



Government of Bermuda

Financial Statements of the Consolidated Fund

March 31, 2005

Issued by

**The Accountant General
Ministry of Finance**

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AUDITOR'S REPORT

To the House of Assembly, the Governor and the Senate

I have audited the statement of financial position of the Consolidated Fund of the Government of Bermuda as at March 31, 2005, and the statements of operations and accumulated deficit and changes in financial position for the year then ended. These financial statements are the responsibility of the Government. 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 plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the Government, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the Consolidated Fund of the Government of Bermuda as at March 31, 2005 and the results of its operations and the changes in its financial position for the year then ended, in accordance with the stated accounting policies disclosed in Note 3 to the financial statements. As required by Section 6 of the Audit Act 1990, I also report that, in my opinion, these stated accounting policies have been applied, in all material respects, on a basis consistent with that of the preceding year.

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 the summary consolidated financial statements, as contemplated by the Institute of Chartered Accountants of Bermuda and the Canadian Institute of Chartered Accountants, that would report the financial position and results of operations of the Government of Bermuda. Significant financial activities of the Government occur outside the Consolidated Fund.

In the absence of consolidated summary financial statements for the Government of Bermuda, I am of the opinion that the financial statements of the Consolidated Fund are intended and used to represent for all practical purposes the financial position of the Government of Bermuda and results of its operations and changes in its financial position. As such, in my opinion the accounting policies used to prepare these financial statements are inappropriate to present fairly the financial position of the Government of Bermuda and the results of its operations and changes in its financial position.

Hamilton, Bermuda
November 10, 2005

Larry T. Dennis, C.A.
Auditor General

Government of Bermuda
Consolidated Fund
Statement of Responsibility for the Financial Statements
March 31, 2005

The Accountant General, subject to the general direction and control of the Minister of Finance, is responsible for the preparation of the financial statements of the Consolidated Fund.

The financial statements of the Consolidated Fund are prepared by the Accountant General in accordance with the requirements of governing legislation. The financial statements are based upon information provided by Government departments and, where necessary, information is based upon best estimates and judgement.

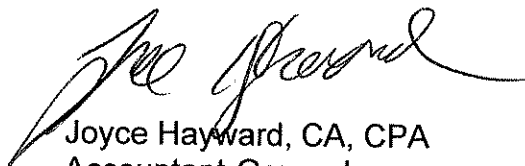
In order to fulfil accounting and reporting responsibilities, the Accountant General maintains systems of financial management and internal control to provide reasonable assurance that transactions are properly authorised by the Legislature, executed in accordance with prescribed regulations and properly recorded to maintain accountability of public money and safeguard the assets and properties under Government administration.

The audited financial statements are tabled before the Legislature annually and 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.



Donald Scott
Financial Secretary
Ministry of Finance



Joyce Hayward, CA, CPA
Accountant-General
Ministry of Finance

Hamilton, Bermuda
November 10, 2005

**Government of Bermuda - Consolidated Fund
Statement of Financial Position**

As at March 31		2005	2004
		Actual	Actual
		\$	\$
Assets			
	<u>Schedule</u>		
Current			
Cash and Deposits		20,060,892	13,556,086
Accounts Receivable	1	117,809,279	100,889,593
Insurance Proceeds Receivable (Note 14(c))		13,120,819	26,000,000
Prepaid Supplies	2	11,602,363	10,328,056
Prepaid Expenses		1,492,330	8,809,631
Due from Government Funds and Agencies	3a	12,038,138	41,050,891
		176,123,821	200,634,257
Due from Bermuda Housing Corporation	4	49,500,000	44,500,000
Long-Term Receivables	5	726,955	740,020
Work in Process	13	103,222,053	89,261,941
Tangible Capital Assets	13	290,469,660	270,407,686
		620,042,489	605,543,904
Liabilities			
Current			
Accounts Payable and Accrued Liabilities	6	93,697,853	87,164,473
Deferred Revenue	7	72,584,649	73,827,323
Deferred Insurance Proceeds (Note 14(c))		10,617,540	20,982,624
Insurance Proceeds Due to Government Funds and Agencies (Note 14(c))		-	7,341,896
Due to Government Funds and Agencies	3b	24,182,830	12,821,975
		201,082,872	202,138,291
Debt - Net of Sinking Fund	8	128,273,719	117,158,993
Compensated Absences (Note 9)		12,917,594	3,412,664
Pensions and Retirement Benefits (Note 10(h))		438,157,747	426,235,262
		780,431,932	748,945,210
Accumulated Deficit		160,389,443	143,401,306
		620,042,489	605,543,904

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

**Government of Bermuda - Consolidated Fund
Statement of Operations and Accumulated Deficit**

For the year ended March 31		2005 Original Estimates	2005 Actual	2004 Actual
		\$	\$	\$
	<u>Schedule</u>			
Revenue	9,11	693,897,000	782,469,026	705,513,046
Expenditure				
Current	10,12	660,248,402	754,958,312	675,699,939
Capital Development (Note 3(f))	14		23,612,297	24,174,072
Capital Acquisition (Note 3(f))	15		20,886,554	16,734,438
			799,457,163	716,608,449
Deficit Before Extraordinary Items			(16,988,137)	(11,095,403)
Extraordinary Items (Note 14)			-	(3,624,165)
Deficit after Extraordinary Items			(16,988,137)	(14,719,568)
Accumulated Deficit, Beginning of Year			(143,401,306)	(128,681,738)
Accumulated Deficit, End of Year			(160,389,443)	(143,401,306)

**Government of Bermuda - Consolidated Fund
Statement of Changes in Financial Position**

For the year ended March 31	2005	2004
	Actual	Actual
	\$	\$
CASH PROVIDED BY (USED IN):		
OPERATING ACTIVITIES		
Deficit after Extraordinary Items	(16,988,137)	(14,719,568)
Items not affecting cash:		
Amortization of Tangible Capital Assets	12,192,276	11,684,160
Increase in Compensated Absences Liability	9,504,930	-
Increase in Pension Liability	11,922,485	25,148,094
Decrease (Increase) in Non-Cash Working Capital	29,972,888	(36,171,426)
Write-off of Accounts Receivable	-	7,505,097
Gain on Disposal of Tangible Capital Assets	(1,197,733)	-
	45,406,709	(6,553,643)
INVESTING ACTIVITIES		
Advances to Bermuda Housing Corporation	(5,000,000)	(3,000,000)
Purchase of Tangible Capital Assets	(33,572,541)	(18,530,870)
Additions to Work In Process	(13,960,112)	(17,508,950)
Disposal of Tangible Capital Assets	2,516,024	2,043,265
	(50,016,629)	(36,996,555)
FINANCING ACTIVITIES		
Loan Proceeds	15,000,000	-
Increase in Sinking Fund	(3,885,274)	(6,148,370)
	11,114,726	(6,148,370)
Net Increase (Decrease) in Cash and Deposits	6,504,806	(49,698,568)
Cash and Deposits, Beginning of Year	13,556,086	63,254,654
Cash and Deposits, End of Year	20,060,892	13,556,086

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

Government of Bermuda – Consolidated Fund
Notes to the Financial Statements
March 31, 2005

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. Unused spending authority for current account appropriations lapses at the end of the fiscal year. Unused spending authority for uncompleted capital projects is carried forward to subsequent fiscal years, subject to the approval of the Minister of Finance.

2. Reporting Entity

The Consolidated Fund financial statements report the financial position, operations and changes in financial position resulting from the activities of the Consolidated Fund only, which comprises the accounts of the Senate, the House of Assembly, all Government departments and offices (including the Public Service Commission) and all courts. The Consolidated 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 Bermuda 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.

The Government adheres to the general practice of using a Consolidated Fund as its general operating fund. Schedules 11 to 15 provide information concerning the operations, tangible capital assets, and capital expenditures of individual Government departments and funds and agencies comprising the Consolidated Fund.

3. Summary of Significant Accounting Policies

The recommendation of the Public Sector Accounting Board and the Accounting Standards Board of the Canadian Institute of Chartered Accountants (which are generally accepted in Bermuda) are the primary source for the disclosure basis of accounting.

The preparation of financial statements in accordance with the disclosed basis of accounting requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues earned and expenses incurred during the year. Actual results could differ from these estimates.

**Government of Bermuda – Consolidated Fund
Notes to the Financial Statements
March 31, 2005**

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

The significant accounting policies are as follows:

(a) Method

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

(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.

(c) Expenditure

Expenditures 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 expenditures between current account items and capital account items follows the classification in the Approved Estimates.

(d) Interdepartmental Revenues and Expenditures

Interdepartmental revenues and expenditures are not eliminated but have been identified as explained in Note 16(c).

(e) Current Assets

Current assets include:

- (i) cash and claims by the Government on outside organizations and individuals arising from events and transactions occurring prior to the year-end.
- (ii) prepaid supplies intended for use in departmental operations and maintenance activities, valued at cost less a provision for obsolescence, where applicable.

(f) Tangible Capital Assets

Land and buildings identified as held by the Bermuda Government are valued at historical cost and have been disclosed in the financial statements since March 31, 2002. Where original acquisition documents were difficult to retrieve, the Book Value Calculator (BVC), 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 historical costs in order to develop opening balances.

Government of Bermuda – Consolidated Fund
Notes to the Financial Statements
March 31, 2005

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

Work continues to be done to identify the land and buildings held by the Government to ensure that all are recorded. Subsequent to March 31, 2005, additional buildings have been identified as assets of the Government. Once these buildings are properly valued at historical cost, they will be disclosed in the financial statements of the Government.

Betterments are defined as building improvements that exceed \$10,000 in value per single structural job, where such work is deemed to increase the useful life or value of the respective asset. Betterments completed and building systems (over \$10,000), added during the fiscal year have been capitalized in the financial statements. Work in process as it relates to the development of buildings has also been capitalized. Upon completion of specific projects, the balance of work in process will be transferred to the appropriate assets category and amortized over the appropriate useful life.

Vehicles, heavy equipment, light equipment and boats and vessels (rolling stock) owned by the Bermuda Government have been identified at historical cost and disclosed in the financial statements at amortized value beginning April 1, 2002.

