



GOVERNMENT OF BERMUDA

Financial Statements of the Consolidated Fund

March 31, 2016

Issued by
Ministry of Finance
The Accountant General

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Government of Bermuda – Consolidated Fund

Statement of Responsibility for the Consolidated Fund Financial Statements

The financial statements are prepared under the general direction of the Minister of Finance by the Accountant General in accordance with public sector accounting standards, and include statements of financial position, operations and accumulated deficit, change in net debt, cash flow, notes and schedules integral to the statements. Together, they present fairly, the financial position of the Consolidated Fund as at March 31, 2016, and the results of its operations, the changes in its net debt, and its cash flows for the year then ended.

The Government is responsible for the integrity and objectivity of the financial statements. In the preparation of these statements, estimates are sometimes necessary because a precise determination of certain assets, liabilities, revenues and expenses is dependent on future events. The Government believes such estimates have been based on careful judgements and have been properly reflected in the financial statements.

The Government fulfills its accounting and reporting responsibilities, through the Accountant General's Department, 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 all transactions are in accordance with the Public Treasury (Administration and Payments) Act 1969.

The Auditor General expresses an independent opinion on these financial statements. Her report, stating the scope of her audit and opinion, appears on the following page.

These financial statements are tabled in both Houses of the Legislature. They are referred to the Public Accounts Committee, which reports to the Legislature on the results of its examination together with any recommendations it may have with respect to the financial statements and accompanying audit opinion.

On behalf of the Government of Bermuda.



Anthony Manders, CGA
Financial Secretary



Curtis Stovell, CA, CPA
Accountant General

Hamilton, Bermuda
February 3, 2017



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INDEPENDENT AUDITOR'S REPORT

To the House of Assembly, the Governor and the Senate

I have audited the accompanying financial statements of the Consolidated Fund of the Government of Bermuda, which comprise the statement of financial position as at March 31, 2016, and the statements of operations and accumulated deficit, change in net debt and cash flow for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with public sector accounting standards generally accepted in Bermuda and Canada, and for such internal control as management determines is necessary to enable the preparation of 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 financial statements based on my audit. I conducted my audit in accordance with auditing standards generally accepted in Bermuda and Canada. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the 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 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 financial statements.

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

Opinion

In my opinion, the financial statements present fairly, in all material respects, the financial position of the Consolidated Fund of the Government of Bermuda as at March 31, 2016, and the results of its operations, the changes in its net debt, and its cash flows for the year then ended in accordance with public sector accounting standards generally accepted in Bermuda and Canada.

Other matters

As permitted by Section 6 of the Audit Act 1990, I may include in my auditor's report any other comments arising out of the accounts that I consider appropriate.

Increasing Net Debt

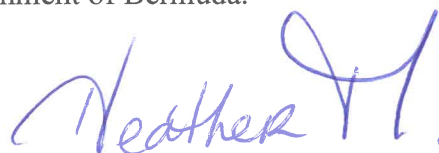
Without qualifying my opinion, I wish to draw attention to the level of net debt which increased by \$186 million to \$3.5 billion as of March 31, 2016. Government needs to take concerted action to address this fiscal challenge.

Incidences of non-compliance with the Government of Bermuda's Financial Instructions

Also, without qualifying my opinion, I wish to draw attention to ongoing incidences of non-compliance with the Government of Bermuda's Financial Instructions which form the standard for financial controls for the Government. Although these incidences of non-compliance did not lead me to qualify my audit opinion for the current year, it revealed weaknesses and deficiencies in the control environment. It is important that the Government adheres to its internal control framework.

Usefulness of these Financial Statements is Limited

As described in Note 2, these financial statements represent the financial transactions of the Consolidated Fund and have been prepared primarily to provide accountability for the financial resources appropriated by the Legislature of Bermuda. These financial statements are not summary financial statements of the Government of Bermuda. Significant financial activities of the Government occur outside the Consolidated Fund. As such, the financial statements of the Consolidated Fund for the year ended March 31, 2016 do not represent the full nature and extent of the overall financial affairs and resources of the Government of Bermuda.



Heather Thomas, CPA, CFE, CGMA
Auditor General

Hamilton, Bermuda
February 3, 2017

Government of Bermuda - Consolidated Fund
Statement of Financial Position
As at March 31

		2016	2015
		Actual	Actual
		\$	\$
Liabilities			
	<u>Schedule</u>		
Accounts Payable and Accrued Liabilities	5	143,805,671	152,173,513
Deferred Revenue	6	2,816,408	8,735,621
Deferred Insurance Proceeds		1,539,268	3,263,284
		<u>148,161,347</u>	<u>164,172,418</u>
Interest Bearing Debt - Net of Sinking Fund	7	<u>2,217,725,611</u>	2,049,652,442
Pensions and Other Employee Future Benefits			
- Pensions and Retirement Benefits (Note 9(g))		1,327,853,129	1,249,750,620
- Compensated Absences (Note 8)		27,257,382	26,312,056
		<u>1,355,110,511</u>	<u>1,276,062,676</u>
Other Liabilities			
Due to Government Funds and Agencies	3(a)	13,315,236	21,697,314
Total Liabilities		3,734,312,705	3,511,584,850
Financial Assets			
Cash and Cash Equivalents		42,148,877	39,416,834
Accounts Receivable	1	163,452,212	140,097,286
Due from Government Funds and Agencies	3	42,725,144	38,285,151
Long-Term Receivables	4	1,634,488	902,908
Investment in BLDC (Note 14(b)(ii))		5,000,000	5,000,000
Investment in ACBDA (Note 14(b)(vii))		100	100
Total Financial Assets		254,960,821	223,702,279
Net Debt		3,479,351,884	3,287,882,571
Non-Financial Assets			
Tangible Capital Assets	11	660,877,502	685,023,784
Assets under Construction	11	61,697,557	63,366,306
Inventories for Consumption	2	14,750,190	13,788,999
Prepaid Expenses		4,720,465	3,739,497
Total Non-Financial Assets		742,045,714	765,918,586
Accumulated Deficit		2,737,306,170	2,521,963,985

Contingent Liabilities, Non-Contractual Operational Obligations, Contractual Obligations and Commitments - Legislated (Notes 10, 11, 12 and Schedule 13)

**Government of Bermuda - Consolidated Fund
Statement of Operations and Accumulated Deficit
For the year ended March 31**

		2016	2015
		Actual ¹	Actual
		\$	\$
Revenue	<u>Schedule</u> 8, 9		
Taxes & Duties			
Payroll Tax		361,135,536	326,859,202
Customs Duty		192,593,226	171,469,468
Other Taxes and Duties		69,826,118	64,909,437
Land Tax		67,068,082	61,101,087
Passenger Tax		40,794,380	32,908,276
Total Taxes & Duties		731,417,342	657,247,470
Fees, Permits & Licenses		202,688,217	220,875,261
Other Revenue		25,700,719	23,065,182
Investment Income		911,946	2,553,694
Total Revenue		960,718,224	903,741,607
Expenses	10		
Economic Development		372,452,638	385,345,525
Health		193,190,533	197,219,536
National Security		143,471,887	148,166,393
Education		131,937,467	134,322,777
Interest on Debt		116,217,365	113,222,504
Social Services & Assistance		85,102,907	85,786,827
Pensions and Retirement Benefits Expense		79,047,835	104,764,248
Other General Government Services		54,639,777	58,880,472
Total Expenses		1,176,060,409	1,227,708,282
Annual Deficit		(215,342,185)	(323,966,675)
Accumulated Deficit, Beginning of Year		(2,521,963,985)	(2,197,997,310)
Accumulated Deficit, End of Year		(2,737,306,170)	(2,521,963,985)

¹ Estimates against these actuals are provided for revenue in Schedules 8 and 9 and for current expenses in Schedules 10(a) and 10(b) for appropriation purposes.

**Government of Bermuda - Consolidated Fund
Statement of Change in Net Debt
For the year ended March 31**

	2016	2015
	Actual	Actual
	\$	\$
Annual Deficit	(215,342,185)	(323,966,675)
Change Due to Tangible Capital Assets:		
Net Additions to Tangible Capital Assets	(22,588,823)	(16,502,182)
Net Reductions (Additions) to Assets under Construction	1,668,749	(10,889,692)
Amortization of Tangible Capital Assets	46,735,105	53,692,780
Total Change Due to Tangible Capital Assets	25,815,031	26,300,906
Net (Additions) Reductions to Inventories for Consumption	(961,191)	2,690,002
Net Additions to Prepaid Expenses	(980,968)	(1,035,007)
Total Change Due to Inventories for Consumption and Prepaid Expenses	(1,942,159)	1,654,995
Increase in Net Debt	(191,469,313)	(296,010,774)
Net Debt, Beginning of Year	(3,287,882,571)	(2,991,871,797)
Net Debt, End of Year	(3,479,351,884)	(3,287,882,571)

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

**Government of Bermuda - Consolidated Fund
Statement of Cash Flow
For the year ended March 31**

	2016	2015
	Actual	Actual
	\$	\$
Operating Activities		
Annual Deficit ¹	(215,342,185)	(323,966,675)
Items not affecting cash:		
Amortization of Tangible Capital Assets	46,735,105	53,692,780
Increase in Pension and Retirement Benefits Liability	78,102,509	104,635,075
Increase in Compensated Absences Liability	945,326	129,173
Decrease in Non-Cash Working Capital	(54,861,807)	(70,710,764)
Cash Applied to Operating Activities	(144,421,052)	(236,220,411)
Capital Activities		
Net Additions to Tangible Capital Assets	(22,588,823)	(16,502,182)
Net Deductions from (Additions to) Assets under Construction	1,668,749	(10,889,692)
Cash Applied to Capital Activities	(20,920,074)	(27,391,874)
Financing Activities		
Debt issues	150,000,000	-
Decrease in Sinking Fund	18,073,169	401,210,171
Debt retirement	-	(120,000,000)
Cash Provided By Financing Activities	168,073,169	281,210,171
Net Increase in Cash and Cash Equivalents	2,732,043	17,597,886
Cash and Cash Equivalents, Beginning of Year	39,416,834	21,818,948
Cash and Cash Equivalents, End of Year	42,148,877	39,416,834

¹ Interest received during the year was \$958,977 (2015 - \$7,322,029). Interest paid during the year was \$115,909,987 (2015 - \$115,545,809). Interest received is made up of interest income from the Statement of Operations in the amount of \$911,946 (2015 - \$2,553,694) plus the change in accrued interest receivable in the amount of \$47,031 (2015 - \$4,768,335). Interest paid is made up of interest expense from the Statement of Operations in the amount of \$116,220,689 (2015 - \$113,222,504) plus the change in accrued interest payable in the amount of \$310,702 (2015 - (\$2,323,302)).

Government of Bermuda – Consolidated Fund
Notes to the Financial Statements
March 31, 2016

1. Authority

The Consolidated Fund (the “Fund”) operates under the authority of the Bermuda Constitution Order 1968 and amendments, and the Public Treasury (Administration and Payments) Act 1969 and amendments.

All public money is paid into the Fund and legislative authority must be obtained for any expenditure out of the Fund.

The Legislature provides authority to make payments out of the Fund in annual Appropriation Acts, Supplementary Estimates and other statutes. Unspent current account appropriations lapse at the end of each fiscal year. Unspent capital account appropriations are carried forward to subsequent fiscal years, subject to the approval of the Minister of Finance.

2. Reporting Entity

The Fund’s financial statements report the financial position, results of operations, change in net debt and cash flow resulting from the activities of the Fund only, which comprise the accounts of the Senate, the House of Assembly, all Government departments and offices (including the Public Service Commission) and all courts. The Fund is established and defined pursuant to Section 94 of the Bermuda Constitution Order 1968.

These financial statements are not summary consolidated financial statements of the Government of Bermuda (the “Government”). Separate audited financial statements are prepared for all other Government organizations.

These financial statements are prepared in accordance with the legislative requirements as outlined in Sections 5 and 32A of the Public Treasury (Administration and Payments) Act 1969 and amendments.

The Government adheres to the general practice of using a Consolidated Fund as its general operating fund. Schedules 8 to 11 provide information concerning the operations, tangible capital assets and capital expenses of individual Government departments and funds comprising the Fund.

3. Summary of Significant Accounting Policies

The recommendations of the Public Sector Accounting Board and the Accounting Standards Board of the Chartered Professional Accountants of Canada (which are promoted by the Chartered Professional Accountants of Bermuda by signed agreement and therefore generally accepted in Bermuda) are the source for the disclosure basis of accounting.

(a) Basis of Accounting

The financial statements are prepared on the accrual basis of accounting.

3. Summary of Significant Accounting Policies (cont'd)

(b) Revenue

Revenues are accounted for in the fiscal year in which the transactions or events occurred that gave rise to the revenues.

Revenues not practicably measurable until cash is received are accounted for upon receipt.

Amounts received or receivable prior to the end of the year, which relate to revenues that will be earned in a subsequent fiscal year, are reported as deferred revenue.

Payroll and corporate service tax are recognized when reported for the first three quarters and based on estimates for the last quarter. Land tax is recognized in the month the tax is due. Stamp duty is recognized upon completion of the review of the related legal documents. Non-Bermudian land acquisition tax is recognised when an application is made. Passenger tax, foreign currency purchase tax, hotel occupancy tax, betting tax and timesharing tax are recognized when reported.

Tax concessions result in a reduction of the revenue type for which relief is being provided.

(c) Expenses

Expenses are accounted for in the fiscal year that goods and services are acquired, a liability is incurred or grant payments are due.

Contributions to Government funds and agencies are expensed in the year the expenditure is made.

Classification of expenses between current account items and capital account items follows the classification in the Approved Estimates.

(d) Interdepartmental Revenues and Expenses

Interdepartmental revenues and expenses are not eliminated but are identified in Schedules 9(a) and 10(c), respectively.

(e) Financial Assets

Financial assets are resources that can be used to discharge existing liabilities or finance future operations. They include cash and cash equivalents, accounts receivable, amounts due from Government funds and agencies, long-term receivables and investments in quasi-autonomous non-governmental organizations (“QUANGO”s).

Cash and cash equivalents include cash on hand and demand deposits that are readily convertible to known amounts of cash. These are subject to an insignificant risk of changes in value.

3. Summary of Significant Accounting Policies (cont'd)

(e) Financial Assets (cont'd)

Accounts receivable, long-term receivables and amounts due from Government funds and agencies are recorded at cost. A provision is recorded when collection of the receivable or amounts due is considered doubtful.

Investments in QUANGOs are recorded at cost.

(f) Non-Financial Assets

Non-Financial assets are resources that are employed for future services. They include tangible capital assets, assets under construction, inventories for consumption and prepaid expenses. The costs of acquiring land, buildings, equipment and other capital property are capitalized as tangible capital assets and are amortized over the estimated useful lives of the assets. Where original acquisition documents were difficult to retrieve, the Book Value Calculator, developed by the Chief Appraiser of Public Works and Government Services Canada (as modified by them to address the Bermuda Government situation), was used to establish reasonable estimates of the Net Book Values in order to develop opening balances.

Other tangible capital assets that do not meet the minimum threshold requirements for their respective asset class have continued to be charged to capital expenses in the year of purchase, which is consistent with prior years. These expenses are currently classified as capital development and capital acquisition expenses on Schedule 10, Expenses by Program. Included in the capital development and capital acquisition expenses are other significant items: capital grants, repairs and maintenance, professional fees and other items which are expensed as they are incurred. Tangible capital assets that have not yet been disclosed include historical treasures.

