patient funds - Northwest Territories Health and Social Services Authority	140	193
Securities - land use permits and water licences and oil and gas deposits	7,236	5,495
Territorial and Supreme Courts	775	1,224
	15,279	**14,055**

In addition to the above trust assets under administration, the Government holds cash and bank guarantees in the form of letters of credit and surety bonds in the amount of $579,221 (2016- $499,844). The majority of these guarantees are held against water licenses issued to regulate the use of water and the deposit of waste.

18. CONTRACTUAL OBLIGATIONS

The Government has entered into agreements for, or is contractually committed to, the following payments subsequent to March 31, 2017:

	Expiry Date	2018 $	2019-2048 $	Total $
Operational commitments	2048	140,969	188,003	328,972
P3 Operational commitments	2048	3,248	281,460	284,708
RCMP Policing Agreement	2032	42,197	587,027	629,224
Commercial and residential leases	2041	27,609	80,037	107,646
Equipment leases	2023	1,828	3,188	5,016
Tangible capital asset projects in progress at year-end	2020	57,608	3,279	60,887
P3 Tangible capital asset projects in progress at year-end	2018	65,000	7,287	72,287
		338,459	**1,150,281**	**1,488,740**

19. CONTINGENCIES

(a) Guarantees

The Government has guaranteed residential housing loans to banks totaling $870 (2016 - $3,260) and indemnified Canada Mortgage and Housing for third party loans totaling $16,534 (2016 - $18,666). 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.

(b) Loans

The Northwest Territories Business Development and Investment Corporation (BDIC) has four outstanding loans to three Northern Community Futures organizations totaling $538 (2016 - $1,041). 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 2017, no accounts were assigned to BDIC (2016 - $0).

The BDIC has four (2016 - six) outstanding irrevocable standby letters of credit totaling $2,155 (2016 - $2,375) that will expire by 2019. 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 (2016 - nil).

(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 a provision 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 provision 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 $67,027 (2016 - $8,363). 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.

March 31, 2017 (All figures in thousands of dollars)

20. TRANSFER PAYMENTS, TAXATION AND GENERAL REVENUE

	2017 $	2016 $
Transfer payments:		
Capital transfers	66,774	84,124
Canada Health and Social Transfer Reform Fund	60,933	60,016
Federal cost shared	59,048	50,050
Other	31,839	19,661
	218,594	213,851
Taxation:		
Corporate Income Tax	68,616	25,010
Personal Income Tax	122,322	109,837
	190,938	134,847
Other taxes:		
Fuel	21,288	19,750
Tobacco	15,336	16,191
Payroll	43,643	42,085
Property and school levies	37,839	37,670
Insurance	5,129	5,160
	123,235	120,856
General:		
Lease	5,875	5,959
Regulatory	32,602	30,595
Sundry and other	19,206	23,941
Interest	5,555	7,023
Gain on disposition of assets	835	63
Grants in kind	443	443
	64,516	68,024
	597,283	**537,578**

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.

21. EXPENSES

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 Heritage Fund Arctic Energy Alliance Inuvialuit Water Board
Infrastructure	Department of Public Works and Services Department of Transportation Department of Lands Northwest Territories Hydro Corporation Northwest Territories Surface Rights Board
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)
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) Northwest Territories Housing Corporation Status of Women Council of the Northwest Territories
Justice	Department of Justice
General government	Department of Aboriginal Affairs and Intergovernmental Relations Department of Executive Department of Finance Department of Human Resources Department of Municipal and Community Affairs Northwest Territories Sport and Recreation Council
Legislative Assembly and statutory offices	Legislative Assembly Northwest Territories Human Rights Commission

March 31, 2017 (All figures in thousands of dollars)

22. OVEREXPENDITURE

During the year 4 departments (2016 - 1) exceeded their operations vote by $5,423 (2016 - $2,959) and 2 departments (2016 - 1) exceeded their capital vote by $2,169 (2016 - $68,916) .

Overexpenditure of a vote contravenes subsection 71 of the *Financial Administration Act* which states that "No person shall incur an expenditure that causes the amount of the appropriation set out in the Estimates for a department to be exceeded".

The voted items that were over expended in the current year is as follows:

Department of Executive (operations)	$201
Department of Finance (operations)	$1,211
Department of Education, Culture and Employment (operations)	$2,598
Department of Health and Social Services (operations)	$1,413
Department of Health and Social Services (capital)	$1,752
Legislative Assembly (capital)	$417

These overexpenditures have been deemed a supplementary appropriation in accordance with section 77 of the *Financial Administration Act* S.N.W.T 2015 which states that "Where the charging of expenditures to an appropriation would cause the appropriation to be exceeded, the Comptroller General may, at the end of a fiscal year, record the amount by which the liability exceeds the appropriation as a deemed appropriation for that fiscal year".

23. SUBSEQUENT EVENTS

Yellowknife Airport revolving fund
On July 1, 2017, the Government set up a revolving fund for the Yellowknife Airport to account for a new Airport Improvement Fee that is being charged to each passanger. The new fee will be used for airport capital purchases and to eliminate the Yellowknife Airport operating deficit.

Marine Transportation Services revolving fund
On June 2, 2017, the Government established a new revolving fund for ongoing operations, maintenance and capital expenditures of the new Marine Transportation Services division.

Department Amalgamations
On April 1, 2017, the Department of Aboriginal Affairs and Intergovernmental Relations and the Department of the Executive amalgamated to form the Department of Executive and Indigenous Affairs.

On April 1, 2017, the Department of Human Resources amalgamated into the Department of Finance.

On April 1, 2017, the Department of Public Works and Services and the Department of Transportation amalgamated to form the Department of Infrastructure.

23. SUBSEQUENT EVENTS (continued)

Public Utilities Board Applications

On May 31, 2017 NT Hydro applied to the Public Utilities Board to turn off its fuel refund rider effective July 1, 2017. The Public Utilities Board approved the application on June 30, 2017.

24. 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

Schedule A

Consolidated Schedule of Tangible Capital Assets

for the year ended March 31, (All figures in thousands of dollars)

	Land[7]	Buildings [1]	Infrastructure and Other[1,2,4]	Leasehold Improvements	Equipment[1,3]	Computers	Work in Progress[5,6]	2017	2016
	$	$	$	$	$	$	$	$	$
Cost of tangible capital assets, opening balance	20,318	1,643,108	2,141,790	43,246	239,759	129,387	243,674	4,461,282	4,130,046
Transfers	2,377	49,498	95,981	1,325	28,431	73,485	(251,097)	-	-
Acquisitions	-	47	1,052	8	1,823	-	365,445	368,375	359,568
Disposals	(46)	(3,385)	(3,537)	(646)	(7,786)	(3,971)	-	(19,371)	(28,332)
Cost of tangible capital assets, closing	22,649	1,689,268	2,235,286	43,933	262,227	198,901	358,022	4,810,286	4,461,282
Accumulated amortization, opening	-	(650,577)	(692,101)	(33,090)	(134,172)	(73,232)	-	(1,583,172)	(1,484,519)
Amortization expense	-	(48,588)	(49,771)	(1,030)	(11,866)	(11,014)	-	(122,269)	(116,668)
Disposals	-	1,947	624	154	6,668	3,284	-	12,677	18,015
Accumulated amortization, closing	-	(697,218)	(741,248)	(33,966)	(139,370)	(80,962)	-	(1,692,764)	(1,583,172)
Net book value	**22,649**	**992,050**	**1,494,038**	**9,967**	**122,857**	**117,939**	**358,022**	**3,117,522**	**2,878,110**

1 Included in buildings, infrastructure and equipment are assets under capital lease (cost $33,792 (2016 - $31,041); accumulated amortization, $10,502 (2016 - $10,221); net book value, $23,290 (2016 - $20,820)).

2 Includes roads, bridges, airstrips, aprons, fuel distribution systems, park improvements, aircraft, water/sewer works, watercrafts, fences, signs, transmission and distribution systems and electric power plants.

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

4 Included in infrastructure are capitalized costs for P3 project Mackenzie Valley Fibre Link $66,212 (2016 - $0) and roads capitalized but not yet amortized of $285,997 (2016- $257,945).

5 Included in work in progress are costs related to P3 projects: Stanton Territorial Hospital Renewal $146,176 (2016- $40,783) and Mackenzie Valley Fibre Link $28,824 (2016 - $69,142) .

6 Not included in acquisitions of tangible capital assets on the statement of cash flow are non-cash items of $50,365 (2016- $96,815).

7 Land with cost and net book value of $0, market value $772 (2016- $7,056) was contributed to third parties.

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]	Other Public Agencies [2]	Total for All Segments	Adjustments [3]	2017	2016
	$	$	$	$	$	$
Revenues						
Grant from the Government of Canada	1,219,888	-	1,219,888	-	1,219,888	1,232,755
Transfer payments	186,901	31,693	218,594	-	218,594	213,851
	1,406,789	**31,693**	**1,438,482**	**-**	**1,438,482**	**1,446,606**
Taxation and general revenues						
Corporate and personal income taxes	190,938	-	190,938	-	190,938	134,847
Other taxes	114,827	9,937	124,764	(1,529)	123,235	120,856
General	40,613	681,002	721,615	(657,099)	64,516	68,024
Income from portfolio investments	1,864	1,225	3,089	-	3,089	5,039
Non-renewable resource revenue	63,671	-	63,671	-	63,671	58,203
Sales	114,753	89,124	203,877	(58,345)	145,532	139,520
Recoveries	20,768	14,914	35,682	(552)	35,130	36,219
	547,434	**796,202**	**1,343,636**	**(717,525)**	**626,111**	**562,708**
Recoveries of prior years' expenses	13,728	-	13,728	(2,762)	10,966	19,806
	1,967,951	**827,895**	**2,795,846**	**(720,287)**	**2,075,559**	**2,029,120**
Expenses						
Grants and contributions	793,546	4,140	797,686	(581,640)	216,046	207,189
Operations and maintenance	523,138	307,254	830,392	(114,401)	715,991	726,332
Compensation and benefits	377,901	468,481	846,382	(2,872)	843,510	847,701
Change in valuation allowances	3,009	-	3,009	-	3,009	3,082
Amortization of tangible capital assets	89,133	33,119	122,252	17	122,269	116,668
	1,786,727	**812,994**	**2,599,721**	**(698,896)**	**1,900,825**	**1,900,972**
Annual operating surplus (deficit)	**181,224**	**14,901**	**196,125**	**(21,391)**	**174,734**	**128,148**
Projects on behalf of third parties						
Expenses	(84,299)	-	(84,299)	-	(84,299)	(81,123)
Recoveries	84,299	-	84,299	-	84,299	81,123
Annual surplus (deficit)	**181,224**	**14,901**	**196,125**	**(21,391)**	**174,734**	**128,148**

1 Departments consist of all those listed in Note 21 that begin with the word "Department" and the Legislative Assembly.

2 Public agencies consist of those listed in Note 21 other than Departments and the Legislative Assembly.

3 Includes adjustments 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.

GOVERNMENT OF THE NORTHWEST TERRITORIES
FINANCIAL STATEMENT DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED MARCH 31, 2017
(Unaudited)

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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 the 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. Collectively this is referred to as the Government Reporting Entity. Organizations included in the Government Reporting Entity are listed in Note 1 to the Consolidated Financial Statements.