Other tangible capital assets have continued to be charged to capital expenditure in the year of purchase or construction, which is consistent with prior years. Tangible capital assets that have not yet been disclosed include roads and infrastructure, computer systems and software, historical treasures, office furniture, fixtures and equipment (except photocopiers and fax machines under capital lease). These expenditures are currently classified as capital development and capital acquisition expenditures on the Statement of Operations and will be capitalized and disclosed on the Statement of Financial Position in future years.

Amortization is recorded on a straight-line basis for all assets, using a half-year convention for newly acquired assets, according to the following schedule:

Buildings	40 years
Betterments	
\$ 10,000 to \$49,999	7 years
\$ 50,000 to \$199,999	10 years
\$200,000 and above	40 years
Building Systems	7 years
Vehicles & Heavy Equipment	
\$10,000 to \$99,999	5 years
\$100,000 and above	7 years

**Government of Bermuda – Consolidated Fund
Notes to the Financial Statements
March 31, 2005**

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

Light Equipment, Boats & Vessels	
\$10,000 to \$99,999	5 years
\$100,000 and above	10 years
Leased Photocopiers & Fax Machines	3 – 5 years

The Ministry of Works and Engineering is primarily responsible for Government's tangible capital assets. Amortization expense is reported under that Ministry except for photocopiers and fax machines under capital lease which have been charged to the department to which the assets belong. Since amortization is a non-cash expenditure, it is removed for appropriation reporting purposes.

(g) Liabilities

Liabilities are recorded for financial obligations to outside organizations and individuals occurring as a result of transactions and events arising on or before the year-end. They are the result of contracts, agreements and legislation in force at 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. Assets and liabilities denominated in foreign currencies are translated at the exchange rate prevailing at the year-end date. Revenues and expenditures 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.

4. Approved Estimates of the Government of Bermuda

(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 are presented to the Members of the Legislature following the presentation of the Budget 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.

Government of Bermuda – Consolidated Fund
Notes to the Financial Statements
March 31, 2005

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

The Estimates referred to in the financial statement schedules are from the original Approved Estimates of Revenue and Expenditure for the fiscal year 2004/05 and do not reflect changes arising from the tabling of Supplementary Estimates.

(b) Comparison of Actual to Estimates for Expenditure

The Ministry of Finance prepares annual Approved Estimates on the modified cash basis. These financial statements are prepared on an accrual basis. Due to the difference in accounting, Schedule 16 restates actual expenditure to the modified cash basis for comparative and analytical purposes. 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 expenditure is explained in Note 10. For budget purposes, pension expense is equal to its funding payments.
- (iii) Government Borrowing Sinking Fund (Note 5) – Transfers to the Sinking Fund are recorded as cash transfers. For budget purposes, the Sinking Fund contribution is considered an expenditure.
- (iv) Compensated Absences – Certain Government employees are entitled to pre-retirement leave benefits, as explained in Note 9. For budget purposes, retirement pay is estimated based on anticipated salary spending for the current year.

5. Government Borrowing Sinking Fund

Effective March 31, 1993, the Government Borrowing Sinking Fund (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 Consolidated Fund must pay to the GBSF 2.5% of the public debt outstanding in the Consolidated Fund at the end of the preceding year, subject to certain exclusions and interest provisions as defined by the legislation.

The GBSF assets may only be applied to reduce or cancel public debt. The assets are invested in accordance with the Public Funds Act 1954 and are shown as a reduction of debt issued on the Consolidated Fund Statement of Financial Position.

Separate audited financial statements are prepared for the GBSF which readers should refer to for further information.

Government of Bermuda – Consolidated Fund
Notes to the Financial Statements
March 31, 2005

6. Government Reserves Fund

The Government Reserves Fund (the “Reserves Fund”) was set up by amendment to the Public Treasury Administration and Payments Act 1969 under the provisions of Section 10C, in March 2004. The Legislature authorized the Minister of Finance to establish the Reserves Fund with the monies from the termination of the United States Bases Act 2002.

The Minister directed that the net remaining funds from the termination of the bases per the United States Bases Act 2002, \$8,174,379 be used to fund the Reserve Fund. Additionally, the Minister may deposit other non-specific bequests or donations to the Government of Bermuda to the Reserves Fund.

Monies paid into the Reserves Fund will be invested in accordance with the Public Funds Act 1954 and the interest earned on such investments will be paid into the Reserves Fund. The Accountant General will pay amounts from the Reserve Fund to entities as directed by the Minister of Finance.

7. Contingencies Fund

On March 14, 1979 the House of Assembly passed a resolution to withdraw \$1 million from the Consolidated 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 deposits.

8. 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 under the provisions of Section 10B. The Legislature authorized \$1 million to be set aside within the Consolidated 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. As of March 31, 2005, no amounts have been paid into the Insurance Fund.

Government of Bermuda – Consolidated Fund
Notes to the Financial Statements
March 31, 2005

9. 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. An actuarial valuation of the Government's obligation for retirement leave was performed for accounting purposes at March 31, 2004 (but not recorded), and extrapolated to March 31, 2005, using the same various long-term assumptions as the Public Service Superannuation Fund pension plan (Note 10). The valuation determined that the liability for retirement leave is currently \$12,917,594, as defined in the table below.

	<u>2005</u>
	\$
Benefit obligation, beginning of year	12,059,100
Current period benefit cost	699,900
Interest accrued	786,191
Less: Benefit payments	<u>(627,597)</u>
Expected accrued benefit obligation at end of year	<u>12,917,594</u>

10. Pensions and Other Retirement Benefits

(a) Contributory Defined Benefit Pension Plans

The Government administers contributory defined benefit pension plans for substantially all of its employees, quasi-autonomous non-governmental organization (QUANGO) employees and all ministers and members of the Legislature. There are two plans currently in operation – the Public Service Superannuation Fund (PSSF) and the Ministers and Members of the Legislature Pensions Fund (MMLPF).

For the PSSF, a service pension is available with a minimum of eight 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, prison wardens, fire service and regiment employees.

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. Cost of living increases are calculated by reference to the Consumer Price Index on a biennial basis.

Government of Bermuda – Consolidated Fund
Notes to the Financial Statements
March 31, 2005

10. Pensions and Other Retirement Benefits (cont'd)

Employees contribute 5% of their basic salary for PSSF and Ministers and Members contribute 12.5% of their salary for MMLPF. The Government matches the participant's contribution in each plan. The amount of Government contributions made during the year for each plan was as follows: PSSF 2005 - \$13,519,899 (2004 - \$13,221,931), MMLPF 2005 - \$293,146 (2004 - \$274,456). 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 Consolidated Fund.

(b) Pension Liability

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 the PSSF and MMLPF as at March 31, 2004 and the results were then extrapolated to March 31, 2005, using the same assumptions, to produce the estimates included in these 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 2.0% (prior valuation – 3.0%) and the cost of living increase will average 3.25% (prior valuation – 3.0%) per annum.

The 1994 Group Annuity Mortality Table was used for the mortality assumption (prior valuation – 1983 Group Annuity Mortality Table).

For the PSSF, pension fund assets consist primarily of listed stocks and bonds and short-term investment funds. 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 expenditure for the PSSF. The market-related value of assets for the PSSF was \$327,410,675 as at March 31, 2005 (2004 – \$289,581,774) compared to a real market value of \$330,914,425 (2004 - \$273,939,625). For the MMLPF there is no difference between the market value of plan assets and the market-related value and as at March 31, 2005 the value was \$7,002,890 (2004 - \$6,265,803). The actual return on plan assets during the year was 8.5% (2004 – 36.4%) for the PSSF and 7.0% (2004 – 7.0%) for the MMLPF.

As at March 31, 2005, \$Nil (2004 - \$36,067,991) was receivable from the PSSF in respect of net benefits paid in excess of contributions received by the Consolidated Fund. The \$Nil balance at March 31, 2005 was due to the PSSF being forgiven \$52,219,640, by the Minister of Finance, from the Consolidated Fund, as a special pension contribution.

Government of Bermuda – Consolidated Fund
Notes to the Financial Statements
March 31, 2005

10. Pensions and Other Retirement Benefits (cont'd)

(c) Non-Contributory Defined Benefit Pension Plan

The Bermuda Department of Tourism North America Retirement Plan (BDTRP) provides retirement, disability and death benefits for Department of Tourism employees residing in North America.

In accordance with the BDTRP agreement, the Government is required to provide funding necessary to ensure that benefits based on actuarial valuations will be fully provided for at retirement. The Government contribution for the year was \$244,884 (2004 - \$242,704). A valuation was performed on the BDTRP as of March 31, 2005.

A service pension is available based on the number of years of service times 2.4% of the last five years' average salary up to a maximum of 60% of the annual salary.

The BDTRP has its own unique set of assumptions which were used to prepare the actuarial valuation. The most significant assumptions are an interest rate of 6.5% and a wage inflation rate of 4%. Due to the small size of the scheme, no staff turnover assumptions were made. The mortality assumptions are the same as those used for the PSSF. Pension fund assets consist primarily of listed stocks and short-term investment funds. There is no difference between the market value of plan assets and the market-related value and as at March 31, 2005 the value was \$3,069,191 (2004 – \$2,953,824). The actual return on plan assets during the year was 7.3% (2004 – 38.1%).

(d) Pension-Related Expenditure

Pension-related expenditure recognized by the Consolidated Fund comprises 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.

A net unamortized experience loss of \$221,078,835 (2004 - \$190,665,645) is reported in the Schedule below. The amount comprises a total unamortized experience loss on the pension liability of \$171,871,943 (2004 – \$160,050,752) and a total unamortized experience loss on the asset valuation of \$49,206,892 (2004 - \$30,614,892). The period of amortization is ten years.

Aggregate information about the PSSF, MMLPF and BDTRP is in the table below.