Amortization is recorded on a straight-line basis for all assets, according to the following:

Buildings	2 – 40 years
Leasehold Improvements	Remaining life or lease period of the related asset
Betterments	Remaining life or lease period of the related asset
Heavy Equipment	
\$10,000 to \$99,999	5 years
\$100,000 and above	7 years
Vehicles	
2 to 3 Wheeled Vehicles	
\$3,000 to \$99,999	5 years
\$100,000 and above	7 years

Government of Bermuda – Consolidated Fund
Notes to the Financial Statements
March 31, 2016

3. Summary of Significant Accounting Policies (cont'd)

4 or More Wheeled Vehicles	
\$0 to \$99,999	5 years
\$100,000 and above	7 years
Boats & Vessels	
\$10,000 to \$99,999	5 years
\$100,000 and above	10 years
Capital Leases	
\$3,000 and above	3 years
Computer Hardware	
\$3,000 to \$99,999	3 years
\$100,000 and above	7 years
All laptops and desktop computers are capitalized	
Computer Software	
\$20,000 and above	10 years
Furniture & Fixtures	
\$3,000 and above	7 years
Office Equipment	
\$3,000 and above	5 years
Plant, Machinery & Equipment	
\$50,000 and above	10 – 30 years
Infrastructure	
\$50,000 to \$199,999	10 years
\$200,000 and above	40 years

The Ministry of Public Works is primarily responsible for Government's tangible capital assets. Amortization expense is reported under each respective department. Since amortization is a non-cash expense, it is removed for appropriation reporting purposes.

Assets under construction relate to the development of buildings, betterments, vehicles, computer hardware, computer software, infrastructure, office equipment and vessels. Upon completion, the balance of assets under construction will be transferred to tangible capital assets and amortized based on the appropriate useful life.

Tangible capital assets that have historical or cultural value, including works of art, historical documents, and historical and cultural artifacts, are not recognized as tangible capital assets in these financial statements because a reasonable estimate of the future benefits associated with such property cannot be made.

Inventories for consumption are comprised of spare parts and supplies that are held for future program delivery and are not intended for resale. They are valued at cost.

3. Summary of Significant Accounting Policies (cont'd)

Inventories for consumption that no longer have service potential are valued at the lower of cost and net realizable value. Items for which the costs are not readily available have been valued using management's best estimates of original cost based on available information.

Prepaid expenses are cash disbursements for goods or services, other than tangible capital assets and inventories for consumption that will provide economic benefits in one or more future periods. The prepaid amount is recognized as an expense in the year the good or service is used or consumed.

(g) Liabilities

Liabilities are recorded for financial obligations to organizations and individuals occurring as a result of transactions and events arising on or before the year-end. They occur as a result of contracts, agreements and legislation in force at the year-end that require the Government to repay borrowings or to pay for goods and services acquired or provided on or before the year-end. Liabilities also include grant payments due where no direct value is received in return.

(h) Translation of Foreign Currencies

The financial statements are reported in Bermuda dollars. The Bermuda dollar is valued at par with the United States dollar. Financial assets (excluding investments) and liabilities denominated in foreign currencies are translated at the exchange rate prevailing at the year-end date. Non-financial assets and investments are translated at historical rates of exchange. Revenues and expenses originating in foreign currencies are translated at the exchange rate in effect on the date the specific transactions occurred. Translation gains and losses are included in the Statement of Operations and Accumulated Deficit.

(i) Measurement Uncertainty

Estimates are used to accrue revenues and expenses in circumstances where the actual accrued revenues and expenses are unknown at the time the financial statements are prepared. Uncertainty in the determination of the amount at which an item is recognized in the financial statements is known as measurement uncertainty. Such uncertainty exists when there is a variance between the recognized amount and another reasonable amount, as there is whenever estimates are used.

Measurement uncertainty in these financial statements exists in the accrual of individual and corporate payroll and land taxes, accruals for pension obligations and retirement benefits, accruals for environmental obligations, allowances for doubtful receivables, estimated useful lives of tangible capital assets, future payments related to contingent liabilities and accruals for liabilities through actuarial valuations.

The nature of the uncertainty related to the accruals for pension obligations and retirement benefits arise because actual results may differ significantly from the Government's best estimates of expected results based on variables such as earnings on the pension investments, salary increases and the life expectancy of the participants.

3. Summary of Significant Accounting Policies (cont'd)

The uncertainty related to the accrual of environmental obligations is based upon the identification of all sites where environmental damages have occurred that are the Government's responsibilities to mitigate and the quantification of what the actual liability will be based upon impact studies. Uncertainty concerning the allowance for doubtful receivables is based upon actual collectability and changes in economic conditions.

While management's best estimates have been used for reporting items subject to measurement uncertainty, it is possible that changes in future conditions in the near term could require a material change in the valuation of the reported amounts. Near term is defined as a period of time not to exceed one year from the date of the financial statements. Actual results could differ from these estimates.

(j) Risk Management

Funds are borrowed in both domestic and foreign capital markets by issuing Government senior notes and using bank loans and other credit facilities. This borrowing activity is used to fund government capital expenditure programs and other budgeted governmental operations. These transactions result in exposure to four types of risk: interest rate risk, foreign exchange risk, credit risk and liquidity risk.

Interest rate risk is the risk that debt servicing costs will increase due to changes in interest rates. This risk is managed by issuing debt securities as predominately fixed rates of interest rather than floating rates of interest for fixed terms.

Foreign exchange risk is the risk that debt servicing costs will increase due to a decline of the Bermuda dollar relative to other currencies. This risk is managed by maintaining a preference for debt that is issued predominately in United States ("US") dollars. The Bermuda dollar is pegged to the US dollar to eliminate the impact of any fluctuations in the exchange rates between the two.

Credit risk is the risk that a loss might occur from the failure of another party to meet its obligations under a derivative financial instrument contract. The risk is managed by issuing debt securities that have no derivatives as the underlying securities. The debt instruments are senior notes of the Government and loan facilities with a domestic lender.

Liquidity risk is the risk that financial commitments will not be met over the short term. This risk is managed through the establishment of the Government Borrowing Sinking Fund as a separate legal entity for the repayment of government debt and to pay interest charged on long-term public debt under the provisions of the Government Loans Act 1978 as amended.

(k) Future Changes in Accounting Standards

Each year new standards and amendments to standards may be issued by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada. The standards following are not yet effective and have not been applied in preparing these financial statements.

3. Summary of Significant Accounting Policies (cont'd)

PS 2200 Related party disclosures – a new standard that defines a related party and establishes disclosures required for related party transactions. PS 3420 Inter-entity transactions – a new standard that establishes standards on how to account for and report transactions between public sector entities that comprise a government's reporting entity from both a provider and recipient perspective. PS 3210 Assets – a new standard that provides guidance for applying the definition of assets set out in PS 1000, and establishes general disclosure standards for assets. PS 3320 Contingent assets – a new standard that defines and establishes disclosure standards on contingent assets. PS 3380 Contractual rights – a new standard that defines and establishes disclosure standards on contractual rights. Each of these new standards becomes effective for fiscal years beginning on or after April 1, 2017.

PS 3450 Financial Instruments – a new standard providing guidance on the recognition, measurement, presentation and disclosure of financial instruments, including derivatives. PS 1201 Financial Statement Presentation – replaces PS 1200 with revised general reporting principles and standards of presentation and disclosure in government financial statements. PS 2601 Foreign Currency Translation – replaces PS 2600 and has revised standards on accounting for and reporting transactions denominated in a foreign currency. Each of these new standards becomes effective for fiscal years beginning on or after April 1, 2019.

The Government does not intend to adopt these new standards prior to the effective dates. The impact that these standards will have on the financial statements is not deemed significant.

4. Approved Estimates of the Government

(a) Budget Process

Annually, the Government presents a Budget (“Estimates”) of expected revenues and expenditures for the following fiscal year. The Government's spending Estimates for the fiscal year commencing April 1, 2015 were presented to the Members of the Legislature by the Minister of Finance. The Estimates outline the spending plans of each Ministry/Department submitted for approval to the Legislature in the Appropriations Act.

The Estimates referred to in the financial statement Schedules 8, 9, 10(a) and 10(b) are from the original Approved Estimates of Revenue and Expenditure for the fiscal year 2015/16 and do not reflect changes arising from the tabling of Supplementary Estimates, except for the Adjusted Estimates referred to in Schedule 12 which include the original Approved Estimates and any tabled Supplementary Estimates.

(b) Comparison of Expenses to Estimates and Expenditures

The Ministry of Finance prepares annual Estimates on the modified cash basis. These financial statements are prepared on an accrual basis. Due to the difference in accounting, Schedule 12 restates actual expenses to the modified cash basis for

Government of Bermuda – Consolidated Fund
Notes to the Financial Statements
March 31, 2016

4. Approved Estimates of the Government (cont'd)

comparative and analytical purposes against the adjusted estimates. The most significant differences are as follows:

- (i) Bad Debts – For financial statement purposes, a provision is established and expensed for accounts receivable where collection is doubtful. For budget purposes, no such provision is made.
- (ii) Pension – The financial statement pension-related expense is explained in Note 9. For budget purposes, pension expense is equal to its funding requirements.
- (iii) Government Borrowing Sinking Fund (Note 5) – Transfers to the Sinking Fund are recorded as cash transfers against long-term debt. For budget purposes, the Sinking Fund contribution is considered expenditure.
- (iv) Compensated Absences – Certain Government employees are entitled to paid retirement leave, as explained in Note 8. For budget purposes, retirement pay is estimated based on anticipated salary spending for the current year.
- (v) Amortization – For financial statement purposes, annual amortization of tangible capital assets is expensed based on the respective assets as explained in Note 3(f). For budget purposes, amortization is not considered expenditure.
- (vi) Environmental Liability – As explained in Note 10(c), the Government has recognized a cost of restoration of land. For budget purposes, the liability established is not considered expenditure.

5. Government Borrowing Sinking Fund

Effective March 31, 1993, the Government Borrowing Sinking Fund (the “GBSF”) was established as a separate legal entity for the repayment of Government borrowing under the provisions of the Government Loans Act 1978 as amended.

During each financial year, the Fund must pay to the GBSF 2.5% of the public debt outstanding in the Fund at the end of the preceding year. Under Section 12AA of the Government Loans Act 1978 as amended, the Minister may, by Order, suspend the annual contribution for a period of twelve months.

2015	2016			2016
\$	\$			\$
Sinking Fund	Contributions	Earnings	Payments	Sinking Fund
135,347,558	47,948,130	914,645	(66,935,944)	117,274,389

Government of Bermuda – Consolidated Fund
Notes to the Financial Statements
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5. Government Borrowing Sinking Fund (cont'd)

Up until 2013, the GBSF assets were only to be applied to reduce, cancel or pay interest on public debt. In 2013 the Government Loans Act 1978 was amended to allow excess funds borrowed to be paid into the Sinking Fund and applied to future year deficits. The assets are invested in accordance with the Public Funds Act 1954 and are shown as a reduction of debt issued on the Fund's Statement of Financial Position.

The assets of the GBSF are comprised of the following:

	2016	2015
	\$	\$
Cash & Cash Equivalents	64,401,342	133,295,667
Temporary Investments	52,873,047	2,051,891

The following is a schedule of projected contributions to the GBSF by the Fund up to March 31, 2021, based on estimated debt levels to March 31, 2017:

	\$
For 2017	58,375,000
For 2018	62,100,000
For 2019	62,100,000
For 2020	62,100,000
For 2021	62,100,000

There are separate audited financial statements for the GBSF to which readers should refer for further information.

6. Contingencies Fund

On March 14, 1979 the House of Assembly passed a resolution to withdraw \$1 million from the Fund to set up a Contingencies Fund under the provisions of Section 10(1) of the Public Treasury (Administration and Payments) Act 1969 as amended.

The purpose of the Contingencies Fund is to allow the Minister of Finance to authorize urgent and unforeseen expenditures up to \$1 million prior to the approval of the Legislature by supplementary estimate. The Contingencies Fund balance is not segregated from general operating cash and cash equivalents and accumulated deficit.

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7. Unemployment Insurance Fund

The Unemployment Insurance Fund (the “Insurance Fund”) was established March 18, 2002 by amendment to the Public Treasury (Administration and Payments) Act 1969 as amended under the provisions of Section 10B. The Legislature authorized \$1 million to be set aside within the Fund to set up the Insurance Fund.

The Minister of Finance will pay amounts approved by the Legislature as Government’s contribution to the Insurance Fund. Monies paid into the Insurance Fund will be invested in accordance with the Public Funds Act 1954 and the interest earned on such investments will be paid into the Insurance Fund.

On August 10, 2011 the Government amended the Public Treasury (Administration and Payments) Act 1969 as amended in order to make further provisions about the Insurance Fund. The Act was amended to provide for payments out of the Fund to be made at the direction of the Minister of Finance for the purpose of assisting unemployed persons.

8. Compensated Absences

Certain Government employees are entitled to paid retirement leave under the various union agreements that exist with the Government. Paid retirement leave is available to those eligible employees with a minimum of ten years credited service, who are retiring on the basis of age. The leave is paid at the salary level immediately preceding the date of retirement, to a maximum eligibility of twelve weeks.

The Government offered a Voluntary Early Retirement Incentive Plan (“VERIP”) in February 2015 which allowed certain eligible employees to commence retirement. The retirements were effective on March 31, 2015 or June 30, 2015 if employed in the education sector. The VERIP resulted in a curtailment gain of \$677,003 as at March 31, 2015. The VERIP was extended to allow retirements in fiscal 2016. Eligible employees who accepted, retired on September 30, 2015 or June 30, 2016 if employed in the education sector. This extension of the VERIP resulted in a curtailment gain of \$239,725 as at March 31, 2016 which is comprised of a decrease in accrued benefit obligation of \$209,175 and recognition of unamortized gains of \$30,550.

An actuarial valuation of the Government’s obligation for retirement leave was performed at March 31, 2014. The results were then extrapolated to March 31, 2016, using similar various long-term assumptions as the Public Service Superannuation Fund (the “PSSF”) pension plan (Note 9 (b)). The extrapolation determined that the accrued benefit obligation for retirement leave is currently \$27,257,382 (2015 - \$26,312,056), as defined in the table below.

8. Compensated Absences (cont'd)

	2016	2015
	\$	\$
Accrued benefit obligation, beginning of year	26,312,056	26,182,883
Amortization of experience loss	(374,428)	(384,062)
Current period benefit cost	1,255,868	1,211,397
Interest accrued	1,461,363	1,411,148
Benefit payments	(1,157,752)	(1,432,307)
Curtailment gains	(239,725)	(677,003)
	<hr/>	<hr/>
Accrued benefit obligation, end of year	<u>27,257,382</u>	<u>26,312,056</u>

9. Pensions and Retirement Benefits

(a) Contributory Defined Benefit Pension Plans

The Government administers contributory defined benefit pension plans for substantially all of its employees, QUANGO employees and all ministers and members of the Legislature. There are two plans currently in operation – the PSSF and the Ministers and Members of the Legislature Pensions Fund (the “MMLPF”).

For the PSSF, a service pension is available with a minimum of 8 years credited service. Subject to exceptions as outlined in the Public Service Superannuation Act 1981, it is based on the number of years of service times 1.5% of the salary payable immediately preceding the date of retirement. Additional benefits are provided to special groups such as police, corrections and fire services officers.

For the MMLPF, a service pension is generally available to contributors who have reached age 60 and have served for at least 8 years, or to contributors who have reached age 55 and have served for at least 20 years. The rate of pension is 3/1000th of the monthly salary payable to a minister, member or officer, on the date on which the contributor becomes entitled to receive a pension, for each month of service rendered up to a maximum of 25 years.

Employees contribute 8.0% of their basic salary to the PSSF and Ministers and Members contribute 12.5% of their salary to the MMLPF. The Government matches the participants' contribution in each plan. The amount of Government contributions made during the year for each plan was as follows: PSSF - \$30,527,748 (2015 - \$31,926,513), MMLPF - \$435,249 (2015 - \$438,770). The Public Service Superannuation Act 1981 and the Ministers and Members of the Legislature (Salaries and Pensions) Act 1975, as amended, provide that, if at any time the funds are insufficient to meet the payments chargeable against them, the deficiency shall be made up out of the Fund.