EXECUTIVE SUMMARY- FINANCIAL HIGHLIGHTS

The executive summary provides a summary of key events affecting results within the Public Accounts and discussion on results in comparison to the original budgets of the Government. High level results of operations for the fiscal year ending March 31, 2017 and the financial position as at March 31, 2017 are summarized below:

($ in thousands)

	Budget 2017	Actual 2017	Actual 2016
Total Revenue	2,048,027	2,075,559	2,029,120
Total Expense	1,907,851	1,900,825	1,900,972
Annual Surplus	**140,176**	**174,734**	**128,148**
Financial assets		495,614	505,452
Less: Total liabilities		1,443,448	1,388,765
Net debt		**(947,834)**	**(883,313)**
Non-financial assets		3,140,686	2,901,431

The 2016-17 financial statements report a surplus of $175 million, $35 million more than what was originally budgeted. Subsequent budget adjustments approved during the fiscal year are not reflected in the budget presented. Budget adjustments made during the year typically reflect new information that was not known at the time the original budget was approved, changes in revenues, changes in expenses or both. Mid-year budget adjustments should be considered before any conclusions are drawn with respect to operational results.

Total net debt increased by $65 million in 2016-17. Debt was incurred to finance capital infrastructure and support working capital requirements for programs and initiatives. This past fiscal year's increase is largely attributable to the financing related to public private partnerships of $142 million for work done to date on the Mackenzie Valley Fibre Link and Stanton Territorial Hospital Renewal projects.

Unlike prior years, the Territory's economy decreased by 0.1% in 2017 as measured by real GDP; this change is significantly different than the national average, which increased by 1.3%. The Territory's economy decreased as a result of a decrease in the construction and mining, oil and gas sectors in the 2016 calendar year.

The Government's own source revenues are directly linked to the Northwest Territories (NWT) economy. For example, the Government relies on a small number of resource based companies for the majority of its corporate tax revenue, whose incomes fluctuate significantly with economic events. In addition, the Government collects resource royalties, though it shares these revenues with the federal government and Aboriginal partner organizations, which reduces the fiscal benefit of royalties for the Government. However as the Government relies on federal transfers for the majority of its revenues, the overall linkage between the economy and the Government's revenues does not appear very strong.

The Territory continues to manage growth in spending, while making targeted investments to encourage economic growth and address the infrastructure deficit. Cumulative infrastructure investments of $4.452 billion focusing on health care, education and transportation have made the Northwest Territories a safer, more competitive and productive Territory, while supporting the creation of jobs in construction and related industries.

Financial Health

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

- ***Sustainability*** – at the end of the 2016-17 fiscal year, the Government had a net debt of $948 million compared to net debt of $883 million at the end of the prior fiscal year. The net debt represents 46% of revenue. Future investments in infrastructure and operations cannot be sustained at the present level without incurring more debt.

- ***Flexibility*** – pertains to the Government's ability to increase its financial resources. The majority of revenue comes from the Territorial Formula Financing Grant from the Government of Canada. The Government's own-source revenues, net of $64 million in non-renewable resource revenues, increased from 25% of total revenue in 2016 to 27% in 2017; sales and taxes are a major source of fluctuation. The Government's limited flexibility to increase taxes combined with small tax bases makes a significant increase in other own source revenues unlikely in the short term.

  At March 31, 2017, the Government has a federally imposed limit on its borrowing of $1.3 billion. Although the Government is currently well under its debt authority limit, $1.3 billion represents 68% of 2016-17 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.

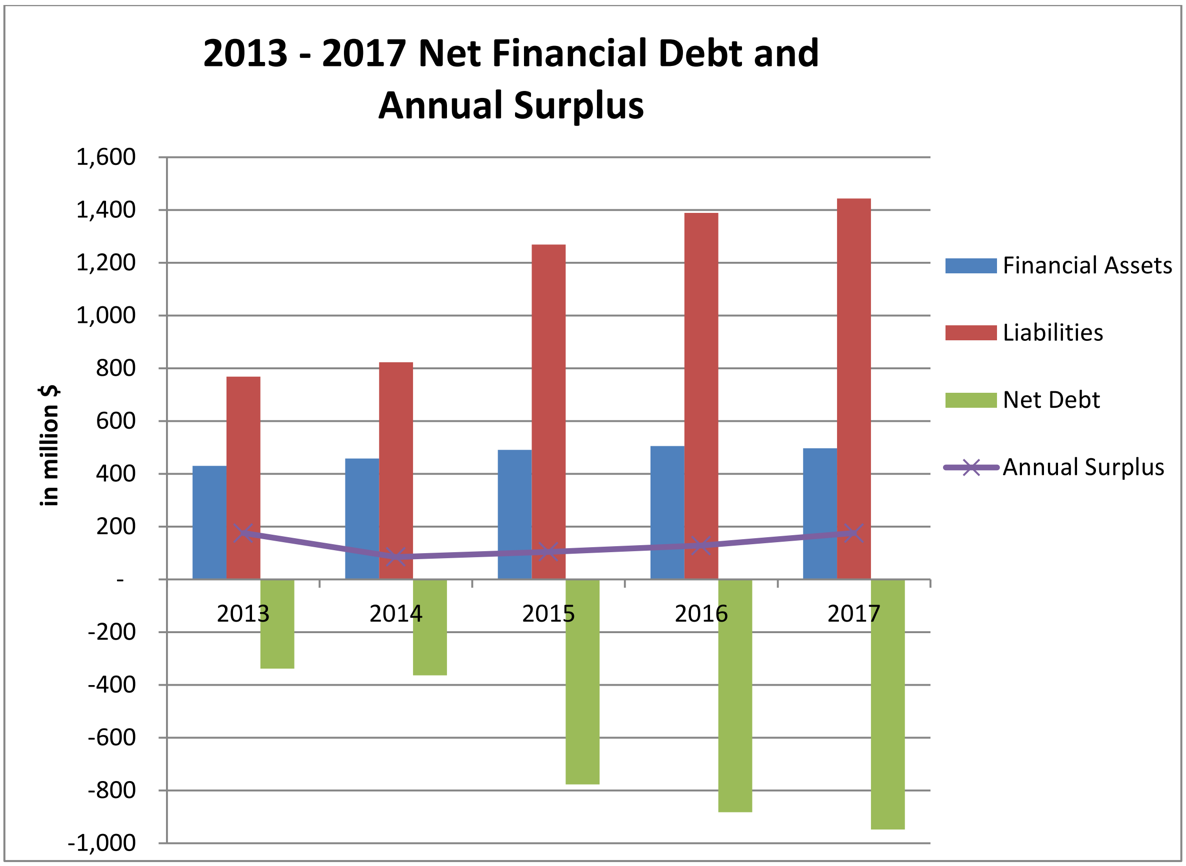
- ***Vulnerability*** – to assess the Government's vulnerability, it is not necessary to look further than the Government's limited own-source revenues and the volatility related to corporate and personal income taxes. The Government's largest source of revenue is the grant and transfer payments from Canada which represents approximately 69% of total revenues for the current year. 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 Government continues to be financially stable, but it has limited flexibility to raise new revenues. The Government continues to be vulnerable to federal control over changes to its future revenues.

ANNUAL AND ACCUMULATED SURPLUS AND NET DEBT

Net financial resources result when there are financial assets remaining after being reduced by all liabilities of a 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 in unison with the fluctuation in annual surplus, as depicted in the graph below. This occurs as other factors impact net debt that do not impact annual surplus, most notably a reduction in cash or an increase in debt as the result of investing in infrastructure will increase net debt. The change in net debt from the prior year is shown in the Consolidated Statement of Change in Net Debt within Section 1 of the Public Accounts.

The graph below illustrates the Government's net debt position and annual surplus at the end of each of the last five fiscal years.

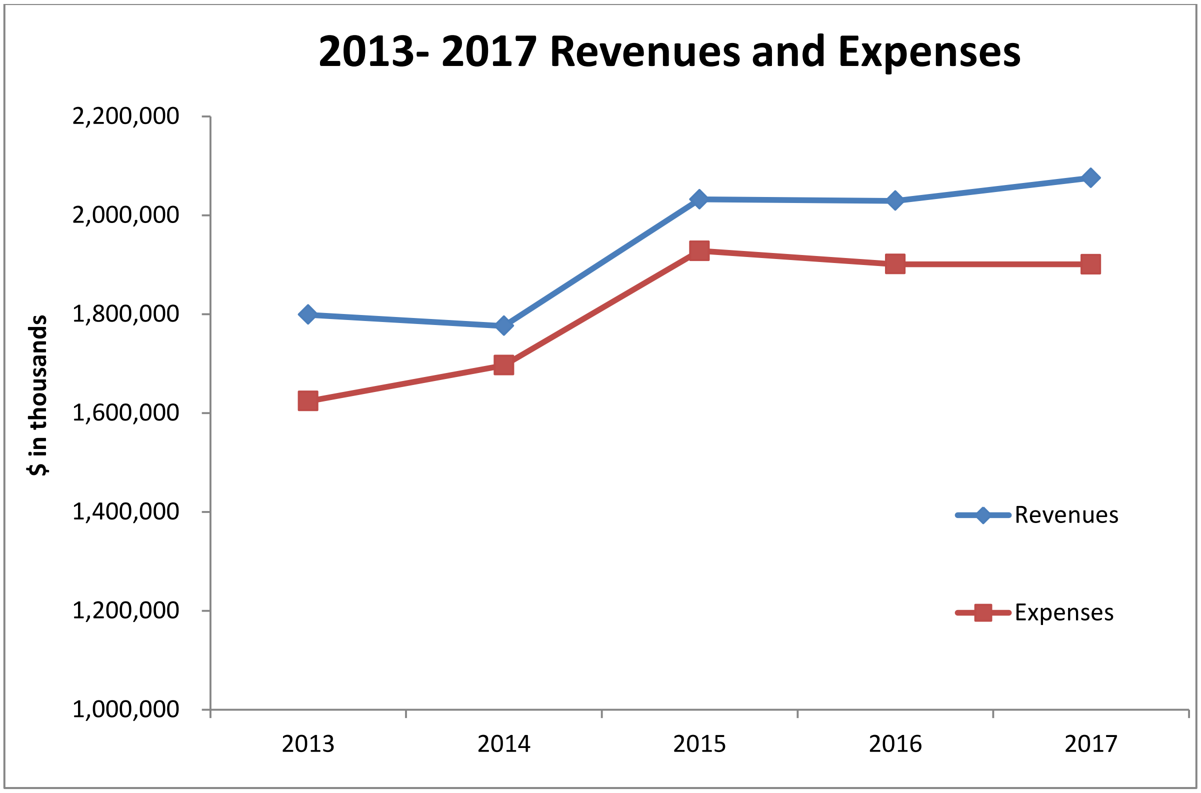


Net debt increased during the 2017 fiscal year primarily due to the increase in financing for public private partnerships for work done to date on the Mackenzie Valley Fibre Link and Stanton Territorial Hospital Renewal projects. Net debt is subtracted from the Government's accumulated investment in non-financial assets (tangible capital assets/prepaid expenses/inventories held for use) to produce the accumulated surplus balance at the end of the year. Net debt represents the debt burden on future generations that must be recovered through future revenues. 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 ability to absorb any budgeted annual deficit.

Consolidation of Northwest Territories Hydro Corporation

The Government's comparative information has been significantly impacted by the full consolidation of the Northwest Territories Hydro Corporation's (the Corporation) operations in the 2014-15 fiscal year. Any analysis performed on the trends disclosed within graphs should be adjusted for the impact of this change in reporting relationship. The consolidation impacted revenues, expenses, financial and non-financial assets, liabilities, and annual and accumulated surplus.

REVENUES AND EXPENSES



** Revenues depicted above include recoveries of prior year expenditures*

Revenues and expenses have remained fairly consistent over the years with a comparative increase in the 2014 - 15 fiscal year when the Government consolidated the Corporation on a line by line basis. This inclusion proportionately increased the Government's revenues and expenses. These are described in more detail on the following pages.