Government of Bermuda – Consolidated Fund
Notes to the Financial Statements
March 31, 2005

10. Pensions and Other Retirement Benefits (cont'd)

(e) Funded Status of Plans

For the year ended March 31	2005 Actual	2004 Actual
	\$	\$
Pension Liability		
Accrued Benefit Obligation		
PSSF	864,721,952	793,553,237
MMLPF	21,255,585	19,100,500
BDTRP	3,014,500	2,757,520
	<u>888,992,037</u>	<u>815,411,257</u>
Net Fund Assets		
PSSF	(327,410,675)	(289,581,774)
MMLPF	(7,002,890)	(6,265,803)
BDTRP	(3,069,191)	(2,953,824)
	<u>(337,482,756)</u>	<u>(298,801,401)</u>
Unamortized Estimation Adjustments		
PSSF/MMLPF/BDTRP	(221,078,835)	(190,665,645)
Pension Liability		
PSSF	316,232,442	313,305,818
MMLPF	14,252,695	12,834,697
BDTRP	(54,691)	(196,304)
	<u>330,430,446</u>	<u>325,944,211</u>
Carried Forward to Note 10 (h)	<u>330,430,446</u>	<u>325,944,211</u>

Government of Bermuda – Consolidated Fund
Notes to the Financial Statements
March 31, 2005

10. Pensions and Other Retirement Benefits (cont'd)

For the year ended March 31	2005	2004
	Actual	Actual
	\$	\$
Pension-Related Expenditure		
Cost of Pension Benefits	29,915,744	23,443,601
Employee Contributions	(13,813,045)	(12,995,569)
Interest on Pension Liability	33,994,076	22,863,466
Amortization of Experience Gains & Losses		
1999 Experience Gain	(1,067,086)	(1,067,086)
2000 Experience Gain	(3,011,773)	(3,011,773)
2001 Experience Gain	(2,196,870)	(2,196,870)
2002 Experience Loss	573,592	573,592
2003 Experience Loss	3,418,847	3,418,847
2004 Experience Loss	21,908,086	-
	69,721,571	31,028,208

(f) Contributory Pension Fund

The Contributory Pension Fund (CPF) was established under the Contributory Pensions Act 1970 and subsequent amendments.

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 Consolidated Fund to provide for any shortfall if, at any time, the CPF has insufficient funds to meet its current legislated obligations.

Government of Bermuda – Consolidated Fund
Notes to the Financial Statements
March 31, 2005

10. Pensions and Other Retirement Benefits (cont'd)

(g) Retirement Benefits Other than Pensions - Health Insurance Plan

The Government administers a health care plan, the Government Employees Health Insurance Fund (GEHI), for substantially all of its employees, quasi-autonomous non-governmental organization (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 participant's contribution to the plan.

In 2002 the Government adopted accrual accounting for the GEHI plan.

An actuarial valuation of the Government's obligations for retirement benefits other than pensions was performed for accounting purposes at March 31, 2005, using various long-term assumptions.

The discount rate used in determining the accumulated post-retirement benefit obligation was 6.50%. The assumed health-care cost trend rate used was 8.5%, reducing by 0.5% per annum to 5% per annum. The 1994 Group Annuity Mortality Table was used 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.

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

Accrued benefit obligation at beginning of year	\$100,291,051
Current period benefit cost	3,808,548
Interest accrued	7,034,437
Less: Benefit payments	<u>(3,406,735)</u>
Accrued benefit obligation at end of year	<u>107,727,301</u>
Expected accrued benefit obligation at 3/31/05	107,727,301
Actual accrued benefit obligation at 3/31/05	137,385,700
Experience gain(loss)	(29,658,399)

Government of Bermuda – Consolidated Fund
Notes to the Financial Statements
March 31, 2005

10. Pensions and Other Retirement Benefits (cont'd)

Expected average remaining service life	13
Annual amortization	2,281,415
Liability for retirement benefits recorded in the statement of financial position	
Closing accrued benefit obligation	\$137,385,700
Unamortized gains (losses)	<u>(29,658,399)</u>
Liability for retirement benefits	<u>107,727,301</u>
Expenditures/expenses recorded in statement of operations and accumulated deficit	
Current period benefit cost	\$3,808,548
Recognition of unamortized gains	-
Amortization of gains / losses	<u>-</u>
Retirement benefit expenditure	3,808,548
Retirement benefit interest expenditure	<u>7,034,437</u>
Total expenditures related to retirement benefits	<u>10,842,985</u>

(h) Accrued Pensions and Retirement Benefits Summary

	2005	2004
	\$	\$
Pensions (Note 10(e))	330,430,446	325,944,211
Retirement Benefits other than		
Pensions – Health Insurance Plan	<u>107,727,301</u>	<u>100,291,051</u>
Total Pensions and Retirement Benefits	<u>438,157,747</u>	<u>426,235,262</u>

11. Contingent Liabilities

(a) Guarantees

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, 2005, \$2,170,648 (2004 - \$2,341,969) is outstanding on guaranteed student loans with local banks.

Government of Bermuda – Consolidated Fund
Notes to the Financial Statements
March 31, 2005

11. Contingent Liabilities (cont'd)

(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, 2005 is \$9,956,615 (2004 - \$15,247,149).

(c) Environmental Liabilities

The Government recognizes that there could be a cost for restoration of the environment at the bases formerly occupied by the US, UK and Canadian militaries. It is anticipated that such costs would include removal of hazardous materials, clean-up and restoration of facilities. It is the Government's intent to pass these costs on to future developers of the sites.

A liability of \$26,250,000 was accrued in 2003 which was an estimate of the costs of the environmental clean-up and remediation at the three former major base land sites. The estimated range was \$26 million (rounded) to \$40 million, which included an approximate 20% contingency of the total. Since no costs have been incurred to clean up the base land sites to date, this amount is still reflected in the March 31, 2005 financial statements.

The cost for Southside (estimated at \$10.5 million, with a range of \$10.5 million to \$20 million; \$6.5 million for work already performed has been deducted from the lower end of the estimated range) 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 \$14.75 million (with a range of \$15 million to \$18 million); \$3 million of that amount is the estimated amount required to remove immediate environmental hazards and the remainder is for fuel storage tanks, removal and remediation of asbestos as well as demolition of derelict buildings.

The Government recognizes that this is only an estimate based on orders of cost which are developed from unit rates used to date for clean-up at Southside and budget estimates from consultants hired by potential developers at the Morgan's Point site. In the interest of proper accounting, the estimate has been accrued based on the figures available and the Government will endeavour to disclose better estimates when a determination can be made of them.

Government of Bermuda – Consolidated Fund
Notes to the Financial Statements
March 31, 2005

12. Commitments

The Government has ongoing operational and capital development commitments to fund a variety of programs for public welfare including health, education, social services, protection of persons and properties, and management of natural resources. These ongoing operational and capital development commitments are summarized in Schedule 17 and detailed in the annual Approved Estimates.

13. Lease Commitments

Commencing in the fiscal year 2004, the leases for photocopiers and fax machines meeting the criteria were capitalized. The average period of the leases is 3-5 years and the leases are capitalized based on the discounted value of 5.28% and amortized on a straight line basis over the period of the lease.

The following is an analysis of the leases:

	<u>2005</u>	<u>2004</u>
	\$	\$
Present value of lease cost	3,497,802	3,596,349
Less: Accumulated amortization	<u>(2,351,581)</u>	<u>(2,263,069)</u>
Present value of leases payable	<u>1,146,221</u>	<u>1,333,280</u>

The following is a schedule of future minimum lease payments under leases expiring up to March 31, 2008:

	<u>2005</u>
	\$
2006	228,512
2007	334,007
2008	896,620
Less: Discounted amount	<u>(312,918)</u>
Present value of obligation	<u>1,146,221</u>

14. Extraordinary Items

(a) Unauthorized Transfers

As at March 31, 2004, a net figure of \$1,580,900 formed part of the extraordinary item amount of \$3,624,165 shown in the Statement of Operations and Accumulated Deficit. This extraordinary item was a result of unauthorized on-line transfers from one of the overseas bank accounts. The total amount of the transfers was \$1,599,900, with an offsetting recovery of \$19,000. Criminal proceedings are currently in progress and it is expected that additional amounts will be recoverable subsequent to the completion of the legal process.

14. Extraordinary Items (cont'd)

(b) Write-Off of Tangible Capital Asset

A building which had a net carrying value of \$2,043,265 was written off in 2004, as part of the \$3,624,165 expense for extraordinary items. This write-off was due to the fact that it sustained permanent physical damage from the Hurricane Fabian and Government will no longer derive any future economic benefits from this asset.

(c) Hurricane Fabian

On September 5, 2003, a category three Hurricane (Fabian) struck the island resulting in major destruction and damages to Government buildings, property and equipment. A supplementary estimate of \$6,601,500 (2004 - \$11,244,970) was approved and spent and is included in the current year related to uninsured and unbudgeted costs incurred by many departments due to the impact of the hurricane.

The Government Insurance Policy covered much of the property damages that Government Departments and QUANGO's sustained from the hurricane. The loss adjusters' assessment of the total insurance claim valued the damages at \$28,120,819 (2004 – Estimate of \$31,000,000). This valuation includes an estimate of \$1,650,000 for St. George's Grammar School and an actual settlement of \$26,470,819 for all other properties. \$15,000,000 of insurance proceeds was received prior to year-end leaving a receivable balance of \$13,120,819 as at March 31, 2005. Additional insurance proceeds of \$11,470,819 have been received subsequent to year-end.

Insurance monies received for repairs are recorded as deferred insurance proceeds in the Statement of Financial Position and then drawn down as the expenditures are incurred. It is anticipated that the expenditures for damages to buildings and properties will continue over the next fiscal year. \$17,503,279 has been spent on repairs, as at March 31, 2005, leaving \$10,617,540 in deferred insurance proceeds.

Of the Insurance monies received to date, \$6,985,539 (2004 – Estimate of \$7,341,896) related to amounts received on behalf of several QUANGO's for damages to their buildings and properties.

15. Supplementary Estimates

Supplementary estimates are required by the Bermuda Constitution Order 1968 for expenditures incurred in excess of amounts appropriated. During the year, \$13,325,100 in Supplementary Estimates was approved and spent which consisted of \$9,595,100 for current expenditure and \$3,730,000 for capital expenditure. Additional expenditures of \$67,480,637 were incurred in excess of amounts appropriated.