9. Pensions and Retirement Benefits (cont'd)

(b) Pension Liability

Normally, the pension liability is calculated on an actuarial basis. Actuarial valuations are performed triennially using the projected benefit method, pro-rated on services. An actuarial valuation was performed on both the PSSF and the MMLPF as at March 31, 2014. The results were then extrapolated to March 31, 2016 using the same assumptions, to produce the estimates included in the financial statements.

Actuarial valuations are based on a number of assumptions about future events, such as inflation rates, interest rates, wage and salary increases, employee turnover and mortality. The assumptions used reflect Government's best estimates of expected long-term rates and short-term forecasts.

The most significant assumptions are that the average investment return will be greater than the average rate of salary increase by approximately 2.25% (prior valuation – 2.25%) and the cost of living increase will be 0% per annum (prior valuation – 3.0%), suspended as at March 31, 2014.

As at March 31, 2014, the Government adopted the new Canadian CPM2014Publ scale (with full generational mortality improvement, using Scale CPM-B for the mortality assumption). The adoption of these tables resulted in a material increase in the projected accrued benefit obligations ("ABO") of the funds for 2014. The Government recognized the cost of adopting the new mortality tables in the year ended March 31, 2014.

For the PSSF, pension fund assets consist primarily of listed stocks and bonds, short-term investment funds, hedge funds and private equity investments. Market-related asset values, which recognize the differences between the actual return on assets and the expected return on assets over a period of five years, have been used to determine the pension liability and pension-related expenses for the PSSF.

The market-related value of assets for the PSSF was \$590,445,169 as at March 31, 2016 (2015 - \$592,021,374) compared to a real market value of \$535,689,469 (2015 - \$586,607,274).

For the MMLPF, there is no difference between the market value of plan assets and the market-related value. As at March 31, 2016, the value was \$12,765,139 (2015 - \$12,782,000). The actual return on plan assets during the year was -3.7% (2015 - 1.85%) for the PSSF and 7.18% (2015 - 7.00%) for the MMLPF.

As at March 31, 2016, \$2,754,002 was due from the PSSF (2015 - \$7,275,843 due to PSSF) in respect of benefits paid in excess of contributions received by the Fund (Schedule 3). As at March 31, 2016, \$13,004,038 (2015 - \$13,012,088) was due to the MMLPF in respect of contributions received in excess of benefits paid by the Fund (Schedule 3(a)).

9. Pensions and Retirement Benefits (cont'd)

(c) Pension-Related Expenses

Pension-related expenses recognized by the Fund comprise the cost of pension benefits earned by employees during the year, interest on the pension benefit liability (net of interest on pension plan assets) and amortization of the Government's share of any experience gains or losses, less contributions made by the employees. The estimated total cost of the Government's share of plan amendments related to past service is expensed in the year the plan is amended. The pension-related expense is disclosed in Schedule 10(a) as a component of pensions and retirement benefits expense.

In the year ended March 31, 2015 the Government adopted a VERIP whereby, if approved, eligible employees could retire on March 31, 2015 or June 30, 2015 if employed in the education sector. This Plan change resulted in prior service cost charge of \$1,028,000. This charge will be offset against the unamortized actuarial gains and fully recognized in the Statement of Operations and Accumulated Deficit. The VERIP was extended to allow retirements in fiscal 2016. Eligible employees whose applications were accepted, retired on September 30, 2015 or June 30, 2016 if employed in the education sector. This extension of the VERIP resulted in a prior service gain of \$374,000 which was immediately recognized in the Statement of Operations and Accumulated Deficit in the year ended March 31, 2016.

Aggregate information about the PSSF and MMLPF is in the following tables.

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9. Pensions and Retirement Benefits (cont'd)

(d) Funded Status of Plans

For the year ended March 31	2016	2015
	Actual	Actual
	\$	\$
Pension Liability		
Accrued Benefit Obligation		
PSSF	1,476,590,000	1,423,120,000
MMLPF	32,115,000	31,077,000
	1,508,705,000	1,454,197,000
Net Fund Assets		
PSSF	(590,445,000)	(592,021,000)
MMLPF	(12,765,000)	(12,782,000)
	(603,210,000)	(604,803,000)
Net Unamortized Experience (Loss) Gain		
PSSF	(13,677,000)	2,636,000
Pension Liability		
PSSF	872,468,000	833,735,000
MMLPF	19,350,000	18,295,000
Carried Forward to Note 9 (g)	891,818,000	852,030,000

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Notes to the Financial Statements
March 31, 2016

9. Pensions and Retirement Benefits (cont'd)

For the year ended March 31	2016	2015
	Actual	Actual
	\$	\$
Pension Expense		
Cost of Pension Benefits	46,919,000	49,345,000
Employee Contributions	(30,963,000)	(32,366,000)
Interest on Pension Liability	56,223,000	54,002,000
Prior Period Service Costs	(374,000)	-
Recognition of Unamortized Net Actuarial Losses	-	-
Amortization of Experience Gains & Losses		
2016 Experience Gain	<u>(293,000)</u>	-
Pensions and Retirement Benefits Expense excluding Employer Contribution	<u>71,512,000</u>	<u>70,981,000</u>

Government of Bermuda – Consolidated Fund
Notes to the Financial Statements
March 31, 2016

9. Pensions and Retirement Benefits (cont'd)

Value of Obligations Relating to Benefits for the Pension Plans

The value of obligations relating to benefits for the pensions plan at a given date is determined using the actuarial projections prorated on service, taking into account, among other things, the most probable long-term economic assumption made by the Government.

Main economic assumptions used:

	PSSF (%)	MMLPF (%)
Inflation Rate	3.00	3.00
Discount Rate for Obligations	6.50	6.50
Salary Escalation Rate	4.25	3.50

Changes in these assumptions may lead to a material increase or decrease in the value of the obligations relating to vested benefits. The following tables, which take the main assumptions into account, show the potential impact of a difference of 1.00% in the value of the obligations for the two pension plans, PSSF and MMLPF. The tables also show the impact of a one-year difference in life expectancy, considering that, according to current assumptions, the life expectancy of beneficiaries aged 60 is 21.8 years for men and 25.6 years for women.

Impact of changes on the main assumptions on the value of obligations relating to PSSF benefits as at March 31, 2016:

Assumption	Change	Impact on ABO (\$)	Impact on ABO (%)
Discount rate	1.0% increase	(154,560,000)	(10.5)
	1.0% decrease	190,955,000	12.9
Salary increase rate	1.0% increase	55,719,000	3.8
	1.0% decrease	(50,076,000)	(3.4)
Life expectancy	1 year increase	23,217,000	1.6
	1 year decrease	(24,565,000)	(1.7)

Government of Bermuda – Consolidated Fund
Notes to the Financial Statements
March 31, 2016

9. Pensions and Retirement Benefits (cont'd)

Impact of changes on the main assumptions on the value of obligations relating to MMLPF benefits as at March 31, 2016:

Assumption	Change	Impact on ABO (\$)	Impact on ABO (%)
Discount rate	1.0% increase	(3,037,000)	(9.5)
	1.0% decrease	3,626,000	11.3
Salary increase rate	1.0% increase	723,000	2.3
	1.0% decrease	(675,000)	(2.1)
Life expectancy	1 year increase	849,000	2.6
	1 year decrease	(759,000)	(2.4)

(e) Contributory Pension Fund

The Contributory Pension Fund (the “CPF”) was established under the Contributory Pensions Act 1970 as amended. The purpose of the CPF is to provide old age pension, disability and death benefits for persons satisfying certain contribution, citizenship and residency requirements.

Contributions to the CPF are compulsory for persons employed in Bermuda, the self-employed and employers. There is no legislative provision for the Fund to provide for any shortfall if, at any time, the CPF has insufficient funds to meet its current legislated obligations.

(f) Retirement Benefits Other than Pensions – Employee Health Insurance Plan

The Government administers a health care plan, the Government Employees Health Insurance Fund (the “GEHI Fund”), for substantially all of its employees, QUANGO employees, all ministers and members of the Legislature and retirees. The GEHI Fund provides medical insurance for retirees and eligible dependents with the Government matching the participants’ contribution to the plan.

An actuarial calculation of the Government’s obligations for retirement benefits other than pensions was performed for accounting purposes at March 31, 2014, using various long-term assumptions. The results were then extrapolated to March 31, 2016 to produce the estimates included in the financial statements.

The discount rate used in determining the accumulated post-retirement benefit obligation was 6.5% (2015 – 6.5%). The assumed health-care cost trend rate used was 8.0% (2015 – 8.5%). This will be decreasing by 0.5% per annum to 5.0% per annum by 2022.

As at March 31, 2014, the Government adopted the Canadian Pensioner Mortality Table for Public Sector (CPM2014Publ) for the mortality assumption. The value accrues a liability in respect of the matching premium paid by Government under the insurance arrangement in respect of retired employees. The calculation is based on the projected benefit method pro-rated on service.

Government of Bermuda – Consolidated Fund
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March 31, 2016

9. Pensions and Retirement Benefits (cont'd)

In the year ended March 31, 2015 the Government adopted a VERIP whereby, if approved, eligible employees could retire on March 31, 2015 or June 30, 2015 if they were in the education sector. The VERIP resulted in a curtailment charge of \$1,700,684. The VERIP was extended to allow retirements in fiscal 2016. Eligible employees whose applications were accepted, retired on September 30, 2015 or June 30, 2016 if they were in the education sector. This extension of the VERIP resulted in a curtailment charge of \$482,438 as at March 31, 2016, which is comprised of an increase in the benefit obligation of \$533,100 and recognition of unamortized gains of \$50,662.

As at March 31, 2015, changes to members and retirees contribution rates under the Plan gave rise to a past service gain of \$45,442,200 which was fully offset by the reduction in unamortized loss balance, and as such there is no effect on the Statement of Operations and Accumulated Deficit. With effect from January 1, 2016 there was a further increase in the member contribution rate and this along with the favorable change in the Government's contribution rate has given rise to a gain of \$60,252,422 as at March 31, 2016.

Aggregate information about the health care plan is in the table below:

	2016	2015
	\$	\$
Accrued benefit obligation at beginning of year	423,134,021	512,755,500
Current period benefit cost	15,540,300	20,211,100
Interest accrued	27,735,634	33,747,698
Past service gain	-	(45,442,200)
Benefit payments	(8,404,218)	(7,331,399)
Curtailment impact	533,100	1,455,300
	<hr/>	<hr/>
Accrued benefit obligation at end of year	458,538,837	515,395,999
	<hr/>	<hr/>
Expected accrued benefit obligation at end of year	458,538,837	515,395,999
Actual accrued benefit obligation at end of year	398,286,415	423,134,021
	<hr/>	<hr/>
Experience gain	60,252,422	92,261,978

Government of Bermuda – Consolidated Fund
Notes to the Financial Statements
March 31, 2016

9. Pensions and Retirement Benefits (cont'd)

	2016	2015
Expected average remaining service life	11 years	11 years
Annual amortization	\$2,960,355	\$18,476,992

Liability for retirement benefits recorded in the statement of financial position

	2016	2015
	\$	\$
Accrued benefit obligation, end of year	398,286,415	423,134,021
Unamortized experience gain (loss)	37,748,714	(25,413,401)
Liability for retirement benefits (Note 9(g))	<u>436,035,129</u>	<u>397,720,620</u>

Expenses recorded in the statement of operations and accumulated deficit

	2016	2015
	\$	\$
Current period benefit cost	15,540,300	20,211,100
Amortization of experience losses	<u>2,960,355</u>	<u>18,476,992</u>
Retirement benefit expense	18,500,655	38,688,092
Retirement benefit interest expense	27,735,634	33,747,698
Past service cost	-	-
Curtailement impact	482,438	1,700,684
Total expenses related to retirement benefits	<u>46,718,727</u>	<u>74,136,474</u>

(g) Accrued Pensions and Retirement Benefits Liability and Expense Summary

	2016	2015
	\$	\$
Pensions (Note 9(d))	891,818,000	852,030,000
Retirement Benefits other than Pensions – Health Insurance Plan (Note 9(f))	<u>436,035,129</u>	<u>397,720,620</u>
Total Pensions and Retirement Benefits Liability	<u>1,327,853,129</u>	<u>1,249,750,620</u>

Government of Bermuda – Consolidated Fund
Notes to the Financial Statements
March 31, 2016

9. Pensions and Retirement Benefits (cont'd)

			2016 \$	2015 \$
	Pension Plans	Other Benefits	Total	Total
Plan amendments gain	(374,000)	-	(374,000)	(46,470,200)
Recognition of unamortized net actuarial losses	-	-	-	46,470,200
Gain on benefit plans amendments	(374,000)	-	(374,000)	-
Current period benefit cost	46,919,000	16,796,168	63,715,168	70,767,497
Amortization of experience losses	(293,000)	2,585,927	2,292,927	18,092,930
Employee contributions	(30,963,000)	-	(30,963,000)	(32,366,000)
Interest on accrued benefits	56,223,000	29,196,997	85,419,997	89,160,846
Employer contributions	(31,724,000)	(9,561,970)	(41,285,970)	(41,914,706)
Curtailment impact	-	242,713	242,713	1,023,681
Pensions and retirement benefits expense	40,162,000	39,259,835	79,421,835	104,764,248

10. Contingent Liabilities

(a) Guarantees

(i) National Education Guarantee Scheme

In August 1994, the Government introduced the National Education Guarantee Scheme to provide qualifying students with financial guarantees on bank loans for post-secondary education. The repayment of principal and accrued interest is guaranteed by the Government. In the event of default by the student, the banks will call on the guarantee contract. At March 31, 2016, \$9,965 (2015 - \$15,755) is outstanding on guaranteed student loans with local banks.

(ii) West End Development Corporation (“WEDCO”) Guarantee

On April 1, 2009, the Minister of Finance consented to the borrowing of \$10 million by WEDCO from Clarien Bank (formerly Capital G Bank) to facilitate the completion of the new Sewage Treatment Plant at Dockyard.

The Minister of Finance further approved the guarantee given by the Ministry of Public Works to repay the indebtedness by way of annual payments to WEDCO until all indebtedness to Clarien Bank has been fully discharged.

10. Contingent Liabilities (cont'd)

The Ministry of Public Works further guarantees and will make good any default on the part of WEDCO in the payment of the loan to Clarien Bank and all related interest fees and charges due as a result of default by WEDCO until all indebtedness to Clarien Bank has been fully discharged. At March 31, 2016, \$1,428,574 (2015 - \$2,857,145) is outstanding on WEDCO's indebtedness to Clarien Bank (Schedule 5).

(iii) Bank of N.T. Butterfield Guarantee Agreement

On June 12, 2009, the Government assisted The Bank of N.T. Butterfield & Son Limited ("BNTB") in raising qualifying Tier 1 capital via a perpetual preference share offering of US\$200 million.

Accordingly the Government provided the commitment that if the full \$200 million Preference Share Offering was not achieved on or prior to June 30, 2009, the Government would purchase no later than June 30, 2009 such number of Preference Shares as was sufficient to ensure that the Bank realized aggregate proceeds equal to and not less than US\$200 million. As the offering was fully subscribed, no such Government purchase was necessary.

On June 22, 2009, the Government entered into a Preference Shares Guarantee Agreement with BNTB and others. The Government has guaranteed payment of 100% of the liquidation value of the outstanding Preference Shares in the event of any voluntary or involuntary liquidation, dissolution or winding up of the affairs of BNTB during the term of the guarantee. Also, the Government will act as a guarantor for the dividend payments relating to the Preference Shares issuance. Should the BNTB fail to declare and pay dividends in any quarterly dividend period during the term of the guarantee, the Government will pay such dividends at 8% per annum. As at March 31, 2016, Preference Shares with a liquidation value of \$182.9 million remained outstanding.