REVENUES BY SOURCE

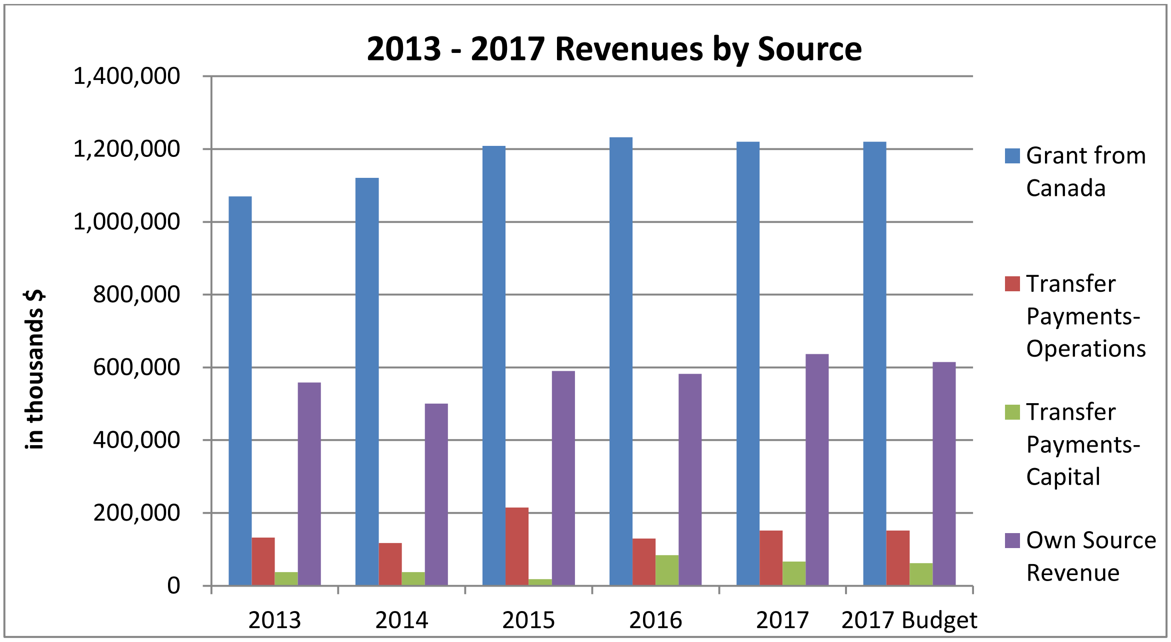
The Government funds programs and services through a combination of transfers from the federal government and own-source revenues. In order to assess the long-term sustainability of the present level of services, various key indicators are monitored on an ongoing basis, including the following:

- 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. NWT corporate income tax revenues are volatile for a number of reasons but mainly because the majority of corporate income tax revenues are generated by a small number of resource based tax payers, whose taxable incomes fluctuate dramatically depending on production and global commodity prices.

The Grant from Canada calculation is 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 revenue 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.

Transfer payment revenues related to the purchase or construction of a tangible capital asset, whether fully funded or cost-shared, are recognized when completed assets are put into service, consistent with Public Sector Accounting Standards. This is another significant factor that contributes to revenues being unpredictable. The Inuvik-Tuktoyaktuk Highway is a large project that is cost shared, with annual recognition of revenue as portions of the highway are completed; this causes revenue to be higher than it would normally be as expenditures related to this are capital in nature. The impact on operational expenses will be future amortization when the asset is in service.

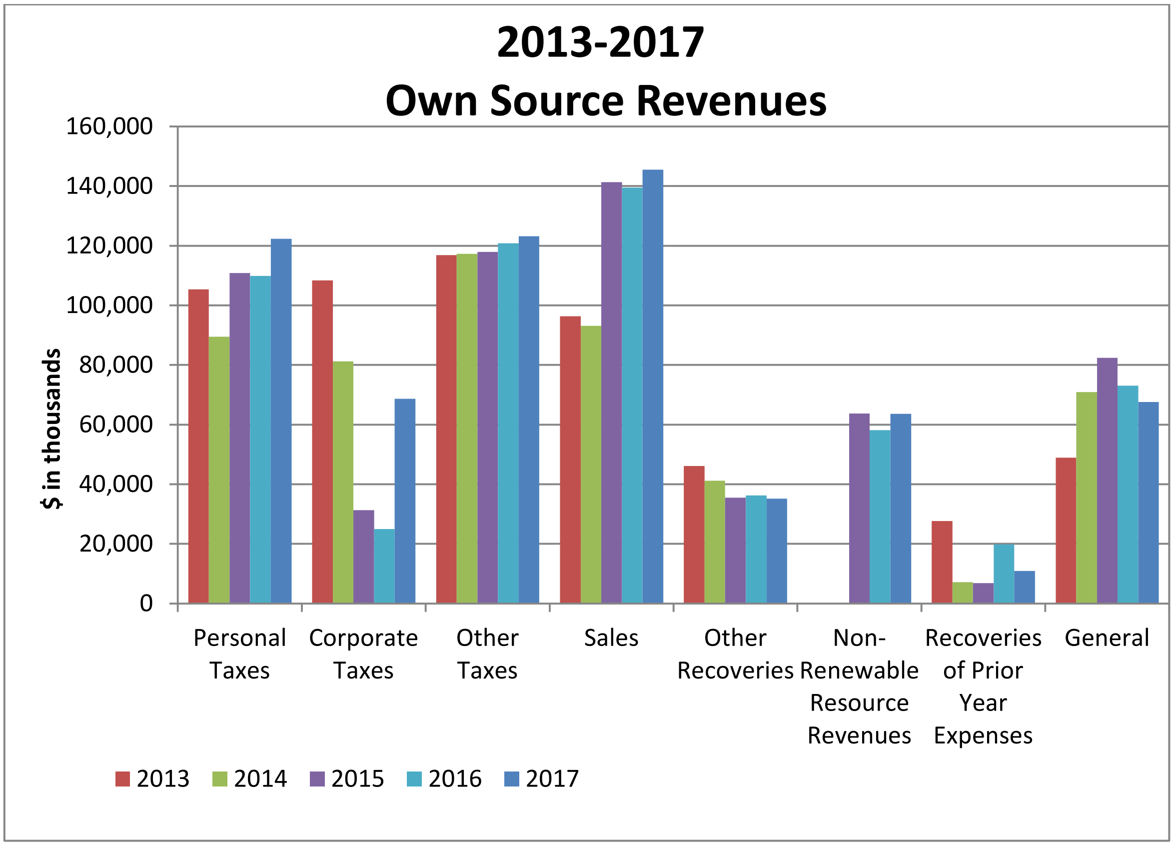


** Own source revenues include recoveries of prior year expenditures*

Total revenue in 2016-17 was $2.076 billion, an increase of $28 million or 1.4 per cent of the original budget. This increase is primarily due to increases in personal and corporate income taxes.

Territorial Formula Financing Grant from Canada
The Grant from Canada was $1.220 billion in 2016-17 a decrease of $13 million over 2015-16, due mainly to 2016-17 being the first year of the inclusion of the resource revenue offset following devolution in the grant formula.

The Grant from Canada is an annual formula-based calculation to fill the fiscal gap between the Government's expenditure needs and its ability to raise revenues. The NWT's Grant equals the difference between its Gross Expenditure Base and a measure of revenue capacity known as Eligible Revenues. The Gross Expenditure Base is an estimate of the expenditure requirements of the Government, which takes into account the higher costs and needs in the NWT to deliver public services of similar quality to those in the provinces. The Gross Expenditure Base is increased annually by the growth in provincial and local government spending and the growth in the NWT population relative to the growth in the Canadian population. Eligible Revenues are calculated by determining what the Government could have raised in revenues at national average tax rates and reducing that amount by a 30 per cent Economic Development Incentive.



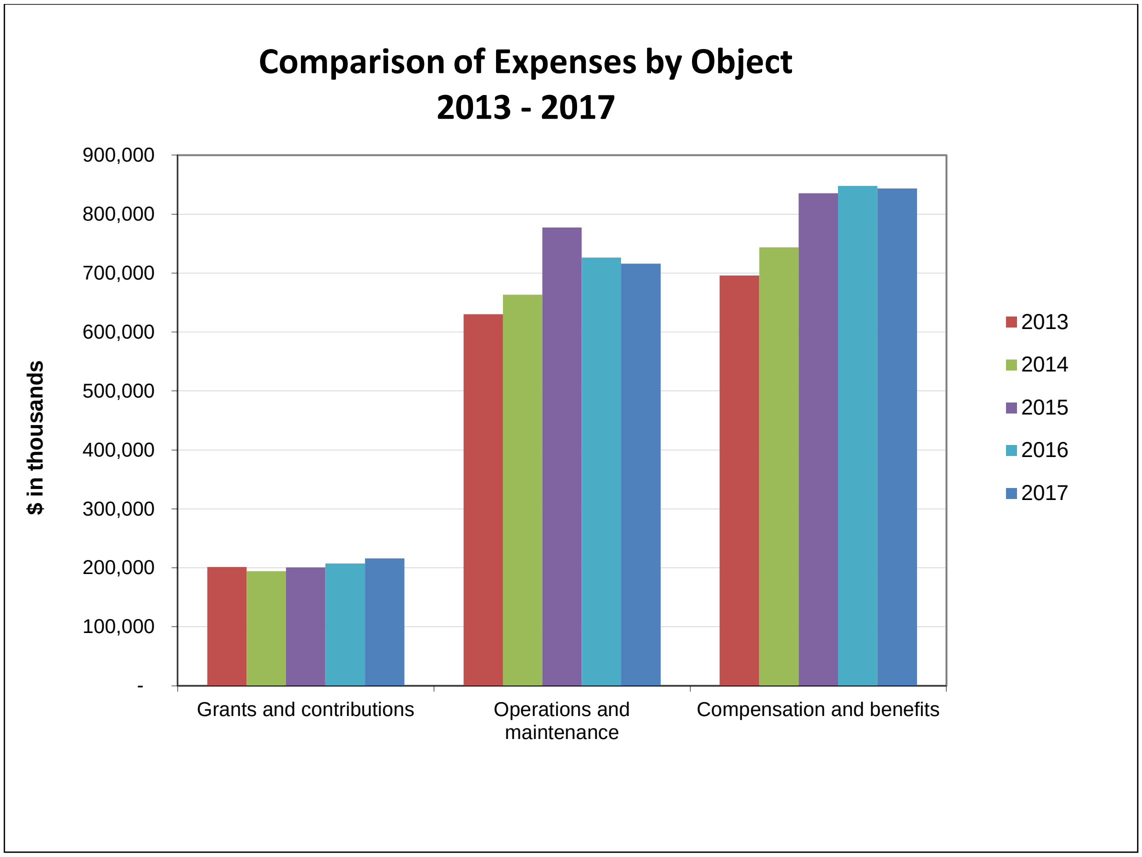
Own Source Revenue

The Government's major own-source revenues, related to corporate and personal income tax, tobacco tax, fuel tax, payroll tax, and excluding non-renewable resource revenues, have averaged approximately 27% of total revenues indicating a reliance on the Grant from Canada. Revenues from Canada vary, accounting for approximately 69% of total revenues for the current year.

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. 2014-15 was the first year of non-renewable resource revenues and the inclusion of the Hydro Corporation; the effects of the Hydro Corporation and non-renewable resource revenue trends will be evident over time.

Non-renewable resource revenues are subject to volatility and the expected revenue stream could fluctuate significantly from the annual average. In addition, non-renewable resource revenues are generated as the resources are extracted and are therefore finite. Non-renewable resource revenues, after sharing with the federal and Aboriginal partners (signatories to the Northwest Territories Lands and Resource Devolution Agreement) will be used to fund infrastructure, pay down debt and invest in the NWT Heritage Fund.