16. Related Party Transactions

(a) Funds

The Fund is related to the Government Employee Health Insurance Fund (“GEHI”), the Contributory Pension Fund (“CPF”), the Ministers and Members of the Legislature Pensions Fund (“MMLPF”), the Bermuda Department of Tourism North America Retirement Plan (“BDTRP”) and the Public Service Superannuation Fund (“PSSF”).

The financial activities of these Funds are reported separately in each Fund's financial statements. The Consolidated Fund provides accounting and certain administrative services to the 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 Consolidated Fund on behalf of the Funds. Schedules 3a and 3b 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) QUANGO's

The Fund is related to certain quasi-autonomous non-governmental organizations (“QUANGO's”). The QUANGO's are government businesses which have been established under their respective legislative incorporation acts.

The Fund enters into transactions with the QUANGO's 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. Schedules 3a and 3b 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 consolidated fund and the various QUANGO's.

(c) Interdepartmental Transactions

Interdepartmental transactions are those transactions in which revenues and expenses are generated between Government departments and/or Ministries. These revenues and the related expenses should be eliminated from the Fund's figures. As per Note 3(d), interdepartmental revenues and expenses are not eliminated. However all interdepartmental revenues and expenses have been identified and are shown in Schedules 11(a) and 12(a), respectively.

16. Related Party Transactions (cont'd)

(d) Other

The Bermuda Government provided a letter of comfort to the Bank of Butterfield (the "Bank") on behalf of the Bermuda Housing Corporation ("BHC") dated July 13, 2000 which states, "To the extent that BHC operates programmes which do not break-even, the Government appropriates annual grants which enable BHC to comply with its legislation."

17. Subsequent Events

(a) Increase in Borrowing Limit

Effective April 1, 2005, the Government increased the legislated borrowing limit from \$250 million to \$375 million.

(b) Renegotiated Loan Facility

Effective June 2005, the Government re-negotiated its five year loan facility of USD \$150 million that lapsed with a syndicate of banks. The new loan facility has been increased to USD \$200 million.

18. 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	2005	2004
	Actual	Actual
	\$	\$
Office of the Tax Commissioner	103,302,838	102,379,004
Works & Engineering	3,769,181	3,330,064
Post Office	3,628,542	3,362,814
Judicial Department	3,275,641	4,303,538
Customs	3,259,884	2,105,972
Registrar of Companies	2,979,509	3,139,832
Telecommunications	2,761,237	2,032,010
Airport Operations	2,752,128	2,448,115
Department of Education	1,411,634	1,969,569
Fire Services	1,393,867	535,489
Public Transportation Board	1,133,507	319,060
Marine & Ports	510,891	201,688
Department of Human Resources	347,560	296,536
Accountant General	302,949	535,593
Tourism	291,400	239,069
Civil Aviation	288,041	322,364
Maritime Administration	286,910	134,125
Health Department	195,129	177,900
Defence	104,800	-
Conservation Services	100,965	102,691
Financial Assistance	64,410	78,600
Environmental Protection	63,405	65,811
Police	45,460	49,918
Parks	37,311	58,591
Registry General	30,723	32,704
Human Affairs	18,368	-
Libraries	11,123	4,644
Office of the Auditor General	7,850	5,950
Child & Family Services	3,765	3,465
Governor & Staff	2,088	-
Youth, Sport & Recreation	650	4,691
Transport Control Department	532	5,026
Information Technology Office	-	16,555
E-Commerce	-	2,094
	132,382,298	128,263,482
Less: Provision for Doubtful Accounts	(14,573,019)	(27,373,889)
	117,809,279	100,889,593

Government of Bermuda - Consolidated Fund
Schedule 2: Prepaid Supplies

As at March 31	2005	2004
	Actual	Actual
	\$	\$
Works & Engineering	5,237,661	4,647,659
Public Transportation Board	2,612,562	2,478,227
Police	1,292,587	1,224,266
Marine & Ports	908,209	786,231
Department of Education	619,305	597,019
Defence	614,821	572,741
Department of Corrections	293,472	226,329
Health	174,543	-
Conservation Services	111,024	110,397
Immigration	60,707	-
Post Office	35,915	43,630
	11,960,806	10,686,499
Less: Provision for Obsolescence	358,443	358,443
	11,602,363	10,328,056

**Government of Bermuda - Consolidated Fund
Schedule 3a: Due From Gov't Funds and Agencies**

As at March 31	2005	2004
	Actual	Actual
	\$	\$
Gov't Employees Health Insurance Fund	6,370,294	976,067
Bermuda Monetary Authority	2,250,789	1,657,661
West End Development Corporation	990,695	407,764
Bermuda Land Development Company	692,145	294,456
Small Business Development Corporation	573,282	670,562
Hospital Insurance Fund	389,772	167,160
Bermuda Housing Corporation	366,230	401,920
Golf Courses	239,553	264,528
Public Service Superannuation Fund (PSSF)	88,325	36,067,993
Stonington Beach Hotel Ltd.	26,717	36,316
Parish Councils	26,264	40,510
Pension Commission	15,594	13,796
National Drug Commission	8,478	3,783
CedarBridge Academy	-	46,301
National Sports Centre	-	2,074
	12,038,138	41,050,891

**Government of Bermuda - Consolidated Fund
Schedule 3b: Due to Gov't Funds and Agencies**

As at March 31	2005	2004
	Actual	Actual
	\$	\$
Contributory Pension Fund	7,514,410	5,520,699
Government Reserves Fund	7,374,379	-
Ministers and Members Pensions Fund	7,014,081	6,292,404
Bermuda Hospitals Board	1,352,826	121,281
Tourism North America Retirement Plan	464,363	246,193
CedarBridge Academy	278,019	-
Bermuda College	138,334	22,921
National Sports Centre	38,384	-
Mutual Re-Insurance Fund	8,034	618,477
	24,182,830	12,821,975

Government of Bermuda - Consolidated Fund
Schedule 4: Due From Bermuda Housing Corporation

As at March 31	2005	2004
	Actual	Actual
	\$	\$
Balance, Beginning of Year	44,500,000	41,500,000
Advances	5,000,000	3,000,000
Balance, End of Year	49,500,000	44,500,000

The Government has loaned funds to the Bermuda Housing Corporation on the same terms and conditions as the loan facility described in Schedule 8.

Government of Bermuda - Consolidated Fund
Schedule 5: Long-Term Receivables

As at March 31	2005	2004
	Actual	Actual
	\$	\$
Education Student Loans	1,170,429	1,183,621
Less: Current Portion of Student Loans	443,474	443,601
	726,955	740,020

**Government of Bermuda - Consolidated Fund
Schedule 6: Accounts Payable and Accrued Liabilities**

As at March 31	2005	2004
	Actual	Actual
	\$	\$
Department Trade Accounts	28,610,356	27,766,540
Environmental Liabilities (Note 11(c))	26,250,000	26,250,000
Deposits Held	13,609,470	8,650,122
Employees' Leave Entitlements	12,454,978	13,080,082
Teachers' Salaries & Leave Entitlements	7,431,504	6,546,801
Salaries, Wages and Benefits	2,465,751	1,395,205
Interest on Debt	1,753,017	2,142,443
Leases Payable	1,122,777	1,333,280
	93,697,853	87,164,473

**Government of Bermuda - Consolidated Fund
Schedule 7: Deferred Revenue**

As at March 31	2005	2004
	Actual	Actual
	\$	\$
Registrar of Companies	37,485,995	40,480,862
Transport Control Department	16,582,311	15,624,872
Office of the Tax Commissioner	10,277,489	10,420,641
Immigration	5,040,239	4,542,428
Civil Aviation	2,000,194	2,024,690
Marine & Ports	504,444	-
Post Office	396,288	366,670
Environmental Protection	93,051	73,058
Works & Engineering	75,132	81,411
Department of Tourism	36,562	35,648
Health Department	28,025	90,387
Community Affairs	23,199	62,282
Parks	17,074	-
Airport Operations	10,183	-
Youth, Sport & Recreation	5,628	19,413
Maritime Administration	5,135	-
Department of Social Insurance	3,700	4,500
Department of Education	-	461
	72,584,649	73,827,323

Government of Bermuda - Consolidated Fund
Schedule 8: Debt - Net of Sinking Fund

As at March 31	2005	2004
	Actual	Actual
	\$	\$
Senior Notes Due 2014 - US\$		
Issue Date: June 10, 2004		
Interest: 5.39% payable semi-annually		
June 10 and December 10		
Notes Due: June 10, 2014	75,000,000	-
Loan Facility - US\$		
Amount: US \$ 150 million		
Issue Date: June 27, 2000		
Interest: LIBOR + .20% payable on rollover date.		
Facility Fee: .08% per annum payable quarterly		
Period: 5 years	80,000,000	65,000,000
Loan Facility was renegotiated subsequent to year end. (see Note 17)		
Senior Notes Due 2007 - US\$		
Issue Date: November 26, 1997		
Interest: 6.72% payable semi-annually		
May 26 and November 26		
Notes Due: November 26, 2007	20,000,000	20,000,000
Senior Notes Due 2004 - US\$		
Issue Date: June 14, 1994		
Interest: 7.59% payable semi-annually		
June 14 and December 14		
Notes Due: June 10, 2004	-	75,000,000
	175,000,000	160,000,000
Less: Sinking Fund (Note 5)	46,726,281	42,841,007
	128,273,719	117,158,993