Pursuant to the Preference Share Offering, BNTB pays to the Government a fee of 1% per annum on the liquidation value of then outstanding Preference Shares issued to third party investors. The Government was in receipt of 4,279,601 warrants issued by BNTB to purchase a number of non-voting common shares of BNTB having an aggregate market price equal to US\$30 million. The warrants expire on June 22, 2019. The initial exercise price for the warrants and the price for determining the number of common shares of BNTB subject to the warrants was \$7.01 per common share. The quantity of warrants is now 432,061 (2015 - 432,061) with an exercise price of \$34.72 (2015 - \$34.72). Per the valuation model run for March 31, 2016, the value of the warrants is \$0.008 (2015 - \$0.002) per warrant which represents a total value of \$3,400 (2015 - \$8,641). Note that the quantity of warrants and exercise price, including the comparatives in parentheses have been adjusted to reflect a September 6, 2016 BNTB 10-for-1 reverse share split.

10. Contingent Liabilities (cont'd)

(iv) Bermuda Hospitals Board (the “BHB”) Guarantee

On December 1, 2010, the Minister of Finance provided an irrevocable Guarantee to Paget Health Services Limited on behalf of the BHB to facilitate the completion of the new acute care wing (the “New Facility”) of the King Edward VII Memorial Hospital in Paget. The design and construction-related costs of the New Facility were approximately \$247 million. The Annual Service Payments commenced from June 12, 2014, the Service Commencement date, for a period of approximately thirty years, consisting of principal, interest, lifecycle and hard facilities management. A portion of the Annual Service Payment is indexed over the thirty year period to allow for changes in the cost of living and other related facility costs. The current year’s Annual Service Payment was \$25.7 million (2015 – \$21.4 million).

The Guarantee agreement guarantees the payment obligations of the BHB to Paget Health Services Limited by the Government, as required by the lenders.

(v) Bermuda Economic Development Corporation (the “BEDC”) Guarantee

The Government provides funding to the BEDC to facilitate the function of the QUANGO as a guarantor on business loans for locally owned businesses in Bermuda. The Government provides funding to fulfill the payment obligations of the BEDC for defaulted loans.

While the Government settles defaulted loans as required, there is no liability recorded and no provision for loans in default is included in the financial statements of the Fund. The total of specific amounts deemed contingent liabilities of the Government, as determined by the BEDC, as at March 31, 2016 is \$1,480,651 (2015 - \$1,483,764).

(vi) Morgan’s Point Letter of Comfort & Guarantee

On August 12, 2013 the Government provided a letter of comfort to the Morgan’s Point hotel developer, Morgan’s Point Limited (“MPL”) to confirm the Government’s willingness to consider credit enhancement for the project. This letter was required so that MPL could begin discussions with potential lenders for the project’s financing. On March 14, 2016, the Minister of Finance provided irrevocable Guarantee Agreements to lenders, replacing the letter of comfort, providing certain credit facilities on behalf of MPL for use in the construction of a new hotel and condominium project at Morgan’s Point to be branded and managed as a member of the Ritz Carlton hotel and residences brands. The guarantees provide that the Government cannot be legally required to fund more than US\$165 million to repay the lenders if the borrowers are unable to perform their obligations to the lenders. The financing guaranteed is provided under separate groups of loans each maturing in five years with two 1 year options to extend.

10. Contingent Liabilities (cont'd)

In November 2014, the Minister of Finance provided a US\$5million irrevocable Guarantee Agreement to Arch Reinsurance Limited (“Arch”) on behalf of MPL. This guarantee was extinguished in March 2016 in conjunction with the provision of the guarantees discussed above.

(b) Claims and Potential Claims

The Government is subject to claims and potential claims related to breach of contract, damages to persons and property and like items. The effect of legal claims cannot be determined until they are settled or dismissed. No liability has been admitted and no provision for claims is included in the financial statements. Any resulting losses will be recorded and charged to operations in the year an amount can reasonably be determined.

The total of specific amounts claimed or potential settlements which are under litigation or possible litigation as at March 31, 2016 is \$13,821,429 (2015 - \$15,512,294).

(c) Base Lands Clean Up

The Government recognizes that there will be a cost for restoration of the land at the bases formerly occupied by the US military. It is anticipated that such costs would include removal of hazardous materials and clean-up.

A liability of \$34,435,975 (2015 - \$36,820,519) has been accrued, which is an estimate of the remaining costs of the clean-up and remediation at the three former major base land sites. The estimated range is \$28.9 million to \$41 million.

The cost for Southside (estimated at \$10.5 million, with a range of \$10.5 million to \$20 million) involves demolition of buildings beyond refurbishment and removal of asbestos.

The cost for clean-up of Tudor Hill (estimated at \$1 million, with a range of \$1 million to \$2 million) is for removal of asbestos and demolition of buildings on the site.

Clean-up of Morgan’s Point is estimated at \$17.4 million (with a range of \$17.4 million to \$19 million) to remove environmental hazards and fuel storage tanks, removal and remediation of asbestos, as well as demolition of derelict buildings. To be conservative, the Morgan’s Point provision remains at \$22.9 million, comprised of the prior year provision less actual expenditures incurred during the current year.

The Government signed the Morgan’s Point Exchange Agreement with Southlands Limited and MPL. The agreement exchanged 12.454 hectares of land owned by Southlands Ltd., located in Warwick, for 66.82 acres of freehold land at Morgan’s Point in Southampton. Furthermore, the agreement provides MPL, as the Developer, the ability to develop an additional 128.46 acres of Leasehold property at Morgan’s Point, as further detailed in the Morgan’s Point Land Development Agreement, also signed and dated April 8, 2011, amongst the same parties.

Article 6 of the Morgan’s Point Land Development Agreement, states the Government is still responsible for the remediation of the Morgan’s Point property to international standards deemed reasonably acceptable to the Developer. These standards are met in the request for proposal issued in 2009.

10. Contingent Liabilities (cont'd)

(d) Hotels Concession Act 2000 and the Memorandum of Understanding for Bermuda Hotel Association, Restaurants and Retail Relief

On February 21, 2009, the Government entered into a Memorandum of Understanding (“MoU”) with the Bermuda Hotel Association to provide payroll tax relief to eligible hotels. An assessment of the results, trading conditions and the points within the original MoU were to be reviewed quarterly so that consideration could be given to an extension of all deferrals and relief for as long as the economic situation required.

On August 20, 2010, the Government entered into a similar MoU with the Restaurant Division of the Bermuda Chamber of Commerce to provide payroll tax relief to qualifying restaurants for the employer portion of the payroll tax and later also a reduced payroll tax rate for employees.

On October 1, 2011, the Government announced a payroll tax relief programme for the Retail Sector which provided full relief from payroll tax to businesses that met the criteria of a Retail establishment.

The percentage relief provided under all three relief programmes has been scaled back as of April 1, 2015 and will continue to be scaled back over the next two fiscal years with the expectation that they will expire on March 31, 2018.

The Hotels Concession Act 2000 allows for the full or partial exemption from or deferral of payroll tax, land tax and hotel occupancy tax for hotels which undergo development deemed to be in the national economic interest of Bermuda as if it is determinable that the development is likely, among other considerations:

- to benefit the tourism industry and the economy;
- to create employment and entrepreneurial opportunities for Bermudians;
- to encourage local development; or
- to employ and train Bermudians.

The concessions are granted at the discretion of the Minister of Tourism Development and Transport with the written agreement of the Minister of Finance for those hotels that apply for the concessions.

The concessions afforded to the hotels are non-refundable and in instances where the payroll tax is deemed null and void due to the MoU, the concessions remain as a contra revenue amount to be applied against any future payroll tax incurred by those hotels.

The Government is obligated to recognize the effect of the concessions when payroll tax is actually incurred unless they are dismissed by the Minister of Finance. No liability has been admitted and no provision for collectability is included in the financial statements.

Hotel concessions are foregone revenue and reduce taxes otherwise owing by the hotels in the year the taxes are due.

The total of the hotel concessions granted as at March 31, 2016 is \$1,098,833 (2015 - \$3,322,234) which may be applied against any future payroll tax or hotel occupancy tax incurred by the applicable hotels.

In addition to this amount, \$36,118,898 (2015 - \$35,485,398) is available for use but has not yet been granted by the Ministry of Tourism Development and Transport as per the terms and conditions of the individual orders.

10. Contingent Liabilities (cont'd)

In March 2014, with an operative date of February 27, 2015, the Morgan's Point Resort Act 2014, which includes hotel concessions was tabled in the House of Assembly. This act was approved. The total value of concessions to be applied in the future against payroll and hotel occupancy taxes under this act is conservatively estimated to be \$20,000,000 over a period of ten years and is not capped. The land tax concession in this act cannot be determined as the structure does not exist and is not capped.

(e) Air Service Agreements

As at March 31, 2016, the Government has signed agreements with two commercial airlines whereby in consideration of providing regular scheduled air service to Bermuda, the Government commits to pay the airlines a calculated sum if there is a financial shortfall on the routes. The agreements vary in detail, but guarantee the airlines either a certain level of revenue or a specific level of profit on a particular route. Shortfalls occur when ticket revenues are insufficient to cover the cost of operating the routes, either due to insufficient passenger numbers or discounted tickets to attract passengers.

The estimated liability for Air Service Agreements as at March 31, 2016 is \$1,154,882 (2015 - \$1,181,006). In accordance with the agreements, Government established and delivered to two commercial airlines irrevocable Letters of Credit ("LOC") issued by HSBC Bank of Bermuda Ltd. ("HSBC"), for US\$500,000 and BNTB for US\$900,000.

(f) America's Cup Related Concessions

In February 2015, the Minister of Economic Development tabled the America's Cup Act 2015 in the House of Assembly. This Act was approved which resulted in a number of concessions and exemptions from legislative requirements that would otherwise apply to the America's Cup Event Authority LLC, the Team, their designated commercial partners and the Regatta Officials. The concessions include relief from certain taxes and fees in the areas of advertising, air navigation, broadcasting and electronic communications, customs duties, employment, vehicle permits and licensing, marine vessel port dues, registration and mooring fees, and pilotage. The concessions in this Act cannot be determined as they are not capped.

(g) Ferry Lease

On May 1, 2015, the Government commenced a lease agreement for a ferry to provide additional lift during the tourist season. The lease concluded on October 31, 2015. In accordance with the lease, Government established an irrevocable LOC, issued by HSBC. The LOC securing the lease had a balance of US\$750,000 and was terminated on October 31, 2015.

On March 16, 2016, the Government commenced a lease agreement for a ferry to provide additional lift during the tourist season. The first six month term of the lease will be from April 1, 2016 to September 30, 2016. The second six month term of the lease will be from April 1, 2017 to September 30, 2017. In accordance with the lease, Government established an irrevocable LOC, issued by HSBC. The LOC securing the lease has a balance of US\$1,950,000.

Government of Bermuda – Consolidated Fund
Notes to the Financial Statements
March 31, 2016

11. Non-Contractual Operational Obligations

The Government has ongoing obligations to fund a variety of programs for public welfare including health, education, social services, protection of persons and properties, and management of natural resources. The following is an analysis of the future, non-contractual operational obligations:

	2016
	\$
2017	150,769,122
2018	161,726,000
2019	1,521,000
2020	630,000
2021	-
2022 and subsequent	-
Total Future Operational Obligations	<u>314,646,122</u>

12. Contractual Obligations

(a) Capital Leases

The average period of capitalized leased office machines is 3 years. Leases are capitalized based on the discounted rate of 6.04% and amortized on a straight-line basis over the period of the lease.

The following is an analysis of the leases:

	2016	2015
	\$	\$
Present value of lease cost	5,087,511	5,014,501
Less: Accumulated amortization	<u>(4,547,983)</u>	<u>(4,311,253)</u>
Present value of lease obligations (Schedule 11)	<u>539,528</u>	<u>703,248</u>

Government of Bermuda – Consolidated Fund
Notes to the Financial Statements
March 31, 2016

12. Contractual Obligations (cont'd)

The following is a schedule of discounted future minimum lease payments under leases expiring up to March 31, 2019:

	2016
	\$
2017	129,143
2018	56,567
2019	3,478
2020	-
Add: Discounted Amount	<u>350,340</u>
Present value of lease obligations	<u><u>539,528</u></u>

(b) Contractual Obligations

The nature of Government activity results in some large multi-year contracts and agreements of various sizes and importance. Any financial obligations resulting from these are recorded as a liability when the terms of these contracts and agreements for the acquisition of goods and services or the provision of transfer payments are met.

The following is an analysis of estimated future expenditures related to these contractual obligations:

	2016
	\$
2017	39,597,408
2018	31,151,358
2019	12,986,410
2020	3,082,749
2021	1,477,882
2022 and subsequent	<u>2,194,663</u>
Total Contractual Obligations	<u><u>90,490,470</u></u>

12. Contractual Obligations (cont'd)

(c) Operating Leases

The Government rents premises under operating leases which expire at certain dates.

The following is an analysis of the future minimum operating lease payments:

	2016
	\$
2017	6,675,904
2018	5,738,087
2019	3,688,732
2020	2,458,221
2021	2,458,222
2022 and subsequent	<u>14,019,474</u>
Total Future Minimum Operating Lease Payments	<u><u>35,038,640</u></u>

13. Supplementary Estimates and Virements (Transfers)

Section 96(3) of the Bermuda Constitution Order 1968 allows for Supplementary Estimates in respect of any fiscal year if it is found that (a) the amount appropriated by the appropriation law for any purpose is insufficient or that a need has arisen for expenditure for a purpose for which no amount has been appropriated by that law; or (b) moneys have been expended for any purpose in excess of the amount appropriated for that purpose by the appropriation law or for a purpose to which no amount has been appropriated by that law, a supplementary estimate, showing the sum required or spent, shall be laid before the House of Assembly. Section 96(4) of the Bermuda Constitution Order 1968 requires that a Supplementary Appropriation Bill be introduced into the Legislature as soon as practical after year end of the year that supplementary estimates have been necessary.

The Public Treasury (Administration and Payments) Amendment Act 2004 allows a Permanent Secretary or a Head of Department to transfer a part of a Department's approved budget to another Department within the same Ministry, subject to the consent of the Minister of Finance. Virements do not increase the overall appropriation amount but facilitate the redeployment of approved budget resources after the start of a financial year.

During the year \$26,359,317 (2015 - \$22,783,749) in Supplementary Estimates were approved and spent which consisted of \$25,509,317 (2015 - \$17,907,149) for current expenditure and \$850,000 (2015 - \$4,876,600) for capital expenditure.

13. Supplementary Estimates and Virements (Transfers) **(cont'd)**

During the year \$13,132,892 (2015 - \$15,393,642) in virements were approved and transferred which consisted of \$3,342,028 (2015 - \$4,558,488) for current expenditure and \$9,790,864 (2015 - \$10,835,154) for capital expenditure.

Additional expenditures of \$122,801 (2015 - \$2,607,702) were incurred in excess of amounts appropriated by the Ministry and will require final approval, which consisted of \$0 (2015 - \$2,606,021) for current expenditure and \$122,801 (2015 - \$1,681) for capital expenditure.

Additional virements of \$3,530,828 (2015 - \$8,353,602) require final approval and transfer, which consisted of \$3,301,015 (2015 - \$7,993,113) for current expenditure and \$229,813 (2015 - \$360,489) for capital expenditure.

14. Related Party Transactions

(a) Funds

The Fund is related to the GEHI Fund, the CPF, the MMLPF, the Bermuda Department of Tourism North America Retirement Plan, the PSSF, the Confiscated Assets Fund, the GBSF, the Health Insurance Fund, the Mutual Re-insurance Fund, the FutureCare Fund and the Government Reserves Fund.

The financial activities of these funds are reported separately in each fund's financial statements. The Fund provides accounting and certain administrative services to these funds. These transactions are in the normal course of operations and are measured at the appropriate exchange amount. The other activities represent the net position of contributions payable to the funds and expenses paid out of the Fund on behalf of the funds. Schedules 3 and 3(a) display details of unpaid balances due from and due to the funds which have arisen from normal operating activities. The rate of interest accruing on the balances is 7% per annum.

(b) QUANGOs and Other Government-Related Organizations

The Fund is related to certain QUANGOs and other Government-related organizations. QUANGOs and other Government-related organizations are government businesses which have been established under their respective legislative incorporation acts.