EXPENSES BY OBJECT



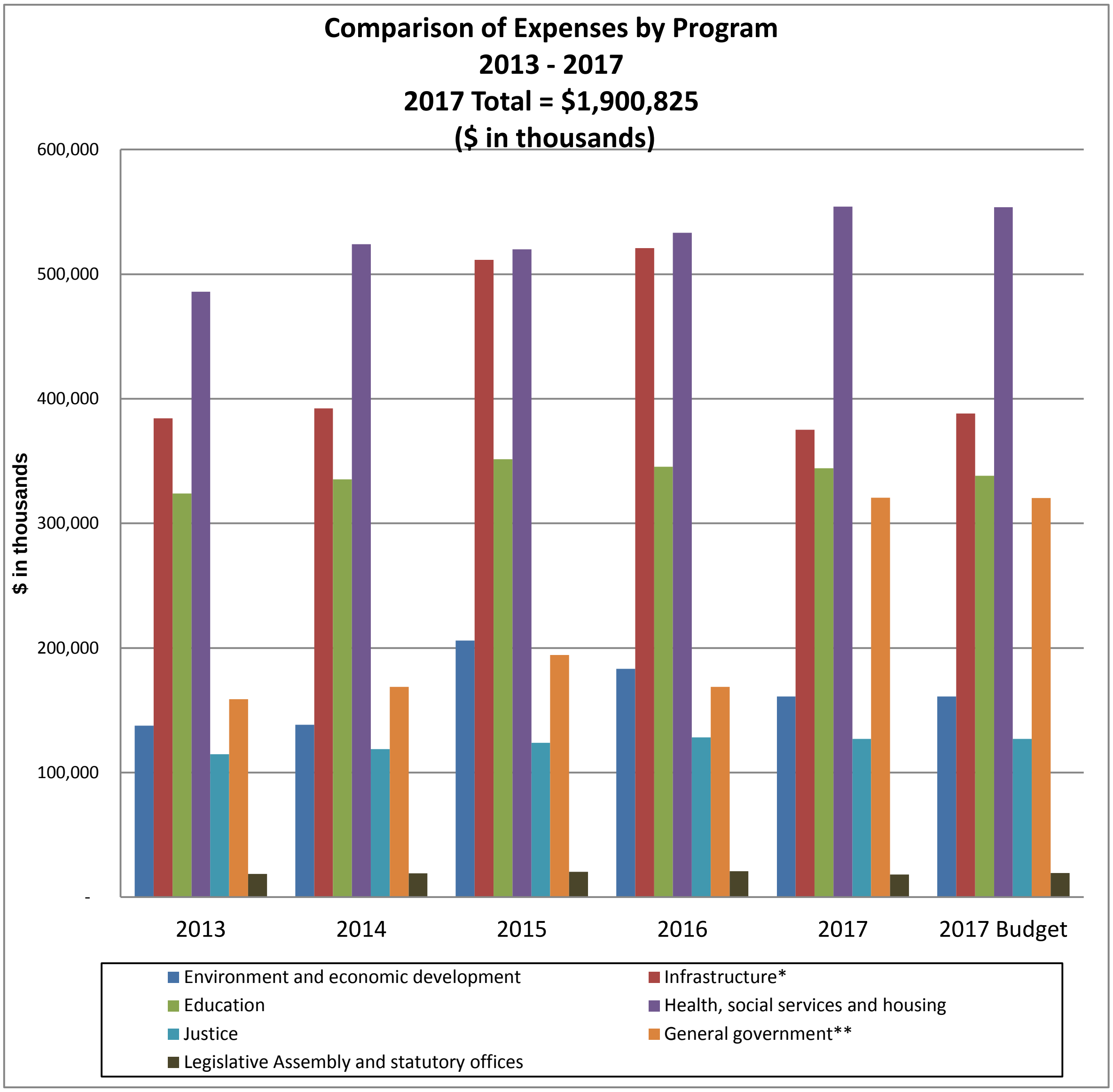
The above graph provides information on the consolidated government's operations. Total expenses in 2016-17 are $1.9 billion, $7 million or 0.4% less than originally budgeted. This decrease is due to vacant positions, decrease in fuel prices and unspent operational funding for Infrastructure.

Grants and contributions from the Government to boards and agencies consolidated in Section I of the Public Accounts are reported under the operations and maintenance, compensation and benefits categories to better reflect the nature of the final expense types that resulted. This classification does not change the way that these Government organizations are funded as many of our social programs are funded by contributions from the Government. Many components of the funding agreements with boards and agencies are fixed costs incurred by the recipients and as the main provider of funds, the Government cannot vary the funding without affecting the level of output by these boards and agencies.

In addition, lease commitments and other contractual obligations, which are disclosed in the notes to the Consolidated Financial Statements, are long-term fixed costs over which there is little 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 and its boards and agencies vulnerable to this, compensation and benefits also comprise a significant factor in determining the amount of grants and contributions given out to third parties.

EXPENSES BY PROGRAM



*Infrastructure now includes the Northwest Territories Hydro Corporation. Infrastructure in this example is the operations and maintenance portion of the expense, not the capital funds spent on purchasing or constructing infrastructure.
** Prior to 2016-17 the expenses for the Department of Municipal and Community Affairs and the Northwest Territories Sport and Recreation Council were part of Infrastructure; their expenditures are included in General Government in 2016-17.

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.

The following comparisons to budget are based on original plans and do not include supplementary appropriations/or budget adjustments.

- Environment and economic development expense was $161 million in 2016-17. 2016-17 figures were close to the budgeted amount.

- Infrastructure expense was $375 million in 2016-17. 2016-17 figures were $13 million less than budgeted due to increased use of hydro generation which resulted in a corresponding reduction in diesel consumption.

- Education expense was $344 million in 2016-17. 2016-17 figures were $6 million more than budgeted mainly due to an increase in spending in Education Authorities for operational expenses.

- Health, social services, and housing expense was $554 million in 2016-17. 2016-17 figures were close to the budgeted amount.

- Justice expense was $127 million in 2016-17. 2016-17 figures were close to budgeted amounts.

- General government expense was $320 million in 2016-17. 2016-17 figures were close to the budgeted amount.

- Legislative Assembly and statutory offices expense was $18 million in 2016-17. 2016-17 figures were $1 million less than budgeted due a decrease in their pension expense.

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.

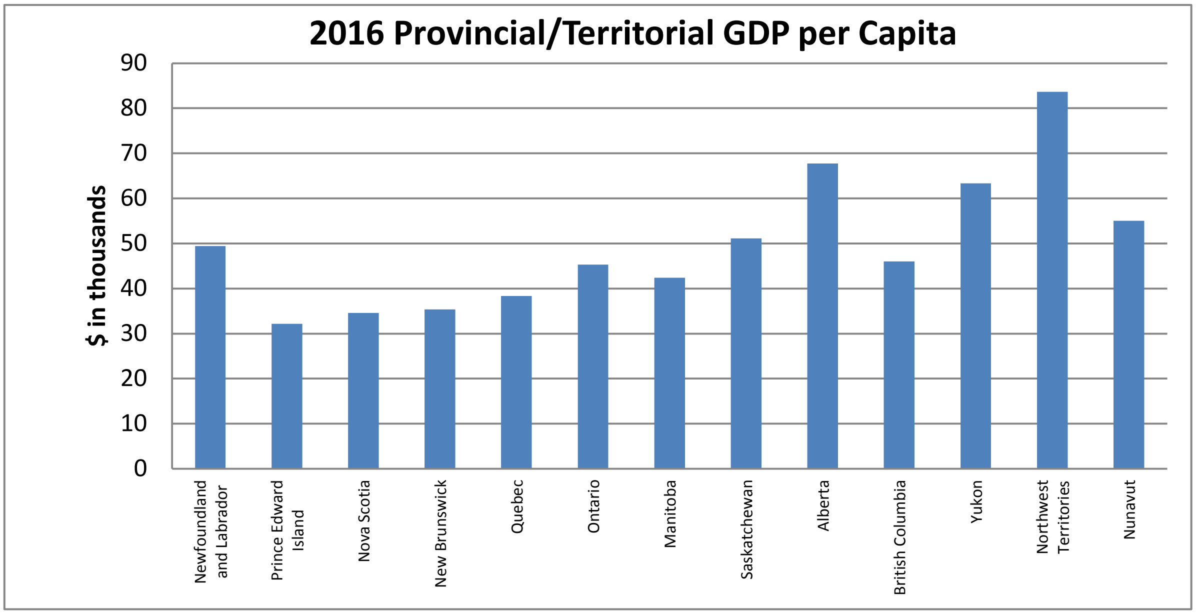
For NWT, Statistics Canada estimated GDP was $3.7 billion for 2016, which represents a 0.1% decrease relative to the previous year. This decrease was the result of a decrease in the construction and mining, oil and gas sectors in the 2016 calendar year.

Real Gross Domestic Product at Basic Prices, calendar years 2015 and 2016
Canada, Provinces and Territories
Chained (2007) Dollars ($ in millions)

	2016	**2015**	**Percent Change**
Canada	1,677,270	1,656,117	1.3
Northwest Territories	3,720	3,724	-0.1
Nunavut	2,040	1,963	3.9
Yukon	2,374	2,193	8.3
British Columbia	218,755	210,910	3.7
Alberta	288,113	299,603	-3.8
Saskatchewan	58,810	59,389	-1.0
Manitoba	55,912	54,609	2.4
Ontario	633,509	617,457	2.6
Quebec	319,012	313,676	1.7
New Brunswick	26,776	26,419	1.4
Nova Scotia	32,845	32,560	0.9
Prince Edward Island	4,786	4,675	2.4
Newfoundland and Labrador	26,184	25,688	1.9

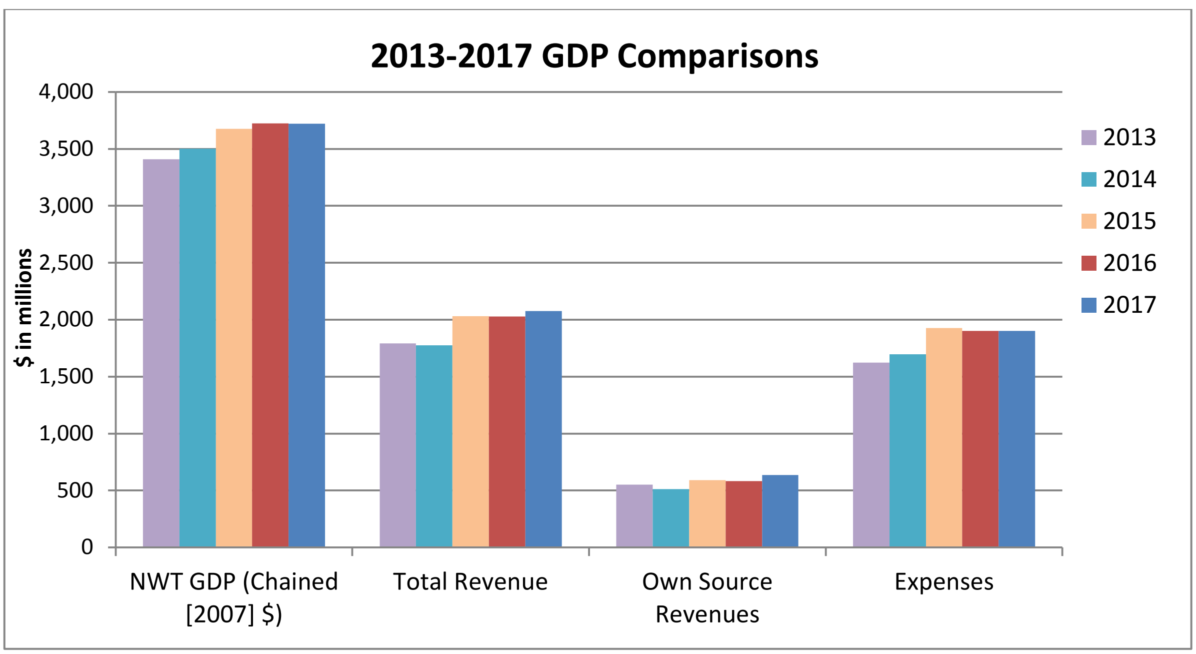
Source: Statistics Canada
Note: Data will not sum to totals since chained dollars are not additive.