Government of Bermuda - Consolidated Fund
Schedule 9: Revenue By Type

For the year ended March 31	2005 Original Estimates	2005 Actual	2004 Actual
	\$	\$	\$
Taxes & Duties			
Payroll Tax	220,000,000	247,339,334	229,748,675
Customs Duty	194,148,000	212,253,515	193,496,182
Stamp Duty	27,590,000	47,827,366	32,288,549
Land Tax	42,000,000	41,988,476	41,864,606
Passenger Tax	25,050,000	25,843,700	26,802,787
Non-Bermudian Land Acquisition Tax	7,000,000	11,121,675	4,040,590
Hotel Occupancy Tax	9,000,000	10,740,429	9,526,388
Foreign Currency Purchase Tax	4,000,000	5,100,876	4,849,018
Corporate Services Tax	2,000,000	2,483,338	2,466,540
Betting Tax	800,000	1,229,013	1,310,180
Timesharing Tax	325,000	233,755	301,720
	531,913,000	606,161,477	546,695,235
Fees, Permits & Licences			
International Companies	48,892,000	49,118,415	47,923,871
Vehicle Licences & Registration	23,803,000	24,019,709	22,933,640
Air Terminal & Aviation	10,526,000	10,734,939	9,706,132
Telecommunications	8,495,000	10,204,495	6,962,688
Immigration	7,736,000	9,001,381	7,340,687
Postal Services	7,702,000	7,631,294	7,642,730
Bus Transportation	6,720,000	6,708,729	5,880,201
Registration of Aircraft	3,970,000	4,639,986	4,349,699
Water	4,200,000	4,224,481	3,802,275
Solid Waste Services	4,539,000	3,802,974	2,607,486
Companies Licences	200,000	3,514,930	4,049,032
Services to Seaborne Shipping	2,850,000	3,336,182	2,811,820
Local Companies	2,200,000	2,365,670	2,403,702
Rentals	2,011,000	2,344,513	1,997,755
Registration of Shipping	1,363,000	2,069,860	1,687,650
Other Customs Fees & Charges	1,634,000	1,922,292	1,745,498
Planning Fees and Searches	738,000	1,516,301	774,898
Wharfage	1,242,000	1,467,290	1,290,410
Trade and Service Mark	1,364,000	1,347,268	1,290,448
Ferry Services	800,000	1,133,133	733,492
Plant Production and Marketing Centre	500,000	397,378	375,700
Liquor Licences	295,000	298,588	317,085
Insurance Fees	-	40,118	27,136
	141,780,000	151,839,926	138,654,035
Other Revenue			
Other	10,454,000	14,016,780	10,120,066
Fines & Forfeitures	5,300,000	4,584,528	4,807,866
Investment Income	3,200,000	4,186,165	3,920,428
Bermuda Monetary Authority	1,250,000	1,680,150	1,315,416
	20,204,000	24,467,623	20,163,776
TOTAL REVENUE	693,897,000	782,469,026	705,513,046

Government of Bermuda - Consolidated Fund
Schedule 10: Current Expenditure By Type

For the year ended March 31	2005 Original Estimates	2005 Actual	2004 Actual
	\$	\$	\$
Employees			
Salaries	243,166,000	223,092,219	215,845,415
Wages	62,654,000	70,707,341	65,289,795
Special Pension Contribution	-	52,219,640	-
Retirement Benefit Expenditures	-	29,899,672	41,023,541
Employer Overhead	32,250,000	16,675,072	15,242,258
Compensated Absences	-	12,917,594	-
Other Personnel Costs	7,439,000	6,805,817	6,267,872
Training	7,024,000	4,862,064	3,929,486
	352,533,000	417,179,419	347,598,367
Operations			
Grants & Contributions	155,533,000	159,112,706	146,840,883
Professional Services	41,267,000	52,057,482	50,786,666
Materials & Supplies	23,288,000	29,228,320	27,559,014
Advertising & Promotion	21,139,000	22,260,968	21,207,656
Repair & Maintenance	19,028,000	13,479,162	11,495,593
Energy	11,986,000	12,972,620	12,713,886
Amortization	-	12,192,276	11,684,160
Rentals	10,476,000	10,445,856	8,906,919
Interest on Debt	8,400,000	8,952,965	9,112,300
Transfer to Other Funds (Note 6)	3,714,000	8,174,379	-
Insurance	8,121,000	7,419,458	5,707,832
Communications	5,770,000	6,450,629	5,418,067
Transport	4,142,000	6,173,076	5,188,942
Travel	4,716,000	4,629,156	4,117,725
Other	6,059,000	2,692,493	5,935,405
Equipment	528,000	2,418,065	850,858
Clothing & Uniforms	1,814,000	1,834,035	1,481,733
Bank Charges & Commissions	-	379,427	218,896
Write-Off of Prepaid Supplies	-	-	1,073,580
Capital Recharges	(1,690,000)	-	124,263
Hurricane Recovery Expenses	-	-	2,205,490
Bad Debts	-	(9,921,370)	7,505,097
Receipts Credited to Programmes	(16,575,598)	(13,172,810)	(12,033,393)
	307,715,402	337,778,893	328,101,572
TOTAL CURRENT EXPENDITURE	660,248,402	754,958,312	675,699,939

Government of Bermuda - Consolidated Fund
Schedule 11: Revenue By Ministry / Department

For the year ended March 31	2005 Original Estimates	2005 Actual	2004 Actual
	\$	\$	\$
Non-Ministry Departments			
01 Governor & Staff	-	12,264	56,944
05 Office of the Auditor General	450,000	524,559	548,400
63 Parliamentary Registrar	45,000	76,777	5,007
	495,000	613,600	610,351
Cabinet Office Departments			
09 Cabinet Office	-	8,026	-
14 Department of Statistics	2,000	9,863	3,514
15 Department of Management Services	-	352	-
19 Department of Archives	8,000	7,100	2,615
26 Department of Human Resources	-	6,015	-
51 Dept. of Communication & Information	-	5,921	1,441
	10,000	37,277	7,570
Ministry of Justice			
02 Legislature	10,000	5,516	4,098
03 Judicial Department	9,751,000	12,350,289	12,325,697
04 Attorney-General's Chambers	-	1,964	-
75 Public Prosecutions	-	65	-
	9,761,000	12,357,834	12,329,795
Ministry of Finance			
10 Ministry of Finance HQ	-	1,641	173
11 Accountant-General	4,615,000	6,350,205	7,298,564
12 Customs	197,340,000	216,070,051	196,994,447
13 Post Office	7,693,000	7,644,407	7,651,741
28 Department of Social Insurance	5,000	5,300	4,650
38 Office of the Tax Commissioner	326,725,000	375,457,199	342,061,142
39 Registrar of Companies	51,992,000	55,907,429	53,966,563
58 Interest	800,000	966,745	595,974
	589,170,000	662,402,977	608,573,254
Ministry of Education & Development			
17 Department of Education	127,000	379,864	148,300
	127,000	379,864	148,300
Ministry of Health & Family Services			
21 Ministry of Health & Family Services HQ	-	38,343	-
22 Health Department	828,000	960,494	875,636
23 Child & Family Services	171,000	163,093	158,048
55 Financial Assistance	-	40,638	-
	999,000	1,202,568	1,033,684
Ministry of Labour, Home Affairs & Public Safety			
06 Defence	-	59,619	68,783
07 Police	365,000	430,932	330,842
25 Corrections	-	1,415	-
27 Immigration	14,736,000	22,314,055	11,381,276
29 Registry General	1,364,000	1,348,944	1,290,448
44 Ministry of Labour & Home Affairs HQ	-	3,150	-
45 Fire Services	2,015,000	1,356,632	1,151,270
54 Security Services & Delegated Affairs	-	4	-
60 Labour & Training	-	12,478	4,100
	18,480,000	25,527,229	14,226,719

Government of Bermuda - Consolidated Fund
Schedule 11: Revenue By Ministry / Department (cont'd)

For the year ended March 31	2005 Original Estimates	2005 Actual	2004 Actual
	\$	\$	\$
Ministry of the Environment			
32 Department of Planning	773,000	1,575,335	800,787
49 Land Valuation	-	-	110
50 Ministry of the Environment HQ	10,000	15,594	11,120
68 Parks	153,000	125,026	113,651
69 Conservation Services	1,000,000	866,044	793,530
72 Environmental Protection	374,000	525,955	444,087
	2,310,000	3,107,954	2,163,285
Ministry of Telecommunications & E-Commerce			
43 Information Technology Office	-	3,662	-
46 Telecommunications	8,495,000	10,204,495	6,962,688
67 E-Commerce	-	17	-
	8,495,000	10,208,174	6,962,688
Ministry of Tourism & Transport			
30 Marine & Ports Services	4,383,000	4,967,790	4,374,447
31 Airport Operations	11,677,000	12,148,302	10,679,826
33 Tourism	44,000	157,948	45,744
34 Transport Control Department	24,050,000	24,022,742	22,934,039
35 Public Transportation Board	6,720,000	6,725,114	5,880,201
57 Civil Aviation	3,980,000	4,657,912	4,358,379
73 Maritime Administration	1,363,000	2,095,473	1,687,650
	52,217,000	54,775,281	49,960,286
Ministry of Works & Engineering & Housing			
36 Works & Engineering	10,832,000	10,869,361	8,607,776
42 Rent Commissioner	1,000	1,286	297
	10,833,000	10,870,647	8,608,073
Ministry of Community Affairs & Sport			
18 Libraries	13,000	19,122	19,546
20 Youth, Sport & Recreation	653,000	634,083	579,012
40 Community Affairs	334,000	327,783	289,508
52 Community and Cultural Affairs	-	2,833	975
56 Human Affairs	-	1,800	-
	1,000,000	985,621	889,041
TOTAL REVENUE	693,897,000	782,469,026	705,513,046

Government of Bermuda - Consolidated Fund
Schedule 11(a): Interdepartmental Revenue By Ministry / Department