The Fund enters into transactions with the QUANGOs and other Government-related organizations in the normal course of business which are measured at the exchange amount, which is the amount of consideration established and agreed upon by the related parties.

14. Related Party Transactions (cont'd)

Schedules 3 and 3(a) include details of balances due from and due to these entities which have arisen from normal operating activities. During the year, no interest was charged and/or incurred from or to the Fund and the various QUANGOs and other Government-related organizations.

(i) Bermuda Monetary Authority (the “BMA”)

In accordance with Section 8 (3) of the Bermuda Monetary Authority Act 1969, the BMA pays the remaining portion of its net profit (historically 50%) to the Fund after contributions to the BMA General Reserve and the paid up capital of the Authority.

The BMA reported a net profit for the year ended December 31, 2015, however the Ministry of Finance allowed them to retain the Fund's portion.

(ii) Bermuda Land Development Company Limited (“BLDC”)

On November 12, 1996 (date of inception), the Government purchased 2,500,000 common shares of BLDC. The shares are valued at par \$1 each and are held in trust by the Minister of Finance.

On November 12, 1996 (date of inception), the Government purchased 2,500,000 common shares of BLDC. The shares are valued at par \$1 each and are held in trust by the Minister of Public Works.

(iii) Bermuda Housing Corporation (the “BHC”)

On July 12, 2011, the Government provided a letter of comfort to BNTB on behalf of BHC which states, “To the extent that the BHC operates programmes which do not break even, the Government appropriates annual grants which enable BHC to comply with its legislation.” The annual grant awarded for the year ended March 31, 2016 was \$6,050,000 (2015 - \$7,440,000).

(iv) WEDCO Guarantee

On April 24, 2012, the Minister of Finance consented to the borrowing of \$36 million by WEDCO from BNTB to facilitate the completion of the Infrastructure and Housing Project in Dockyard. The amount borrowed was subsequently reduced to \$25 million.

On June 18, 2015, the Minister of Finance consented to the borrowing of \$39 million by WEDCO from BNTB to facilitate the completion of the Land Reclamation Project in Dockyard. This loan facility is for a term of six years.

The Ministry of Finance further guarantees and will make good any default on the part of WEDCO in the payment of these loans to BNTB and all related interest fees and charges due as a result of default by WEDCO until all indebtedness to BNTB has been fully discharged.

14. Related Party Transactions (cont'd)

(v) BHC Guarantee

BHC has a loan of \$36.7 million from BNTB, borrowed to finance the purchase of the units of phase three of the Grand Atlantic Housing Development (“Grand Atlantic”) and to repay the loans advanced by the bank for Grand Atlantic phases one and two.

The Ministry of Finance guaranteed to make good any default on the part of BHC in the payment of the loan to BNTB and all related interest fees and charges due as a result of default by BHC until all indebtedness to BNTB has been fully discharged.

(vi) Regulatory Authority (the “RA”)

On January 28, 2013 the Regulatory Authority Act 2011 (the “RAA”) came into operation. Section 111 of the RAA committed the Government to make an initial payment of \$2 million as paid-up capital, which was to be used for purposes prescribed under the RAA. In 2013 the Government paid the RA \$1 million towards the paid-up capital. The \$1 million was paid with the intent that the RA would have funding until collecting sufficient revenues to cover operating expenses as per section 111 (b)(ii) of the RAA. The RA achieved operational independence within the Financial Year and it was deemed not necessary to provide further funding. The Government has fulfilled its financial obligations towards the establishment of the RA in accordance with the intent of the Act.

In accordance with Section 41 (1)(a) of the RAA, the RA will pay 50% of its net surplus to the Fund. The RA reported a net surplus for the year ended March 31, 2016. Government’s 50% portion of the net surplus for the year ended March 31, 2016 is \$48,000 (2015 - \$173,000).

(vii) ACBDA Limited (“ACBDA”)

On December 24, 2014 (date of inception), the Government purchased 100 common shares of ACBDA. The shares are valued at par \$1 each and are held in trust by the Minister of Economic Development.

(viii) Bermuda Casino Gaming Commission (the “BCGC”)

In Note 17 (e) of the March 31, 2015 financial statements, it was indicated that a loan of \$3,760,000 was being extended to the BCGC, with the first payment made on October 19, 2015. During the year ended March 31, 2016, it was determined by the Government that the entire funding amount would instead take the form of a grant, not a loan. As such, the \$3,760,000 will not be repayable to the Government.

15. Bank Overdraft

As at March 31, 2016 the Government had no overdraft facilities in place.

16. Subsequent Events

(a) Hotel Concessions

As of June 2016, the Minister of Tourism Development and Transport tabled four Hotel Concession Orders in the House of Assembly. The orders were approved which resulted in additional Hotel Concession Orders for 2016 over a period of five years. The total value of concessions to be applied in the future against payroll, hotel occupancy and land taxes under this order is conservatively estimated to be \$31,297,000.

(b) Debt Issue

On October 19, 2016, the Government issued debt of \$665 million of 3.717%, 10 year bonds, due January 2027. The proceeds were used to repay the \$200 million, 5.0% loan facility with BNTB, resulting in total interest savings of \$1.8 million. The proceeds were also used to repurchase \$276.1 million of the 5.603%, \$500 million senior notes due 2020, resulting in annual interest savings of approximately \$3.8 million. The net increase in interest bearing debt as a result of the issue was \$188.9 million.

(c) Additional Air Service Agreement

In October 2016, the Government signed an agreement with an additional commercial airline whereby in consideration of providing regular scheduled air service to Bermuda, the Government commits to pay the airline a calculated sum, not to exceed \$552,000, if there is a financial shortfall on the routes.

(d) New QUANGO's

On July 12, 2016, the Bermuda Shipping and Maritime Authority was established by the Bermuda Shipping and Maritime Authority Act 2016. As of October 1, 2016, this new QUANGO commenced operation replacing the Department of Maritime Administration.

On July 12, 2016, the Bermuda Civil Aviation Authority was established by the Bermuda Civil Aviation Authority Act 2016. As of October 1, 2016, this new QUANGO commenced operation replacing the Department of Civil Aviation.

16. Subsequent Events (cont'd)

(e) L. F. Wade International Airport Redevelopment

After several assessments commissioned by the Government, it was concluded that the useful life of the existing airport terminal was nearing expiration. In 2015, the Government entered into an agreement (the “Airport Development Agreement”) with the Canadian Commercial Corporation (“CCC”), a wholly-owned corporation of the Government of Canada, to finance the construction of a new terminal and other renovations. The Government expects that this contract with the CCC will provide Bermuda an efficient and fiscally responsible route to modernizing its airport.

The Government and the CCC have signed a memorandum of understanding, a letter of agreement and the Airport Development Agreement. According to these agreements, the CCC will select a concessionaire for the airport redevelopment who will be responsible for the design, build and financing of a new airport terminal and the related operations and maintenance, including the new terminal and existing facilities, during the concession term, which is expected to be 30 years. After the concession term ends, the operating and maintenance responsibilities will revert to the Government. The Government will also bear ongoing financial responsibility for certain projects during the redevelopment, which will be included in the annual fiscal budget. The airport redevelopment plan aims to improve efficiency of airport operations, airport security, health and safety and expand airport capacity.

17. Comparative Figures

Certain comparative figures have been reclassified to conform to the current year’s presentation.

Government of Bermuda - Consolidated Fund
Schedule 1: Accounts Receivable
As at March 31

	2016	2015
	Actual	Actual
	\$	\$
Office of the Tax Commissioner	219,533,685	197,009,084
Works & Engineering	12,485,762	8,818,394
Registrar of Companies	9,234,286	8,139,506
Fire Services	5,709,801	5,054,760
Judicial Department	5,307,488	4,628,888
Airport Operations	4,478,275	3,696,844
Customs	3,735,119	3,430,238
Accountant General	3,103,311	3,200,888
Civil Aviation	2,645,982	2,499,404
Post Office	2,169,865	2,527,661
Public Lands & Buildings	2,062,738	2,328,746
Department of Health	1,442,165	1,343,349
Office of the Auditor General	1,354,075	724,350
Department of Education	1,133,286	2,008,054
Maritime Administration	1,105,142	921,221
Ministry of Public Works HQ	928,679	943,940
Marine & Ports	710,919	350,201
Environmental Protection	620,917	429,499
Public Transportation	496,007	736,365
Telecommunications	280,047	282,979
Conservation Services	238,728	151,147
Ministry of Finance HQ	235,588	111,327
Ministry of Tourism Dev. & Transport HQ	129,420	116,420
Defence	128,936	128,936
Department of Human Resources	115,332	130,642
Financial Assistance	89,784	63,861
Police	85,606	77,333
Registry General	63,137	51,620
Immigration	45,000	-
Ministry of Health, Seniors & Environment HQ	31,708	31,708
Transport Control Department	26,038	40,471
Ministry of Environment & Planning HQ	10,500	10,500
Tourism	9,589	9,589
Department of Planning	8,964	8,964
Parks	6,166	6,166
Child & Family Services	3,130	2,980
Information Technology Office	2,301	2,301
Libraries	1,164	1,947
E-Commerce	1,046	-
Attorney General's Chambers	877	877
Ministry of Legal Affairs HQ	728	728
Parliamentary Registrar	50	50
Workforce Development	38	38
Ministry of Economic Development HQ	7	-
Youth, Sport & Recreation	-	180
Department of Corrections	-	(209)
	279,771,386	250,021,947
Less: Provision for Doubtful Accounts	116,319,174	109,924,661
	163,452,212	140,097,286

Government of Bermuda - Consolidated Fund
Schedule 2: Inventories for Consumption
As at March 31

	2016	2015
	Actual	Actual
	\$	\$
Ministry of Public Works HQ	4,433,210	3,151,170
Public Transportation	3,748,675	4,051,683
Works & Engineering	2,936,983	2,674,279
Marine & Ports	2,504,960	2,471,003
Police	1,254,111	1,269,471
Department of Education	872,089	898,034
Department of Corrections	352,204	391,545
Department of Health	315,422	285,096
Immigration	104,946	261,284
Conservation Services	87,554	76,461
Post Office	81,156	79,657
Defence	54,459	54,459
Public Lands & Buildings	-	114,887
	16,745,769	15,779,029
Less: Provision for Obsolescence	1,995,579	1,990,030
	14,750,190	13,788,999

Government of Bermuda - Consolidated Fund
Schedule 3: Due From Government Funds and Agencies
As at March 31

	2016	2015
	Actual	Actual
	\$	\$
Government Employees Health Insurance Fund	26,050,055	24,605,455
Regulatory Authority	3,363,683	3,338,279
Bermuda Hospitals Board	3,294,511	3,078,949
Contributory Pension Fund	3,149,210	3,153,326
Public Service Superannuation Fund (Note 9(b))	2,754,002	-
Bermuda Monetary Authority	1,221,758	1,239,020
Golf Courses	840,286	821,853
Confiscated Assets Fund	793,144	752,084
West End Development Corporation	321,897	323,314
Government Reserves Fund	268,490	268,490
Bermuda College	203,273	193,204
CedarBridge Academy	108,544	99,660
Bermuda Land Development Company	90,225	94,321
Bermuda Deposit Insurance Corporation	73,987	-
Bermuda Housing Corporation	59,639	86,103
Bermuda Economic Development Corporation	29,075	28,468
Financial Intelligence Agency	25,810	-
Parish Councils	21,213	17,809
Berkeley Institute	20,056	38,816
Bermuda Health Council	20,000	30,632
Pension Commission	9,762	9,262
Whitney Institute	3,761	4,531
St. George's Preparatory School	1,795	1,723
Bermuda Housing Trust	767	-
Unemployment Insurance Fund (Note 7)	201	-
Pembroke Parish Council	-	99,852
	42,725,144	38,285,151
Less: Provision for Doubtful Accounts	-	-
	42,725,144	38,285,151

Government of Bermuda - Consolidated Fund
Schedule 3(a): Due to Government Funds and Agencies

As at March 31	2016	2015
	Actual	Actual
	\$	\$
Ministers and Members of the Legislature Pensions Fund (Note 9(b))	13,004,038	13,012,088
Department of Tourism North American Retirement Plan	197,175	197,175
Bermuda Hospitals Board	94,085	1,123,793
West End Development Corporation	6,981	6,981
Bermuda Land Development Company	5,142	5,142
Bermuda Economic Development Corporation	3,800	3,800
Golf Courses	1,943	1,943
Bermuda College	1,672	70,149
Bermuda Housing Corporation	400	400
Public Service Superannuation Fund (Note 9(b))	-	7,275,843
	13,315,236	21,697,314

Government of Bermuda - Consolidated Fund
Schedule 4: Long-Term Receivables
As at March 31

	2016	2015
	Actual	Actual
	\$	\$
Student Loans and Teacher Training Awards	1,183,200	522,375
Customs Duty	451,288	380,533
	1,634,488	902,908

Government of Bermuda - Consolidated Fund
Schedule 5: Accounts Payable and Accrued Liabilities

As at March 31	2016	2015
	Actual	Actual
	\$	\$
Department Trade Accounts	35,814,471	36,417,032
Base Lands Clean Up (Note 10(c))	34,435,975	36,820,519
Interest on Debt	25,927,818	25,617,116
Deposits Held	20,428,088	19,691,226
Employees' Leave Entitlements	16,281,952	18,378,103
Teachers' Salaries & Leave Entitlements	8,446,019	9,717,001
Guarantee Payable to WEDCO (Note 10(a)(ii))	1,428,574	2,857,145
Salaries, Wages and Benefits	862,192	2,348,560
Leases Payable	180,582	326,811
	143,805,671	152,173,513

Government of Bermuda - Consolidated Fund
Schedule 6: Deferred Revenue
As at March 31

	2016	2015
	Actual	Actual
	\$	\$
Civil Aviation	2,097,695	929,585
Post Office	363,708	302,392
Department of Health	122,971	106,507
Environmental Protection	118,894	118,790
Public Lands & Buildings	90,816	90,816
Youth, Sport & Recreation	15,948	13,256
Office of the Tax Commissioner	5,000	5,000
Accountant General	836	-
Home Affairs	540	-
Immigration	-	7,103,923
Parks	-	65,352
	2,816,408	8,735,621

Government of Bermuda - Consolidated Fund
Schedule 7: Interest Bearing Debt - Net of Sinking Fund
As at March 31

	2016	2015
	Actual	Actual
	\$	\$
Senior Notes Due 2016 - US\$		
Issue Date: May 21, 2009		
Interest: 6.98% payable semi-annually May 21 and November 21		
Notes Due: May 21, 2016	30,000,000	30,000,000
Senior Notes Due 2016 - US\$		
Issue Date: November 10, 2009		
Interest: 5.27% payable semi-annually November 10 and May 10		
Notes Due: November 10, 2016	60,000,000	60,000,000
BNTB Loan Due July 2017 - US\$		
Issue Date: July 20, 2015		
Interest: 4.75% payable monthly Last business day of the month		
Loan Due: July 31, 2017	150,000,000	-
Senior Notes Due 2019 - US\$		
Issue Date: May 21, 2009		
Interest: 7.38% payable semi-annually May 21 and November 21		
Notes Due: May 21, 2019	100,000,000	100,000,000
Senior Notes Due 2019 - US\$		
Issue Date: November 10, 2009		
Interest: 5.93% payable semi-annually November 10 and May 10		
Notes Due: November 10, 2019	80,000,000	80,000,000
Senior Notes Due 2020 - US\$		
Issue Date: July 13, 2010		
Interest: 5.603% payable semi-annually January 20 and July 20		
Notes Due: July 20, 2020	500,000,000	500,000,000
Senior Notes Due 2022 - US\$		
Issue Date: December 4, 2007		
Interest: 5.73% payable semi-annually June 4 and December 4		
Notes Due: December 4, 2022	140,000,000	140,000,000

Government of Bermuda - Consolidated Fund
Schedule 7: Interest Bearing Debt - Net of Sinking Fund (cont'd)
As at March 31