GROSS DOMESTIC PRODUCT (continued)



Based on July 1, 2017 population estimates of Statistics Canada

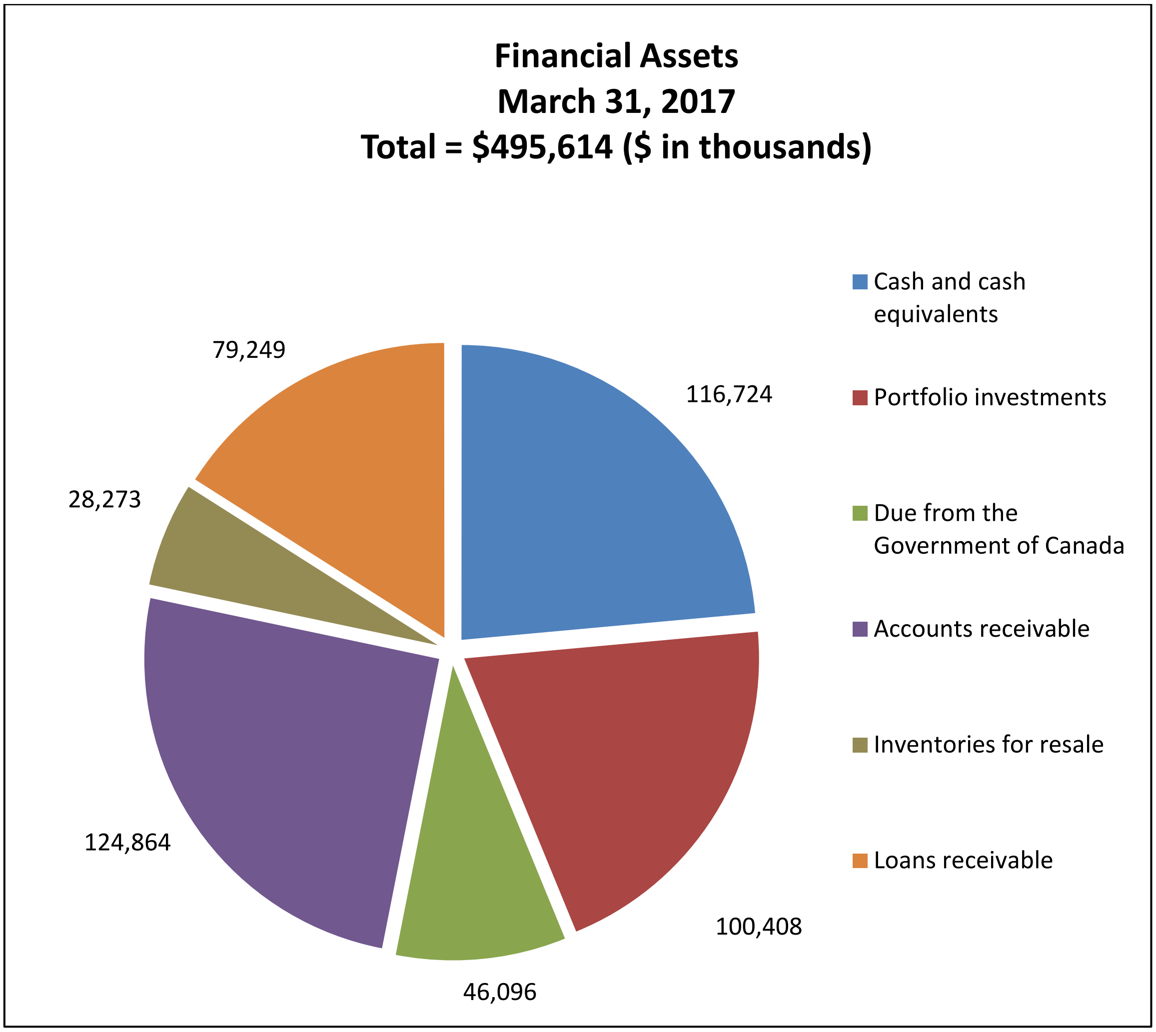
Despite a drop in GDP, the NWT continues to have the highest GDP per capita in Canada. This is an important indicator to note when considering GDP statistics as it is shows that while the NWT has a relatively small population our economy is large by comparison.



** 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).*

FINANCIAL POSITION- FINANCIAL ASSETS

Financial assets represent the amount of resources available to the Government that can be converted to cash to meet obligations or fund operations.

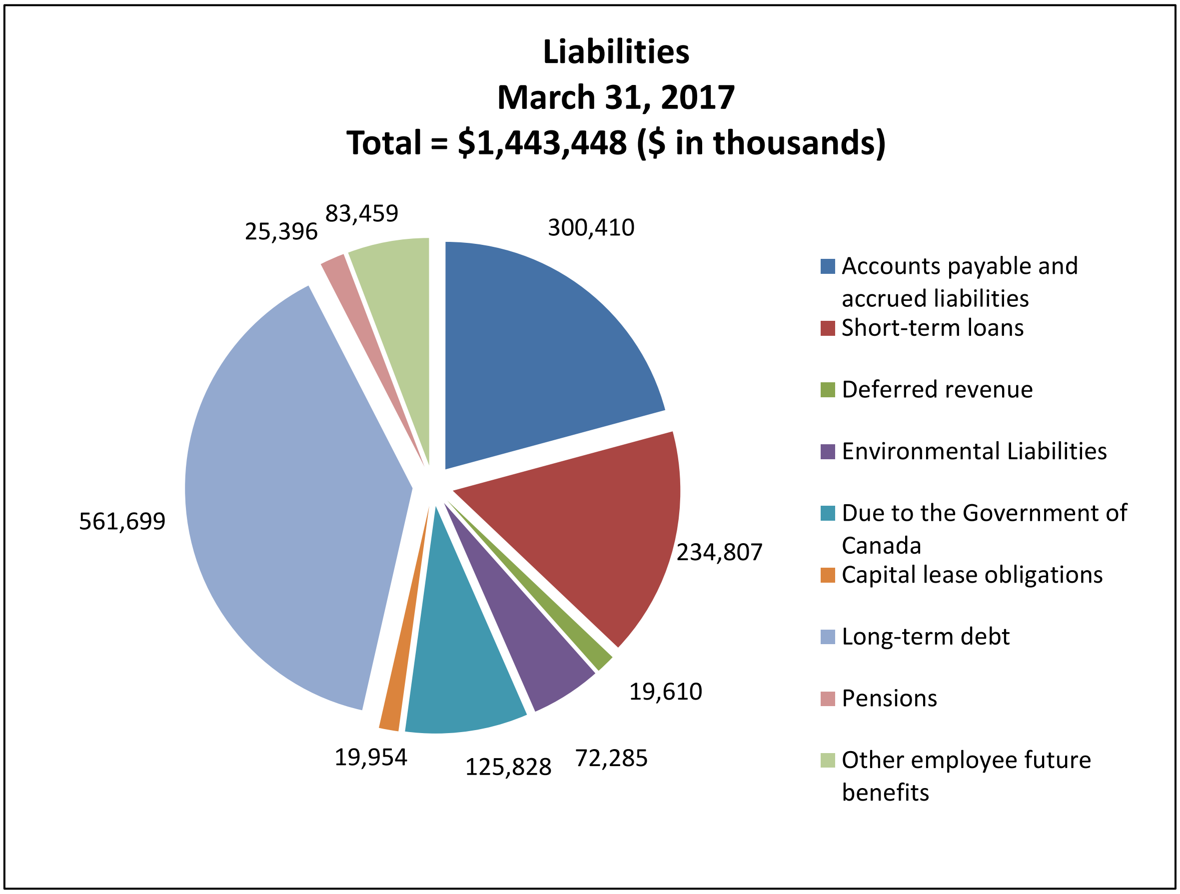


The above graph illustrates the composition of the Government's financial assets.

Approximately 24% of the Government's financial assets are cash. The balance of the financial assets are convertible to cash over time, varying from relatively short-term investments and inventory for resale to long term loans receivable. The balance of the financial assets will, over time, contribute to the Government's ability to discharge its liabilities as depicted on the following page.

FINANCIAL POSITION- FINANCIAL LIABILITIES

Liabilities represent the obligations the Government has to others arising from past transactions or events.



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

The Government presently has approximately $496 million in financial assets available to discharge liabilities of approximately $1.443 billion. The gap between the Government's financial assets and its liabilities indicate that some of its future revenues will be required to meet these obligations.

Many of the liabilities are not due in the short-term and will be settled at a later date. This fact, combined with 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 will help meet these future obligations.

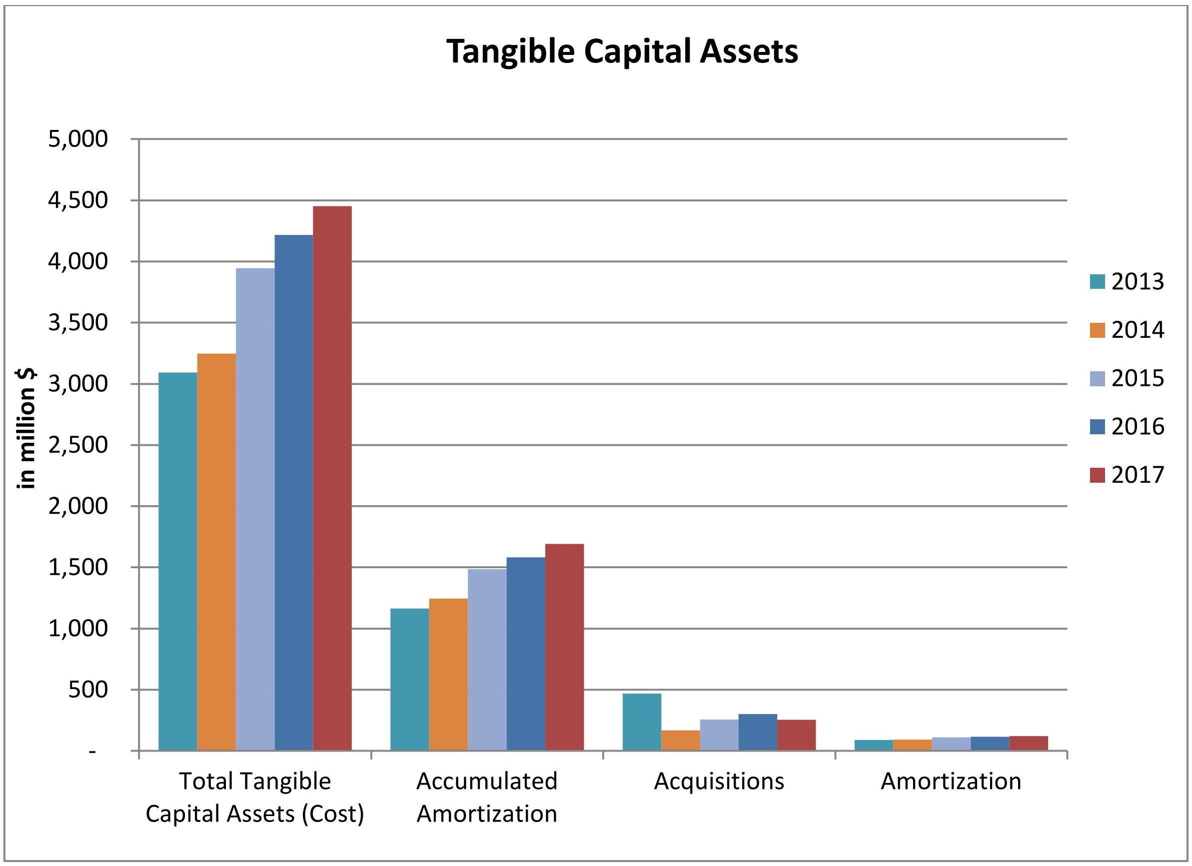
NON- FINANCIAL ASSETS

Non- financial assets typically represent resources that the Government can use to provide services in the future. Non-financial assets consist primarily of tangible capital assets but also include inventories held for use and prepaid expenses.