For the year ended March 31	2005 Interdepartmental Revenue	2005 Gross Revenue Actual	2005 Net Revenue
	\$	\$	\$
Non-Ministry Departments			
01 Governor & Staff	-	12,264	12,264
05 Office of the Auditor General	5,000	524,559	519,559
63 Parliamentary Registrar	28,950	76,777	47,827
	33,950	613,600	579,650
Cabinet Office Departments			
09 Cabinet Office	-	8,026	8,026
14 Department of Statistics	2,581	9,863	7,282
15 Department of Management Services	-	352	352
19 Department of Archives	358	7,100	6,742
26 Department of Human Resources	527	6,015	5,488
51 Dept. of Communication & Information	50	5,921	5,871
	3,516	37,277	33,761
Ministry of Justice			
02 Legislature	-	5,516	5,516
03 Judicial Department	1,821	12,350,289	12,348,468
04 Attorney-General's Chambers	-	1,964	1,964
75 Department of Public Prosecutions	2,969	65	-
	4,790	12,357,834	12,353,044
Ministry of Finance			
10 Ministry of Finance HQ	-	1,641	1,641
11 Accountant-General	384	6,350,205	6,349,821
12 Customs	2,449,482	216,070,051	213,620,569
13 Post Office	61,583	7,644,407	7,582,824
28 Social Insurance	-	5,300	5,300
38 Office of the Tax Commissioner	46,646	375,457,199	375,410,553
39 Registrar of Companies	-	55,907,429	55,907,429
58 Interest on Debt	-	966,745	966,745
	2,558,095	662,402,977	659,844,882
Ministry of Education & Development			
17 Department of Education	640	379,864	379,224
	640	379,864	379,224
Ministry of Health & Family Services			
21 Health & Social Services	240	38,343	38,103
22 Health Department	7,449	960,494	953,045
23 Child & Family Services	591	163,093	162,502
55 Financial Assistance	-	40,638	40,638
	8,280	1,202,568	1,194,288
Ministry of Labour, Home Affairs & Public Safety			
06 Defence	-	59,619	59,619
07 Police	2,333	430,932	428,599
25 Corrections	-	1,415	1,415
27 Immigration	38,065	22,314,055	22,275,990
29 Registry General	1,464	1,348,944	1,347,480
44 Ministry of Labour & Home Affairs HQ	-	3,150	3,150
45 Fire Services	1,138	1,356,632	1,355,494
54 Security Services & Delegated Affairs	-	4	4
60 Labour & Training	600	12,478	11,878
	43,600	25,527,229	25,483,629

**Government of Bermuda - Consolidated Fund
Schedule 11(a): Interdepartmental Revenue By Ministry / Dept (cont'd)**

For the year ended March 31	2005 Interdepartmental Revenue	2005 Gross Revenue Actual	2005 Net Revenue
	\$	\$	\$
Ministry of the Environment			
32 Department of Planning	1,460	1,575,335	1,573,875
49 Land Valuation	-	-	-
50 Ministry of the Environment	-	15,594	15,594
68 Parks	3,837	125,026	121,189
69 Conservation Services	1,692	866,044	864,352
72 Environmental Protection	19,860	525,955	506,095
	26,849	3,107,954	3,081,105
Ministry of Telecommunications & E-Commerce			
43 Information Technology Office	523	3,662	-
46 Telecommunications	480	10,204,495	-
67 E-Commerce	50	17	-
	1,053	10,208,174	10,207,121
Ministry of Tourism & Transport			
30 Marine & Ports Services	105	4,967,790	4,967,685
31 Airport Operations	-	12,148,302	12,148,302
33 Tourism	779	157,948	157,169
34 Transport Control Department	993	24,022,742	24,021,749
35 Public Transportation Board	106,395	6,725,114	6,618,719
57 Civil Aviation	-	4,657,912	4,657,912
73 Maritime Administration	-	2,095,473	2,095,473
	108,272	54,775,281	54,667,009
Ministry of Works & Engineering & Housing			
36 Works & Engineering	694,692	10,869,361	10,174,669
42 Rent Commissioner	-	1,286	1,286
	694,692	10,870,647	10,175,955
Ministry of Community Affairs & Sport			
18 Libraries	564	19,122	18,558
20 Youth, Sport & Recreation	2,915	634,083	631,168
40 Community Affairs	1,572	327,783	326,211
52 Community and Cultural Affairs	-	2,833	2,833
56 Human Affairs	-	1,800	1,800
	5,051	985,621	980,570
TOTAL REVENUE	3,488,788	782,469,026	778,980,238

Government of Bermuda - Consolidated Fund
Schedule 12: Current Expenditure By Ministry / Department

For the year ended March 31	2005 Original Estimates	2005 Actual	2004 Actual
	\$	\$	\$
Non-Ministry Departments			
01 Governor & Staff	1,244,515	1,260,286	1,609,000
05 Office of the Auditor General	2,247,561	1,959,367	2,116,668
08 Public Service Commission	71,833	71,925	57,442
63 Parliamentary Registrar	577,580	326,810	928,550
	4,141,489	3,618,388	4,711,660
Cabinet Office Departments			
09 Cabinet Office	2,952,766	2,700,823	2,908,778
14 Department of Statistics	3,315,104	2,105,012	2,328,585
15 Department of Management Services	1,015,594	720,429	766,054
19 Department of Archives	995,439	788,181	746,340
26 Department of Human Resources	5,755,887	5,187,496	4,810,535
51 Department of Communication & Information	1,522,313	1,260,322	1,358,341
	15,557,103	12,762,263	12,918,633
Ministry of Justice			
02 Legislature	3,951,080	3,102,541	2,977,978
03 Judicial Department	8,444,119	7,877,467	5,651,395
04 Attorney-General's Chambers	2,842,908	2,287,496	3,689,524
62 Legislative Affairs	77,343	16,673	1,576
75 Dept. of Public Prosecutions	1,914,232	1,795,958	(5,814)
	17,229,682	15,080,135	12,314,659
Ministry of Finance			
10 Ministry of Finance HQ	4,158,521	4,184,042	6,755,336
11 Accountant-General	37,407,248	20,488,544	20,160,394
Retirement Benefit Expenditures		95,036,906	41,023,541
12 Customs	11,742,462	11,677,313	10,721,638
13 Post Office	11,095,801	11,087,613	10,628,180
28 Department of Social Insurance	1,685,919	8,343,755	1,451,905
38 Office of the Tax Commissioner	2,448,662	(7,297,210)	10,857,779
39 Registrar of Companies	4,854,345	3,865,136	3,408,258
58 Interest on Debt	8,000,000	8,347,496	8,445,230
59 Sinking Fund Contribution	3,350,000	-	-
	84,742,958	155,733,595	113,452,261
Ministry of Education & Development			
17 Department of Education	100,313,705	105,250,689	94,668,827
41 Bermuda College	13,859,359	13,860,000	13,353,526
	114,173,064	119,110,689	108,022,353

Government of Bermuda - Consolidated Fund
Schedule 12: Current Expenditure By Ministry / Department (cont'd)

For the year ended March 31	2005 Original Estimates	2005 Actual	2004 Actual
	\$	\$	\$
Ministry of Health & Family Services			
21 Ministry of Health & Family Services HQ	5,459,428	5,340,339	5,093,111
22 Health Department	21,746,834	20,241,031	19,445,634
23 Child & Family Services	8,792,985	9,319,848	8,888,535
24 Hospitals	83,039,785	85,736,905	79,936,075
55 Financial Assistance	15,585,370	14,919,203	14,019,804
74 Court Services	4,157,168	3,297,470	2,692,532
	138,781,570	138,854,796	130,075,691
Ministry of Labour, Home Affairs & Public Safety			
06 Defence	5,457,912	5,377,684	5,453,056
07 Police	47,604,372	46,809,161	45,504,148
25 Corrections	20,019,115	21,235,997	19,121,802
27 Immigration	3,247,587	3,145,319	3,422,405
29 Registry General	1,500,612	1,352,307	1,258,744
44 Ministry of Labour & Home Affairs HQ	875,408	643,041	583,710
45 Fire Services	8,407,443	8,197,292	7,949,256
64 Security Services & Delegated Affairs	194,029	185,884	179,272
60 Labour & Training	2,735,213	2,324,855	4,663,972
	90,041,691	89,271,540	88,136,365
Ministry of the Environment			
32 Department of Planning	2,769,475	2,501,752	2,425,461
49 Land Valuation	956,500	548,559	622,237
60 Ministry of the Environment HQ	600,645	535,753	568,728
68 Parks	8,636,188	9,252,747	8,525,604
69 Conservation Services	4,293,613	4,128,054	3,921,805
72 Environmental Protection	3,285,884	3,098,565	3,370,965
	20,542,305	20,065,430	19,434,800
Ministry of Telecommunications & E-Commerce			
43 Information Technology Office	5,154,907	5,466,341	4,927,237
46 Telecommunications	1,352,980	1,041,744	1,255,385
67 E-Commerce	996,567	812,158	879,827
84 E-Government	228,423	90,318	-
	7,732,877	7,410,561	7,062,449
Ministry of Tourism & Transport			
30 Marine & Ports	14,015,000	15,835,677	13,695,720
31 Airport Operations	19,040,524	21,697,531	19,419,673
33 Department of Tourism	35,897,400	34,960,509	36,830,674
34 Transport Control Department	3,160,872	2,956,872	2,460,474
35 Public Transportation Board	16,278,473	16,307,098	17,177,120
48 Ministry of Transport HQ	671,502	969,889	573,489
57 Civil Aviation	2,579,938	2,624,810	2,269,320
73 Maritime Administration	1,064,629	1,023,629	1,022,616
	92,508,338	96,376,015	93,449,086
Ministry of Works & Engineering & Housing			
36 Works & Engineering	55,492,950	65,609,048	58,301,930
Amortization		12,192,276	10,778,620
42 Rent Commissioner	498,314	400,498	323,871
53 Bermuda Housing Corporation	3,106,000	3,106,000	3,106,000
	59,097,264	81,307,822	72,510,421
Ministry of Community Affairs & Sport			
18 Libraries	1,827,795	1,815,939	1,773,560
20 Youth, Sport & Recreation	8,372,412	8,560,775	7,414,176
40 Community Affairs	1,617,933	1,465,078	1,209,645
52 Community & Cultural Affairs	1,667,582	1,530,998	1,473,127
56 Human Affairs	2,214,339	1,994,288	1,741,053
	15,700,061	15,367,078	13,611,561
TOTAL CURRENT EXPENDITURE	660,248,402	754,958,312	675,699,939

Government of Bermuda - Consolidated Fund
Schedule 12(a): Interdepartmental Current Expenditure By Ministry/Department