	2016	2015
	Actual	Actual
	\$	\$
Senior Notes Due 2023 - US\$		
Issue Date: July 3, 2012		
Interest: 4.138% payable semi-annually January 3 and July 3		
Notes Due: January 3, 2023	475,000,000	475,000,000
Senior Notes Due 2023 - BMD\$		
Issue Date: December 16, 2013		
Interest: 4.75% payable semi-annually June 16 and December 16		
Notes Due: December 16, 2023	50,000,000	50,000,000
Senior Notes Due 2024 - US\$		
Issue Date: August 6, 2013		
Interest: 4.854% payable semi-annually February 6 and August 6		
Notes Due: February 6, 2024	750,000,000	750,000,000
	2,335,000,000	2,185,000,000
Less: Sinking Fund (Note 5)	117,274,389	135,347,558
	2,217,725,611	2,049,652,442

Government of Bermuda - Consolidated Fund
Schedule 8: Revenue By Type
For the year ended March 31

	2016 Original Estimates	2016 Actual	2015 Actual
	\$	\$	\$
Taxes & Duties			
Payroll Tax	353,363,000	361,135,536	326,859,202
Customs Duty	187,409,000	192,593,226	171,469,468
Land Tax	63,186,000	67,068,082	61,101,087
Passenger Tax	42,294,000	40,794,380	32,908,276
	646,252,000	661,591,224	592,338,033
Other Taxes & Duties			
Stamp Duty	21,500,000	25,215,554	23,884,966
Foreign Currency Purchase Tax	21,000,000	19,628,127	20,069,213
Hotel Occupancy Tax	11,000,000	10,337,484	9,186,517
Non-Bermudian Land Acquisition Tax	9,983,000	6,914,789	5,492,550
Corporate Services Tax	5,467,000	5,919,034	4,444,107
Betting Tax	1,075,000	1,637,786	1,668,325
Timesharing Tax	110,000	173,344	163,759
	70,135,000	69,826,118	64,909,437
Total Taxes & Duties	716,387,000	731,417,342	657,247,470
Fees, Permits & Licences			
International Companies	60,820,000	60,074,386	62,775,686
Vehicle Licences & Registration	27,230,000	29,030,678	46,151,930
Registration of Aircraft	26,884,000	25,872,268	38,400,391
Immigration	10,662,000	22,159,934	12,281,347
Air Terminal & Aviation	10,698,000	12,508,016	9,914,899
Telecommunications	12,260,000	11,542,127	10,594,610
Bus Transportation	7,881,000	8,741,726	7,628,244
Registration of Shipping	4,791,000	4,611,604	5,332,168
Solid Waste Services	4,471,000	4,550,956	3,661,520
Postal Services	4,730,000	4,466,331	4,222,293
Water	3,500,000	3,900,523	3,574,926
Services to Seaborne Shipping	2,660,000	2,885,317	2,632,984
Local Companies	2,800,000	2,787,164	2,666,328
Trade and Service Mark	1,653,000	1,818,414	1,770,126
Other Customs Fees & Charges	2,100,000	1,803,757	2,160,975
Rentals	1,667,000	1,655,424	2,826,493
Ferry Services	1,825,000	1,314,996	1,484,298
Planning Fees and Searches	955,000	992,907	1,100,029
Wharfage	750,000	730,192	638,918
Companies Licences	610,000	660,113	574,032
Liquor Licences	50,000	384,928	310,945
Plant Production and Marketing Centre	274,000	196,456	172,119
	189,271,000	202,688,217	220,875,261
Other Revenue			
Other	21,070,000	22,306,454	20,095,470
Fines & Forfeitures	3,570,000	3,394,265	2,969,712
	24,640,000	25,700,719	23,065,182
Investment Income	1,000,000	911,946	2,553,694
	25,640,000	26,612,665	25,618,876
TOTAL REVENUE	931,298,000	960,718,224	903,741,607

Government of Bermuda - Consolidated Fund
Schedule 9: Revenue By Ministry / Department
For the year ended March 31

	2016 Original Estimates	2016 Actual	2015 Actual
	\$	\$	\$
Non-Ministry Departments			
05 Office of the Auditor General	700,000	1,211,355	728,033
63 Parliamentary Registrar	325,000	358,403	324,253
01 Governor & Staff	-	1,458	1,200
02 Legislature	-	900	-
92 Internal Audit	-	848	583
	1,025,000	1,572,964	1,054,069
Cabinet Office Departments			
96 Sustainable Development	-	-	4,358
26 Department of Human Resources	-	-	1,170
14 Department of Statistics	-	1,282	274
09 Cabinet Office	-	161	120
	-	1,443	5,922
Ministry of Tourism Development & Transport			
34 Transport Control Department	27,234,000	29,152,072	46,272,470
57 Civil Aviation	26,933,000	25,893,098	38,436,931
31 Airport Operations	10,818,000	12,635,892	10,030,149
35 Public Transportation	7,906,000	8,807,497	7,672,483
30 Marine & Ports	5,860,000	5,529,087	5,506,344
73 Maritime Administration	4,791,000	4,849,403	5,409,116
48 Ministry of Tourism Dev. & Transport HQ	-	405,165	647,000
33 Tourism	-	-	59,768
	83,542,000	87,272,214	114,034,261
Ministry of Legal Affairs			
03 Judicial Department	7,134,000	7,966,713	8,255,594
04 Attorney General's Chambers	-	100,270	2,775
87 Ministry of Legal Affairs HQ	-	57,594	5,626
74 Department of Court Services	-	1,250	-
	7,134,000	8,125,827	8,263,995
Ministry of Finance			
38 Office of the Tax Commissioner	516,495,000	527,965,758	475,680,586
11 Accountant General	1,000,000	3,448,291	2,736,077
10 Ministry of Finance HQ	1,846,000	2,011,785	3,558,103
28 Social Insurance	-	150	-
	519,341,000	533,425,984	481,974,766
Ministry of Education			
17 Department of Education	230,000	149,937	336,533
	230,000	149,937	336,533
Ministry of Health, Seniors & Environment			
22 Department of Health	3,431,000	3,502,692	3,486,094
72 Environmental Protection	940,000	1,246,595	1,437,024
69 Conservation Services	650,000	492,485	385,350
21 Ministry of Health, Seniors & Environment HQ	17,000	127,855	89,393
91 Health Insurance	-	7,000	10,471
	5,038,000	5,376,627	5,408,332

Government of Bermuda - Consolidated Fund
Schedule 9: Revenue By Ministry / Department (cont'd)
For the year ended March 31

	2016 Original Estimates	2016 Actual	2015 Actual
	\$	\$	\$
Ministry of Economic Development			
39 Registrar of Companies	65,030,000	64,054,479	66,593,549
46 Telecommunications	12,575,000	11,590,127	10,799,495
67 E-Commerce	-	125	-
95 Min. of Economic Development HQ	-	-	13,758
	77,605,000	75,644,731	77,406,802
Ministry of Community, Culture & Sports			
20 Youth, Sport & Recreation	586,000	637,406	706,726
23 Child & Family Services	176,000	168,760	87,175
52 Community & Cultural Affairs	121,000	65,646	142,956
18 Libraries	16,000	14,090	12,123
19 Archives	2,000	1,886	3,352
	901,000	887,788	952,332
Ministry of National Security			
12 Customs	190,938,000	196,237,863	174,820,682
13 Post Office	4,657,000	4,437,551	4,174,936
07 Police	350,000	1,217,328	521,390
45 Fire Services	8,000	667,692	651,001
06 Defence	-	1,530	3,266
88 National Drug Control	12,000	1,000	-
25 Department of Corrections	-	450	200
	195,965,000	202,563,414	180,171,475
Ministry of Home Affairs			
27 Immigration	20,644,000	29,227,223	17,773,776
29 Registry General	2,492,000	2,085,194	1,987,172
32 Department of Planning	1,114,000	1,196,202	1,311,520
93 Ministry of Home Affairs HQ	414,000	1,011,004	17,290
60 Workforce Development	20,000	1,907	502
42 Rent Commissioner	-	-	38
	24,684,000	33,521,530	21,090,298
Ministry of Public Works			
82 Works & Engineering	13,032,000	10,462,067	10,276,471
81 Public Lands & Buildings	1,500,000	1,533,183	2,513,369
68 Parks	48,000	149,684	222,105
36 Ministry of Public Works HQ	104,000	30,271	28,897
49 Land Valuation	5,000	545	530
97 Land, Surveys & Registration	1,144,000	15	1,450
	15,833,000	12,175,765	13,042,822
TOTAL REVENUE	931,298,000	960,718,224	903,741,607

Government of Bermuda - Consolidated Fund
Schedule 9(a): Interdepartmental Revenue By Ministry / Department
For the year ended March 31

	2016 Interdepartmental Revenue	2016 Gross Revenue Actual	2016 Net Revenue
	\$	\$	\$
Non-Ministry Departments			
05 Office of the Auditor General	-	1,211,355	1,211,355
63 Parliamentary Registrar	-	358,403	358,403
01 Governor & Staff	-	1,458	1,458
02 Legislature	-	900	900
92 Internal Audit	-	848	848
	-	1,572,964	1,572,964
Cabinet Office Departments			
14 Department of Statistics	-	1,282	1,282
09 Cabinet Office	-	161	161
	-	1,443	1,443
Ministry of Tourism Development & Transport			
34 Transport Control Department	-	29,152,072	29,152,072
57 Civil Aviation	-	25,893,098	25,893,098
31 Airport Operations	56,268	12,635,892	12,579,624
35 Public Transportation	221,083	8,807,497	8,586,414
30 Marine & Ports	5,744	5,529,087	5,523,343
73 Maritime Administration	-	4,849,403	4,849,403
48 Ministry of Tourism Dev. & Transport HQ	-	405,165	405,165
	283,095	87,272,214	86,989,119
Ministry of Legal Affairs			
03 Judicial Department	700	7,966,713	7,966,013
04 Attorney General's Chambers	-	100,270	100,270
87 Ministry of Legal Affairs HQ	-	57,594	57,594
74 Court Services	-	1,250	1,250
	700	8,125,827	8,125,127
Ministry of Finance			
38 Office of the Tax Commissioner	-	527,965,758	527,965,758
11 Accountant General	-	3,448,291	3,448,291
10 Ministry of Finance HQ	-	2,011,785	2,011,785
28 Social Insurance	-	150	150
	-	533,425,984	533,425,984
Ministry of Education			
17 Department of Education	1,317	149,937	148,620
	1,317	149,937	148,620
Ministry of Health, Seniors & Environment			
22 Department of Health	250,831	3,502,692	3,251,861
72 Environmental Protection	4,785	1,246,595	1,241,810
69 Conservation Services	-	492,485	492,485
21 Ministry of Health, Seniors & Environment HQ	6,600	127,855	121,255
91 Health Insurance	-	7,000	7,000
	262,216	5,376,627	5,114,411

Government of Bermuda - Consolidated Fund
Schedule 9(a): Interdepartmental Revenue By Ministry / Department (cont'd)
For the year ended March 31

	2016 Interdepartmental Revenue	2016 Gross Revenue Actual	2016 Net Revenue
	\$	\$	\$
Ministry of Economic Development			
39 Registrar of Companies	-	64,054,479	64,054,479
46 Telecommunications	-	11,590,127	11,590,127
67 E-Commerce	-	125	125
	-	75,644,731	75,644,731
Ministry of Community, Culture & Sports			
20 Youth, Sport & Recreation	10,440	637,406	626,966
23 Child & Family Services	-	168,760	168,760
52 Community & Cultural Affairs	60	65,646	65,586
18 Libraries	-	14,090	14,090
19 Archives	-	1,886	1,886
	10,500	887,788	877,288
Ministry of National Security			
12 Customs	905,407	196,237,863	195,332,456
13 Post Office	4,365	4,437,551	4,433,186
07 Police	3,307	1,217,328	1,214,021
45 Fire Services	1,200	667,692	666,492
06 Defence	-	1,530	1,530
25 Department of Corrections	-	450	450
	914,279	202,563,414	201,649,135
Ministry of Home Affairs			
27 Immigration	6,466	29,227,223	29,220,757
29 Registry General	3,279	2,085,194	2,081,915
32 Department of Planning	23,895	1,196,202	1,172,307
93 Ministry of Home Affairs HQ	540	1,011,004	1,010,464
60 Workforce Development	-	1,907	1,907
	34,180	33,521,530	33,487,350
Ministry of Public Works			
82 Works & Engineering	456,989	10,462,067	10,005,078
81 Public Lands & Buildings	104,541	1,533,183	1,428,642
68 Parks	-	149,684	149,684
36 Ministry of Public Works HQ	-	30,271	30,271
49 Land Valuation	-	545	545
97 Land, Surveys & Registration	-	15	15
	561,530	12,175,765	11,614,235
TOTAL REVENUE	2,067,817	960,718,224	958,650,407

Government of Bermuda - Consolidated Fund
Schedule 10: Expenses By Program
For the year ended March 31

	2016 Capital Development	2016 Capital Acquisition	2016 Current Expenses	2016 Total Actual	2015 Total Actual
	\$	\$	\$	\$	\$
Economic Development					
11 Accountant General	-	10,835	80,495,473	80,506,308	77,793,548
82 Works & Engineering	3,345,333	-	46,512,311	49,857,644	50,877,976
81 Public Lands & Buildings	4,243,901	4,874	37,751,829	42,000,604	37,746,663
48 Ministry of Tourism Dev. & Transport HQ	1,294	-	27,155,658	27,156,952	26,939,315
31 Airport Operations	935,188	22,314	23,639,377	24,596,879	25,598,666
35 Public Transportation	-	329,344	21,546,661	21,876,005	24,683,019
30 Marine & Ports	-	125,969	21,524,404	21,650,373	22,979,951
12 Customs	-	16,274	17,375,038	17,391,312	17,923,384
95 Ministry of Economic Development HQ	4,874,000	-	11,470,801	16,344,801	12,317,375
13 Post Office	-	23,981	10,146,894	10,170,875	11,445,628
36 Ministry of Public Works HQ	2,127,194	403,402	6,512,407	9,043,003	14,933,659
43 Information Technology Office	-	1,132,946	7,070,382	8,203,328	9,335,878
57 Civil Aviation	-	6,365	7,363,850	7,370,215	8,176,792
34 Transport Control Department	-	-	6,053,112	6,053,112	6,311,704
10 Ministry of Finance HQ	-	30,000	4,409,091	4,439,091	5,489,829
93 Ministry of Home Affairs HQ	-	-	4,080,813	4,080,813	4,054,300
05 Office of the Auditor General	-	-	3,111,519	3,111,519	3,806,373
73 Maritime Administration	-	9,389	2,985,120	2,994,509	2,844,703
38 Office of the Tax Commissioner	-	20,515	2,936,612	2,957,127	7,167,791
32 Department of Planning	-	11,787	2,683,992	2,695,779	2,896,348
39 Registrar of Companies	-	-	1,902,556	1,902,556	3,640,761
29 Registry General	-	10,000	1,409,330	1,419,330	1,633,886
97 Land, Surveys & Registration	-	-	1,200,726	1,200,726	1,322,021
46 Telecommunications	-	-	938,639	938,639	785,498
84 E-Government	-	95,392	832,892	928,284	1,245,732
67 E-Commerce	-	-	886,052	886,052	749,303
89 Energy	-	-	858,571	858,571	789,920
49 Land Valuation	-	-	748,270	748,270	716,289
80 Project Management & Procurement	2,402	-	678,213	680,615	764,975
96 Sustainable Development	-	-	389,346	389,346	373,295
94 Ministry of Economy, Trade & Industry HQ	-	-	-	-	943
	15,529,312	2,253,387	354,669,939	372,452,638	385,345,525
Health					
24 Hospitals	120,000	-	147,995,140	148,115,140	148,982,105
22 Department of Health	4,877	-	24,364,794	24,369,671	25,725,841
21 Ministry of Health, Seniors & Environment HQ	-	-	12,876,752	12,876,752	14,475,399
28 Social Insurance	-	-	6,782,490	6,782,490	7,292,441
91 Health Insurance	-	3,900	1,042,580	1,046,480	743,750
	124,877	3,900	193,061,756	193,190,533	197,219,536
National Security					
07 Police	8,656	115,394	65,805,982	65,930,032	68,533,900
25 Department of Corrections	12,442	19,116	24,817,794	24,849,352	24,973,666
45 Fire Services	-	129,925	14,560,472	14,690,397	14,399,271
03 Judicial Department	-	12,022	7,343,543	7,355,565	8,068,027
06 Defence	141,546	46,907	7,163,765	7,352,218	8,251,239
87 Ministry of Legal Affairs HQ	-	13,864	5,831,680	5,845,544	7,087,770
27 Immigration	-	73,911	4,970,731	5,044,642	5,026,822
04 Attorney General's Chambers	-	2,423	4,317,983	4,320,406	3,915,024
74 Department of Court Services	-	1,886	3,915,613	3,917,499	3,735,854
75 Department of Public Prosecutions	-	5,055	2,792,715	2,797,770	2,688,864
83 Ministry of National Security HQ	24,950	-	1,343,512	1,368,462	1,485,956
	187,594	420,503	142,863,790	143,471,887	148,166,393
Education					
17 Department of Education	492,132	593,276	108,729,262	109,814,670	113,114,955
41 Bermuda College	-	-	16,008,136	16,008,136	16,850,670
60 Workforce Development	-	135,325	4,025,398	4,160,723	4,357,152
16 Ministry of Education HQ	-	-	1,953,938	1,953,938	-
	492,132	728,601	130,716,734	131,937,467	134,322,777