Tangible Capital Assets

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

Under the Government's capitalization 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 in 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. The breakdown of capital investment categories is located in Schedule A of the Consolidated Financial Statements.

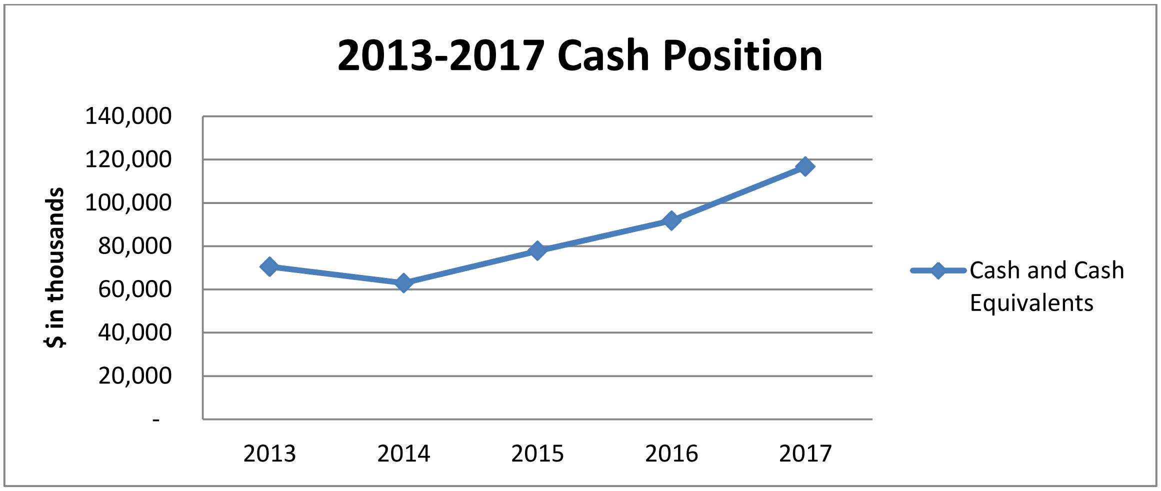
The government invests in infrastructure in three ways:

- By investing in government-owned capital;
- By entering into public private partnership (P3) agreements; and
- By providing transfers to third parties, including municipalities, for capital purposes. Assets funded in this manner are disclosed as contributions, not as Government capital assets.

The Government 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; representing its continued commitment to investment in the Territories' infrastructure (including education and health care facilities). In the 2017 fiscal year, the Government placed $254 million worth of new tangible capital assets into service (2016 - $302 million). The most significant being the completed southern sections of the Mackenzie Valley Fibre Link (MVFL) P3 project which services the areas of Fort Good Hope, Tulita, Wrigley, Norman Wells and Fort Simpson.

CASH FLOWS

The statement of cash flow reports on the sources and uses of cash during the year. During the year, the Government's overall cash position increased by $25 million; from $92 million in 2015-16 to $117 million in 2016-17.



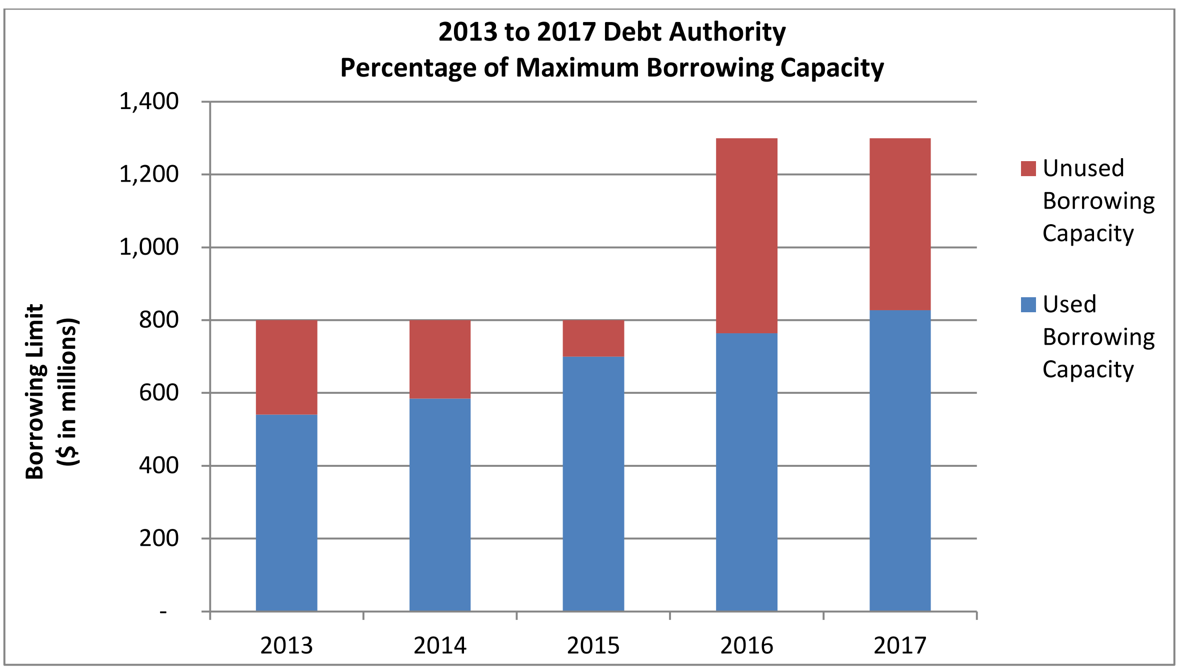
The primary source of cash was operations. Other sources of cash included disposition of portfolio investments and proceeds from long-term financing. The cash position is used to meet operational expenses, reduce liabilities and to pay for the Government's investment in tangible capital assets. More detail is available on the Consolidated Statement of Cash Flows within the Section I of the Public Accounts.

LONG-TERM DEBT BORROWING LIMITS

Up until May 2015, the borrowing limit of the Government was established at $800 million pursuant to subsection 20(2) of the *Northwest Territories Act.* In May 2015, due to pressures stemming from the general state of the economy and the Government's desire to address infrastructure deficits, the Government was successful in negotiating a new limit of $1.3 billion for the 2015-16 fiscal year and beyond.

The Government has long recognized that debt would be needed at some future date if it was to address its infrastructure deficit. In anticipation of this requirement the Government implemented a Fiscal Responsibility Policy in 2005 (re-written and updated, effective January 2016) to guide borrowing decisions and allow flexibility in planning for its future infrastructure needs (see page 34). 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 Government's P3 policy and projects that will be fully funded by the Government's revenues. The Capital Plan does not currently include projects that will require the Government to issue debt directly.

Consolidated debt, for purposes of the Territorial Borrowing Limit, includes borrowings of all Government organizations that are included within the Consolidated Public Accounts. Additional details are reflected in note 14, Section I of the Public Accounts.



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 non-consolidated annual infrastructure investment, excluding P3 projects be financed by cash generated from operations (i.e. from operating surpluses). A maximum of 50% of the non-consolidated annual infrastructure investment, excluding public private partnership projects, may be financed by debt. In addition annual non-consolidated debt servicing payments (principal and interest) cannot exceed 5% of total non-consolidated 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 Fiscal Responsibility Policy makes the Government accountable for its level of borrowing with the establishment of performance measures 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 Government policy on borrowing and performance measurement criteria, for management of debt, is to be reviewed and updated annually as required.

The seven debt management performance measures, as specified in the Fiscal Responsibility Policy, form part of the indicators of financial condition and are disclosed in the following section.

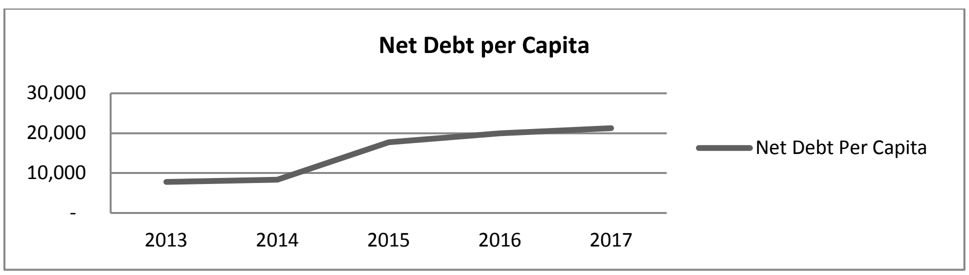
INDICATORS OF FINANCIAL CONDITION

Financial condition describes a government's financial health or its ability to meet its existing financial obligations, both with respect to its service commitments to the public and its financial commitments to creditors, employees and others. The following assessment of the Government's financial condition considers three elements: sustainability, flexibility and vulnerability.

In years prior to 2014-15 the Consolidated Public Accounts did not include the impact of the Northwest Territories Hydro Corporation. The Northwest Territories Hydro Corporation has been fully consolidated from fiscal year 2014-15 and has an impact on the data below. A trend will be more comparable over time, however, the interim requires careful consideration of any change in measure.

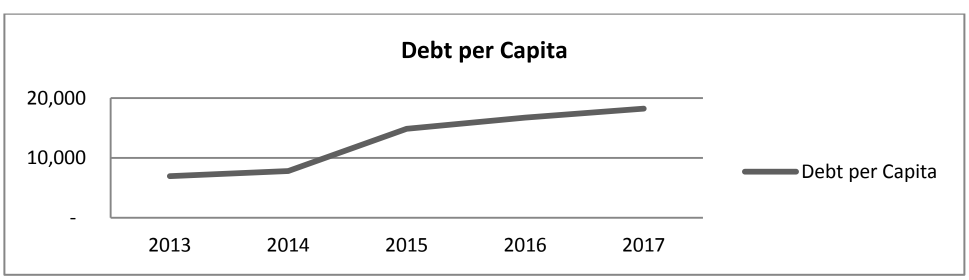
Measures of the Fiscal Responsibility Policy

i) Net debt per capita represents the net debt attributable to each Northwest Territories resident. A decrease in this ratio indicates the debt burden per resident has improved, while an increase means the debt burden per resident has risen.



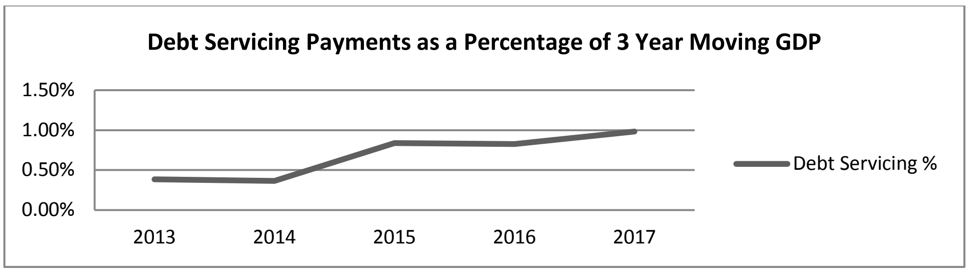
During 2016-17, net debt for the Northwest Territories increased by 6.8%, from $19,965 per capita to $21,314 per capita. The increase is mainly due to the increase in P3s obligations included within long term debt.

ii) Debt per capita represents the debt attributable to each Northwest Territories resident. A decrease in this ratio indicates the debt burden per resident has been reduced, while an increase means the debt burden has risen.