For the year ended March 31	2005 Interdepartmental Expenditure	2005 Actual Gross Expenditure	2005 Net Expenditure
	\$	\$	\$
Non-Ministry Departments			
01 Governor & Staff	1,945	1,260,286	1,258,341
05 Office of the Auditor General	1,827	1,959,367	1,957,540
08 Public Service Commission	-	71,925	71,925
63 Parliamentary Registrar	4,803	326,810	322,007
	8,575	3,618,388	3,609,813
Cabinet Office Departments			
09 Cabinet Office	-	2,700,823	2,700,823
14 Department of Statistics	1,543	2,105,012	2,103,469
15 Department of Management Services	73	720,429	720,356
19 Department of Archives	463	788,181	787,718
26 Department of Human Resources	3,375	5,187,496	5,184,121
51 Dept. of Communication & Information	413	1,260,322	1,259,909
	5,867	12,762,263	12,756,396
Ministry of Justice			
02 Legislature	247	3,102,541	3,102,294
03 Judicial Department	4,170	7,877,467	7,873,297
04 Attorney-General's Chambers	701	2,287,496	2,286,795
62 Legislative Affairs	-	16,673	16,673
75 Dept. of Public Prosecutions	4,500	1,795,958	1,791,458
	9,618	15,080,135	15,070,517
Ministry of Finance			
10 Ministry of Finance HQ	376	4,184,042	4,183,666
11 Accountant-General	251,945	20,488,544	20,236,599
Retirement Benefit Expenditures	-	95,036,906	95,036,906
12 Customs	26,593	11,677,313	11,650,720
13 Post Office	21,807	11,087,613	11,065,806
28 Department of Social Insurance	11,670	8,343,755	8,332,085
38 Office of the Tax Commissioner	29,589	(7,297,210)	(7,326,799)
39 Registrar of Companies	549	3,865,136	3,864,587
58 Interest on Debt	-	8,347,496	8,347,496
59 Sinking Fund Contribution	-	-	-
	342,529	155,733,595	155,391,066
Ministry of Education & Development			
17 Department of Education	91,636	105,250,689	105,159,053
41 Bermuda College	-	13,860,000	13,860,000
	91,636	119,110,689	119,019,053

Government of Bermuda - Consolidated Fund
Schedule 12(a): Interdepartmental Current Expenditure By Ministry / Department (cont)

For the year ended March 31	2005 Interdepartmental Expenditure	2005 Actual Gross Expenditure	2005 Net Expenditure
	\$	\$	\$
Ministry of Health & Family Services			
21 Ministry of Health & Family Services HQ	12,813	5,340,339	5,327,526
22 Health Department	71,060	20,241,031	20,169,971
23 Child & Family Services	13,618	9,319,848	9,306,230
24 Hospitals	-	85,736,905	85,736,905
55 Financial Assistance	72,891	14,919,203	14,846,312
74 Court Services	5,547	3,297,470	3,291,923
	175,929	138,854,796	138,678,867
Ministry of Labour, Home Affairs & Public Safety			
06 Defence	1,920	5,377,684	5,375,764
07 Police	148,480	46,809,161	46,660,681
25 Corrections	184,390	21,235,997	21,051,607
27 Immigration	7,595	3,145,319	3,137,724
29 Registry General	1,115	1,352,307	1,351,192
44 Ministry of Labour & Home Affairs HQ	103	643,041	642,938
45 Fire Services	15,364	8,197,292	8,181,928
54 Security Services & Delegated Affairs	-	185,884	185,884
60 Labour & Training	2,659	2,324,855	2,322,196
	361,626	89,271,540	88,909,914
Ministry of the Environment			
32 Department of Planning	165	2,501,752	2,501,587
49 Land Valuation	205	548,559	548,354
50 Ministry of the Environment HQ	927	535,753	534,826
68 Parks	44,773	9,252,747	9,207,974
69 Conservation Services	25,658	4,128,054	4,102,396
72 Environmental Protection	2,696	3,098,565	3,095,869
	74,424	20,065,430	19,991,006
Ministry of Telecommunications & E-Commerce			
43 Information Technology Office	6,495	5,466,341	5,459,846
46 Telecommunications	5,285	1,041,744	1,036,459
67 E-Commerce	-	812,158	812,158
84 E- Government	-	90,318	90,318
	11,780	7,410,561	7,398,781
Ministry of Tourism & Transport			
30 Marine & Ports Services	77,618	15,835,677	15,758,059
31 Airport Operations	90,716	21,697,531	21,606,815
33 Tourism	92,539	34,960,509	34,867,970
34 Transport Control Department	5,034	2,956,872	2,951,838
35 Public Transportation Board	1,089,381	16,307,098	15,217,717
48 Ministry of Transport HQ	120	969,889	969,769
57 Civil Aviation	4,490	2,624,810	2,620,320
73 Maritime Administration	-	1,023,629	1,023,629
	1,359,898	96,376,015	95,016,117
Ministry of Works, Engineering & Housing			
36 Works & Engineering	978,115	65,609,048	64,630,933
Amortization		12,192,276	12,192,276
42 Rent Commissioner	70	400,498	400,428
53 Bermuda Housing Corporation	-	3,106,000	3,106,000
	978,185	81,307,822	80,329,637
Ministry of Community Affairs & Sport			
18 Libraries	6,437	1,815,939	1,809,502
20 Youth, Sport & Recreation	58,855	8,560,775	8,501,920
40 Community Affairs	1,136	1,465,078	1,463,942
52 Community and Cultural Affairs	743	1,530,998	1,530,255
56 Human Affairs	1,550	1,994,288	1,992,738
	68,721	15,367,078	15,298,357
TOTAL CURRENT EXPENDITURE	3,488,788	754,958,312	751,469,524

Government of Bermuda - Consolidated Fund
Schedule 13: Schedules of Tangible Capital Assets and Work in Process

For the year ended March 31

	Estimated Useful Life	Original Cost	Additions/ (Disposals)	Accumulated Amortization	Current Amortization	31-Mar-05 Net Book Value	31-Mar-04 Net Book Value
Tangible Capital Assets							
Land	Indefinite	53,397,083	325,500	-	-	53,722,583	53,397,083
Buildings & Betterments	40 years	254,786,279	18,972,275	(55,910,673)	(6,604,089)	211,243,792	198,801,206
Vehicles & Heavy Equipment	Varied	45,997,649	5,173,679	(33,097,652)	(4,579,868)	13,493,808	11,653,811
Vessels	Varied	22,057,517	6,683,609	(16,835,211)	(1,042,659)	10,863,256	5,222,306
Capital Leases*	3 - 5 years	3,596,348	(98,546)	(2,385,921)	34,340	1,146,221	1,333,280
Total Tangible Capital Assets		379,834,876	31,056,517	(108,229,457)	(12,192,276)	290,469,660	270,407,686
Work In Process		89,261,941	13,960,112	-	-	103,222,053	89,261,941

*: These figures include immaterial adjustments to the cost and amortization figures.

Government of Bermuda - Consolidated Fund
Schedule 14: Capital Development Expenditure By Ministry / Department

For the year ended March 31	2005	2004
	Actual	Actual
	\$	\$
Cabinet Office Departments		
19 Department of Archives	-	25,032
	-	25,032
Ministry of Education & Development		
17 Department of Education	576,926	692,070
41 Bermuda College	-	-
	576,926	692,070
Ministry of Health & Family Services		
21 Ministry of Health & Family Services HQ	-	-
22 Health Department	85,078	36,807
23 Child & Family Services	400,636	-
24 Hospitals	87,255	146,423
	572,969	183,230
Ministry of Labour, Home Affairs & Public Safety		
07 Police	91,662	361,779
25 Department of Corrections	150,994	99,193
27 Immigration	-	-
54 Security Services & Delegated Affairs	11,700	9,584
	254,356	470,556
Ministry of the Environment		
32 Planning	350,047	-
50 Ministry of the Environment HQ	704,421	1,022,036
68 Parks	255,366	203,002
69 Conservation Services	25,787	(89)
	1,335,621	1,224,949
Ministry of Tourism & Transport		
30 Marine & Ports	4,279	308,494
31 Airport Operations	1,726,699	4,345,409
34 Transport Control Department	55,250	-
35 Public Transportation Board	(77,373)	77,373
	1,708,855	4,731,276
Ministry of Works & Engineering & Housing		
36 Works & Engineering	18,572,478	8,736,097
	18,572,478	8,736,097
Ministry of Community Affairs & Sport		
20 Youth, Sport & Recreation	591,092	8,010,862
52 Community & Cultural Affairs	-	100,000
	591,092	8,110,862
TOTAL CAPITAL DEVELOPMENT	23,612,297	24,174,072

Government of Bermuda - Consolidated Fund
Schedule 15: Capital Acquisition Expenditure By Ministry / Department

For the year ended March 31	2005	2004
	Actual	Actual
	\$	\$
Non-Ministry Departments		
01 Governor & Staff	36,640	-
05 Office of the Auditor General	32,097	18,228
63 Parliamentary Registrar	39,839	-
	108,576	18,228
Cabinet Office Departments		
14 Department of Statistics	1,605	38,564
15 Department of Management Services	8,875	14,000
19 Department of Archives	14,300	21,894
	24,780	74,458
Ministry of Justice		
02 Legislature	18,532	-
03 Judicial Department	56,932	135,234
04 Attorney-General's Chambers	8,825	13,793
75 Department of Public Prosecutions	12,322	-
	96,611	149,027
Ministry of Finance		
10 Ministry of Finance HQ	160,209	263,977
11 Accountant General	3,970	-
12 Customs	989,685	2,584,835
13 Post Office	295,084	80,330
38 Office of the Tax Commissioner	212,715	108,609
39 Registrar of Companies	-	1,248
	1,661,663	3,038,999
Ministry of Education & Development		
17 Department of Education	3,977,241	3,528,372
	3,977,241	3,528,372
Ministry of Telecommunications & E-Commerce		
43 Information Technology Office	3,510,585	2,661,181
46 Telecommunications	47,063	10,265
67 E-Commerce	40,000	-
84 E-Government	2,182,355	1,092,947
	5,780,003	3,764,393
Ministry of Health & Family Services		
21 Ministry of Health & Family Services HQ	23,198	2,202
22 Health Department	139,606	240,630
23 Child & Family Services	2,549	18,608
24 Hospitals	67,529	-
55 Financial Assistance	82,453	-
74 Court Services	106,491	107,000
	421,826	368,440
Ministry of Labour, Home Affairs & Public Safety		
06 Defence	-	-
07 Police	1,718,831	1,242,926
25 Department of Corrections	186,535	353,292
27 Immigration	207,731	140,833
29 Registry General	56,045	-
45 Fire Services	280,124	449,147
	2,449,266	2,186,198