Government of Bermuda - Consolidated Fund
Schedule 10: Expenses By Program (cont'd)
For the year ended March 31

	2016 Capital Development	2016 Capital Acquisition	2016 Current Expenses	2016 Total Actual	2015 Total Actual
	\$	\$	\$	\$	\$
Interest on Debt					
58 Interest on Debt	-	-	116,217,365	116,217,365	113,222,504
	-	-	116,217,365	116,217,365	113,222,504
Social Services & Assistance					
55 Financial Assistance	-	1,275	54,606,409	54,607,684	51,964,024
23 Child & Family Services	-	-	13,341,123	13,341,123	15,551,393
53 Bermuda Housing Corporation	2,160,000	-	6,050,000	8,210,000	7,440,000
88 National Drug Control	-	13,000	4,164,580	4,177,580	5,062,651
52 Community & Cultural Affairs	-	-	2,509,330	2,509,330	2,624,726
71 Ministry of Community, Culture and Sports HQ	-	-	2,257,190	2,257,190	2,689,289
42 Rent Commissioner	-	-	-	-	454,744
	2,160,000	14,275	82,928,632	85,102,907	85,786,827
Other General Government Services					
68 Parks	297,476	17,634	9,205,559	9,520,669	9,448,263
20 Youth, Sport & Recreation	-	-	9,171,519	9,171,519	11,675,468
09 Cabinet Office	-	-	5,907,573	5,907,573	6,075,981
02 Legislature	10,111	-	4,810,833	4,820,944	4,823,753
69 Conservation Services	97,648	-	4,412,919	4,510,567	4,664,824
72 Environmental Protection	53,808	1,710	3,753,003	3,808,521	3,456,890
26 Department of Human Resources	-	32,790	2,963,196	2,995,986	3,811,689
51 Department of Communication & Information	-	3,848	2,247,281	2,251,129	2,295,324
14 Department of Statistics	-	-	2,202,088	2,202,088	2,552,001
18 Libraries	-	5,998	1,762,766	1,768,764	2,130,858
01 Governor & Staff	-	-	1,440,908	1,440,908	1,485,179
56 Human Affairs	-	7,799	1,324,648	1,332,447	1,992,826
19 Archives	-	41,929	1,227,826	1,269,755	1,279,509
92 Internal Audit	-	-	1,261,357	1,261,357	1,481,236
63 Parliamentary Registrar	-	4,006	1,018,659	1,022,665	950,960
85 Ombudsman's Office	-	-	851,112	851,112	755,711
98 Information Commissioner's Office	-	-	503,773	503,773	-
	459,043	115,714	54,065,020	54,639,777	58,880,472
Pensions and Other Employee Future Benefits					
Pensions and Retirement Benefits Expense	-	-	79,047,835	79,047,835	104,764,248
	-	-	79,047,835	79,047,835	104,764,248
TOTAL EXPENSES	18,952,958	3,536,380	1,153,571,071	1,176,060,409	1,227,708,282

Government of Bermuda - Consolidated Fund
Schedule 10(a): Current Expenses By Type
For the year ended March 31

	2016 Original Estimates	2016 Actual	2015 Actual
	\$	\$	\$
Employees			
Salaries	303,022,000	295,881,467	301,987,772
Pensions and Retirement Benefits Expense	-	78,102,509	104,635,075
Wages	70,392,000	75,909,524	81,259,953
Employer Overhead	67,895,000	74,457,094	71,474,428
Other Personnel Costs	6,146,000	5,238,295	5,460,322
Training	3,603,000	1,867,324	2,104,302
Compensated Absences	-	945,326	129,173
	451,058,000	532,401,539	567,051,025
Operations			
Grants & Contributions	291,400,000	298,204,476	296,390,380
Interest on Debt	117,619,000	116,220,689	113,222,504
Professional Services	61,706,000	58,949,432	68,783,923
Amortization (Note 4(b)(v))	-	46,735,105	53,692,780
Materials & Supplies	22,772,000	17,201,248	22,654,861
Repairs & Maintenance	20,462,000	17,046,228	18,341,942
Energy	18,539,000	16,139,652	18,063,501
Rentals	15,145,000	13,665,371	15,507,099
Insurance	9,185,000	11,731,257	9,020,404
Communications	8,038,000	6,458,080	7,170,781
Bad Debts	-	6,173,307	6,121,942
Transport	3,753,000	3,624,904	4,757,113
Advertising & Promotion	2,088,000	2,813,286	3,554,358
Travel	3,684,000	2,619,838	2,818,312
Bank Charges & Commissions	-	1,335,716	1,361,749
Other	3,261,000	1,053,562	712,862
Clothing & Uniforms	1,140,000	785,974	1,702,949
Equipment	513,000	411,407	370,819
Transfer to Other Funds (Note 4(b)(iii))	52,250,000	-	-
	631,555,000	621,169,532	644,248,279
TOTAL CURRENT EXPENSES	1,082,613,000	1,153,571,071	1,211,299,304

Government of Bermuda - Consolidated Fund
Schedule 10(b): Current Expenses By Ministry / Department
For the year ended March 31

	2016 Original Estimates	2016 Actual	2015 Actual
	\$	\$	\$
Non-Ministry Departments			
02 Legislature	4,946,000	4,810,833	4,785,294
05 Office of the Auditor General	3,572,000	3,111,519	3,805,246
01 Governor & Staff	1,409,000	1,440,908	1,485,179
92 Internal Audit	1,576,000	1,261,357	1,481,236
63 Parliamentary Registrar	1,221,000	1,018,659	945,714
85 Ombudsman's Office	910,000	851,112	755,711
98 Information Commissioner's Office	666,000	503,773	-
	14,300,000	12,998,161	13,258,380
Cabinet Office Departments			
43 Information Technology Office	6,304,000	7,070,382	7,945,112
09 Cabinet Office	6,296,000	5,907,573	6,075,981
26 Department of Human Resources	3,884,000	2,963,196	3,811,689
51 Department of Communication & Information	2,420,000	2,247,281	2,295,324
14 Department of Statistics	2,555,000	2,202,088	2,552,001
84 E-Government	1,022,000	832,892	1,115,757
80 Project Management & Procurement	868,000	678,213	764,593
96 Sustainable Development	477,000	389,346	373,295
	23,826,000	22,290,971	24,933,752
Ministry of Tourism Development & Transport			
48 Ministry of Tourism Dev. & Transport HQ	23,510,000	27,155,658	26,874,508
31 Airport Operations	19,331,000	23,639,377	23,842,956
35 Public Transportation	18,049,000	21,546,661	23,861,347
30 Marine & Ports	19,727,000	21,524,404	22,769,805
57 Civil Aviation	9,007,000	7,363,850	8,136,680
34 Transport Control Department	5,202,000	6,053,112	6,309,388
73 Maritime Administration	2,435,000	2,985,120	2,844,703
	97,261,000	110,268,182	114,639,387
Ministry of Legal Affairs			
03 Judicial Department	8,198,000	7,343,543	8,051,622
87 Ministry of Legal Affairs HQ	5,119,000	5,831,680	7,073,864
04 Attorney General's Chambers	4,343,000	4,317,983	3,914,379
74 Department of Court Services	4,255,000	3,915,613	3,735,854
75 Department of Public Prosecutions	3,097,000	2,792,715	2,687,105
	25,012,000	24,201,534	25,462,824
Ministry of Finance			
58 Interest on Debt	117,619,000	116,217,365	113,222,504
11 Accountant General	76,541,000	80,495,473	77,769,640
Pensions and Retirement Benefits Expense	-	79,047,835	104,764,248
28 Social Insurance	6,016,000	6,782,490	7,292,441
10 Ministry of Finance HQ	4,407,000	4,409,091	5,459,829
38 Office of the Tax Commissioner	3,126,000	2,936,612	7,164,113
59 Sinking Fund Contribution	52,250,000	-	-
	259,959,000	289,888,866	315,672,775
Ministry of Education			
17 Department of Education	109,902,000	108,729,262	112,203,371
41 Bermuda College	16,008,000	16,008,136	16,850,670
16 Ministry of Education HQ	1,220,000	1,953,938	-
	127,130,000	126,691,336	129,054,041
Ministry of Health, Seniors & Environment			
24 Hospitals	146,835,000	147,995,140	147,862,105
22 Department of Health	27,066,000	24,364,794	25,703,827
21 Ministry of Health, Seniors & Environment HQ	13,345,000	12,876,752	14,475,399
69 Conservation Services	4,638,000	4,412,919	4,509,039
72 Environmental Protection	3,776,000	3,753,003	3,392,060
91 Health Insurance	1,040,000	1,042,580	743,750
	196,700,000	194,445,188	196,686,180

Government of Bermuda - Consolidated Fund
Schedule 10(b): Current Expenses By Ministry / Department (cont'd)
For the year ended March 31

	2016 Original Estimates	2016 Actual	2015 Actual
	\$	\$	\$
Ministry of Economic Development			
95 Ministry of Economic Development HQ	12,253,000	11,470,801	9,240,775
39 Registrar of Companies	2,845,000	1,902,556	3,406,294
46 Telecommunications	1,083,000	938,639	785,498
67 E-Commerce	914,000	886,052	749,303
89 Energy	988,000	858,571	789,920
	18,083,000	16,056,619	14,971,790
Ministry of Community, Culture & Sports			
55 Financial Assistance	49,131,000	54,606,409	51,964,024
23 Child & Family Services	14,909,000	13,341,123	15,531,276
20 Youth, Sport & Recreation	9,541,000	9,171,519	10,524,818
52 Community & Cultural Affairs	3,081,000	2,509,330	2,624,726
71 Ministry of Community, Culture and Sports HQ	2,420,000	2,257,190	2,687,889
18 Libraries	1,951,000	1,762,766	2,123,733
56 Human Affairs	1,862,000	1,324,648	1,989,480
19 Archives	1,307,000	1,227,826	1,279,509
	84,202,000	86,200,811	88,725,455
Ministry of National Security			
07 Police	64,423,000	65,805,982	68,092,026
25 Department of Corrections	24,866,000	24,817,794	24,515,671
12 Customs	17,267,000	17,375,038	17,923,384
45 Fire Services	13,109,000	14,560,472	14,399,271
13 Post Office	11,192,000	10,146,894	11,432,246
06 Defence	6,948,000	7,163,765	8,123,375
88 National Drug Control	3,921,000	4,164,580	5,062,561
83 Ministry of National Security HQ	1,360,000	1,343,512	1,437,506
	143,086,000	145,378,037	150,986,040
Ministry of Home Affairs			
27 Immigration	4,475,000	4,970,731	4,981,895
93 Ministry of Home Affairs HQ	4,951,000	4,080,813	4,054,300
60 Workforce Development	4,776,000	4,025,398	4,341,981
32 Department of Planning	3,149,000	2,683,992	2,879,444
29 Registry General	1,840,000	1,409,330	1,633,886
42 Rent Commissioner	-	-	454,744
	19,191,000	17,170,264	18,346,250
Ministry of Public Works			
82 Works & Engineering	30,165,000	46,512,311	48,966,211
81 Public Lands & Buildings	20,522,000	37,751,829	37,241,211
68 Parks	9,644,000	9,205,559	9,366,799
36 Ministry of Public Works HQ	5,301,000	6,512,407	13,509,281
53 Bermuda Housing Corporation	6,050,000	6,050,000	7,440,000
97 Land, Surveys & Registration	1,371,000	1,200,726	1,322,021
49 Land Valuation	810,000	748,270	715,964
	73,863,000	107,981,102	118,561,487
Ministry of Economy, Trade and Industry			
94 Ministry of Economy, Trade and Industry HQ	-	-	943
	-	-	943
TOTAL CURRENT EXPENSES	1,082,613,000	1,153,571,071	1,211,299,304

Government of Bermuda - Consolidated Fund
Schedule 10(c): Interdepartmental Current Expenses By Ministry/Department
For the year ended March 31

	2016 Interdepartmental Expense	2016 Actual Gross Expense	2016 Net Expense
	\$	\$	\$
Non-Ministry Departments			
02 Legislature	1,660	4,810,833	4,809,173
05 Office of the Auditor General	240	3,111,519	3,111,279
01 Governor & Staff	8,618	1,440,908	1,432,290
92 Internal Audit	-	1,261,357	1,261,357
63 Parliamentary Registrar	1,620	1,018,659	1,017,039
85 Ombudsman's Office	1,085	851,112	850,027
98 Information Commissioner's Office	120	503,773	503,653
	13,343	12,998,161	12,984,818
Cabinet Office Departments			
43 Information Technology Office	3,557	7,070,382	7,066,825
09 Cabinet Office	2,359	5,907,573	5,905,214
26 Department of Human Resources	-	2,963,196	2,963,196
51 Department of Communication & Information	1,396	2,247,281	2,245,885
14 Department of Statistics	180	2,202,088	2,201,908
84 E-Government	-	832,892	832,892
80 Project Management & Procurement	-	678,213	678,213
96 Sustainable Development	60	389,346	389,286
	7,552	22,290,971	22,283,419
Ministry of Tourism Development & Transport			
48 Ministry of Tourism Dev. & Transport HQ	3,729	27,155,658	27,151,929
31 Airport Operations	7,242	23,639,377	23,632,135
35 Public Transportation	211,017	21,546,661	21,335,644
30 Marine & Ports	178,120	21,524,404	21,346,284
57 Civil Aviation	180	7,363,850	7,363,670
34 Transport Control Department	25,096	6,053,112	6,028,016
73 Maritime Administration	11,428	2,985,120	2,973,692
	436,812	110,268,182	109,831,370
Ministry of Legal Affairs			
03 Judicial Department	220	7,343,543	7,343,323
87 Ministry of Legal Affairs HQ	-	5,831,680	5,831,680
04 Attorney General's Chambers	-	4,317,983	4,317,983
74 Department of Court Services	4,687	3,915,613	3,910,926
75 Department of Public Prosecutions	-	2,792,715	2,792,715
	4,907	24,201,534	24,196,627
Ministry of Finance			
58 Interest on Debt	-	116,217,365	116,217,365
11 Accountant General	248	80,495,473	80,495,225
Pensions and Retirement Benefits Expense	-	79,047,835	79,047,835
28 Social Insurance	244,938	6,782,490	6,537,552
10 Ministry of Finance HQ	-	4,409,091	4,409,091
38 Office of the Tax Commissioner	420	2,936,612	2,936,192
	245,606	289,888,866	289,643,260
Ministry of Education			
17 Department of Education	98,232	108,729,262	108,631,030
41 Bermuda College	-	16,008,136	16,008,136
16 Ministry of Education HQ	-	1,953,938	1,953,938
	98,232	126,691,336	126,593,104
Ministry of Health, Seniors & Environment			
24 Hospitals	-	147,995,140	147,995,140
22 Department of Health	42,246	24,364,794	24,322,548
21 Ministry of Health, Seniors & Environment HQ	18,146	12,876,752	12,858,606
69 Conservation Services	29,265	4,412,919	4,383,654
72 Environmental Protection	1,179	3,753,003	3,751,824
91 Health Insurance	-	1,042,580	1,042,580
	90,836	194,445,188	194,354,352