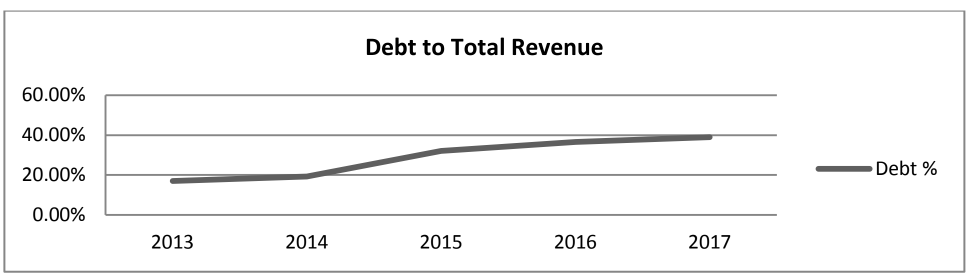
Debt per capita increased by 8.7%; from $16,765 per capita to $18,230 per capita. As with net debt per capita, this is mainly due to the increase in P3 obligations included within long term debt.

iii) Debt servicing payments (interest and principle) as a percent of the three year average Northwest Territories GDP is a measure of debt payments in relation to economic growth, where ideally, economic growth exceeds the growth rate of public debt payments. A decreasing ratio reflects a consistent improvement in financial position while an increase reflects deterioration in the financial position.



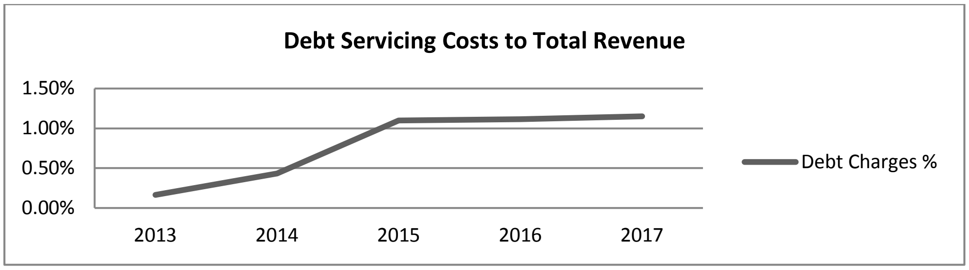
Debt servicing payments as a percentage of GDP for the Northwest Territories increased from 0.83% in 2015-16 to 0.98% in 2016-17 due to repayment of a large debenture by the Northwest Territories Hydro Corporation.

iv) Debt to total revenue is an indicator of the change in debt in proportion to the change in revenue. While decreasing ratios are a positive indicator that the rate of increase in revenue is greater than the rate of increase in debt, increasing ratios reflect revenue trailing behind the rate that debt is increasing. A lower debt to revenue ratio indicates higher sustainability, as less time is required to eliminate debt.



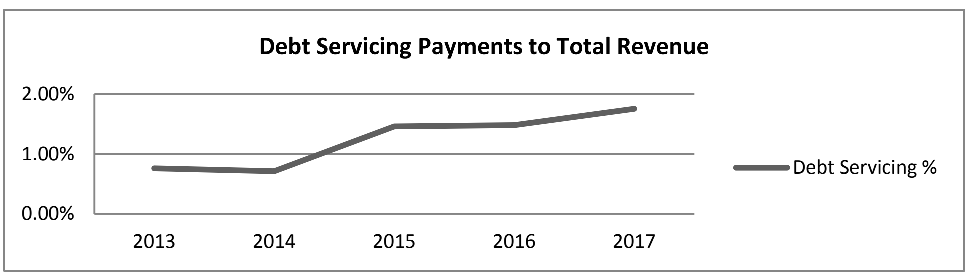
The Government's debt to total revenue has increased from 36.56% in 2015-16 to 39.06% in 2016-17 mainly due to the increase of P3 obligations included within long term debt. An increase in this ratio indicates the Government's annual revenue increase as percentage of revenue has not been sufficient to offset the percentage increase in debt.

v) Debt servicing costs (interest) as a percentage of total revenue is a measure of the extent that Government revenues are being applied to debt charges, rather than to programs and services, or tax reduction. A lower debt servicing cost ratio indicates an increased ability to borrow.



Prior to 2014-15, the Government was in the enviable position of having to expend less than 1% of its total revenues to service its debt load. In 2014-2015, the Government consolidated the Northwest Territories Hydro Corporation resulting in increased debt servicing costs to approximately 1.10% of total revenue and this further increased to 1.15% in 2016-17, still a very manageable ratio.

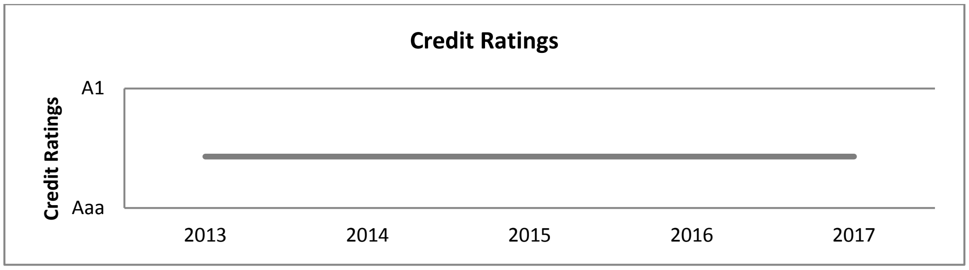
vi) Debt servicing payments (interest and principle) to total revenue ratio is a measure of the extent that Government revenues are being applied to debt repayment, rather than to programs and services, or tax reduction. A lower debt servicing payments ratio indicates an increased ability to borrow. Per the Fiscal Responsibility Policy, this ratio shall not exceed 5%. The Government's fiscal responsibility for debt servicing payments was met by having debt payments of 1.75% of total revenues.



Increases starting in 2014-15 relate to the consolidation of the Northwest Territories Hydro Corporation.

The Government's debt servicing payments to total revenue has increased slightly from 1.48% in 2015-16 to 1.75% in 2016-17. The economy is not growing at the same rate as public debt. This is often the case when governments utilize large infrastructure projects to help stimulate the economy; there can be a lag before an impact is evident.

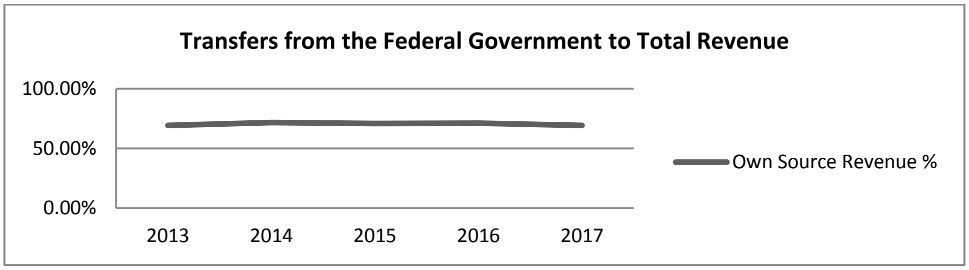
vii) The Government's credit rating is a measure of sound fiscal policies, adherence to these policies and current and future debt burden with the goal of maintaining the current investment grade rating.



As part of its fiscal management strategy, the Government has obtained a credit rating of Aa1 since 2006-07.

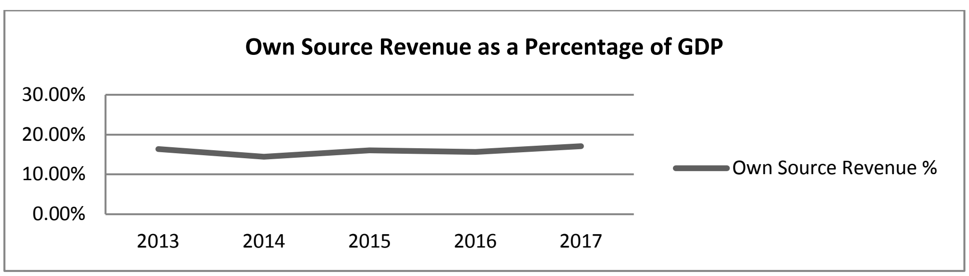
OTHER FINANCIAL INDICATORS

i) Transfers from the federal government as a percentage of total revenue is an indicator of the degree of vulnerability the Government has as a result of relying on federal government transfers. A decreasing ratio typically reflects that a Government is less reliant on transfers to fund its programs, making it less vulnerable.



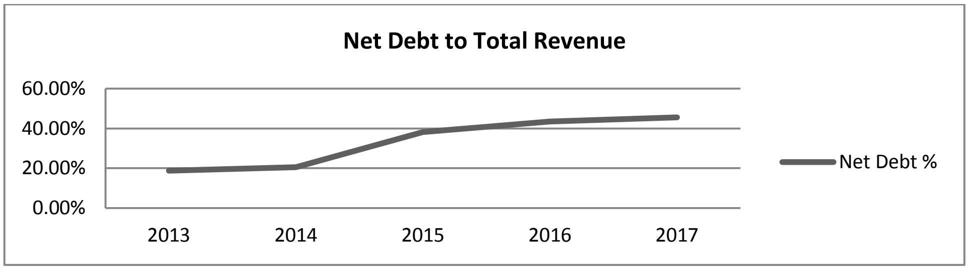
In 2016-17, 69% of total revenue came from federal government transfers. The total share of own source revenue has remained fairly stable over the past several years resulting in a continued reliance on the Territorial Formula Financing Grant from Canada.

ii) Own source revenue to GDP measures the extent to which the Government is taking income out of the economy. An increase in this ratio indicates that the Government's own source revenue is growing faster than the economy, reducing the flexibility to increase revenue without slowing the growth of the economy.



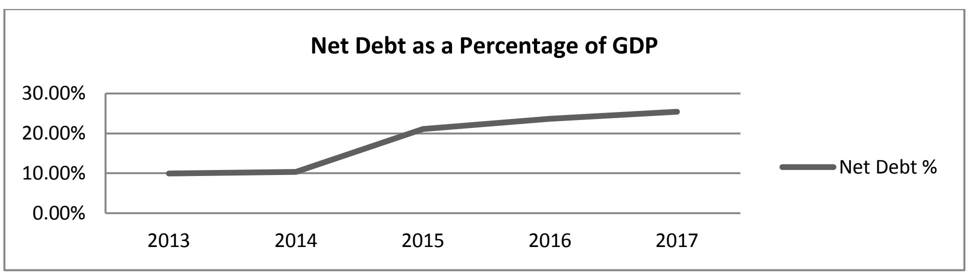
As indicated in the graph above, own source revenue as a percentage of GDP has remained relatively stable over the last five years.

iii) Net debt to total revenue is an indicator of the change in net debt in proportion to the change in revenue, where decreasing ratios are a positive indicator that the rate of increase in revenue is greater than the rate of increase in net debt. A lower net debt to revenue ratio indicates higher sustainability, as less time is required to eliminate net debt and a higher ratio means more time to eliminate net debt.