Government of Bermuda - Consolidated Fund
Schedule 15: Capital Acquisition Expenditure By Ministry / Department
(cont'd)

For the year ended March 31	2005	2004
	Actual	Actual
	\$	\$
Ministry of the Environment		
32 Department of Planning	44,487	105,818
49 Land Valuation	13,800	-
68 Parks	2,625	152,821
69 Conservation Services	72,280	76,666
72 Environmental Protection	-	-
	133,192	335,305
Ministry of Community Affairs & Sport		
18 Libraries	14,913	-
20 Youth, Sport & Recreation	15,002	122,321
40 Community Affairs	5,060	-
56 Human Affairs	1,088	-
	36,063	122,321
Ministry of Transport		
30 Marine & Ports	291,336	615,946
31 Airport Operations	1,839,620	46,163
34 Transport Control Department	684,366	200,998
35 Public Transportation Board	166,115	(479,145)
57 Civil Aviation	9,420	1,261
73 Maritime Administration	3,969	5,948
	2,994,826	391,171
Ministry of Works & Engineering & Housing		
36 Works & Engineering	3,170,847	2,705,594
42 Rent Commissioner	31,660	51,932
	3,202,507	2,757,526
TOTAL CAPITAL ACQUISITION	20,886,554	16,734,438

Government of Bermuda - Consolidated Fund
Schedule 16: Current Expenditure - Estimates Compared to Actual

For the year ended March 31, 2005

	Actual	For Appropriation *	Original Estimates	Under (Over) Spent
	\$	\$	\$	\$
Non-Ministry Departments				
01 Governor & Staff	1,260,286	1,269,193	1,244,515	(24,678)
05 Office of the Auditor General	1,959,367	1,984,642	2,247,561	262,919
08 Public Service Commission	71,925	71,925	71,833	(92)
63 Parliamentary Registrar	326,810	335,481	577,580	242,099
	3,618,388	3,661,241	4,141,489	480,248
Cabinet Office Departments				
09 Cabinet Office	2,700,823	2,761,481	2,952,766	191,285
14 Department of Statistics	2,105,012	2,105,012	3,315,104	1,210,092
15 Department of Management Services	720,429	747,007	1,015,594	268,587
19 Department of Archives	788,181	806,213	995,439	189,226
26 Department of Human Resources	5,187,496	5,201,568	5,755,887	554,319
51 Department of Communication & Information	1,260,322	1,305,561	1,522,313	216,752
	12,762,263	12,926,842	15,557,103	2,630,261
Ministry of Justice				
02 Legislature	3,102,541	3,115,481	3,951,080	835,599
03 Judicial Department	7,877,467	7,887,486	8,444,119	556,633
04 Attorney-General's Chambers	2,287,496	2,287,496	2,842,908	555,412
62 Legislative Affairs	16,673	16,673	77,343	60,670
75 Dept. of Public Prosecutions	1,795,958	1,795,958	1,914,232	118,274
	15,080,135	15,103,094	17,229,682	2,126,588
Ministry of Finance				
10 Ministry of Finance HQ	4,184,042	4,184,042	4,158,521	(25,521)
11 Accountant-General	20,488,544	35,058,996	37,407,248	2,348,252
Retirement Benefit Expenditures	95,036,906	52,219,640	-	(52,219,640)
12 Customs	11,677,313	11,751,963	11,742,462	(9,501)
13 Post Office	11,087,613	11,319,757	11,095,801	(223,956)
28 Social Insurance	8,343,755	8,351,876	1,685,919	(6,665,957)
38 Office of the Tax Commissioner	(7,297,210)	2,541,912	2,448,662	(93,250)
39 Registrar of Companies	3,865,136	4,509,005	4,854,345	345,340
58 Interest on Debt	8,347,496	8,347,496	8,000,000	(347,496)
59 Sinking Fund Contribution	-	3,062,500	3,350,000	287,500
	155,733,595	141,347,187	84,742,958	(56,604,229)
Ministry of Telecommunications & E-Commerce				
43 Information Technology Office	5,466,341	5,476,421	5,154,907	(321,514)
46 Telecommunications	1,041,744	1,041,744	1,352,980	311,236
67 E-Commerce	812,158	812,158	996,567	184,409
84 E-Government	90,318	90,318	228,423	138,105
	7,410,561	7,420,641	7,732,877	312,236
Ministry of Education & Development				
17 Department of Education	105,250,689	105,030,406	100,313,705	(4,716,701)
41 Bermuda College	13,860,000	13,860,000	13,859,359	(641)
	119,110,689	118,890,406	114,173,064	(4,717,342)

* Adjusted for Non-Budgeted, Non-Cash Items

Government of Bermuda - Consolidated Fund
Schedule 16: Current Expenditure - Estimates Compared to Actual (cont'd)

For the year ended March 31, 2005

	Actual	For Appropriation*	Original Estimates	Under (Over) Spent
	\$	\$	\$	\$
Ministry of Health & Family Services				
21 Ministry of Health & Family Services HQ	5,340,339	5,374,518	5,459,428	84,910
22 Health Department	20,241,031	20,570,957	21,746,834	1,175,877
23 Child & Family Services	9,319,848	9,380,005	8,792,985	(587,020)
24 Hospitals	85,736,905	85,736,905	83,039,785	(2,697,120)
55 Financial Assistance	14,919,203	14,919,714	15,585,370	665,656
74 Court Services	3,297,470	3,312,618	4,157,168	844,550
	138,854,796	139,294,717	138,781,570	(513,147)
Ministry of Labour, Home Affairs & Public Safety				
06 Defence	5,377,884	5,387,800	5,457,912	70,112
07 Police	46,809,161	47,438,711	47,604,372	165,661
25 Department of Corrections	21,235,997	21,543,755	20,019,115	(1,524,640)
27 Immigration	3,145,319	3,181,600	3,247,587	65,987
29 Registry General	1,352,307	1,382,839	1,500,612	117,773
44 Ministry of Labour & Home Affairs HQ	643,041	643,041	875,408	232,367
45 Fire Services	8,197,292	8,197,292	8,407,443	210,151
54 Security Services & Delegated Affairs	185,884	185,884	194,029	8,145
60 Labour & Training	2,324,855	2,324,855	2,735,213	410,358
	89,271,540	90,285,777	90,041,691	(244,086)
Ministry of the Environment				
32 Department of Planning	2,501,752	2,515,431	2,769,475	254,044
49 Land Valuation	548,559	548,559	956,500	407,941
50 Ministry of the Environment HQ	535,753	561,028	600,645	39,617
68 Parks	9,252,747	9,264,138	8,636,188	(627,950)
69 Conservation Services	4,128,054	4,178,405	4,293,613	115,208
72 Environmental Protection	3,098,565	3,025,828	3,285,884	260,056
	20,065,430	20,093,389	20,542,305	448,916
Ministry of Tourism & Transport				
30 Marine & Ports	15,835,677	15,872,523	14,015,000	(1,857,523)
31 Airport Operations	21,697,531	21,439,519	19,040,524	(2,398,995)
33 Department of Tourism	34,960,509	34,960,509	35,697,400	736,891
34 Transport Control Department	2,956,872	2,977,601	3,160,872	183,271
35 Public Transportation Board	16,307,098	16,489,297	16,278,473	(210,824)
48 Ministry of Transport HQ	969,889	969,889	671,502	(298,387)
57 Civil Aviation	2,624,810	2,636,383	2,579,938	(56,445)
73 Maritime Administration	1,023,629	1,026,129	1,064,629	38,500
	96,376,015	96,371,850	92,508,338	(3,863,512)
Ministry of Works, Engineering & Housing				
36 Works & Engineering	65,609,048	57,689,532	55,492,950	(2,196,582)
Amortization	12,192,276	-	-	-
42 Rent Commissioner	400,498	400,498	498,314	97,816
53 Bermuda Housing Corporation	3,106,000	3,106,000	3,106,000	-
	81,307,822	61,196,030	59,097,264	(2,098,766)
Ministry of Community Affairs & Sport				
18 Libraries	1,815,939	1,838,291	1,827,795	(10,496)
20 Youth, Sport & Recreation	8,560,775	8,620,257	8,372,412	(247,845)
40 Community Affairs	1,465,078	1,474,734	1,617,933	143,199
52 Community & Cultural Affairs	1,530,998	1,530,998	1,667,582	136,584
56 Human Affairs	1,994,288	1,994,288	2,214,339	220,051
	15,367,078	15,458,568	15,700,061	241,493
TOTAL CURRENT EXPENDITURE	754,958,312	722,049,742	660,248,402	(61,801,340)

* Adjusted for Non-Budgeted, Non-Cash Items

Government of Bermuda - Consolidated Fund
Schedule 17: Commitments - Legislated

As at March 31	2005	2004
	Actual	Actual
	\$	\$

Unspent Capital Appropriations

In accordance with Section 6 of the Appropriations Act 2005, unspent capital appropriations for incomplete capital projects to be carried forward to future years are as follows:

Capital Development	56,947,980	55,610,427
Capital Acquisition	19,251,013	18,062,328
	76,198,993	73,672,755

Total Authorized Funding

Total Authorized Funding represents the estimated total cost of continuing 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	551,238,300	358,954,700
Appropriated Capital Development	(297,956,259)	(252,173,544)
Unappropriated Capital Development	253,282,041	106,781,156

Government of Bermuda - Consolidated Fund
Schedule 18: Public Debt - Legislated Limit

As at March 31	2005	2004
	Actual	Actual
	\$	\$

The Government Loans Act 1978, as amended, defines public debt as debt owed or guaranteed by the Consolidated Fund.

Section 2A(1) of the Act limits public debt (net of sinking fund assets) to \$250 million. Subsequent to March 31 2005, this limit was increased to \$375 million. (see note 17)

Debt (Schedule 8)	175,000,000	160,000,000
National Education Guarantees (Note 11(a))	2,170,648	2,341,969
	177,170,648	162,341,969
Sinking Fund (Schedule 8)	46,726,281	42,841,007
Public Debt	130,444,367	119,500,962
Legislated Limit	250,000,000	250,000,000
Available Limit	119,555,633	130,499,038