Government of Bermuda - Consolidated Fund
Schedule 10(c): Interdepartmental Current Expenses By Ministry/Department (cont'd)
For the year ended March 31

	2016 Interdepartmental Expense	2016 Actual Gross Expense	2016 Net Expense
	\$	\$	\$
Ministry of Economic Development			
95 Ministry of Economic Development HQ	-	11,470,801	11,470,801
39 Registrar of Companies	509	1,902,556	1,902,047
46 Telecommunications	-	938,639	938,639
67 E-Commerce	412	886,052	885,640
89 Energy	-	858,571	858,571
	921	16,056,619	16,055,698
Ministry of Community, Culture & Sports			
55 Financial Assistance	2,972	54,606,409	54,603,437
23 Child & Family Services	14,815	13,341,123	13,326,308
20 Youth, Sport & Recreation	172,039	9,171,519	8,999,480
52 Community & Cultural Affairs	16,111	2,509,330	2,493,219
71 Ministry of Community, Culture and Sports HQ	325	2,257,190	2,256,865
18 Libraries	947	1,762,766	1,761,819
56 Human Affairs	21	1,324,648	1,324,627
19 Archives	900	1,227,826	1,226,926
	208,130	86,200,811	85,992,681
Ministry of National Security			
07 Police	79,636	65,805,982	65,726,346
25 Department of Corrections	180,848	24,817,794	24,636,946
12 Customs	13,611	17,375,038	17,361,427
45 Fire Services	31,902	14,560,472	14,528,570
13 Post Office	6,570	10,146,894	10,140,324
06 Defence	15,950	7,163,765	7,147,815
88 National Drug Control	3,711	4,164,580	4,160,869
83 Ministry of National Security HQ	2,312	1,343,512	1,341,200
	334,540	145,378,037	145,043,497
Ministry of Home Affairs			
27 Immigration	1,576	4,970,731	4,969,155
93 Ministry of Home Affairs HQ	-	4,080,813	4,080,813
60 Workforce Development	291	4,025,398	4,025,107
32 Department of Planning	50	2,683,992	2,683,942
29 Registry General	-	1,409,330	1,409,330
	1,917	17,170,264	17,168,347
Ministry of Public Works			
82 Works & Engineering	4,973	46,512,311	46,507,338
81 Public Lands & Buildings	7,432	37,751,829	37,744,397
68 Parks	101,704	9,205,559	9,103,855
36 Ministry of Public Works HQ	510,707	6,512,407	6,001,700
53 Bermuda Housing Corporation	-	6,050,000	6,050,000
97 Land, Surveys & Registration	85	1,200,726	1,200,641
49 Land Valuation	120	748,270	748,150
	625,021	107,981,102	107,356,081
TOTAL CURRENT EXPENSES	2,067,817	1,153,571,071	1,151,503,254

Government of Bermuda - Consolidated Fund
 Schedule 11: Schedules of Tangible Capital Assets and Assets Under Construction
 As at March 31, 2016

	Estimated Useful Life	COST				ACCUMULATED AMORTIZATION				31-Mar-16 Net Book Value	31-Mar-15 Net Book Value
		Opening Balance	Additions	Disposals & Adjustments	Closing Balance	Opening Balance	Amortization Expense	Disposals & Adjustments	Closing Balance		
Tangible Capital Assets		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Land	Indefinite	45,642,338	-	-	45,642,338	-	-	-	-	45,642,338	45,642,338
Buildings & Betlements	2 - 40 years	630,899,460	11,483,855	-	642,383,315	(206,816,665)	(17,982,746)	-	(224,799,411)	417,583,904	424,082,795
Infrastructure	10 - 40 years	185,417,320	4,531,763	-	189,949,083	(64,370,901)	(10,647,154)	-	(75,018,055)	114,931,028	121,046,419
Vehicles & Heavy Equipment	5 - 7 years	97,368,564	1,892,993	(172,774)	99,088,783	(86,594,565)	(3,831,134)	172,774	(90,252,925)	8,835,858	10,773,999
Boats & Vessels	5 - 10 years	46,120,957	1,037,495	-	47,158,452	(40,383,996)	(1,892,334)	-	(42,276,330)	4,882,122	5,736,961
Computer Software	10 years	38,133,021	474,136	-	38,607,157	(18,817,949)	(3,826,796)	-	(22,644,745)	15,962,412	19,315,072
Office Equipment	5 years	18,068,621	1,046,506	-	19,115,127	(15,280,622)	(1,562,291)	-	(16,842,913)	2,272,214	2,787,999
Computer Hardware	3 - 7 years	21,777,437	1,118,796	-	22,896,233	(15,671,737)	(1,218,419)	-	(16,890,156)	6,006,077	6,105,700
Capital Leases	3 years	5,014,501	73,010	-	5,087,511	(4,311,253)	(236,730)	-	(4,547,983)	539,528	703,248
Furniture & Fixtures	7 years	5,299,643	628,875	-	5,928,518	(4,175,873)	(424,719)	-	(4,600,592)	1,327,926	1,123,770
Plant, Machinery & Equipment	10 - 30 years	107,391,097	301,394	-	107,692,491	(59,685,614)	(5,112,782)	-	(64,798,396)	42,894,095	47,705,483
Total Tangible Capital Assets		1,201,132,959	22,588,823	(172,774)	1,223,549,008	(516,109,175)	(46,735,105)	172,774	(562,671,506)	660,877,502	685,023,784
Assets Under Construction		63,366,306	12,390,204	(14,058,953)	61,697,557	-	-	-	-	61,697,557	63,366,306

Government of Bermuda - Consolidated Fund
Schedule 12: Current Expenditure - Estimates Compared to Expenditures
For the year ended March 31, 2016

	Expenses	Expenditure ¹	Adjusted Estimates ²	Under (Over) Spent
	\$	\$	\$	\$
Non-Ministry Departments				
02 Legislature	4,810,833	4,771,233	4,945,927	174,694
05 Office of the Auditor General	3,111,519	3,065,931	3,572,471	506,540
01 Governor & Staff	1,440,908	1,437,198	1,409,166	(28,032)
92 Internal Audit	1,261,357	1,259,947	1,576,326	316,379
63 Parliamentary Registrar	1,018,659	1,006,146	1,220,435	214,289
85 Ombudsman's Office	851,112	844,617	910,703	66,086
98 Information Commissioner's Office	503,773	508,636	665,540	156,904
	12,998,161	12,893,708	14,300,568	1,406,860
Cabinet Office Departments				
43 Information Technology Office	7,070,382	5,817,596	6,194,702	377,106
09 Cabinet Office	5,907,573	5,891,988	6,243,651	351,663
26 Department of Human Resources	2,963,196	2,943,706	3,657,059	713,353
51 Department of Communication & Information	2,247,281	2,215,994	2,419,687	203,693
14 Department of Statistics	2,202,088	2,166,867	2,554,584	387,717
84 E-Government	832,892	822,483	871,534	49,051
80 Project Management & Procurement	678,213	668,742	867,566	198,824
96 Sustainable Development	389,346	389,346	477,202	87,856
	22,290,971	20,916,722	23,285,985	2,369,263
Ministry of Tourism Development & Transport				
48 Ministry of Tourism Dev. & Transport HQ	27,155,658	25,651,713	24,360,145	(1,291,568)
31 Airport Operations	23,639,377	21,032,458	20,471,442	(561,016)
35 Public Transportation	21,546,661	19,892,593	20,144,326	251,733
30 Marine & Ports	21,524,404	19,734,028	21,436,304	1,702,276
57 Civil Aviation	7,363,850	7,291,881	8,317,024	1,025,143
34 Transport Control Department	6,053,112	5,466,964	5,378,110	(88,854)
73 Maritime Administration	2,985,120	2,937,775	2,901,278	(36,497)
	110,268,182	102,007,412	103,008,629	1,001,217
Ministry of Legal Affairs				
03 Judicial Department	7,343,543	7,484,555	8,197,662	713,107
87 Ministry of Legal Affairs HQ	5,831,680	5,822,934	7,403,903	1,580,969
04 Attorney General's Chambers	4,317,983	4,210,106	4,403,336	193,230
74 Department of Court Services	3,915,613	3,887,870	4,260,304	372,434
75 Department of Public Prosecutions	2,792,715	2,785,011	3,097,109	312,098
	24,201,534	24,190,476	27,362,314	3,171,838
Ministry of Finance				
58 Interest on Debt	116,217,365	116,217,365	116,218,500	1,135
11 Accountant General	80,495,473	74,433,846	77,477,047	3,043,200
Retirement Benefit (Refund) Expenses	79,047,835	-	-	-
28 Social Insurance	6,782,490	6,774,160	6,716,350	(57,810)
10 Ministry of Finance HQ	4,409,091	4,404,471	4,656,888	252,417
38 Office of the Tax Commissioner	2,936,612	2,871,869	3,126,052	254,183
59 Sinking Fund Contribution	-	52,250,000	52,250,000	-
	289,888,866	256,951,711	260,444,837	3,493,125
Ministry of Education				
17 Department of Education	108,729,262	107,922,749	108,731,474	808,725
41 Bermuda College	16,008,136	16,008,136	16,008,136	-
16 Ministry of Education HQ	1,953,938	1,953,938	2,235,755	281,817
	126,691,336	125,884,823	126,975,365	1,090,542
Ministry of Health, Seniors & Environment				
24 Hospitals	147,995,140	147,995,140	147,995,140	-
22 Department of Health	24,364,794	23,230,412	25,541,466	2,311,054
21 Ministry of Health, Seniors & Environment HQ	12,876,752	12,871,974	13,708,247	836,273
69 Conservation Services	4,412,919	4,422,440	4,638,421	215,981
72 Environmental Protection	3,753,003	3,340,877	3,775,558	434,681
91 Health Insurance	1,042,580	1,041,930	1,039,628	(2,302)
	194,445,188	192,902,773	196,698,460	3,795,687

¹ Adjusted for Non-Budgeted, Non-Cash Items

² Includes all Approved Supplementary amounts during the year

Government of Bermuda - Consolidated Fund
Schedule 12: Current Expenditure - Estimates Compared to Expenditures (cont'd)
For the year ended March 31, 2016

	Expenses	Expenditure ¹	Adjusted Estimates ²	Under (Over) Spent
	\$	\$	\$	\$
Ministry of Economic Development				
95 Ministry of Economic Development HQ	11,470,801	11,467,494	11,874,849	407,355
39 Registrar of Companies	1,902,556	1,855,798	2,786,034	930,236
46 Telecommunications	938,639	939,669	1,252,601	312,932
67 E-Commerce	886,052	884,536	1,126,098	241,562
89 Energy	858,571	858,571	983,700	125,129
	16,056,619	16,006,068	18,023,282	2,017,214
Ministry of Community, Culture & Sports				
55 Financial Assistance	54,606,409	54,558,965	55,132,278	573,313
23 Child & Family Services	13,341,123	13,290,973	14,819,368	1,528,395
20 Youth, Sport & Recreation	9,171,519	9,105,009	9,482,326	377,317
52 Community & Cultural Affairs	2,509,330	2,502,959	2,976,197	473,238
71 Ministry of Community, Culture and Sports HQ	2,257,190	2,241,295	2,419,684	178,389
18 Libraries	1,762,766	1,747,906	1,877,496	129,590
56 Human Affairs	1,324,648	1,274,229	1,704,150	429,921
19 Archives	1,227,826	1,195,951	1,307,266	111,315
	86,200,811	85,917,287	89,718,765	3,801,478
Ministry of National Security				
07 Police	65,805,982	65,066,655	64,486,897	(579,758)
25 Department of Corrections	24,817,794	24,590,844	27,365,770	2,774,926
12 Customs	17,375,038	16,463,436	17,122,712	659,276
45 Fire Services	14,560,472	13,190,714	13,108,510	(82,204)
13 Post Office	10,146,894	9,921,201	10,603,568	682,367
06 Defence	7,163,765	7,111,509	7,201,690	90,181
88 National Drug Control	4,164,580	3,556,141	3,920,565	364,424
83 Ministry of National Security HQ	1,343,512	1,339,951	1,359,573	19,622
	145,378,037	141,240,451	145,169,285	3,928,834
Ministry of Home Affairs				
27 Immigration	4,970,731	4,138,804	4,417,854	279,050
93 Ministry of Home Affairs HQ	4,080,813	4,075,525	4,950,889	875,364
60 Workforce Development	4,025,398	3,948,697	4,776,446	827,749
32 Department of Planning	2,683,992	2,673,378	3,166,954	493,576
29 Registry General	1,409,330	1,375,260	1,712,779	337,519
	17,170,264	16,211,664	19,024,922	2,813,258
Ministry of Public Works				
82 Works & Engineering	46,512,311	29,142,807	31,001,850	1,859,043
81 Public Lands & Buildings	37,751,829	19,208,926	20,235,175	1,026,249
68 Parks	9,205,559	9,035,671	9,566,827	531,156
36 Ministry of Public Works HQ	6,512,407	10,107,184	9,534,210	(572,974)
53 Bermuda Housing Corporation	6,050,000	6,050,000	6,050,000	-
97 Land, Surveys & Registration	1,200,726	1,153,814	1,371,333	217,519
49 Land Valuation	748,270	706,068	809,901	103,833
	107,981,102	75,404,470	78,569,296	3,164,826
TOTAL CURRENT EXPENDITURE	1,153,571,071	1,070,527,565	1,102,581,708	32,054,143

¹ Adjusted for Non-Budgeted, Non-Cash Items

² Includes all Approved Supplementary amounts during the year

**Government of Bermuda - Consolidated Fund
Schedule 13: Commitments - Legislated
For the year ended March 31**

	2016	2015
	Actual	Actual
	\$	\$

Unspent Capital Appropriations

In accordance with Section 6 of the Appropriations Act 2015, unspent capital appropriations for incomplete capital projects to be carried forward to future years are as follows:

Capital Development	2,138,743	178,841
Capital Acquisition	3,613,634	318,000
	5,752,377	496,841

Total Authorized Funding

Total Authorized Funding represents the estimated total cost of capital development projects and is subject to the voting of supply by the Legislature. Estimated future expenditure for continuing capital development projects is as follows:

Total Authorized Funding	912,977,575	926,638,138
Projects Completed during the year	(76,005,000)	(143,529,000)
Supplementary Estimate No.1	850,000	4,876,600
Revised Total Authorized Funding	837,822,575	787,985,738
Appropriated Capital Development	(353,403,445)	(354,345,720)
Unappropriated Capital Development Commitments	484,419,130	433,640,018

**Government of Bermuda - Consolidated Fund
Schedule 14: Public Debt - Legislated Limit
As at March 31**

	2016	2015
	Actual	Actual
	\$	\$

The Government Loans Act 1978 as amended, defines public debt as debt owed or guaranteed by the Fund, but only if and when, and to the extent that, the guarantee obligation becomes due and payable by the Government.

Section 2A(1) of the Act limits public debt (net of sinking fund assets) to \$2.50 billion, as amended February 22, 2013.

Debt (Schedule 7)	2,335,000,000	2,185,000,000
Less:		
Sinking Fund (Schedule 7)	117,274,389	135,347,558
Public Debt	2,217,725,611	2,049,652,442
Legislated Limit	2,500,000,000	2,500,000,000
Available Limit	282,274,389	450,347,558