The Government's net debt to total revenue has increased from 43.53% in 2015-16 to 45.67% in 2016-17 mainly due to the increase of P3 obligations included within long-term debt. An increase in this ratio indicates the Government's annual increase in revenue as percentage of revenue has not been sufficient to offset the percentage increase in net debt.

iv) Net debt as a percentage of the Territories' GDP is a measure of debt growth in relation to economic growth, where ideally, economic growth exceeds the growth in public debt as demonstrated by a decreasing ratio. An increasing ratio results when public debt is growing faster than the economy.



During 2016-17, net debt for the Northwest Territories increased as a percentage of GDP from 23.72% to 25.48%.

Compliance with Fiscal Responsibility Policy

The Fiscal Responsibility Policy states the Government will restrict infrastructure investments, excluding P3 projects as follows:

a) A minimum of fifty per cent (50%) from the operating surpluses generated within the non-consolidated Public Accounts; and
b) A maximum of fifty per cent from Government debt.

	2015-16	**2016-17**
	($ in Millions)	
Fiscal Responsibility Policy Provision 6(5)(a)- Debt Servicing Payments		
Revenues (Schedule A of Non-Consolidated Public Accounts)	1,814	1,857
Maximum Debt Servicing Payments- 5% of Revenues	91	93
Debt Servicing Payments		
Capital Leases	0	0
Deh Cho Bridge	8	9
Short-Term Interest Expense	1	2
Total Debt Servicing Payments	9	11
Actual Debt Servicing Payments as a % of Revenues	**0.52%**	**0.59%**
Fiscal Responsibility Policy Provision 6(3)- Infrastructure Financing		
Capital Acquisitions (Schedule 4 of Non-Cons. Public Accounts)	288	323
Less: P3 Items- Out of Scope		
Mackenzie Valley Fibre Link P3 (Finance)	(65)	(26)
Stanton Territorial Hospital P3 (Health and Social Services)	(14)	(37)
Cash Required for Infrastructure Investment Expenditures	209	260
Operating Cash Required		
Minimum cash required from operating surplus (50% of Acquisitions)	105	130
Debt Servicing Payments	9	11
Total Operating Cash Requirements	114	141
Operating Cash Available		
Operating Surplus (Non-Consolidated Statement of Operations)	110	155
Add Non Cash Item: Amortization of Tangible Capital Assets	84	89
Total Operating Cash Available	194	244
Excess in cash generated from operating surplus	**80**	**103**
Cash Required for Infrastructure Investment Expenditures	209	260
Total Operating Cash Available	194	244
Borrowing Requirement for Infrastructure	15	16

Conclusion – The parameters of the Fiscal Responsibility Policy have again been met for the 2016-17 fiscal year. Non-Consolidated debt servicing costs are point five-nine of a per cent (0.59%), of non-consolidated annual revenue, less than the five per cent (5%) limit. Total operating cash required of $141 compared to total operating cash available is $244, resulted in an excess in cash generated of $103.

PUBLIC PRIVATE PARTNERSHIPS (P3)

The Government is currently involved in three P3 projects, one of which is in early stages of procurement:

1. Mackenzie Valley Fibre Link (MVFL)

   The Government entered into an agreement with Northern Lights General Partnership (NLGP) on October 30, 2014 to design, build, operate and maintain 1,154 km of high-speed fiber optic telecommunications cable from McGill Lake to Inuvik. Construction was completed in March 2017. Full service commencement occurred in August 2017. The NLGP will operate and maintain the system for the Government until 2037. The total cost of construction is $91 million, due over a twenty year term with no payment required until the in service date, at which time a balloon payment of $10 million is due. Upon completion operations and maintenance costs of $3 million per year will total $64 million for the duration of the twenty year contract.

   The MVFL will support more efficient and effective delivery of government programs and services such as health care and education to the communities. It will also provide new opportunities for business, including in the e-commerce and high-tech sectors, and allow for the expansion of the Inuvik Satellite Station Facility.

(in 000's)	2014-15	2015-16	2016-17	2017-18	2018-19
Project Budget					
Government	-	-	91,000	-	-
P3 Partner Budget	31,800	37,900	21,300	-	-
Total Project Budget	**31,800**	**37,900**	**112,300**	**-**	**-**
Project Expenditures					
Government	4,135	-	-	TBD	TBD
P3 Partner*	26,582	38,425	25,893	TBD	TBD
Total Project Expenditures	**30,717**	**38,425**	**25,893**	TBD	TBD
Portion of asset moved into service	-	-	(66,212)	TBD	TBD
Project cost not yet in service	30,717	69,142	28,823	TBD	TBD

*P3 Partner expenditures are disclosed within note 14 of the Public Accounts as long term debt to reflect the nature of the Government's obligation to year end with respect to the P3 agreement.

2. Stanton Renewal Project (Stanton)

   The Government entered into an agreement with Boreal Health Partnership (BHP) on September 22, 2015 to design, build, operate and maintain the Government's new Territorial hospital. Construction is to be completed in

November 2018 with BHP operating and maintaining the new facility until 2048. The total cost of construction is $254 million, with 60% of the construction cost financed by the Government and 40% financed by BHP. The amount financed by BHP is payable starting at the in-service date over a thirty year term. Upon completion, there will be operations and maintenance costs of $7 million per year paid to the service provider, totaling $216 million for the duration of the thirty year contract. When added together, the total cost of the project (P3 partner's cost of construction, operating costs and the Government's expenditure) is approximately $515 million.

The Stanton Renewal Project was put in place to replace the existing Stanton Territorial Hospital in Yellowknife. The project is the largest ever undertaken by the N.W.T. government and residents of the NWT will benefit from a state of the art hospital built to current national standards. The new 280,000 square-foot facility will have a larger enhanced emergency department and medical laboratory; enhanced additional space for diagnostic imaging and improved medical technology to modernize hospital operations. It will also have additional space for ambulatory care including specialist clinics, medical day care and dialysis; and more space for support services such as sterile reprocessing and biomedical engineering.

(in 000's)	2014-15	2015-16	2016-17	2017-18	2018-19
Project Budget					
Government	4,153	22,900	74,125	82,332	26,619
P3 Partner Budget	-	27,734	53,123	52,568	3,493
Total Project Budget	**4,153**	**50,634**	**127,248**	**134,900**	**30,112**
Project Expenditures					
Government	4,152	22,900	67,941	TBD	TBD
P3 Partner*	-	13,730	37,452	TBD	TBD
Total Project Expenditures	**4,152**	**36,630**	**105,393**	TBD	TBD
Portion of asset moved into service	-	-	-	TBD	TBD
Project cost not yet in service	4,152	40,782	146,175	TBD	TBD

*P3 Partner expenditures are disclosed within note 14 of the Public Accounts as long term debt to reflect the nature of the Government's obligation to year end with respect to the P3 agreement.

3. Tłı̨cho All-Season Road

On January 11, 2017 the Government announced conditional funding for the Tłı̨chǫ All-season Road, with the Government of Canada (Canada) providing up to 25 per cent of construction costs through the P3 Canada Program. The remaining 75 percent will be funded through a combination of Government funds and the P3 partner.

All-season roads are critical to adapting the NWT transportation system to the impacts of climate change and helping support more reliable infrastructure. By replacing the southern section of the existing winter road serving the region, the Tłı̨chǫ All-season Road will not only provide year-round access to Whatì but will also increase the window of access to the communities of Gamètì and Wekweètì and allow for more viable future economic development in the area.

This project will maximize the involvement of Northern businesses. Road construction and maintenance will result in employment and training opportunities for Tłı̨chǫ and Northern residents. It is anticipated that the contract will be a 29 year contract, with 4 years of construction and 25 years of operations. The contract has not yet been awarded.

(in 000's)	2014-15	2015-16	2016-17	2017-18	2018-19
Project Budget					
Government	-	-	2,800	4,100	16,900
P3 Partner Budget	-	-	-	-	50,100
P3 Canada Budget	-	-	-	-	-
Total Project Budget	-	-	**2,800**	**4,100**	**67,000**
Project Expenditures					
Government	-	279	2,271	TBD	TBD
P3 Partner*	-	-	-	TBD	TBD
Total Project Expenditures	**-**	**279**	**2,271**	TBD	TBD
Portion of asset moved into service	-	-	-	TBD	TBD
Project cost not yet in service	-	279	2,550	TBD	TBD

*P3 Partner expenditures are disclosed within note 14 of the Public Accounts as long term debt to reflect the nature of the Government's obligation to year end with respect to the P3 agreement.

RISKS AND UNCERTAINTIES

The government is subject to risks and uncertainties that arise from variables which the government cannot directly control. These risks and uncertainties include:

- Changes in economic factors such as economic growth or decline, commodity and non- renewable resource prices, inflation, interest rates, marketplace competition, population change, personal income and retail sales;
- Exposure to interest rate risk, credit risk, and liquidity risk;
- Changes in transfers from the federal government;
- Utilization of government services;
- Other unforeseen developments including unusual weather patterns and natural and man-made disasters;
- Criminal or malicious attacks, both cyber and physical in nature, potentially resulting in business interruption, privacy breach and loss of, or damage to, information, facilities and equipment;
- Identification and quantification of environmental liabilities;
- Factors that could hinder the safe delivery of products and services;
- Outcomes from litigation, arbitration and negotiations with third parties;
- Changes in reported results where actual experience may differ from initial estimates as discussed in note 2 Section I of the Public Accounts; and
- Changes in accounting standards.

The Government uses a number of forecasts from banks and private industry when developing the underlying assumptions for fiscal forecasts both in budget development and throughout the fiscal year.

For the Government to meet its challenges of growth and remain competitive, attention is directed towards reducing the higher cost of living than other provinces and territories, and maintaining and investing in the Territories' infrastructure to allow for continued future growth.

COMPLETION OF ENTITIES CONSOLIDATED WITHIN THE PUBLIC ACCOUNTS

The following table lists the consolidated entities and completion date of their audited financial statements.

Entity	Due Date	Extension Due Date	Completion Date
Beaufort Delta Divisional Education Council	30-Sep-2016		9-Dec-2016
Commission scolaire francophone Territoires du Nord-Ouest	30-Sep-2016		28-Sept-2016
Dehcho Divisional Education Council	30-Sep-2016		26-Sep-2016
Dettah District Education Authority	30-Sep-2016		29-Mar-2017
N'dilo Divisional Education Council	30-Sep-2016		23-Feb-2017
Sahtu Divisional Education Council	30-Sep-2016		29-Sep-2016
South Slave Divisional Education Council	30-Sep-2016		26-Sep-2016
Yellowknife Catholic Schools	30-Sep-2016		28-Sep-2016
Yellowknife No.1 District Education Authority	30-Sep-2016		29-Sep-2016
Aurora College	30-Sep-2016		24-Nov-2016
Northwest Territories Health and Social Services Authority	30-Jun-2017	29-Aug-2017	10-Oct-2017
Hay River Health and Social Services Authority	30-Jun-2017		16-Aug-2017
Tlicho Community Services Agency	30-Jun-2017		12-Jul-2017
Arctic Energy Alliance	30-Jun-2017		18- Sept-2017
Northwest Territories Hydro Corporation	30-Jun-2017		17-Aug-2017
Northwest Territories Business Development and Investment Corporation	30-Jun-2017	29-Aug-2017	21-Aug-2017
Northwest Territories Housing Corporation	30-Jun-2017	29-Aug-2017	11-Oct-2017
Northwest Territories Human Rights Commission	30-Jun-2017		22- Sept-2017
Inuvialuit Water Board	30-Jun-2017		14-Jun-2017
Northwest Territories Sport and Recreation Council	30-Jun-2017		4-Jul-2017
Status of Women Council of the Northwest Territories	30-Jun-2017		4-Jul-2017
Northwest Territories Surface Rights Board	30-Jun-2017		15-May-2017