



Government of Bermuda

**Financial Statements
of the
Consolidated Fund**

March 31, 2009

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, 2009, and the statements of operations and accumulated deficit, change in net debt and cash flow 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.

Except as explained in the following paragraph, 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.

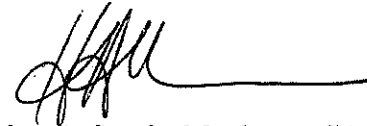
My examination indicated serious internal control deficiencies in the management of various capital development projects which carry a book value of \$90 million at March 31, 2009 and total authorized funding of \$152 million. These deficiencies led me to question the appropriateness of certain transactions and the underlying value of the assets at March 31, 2009. As a consequence, I was unable to determine whether adjustments might be necessary to tangible capital assets, assets under construction, capital development expenses, deficit and accumulated deficit and if additional note disclosure was necessary.

In my opinion, except for the effect of adjustments and additional note disclosure, if any, which I might have determined to be necessary had I been able to verify tangible capital assets, assets under construction and capital development expenses as described in the preceding paragraph, 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, 2009 and the results of its operations, its change in net debt and its cash flows for the year then ended, in accordance with the stated accounting policies disclosed in Note 3 to the financial statements, which conform with generally accepted accounting principles in Bermuda and Canada as at March 31, 2009. 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 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 the results of its operations, its change in net debt and its cash flows. 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, its change in net debt and its cash flows.

Hamilton, Bermuda
September 25, 2009



Heather A. Jacobs Matthews, CA, CFE
Auditor General



GOVERNMENT OF BERMUDA

Ministry of Finance

**Government of Bermuda
Consolidated Fund
Statement of Responsibility for the Financial Statements
March 31, 2009**

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, CPA
Accountant-General
Ministry of Finance

Hamilton, Bermuda
September 25, 2009

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

As at March 31		2009	2008
		Actual	Actual
		\$	\$
Liabilities			
	<u>Schedule</u>		
Bank Overdraft (Note 17)		147,250,826	-
Accounts Payable and Accrued Liabilities	5	149,355,749	163,392,523
Deferred Revenue	6	87,139,725	88,578,000
		<u>383,746,300</u>	<u>251,970,523</u>
Interest Bearing Debt - Net of Sinking Fund	7	<u>335,219,239</u>	277,169,888
Pensions and Other Employee Future Benefits			
- Pensions and Retirement Benefits (Note 9(h))		834,409,234	748,131,128
- Compensated Absences (Note 8)		19,586,264	18,010,709
		<u>853,995,498</u>	<u>766,141,837</u>
Other Liabilities			
Due to Government Funds and Agencies	3(a)	60,487,014	35,047,211
Total Liabilities		<u>1,633,448,051</u>	<u>1,330,329,459</u>
Financial Assets			
Cash and Cash Equivalents		19,432,104	23,543,990
Accounts Receivable	1	136,826,810	150,176,960
Due from Government Funds and Agencies	3	22,006,507	20,644,623
Long-Term Receivables	4	2,255,744	4,260,139
Total Financial Assets		<u>180,521,165</u>	<u>198,625,712</u>
Net Debt		<u>1,452,926,886</u>	<u>1,131,703,747</u>
Non-Financial Assets			
Tangible Capital Assets (Note 3(f)) (Note 15)	12	599,263,650	471,937,023
Assets under Construction (Note 3(f))	12	112,730,687	24,711,237
Prepaid Supplies (Note 3(f))	2	14,645,051	13,156,994
Prepaid Expenses		6,402,004	4,415,677
		<u>733,041,392</u>	<u>514,220,931</u>
Accumulated Deficit		<u>719,885,494</u>	<u>617,482,816</u>

Contingent Liabilities, Non-Contractual Operational Commitments and Contractual Commitments (Notes 10, 11, 12 and Schedule 16)

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		2009 Original Estimates	2009 Actual	2008 Actual
		\$	\$	\$
	<u>Schedule</u>			
Revenue	8,10	985,273,000	952,866,165	928,499,854
Expenses				
Current	9,11	961,840,000	1,112,193,073	1,022,899,708
Capital Development (Note 3(f))	13		62,745,702	108,867,283
Capital Acquisition (Note 3(f))	14		12,088,994	11,980,267
			1,187,027,769	1,143,747,258
Annual Deficit			(234,161,604)	(215,247,404)
Accumulated Deficit, Beginning of Year			(617,482,816)	(414,881,954)
Recognition of Tangible Capital Assets (Note 15)			131,758,926	12,646,542
Accumulated Deficit, End of Year			(719,885,494)	(617,482,816)

**Government of Bermuda - Consolidated Fund
Statement of Change in Net Debt**

For the year ended March 31	2009	2008
	Actual	Actual
	\$	\$
Annual Deficit	(234,161,604)	(215,247,404)
Change Due to Tangible Capital Assets:		
Net Additions to Tangible Capital Assets	(29,505,668)	(21,351,507)
Net Additions to Assets under Construction	(88,019,450)	(8,771,529)
Amortization of Tangible Capital Assets	33,937,967	25,923,153
Total Change Due to Tangible Capital Assets	(83,587,151)	(4,199,883)
Net (Additions to) Reduction in Prepaid Supplies	(1,488,057)	373,415
Net Additions to Prepaid Expenses	(1,986,327)	(1,235,987)
Total Change Due to Prepaid Supplies and Prepaid Expenses	(3,474,384)	(862,572)
Increase in Net Debt	(321,223,139)	(220,309,859)
Net Debt, Beginning of Year	(1,131,703,747)	(911,393,888)
Net Debt, End of Year	(1,452,926,886)	(1,131,703,747)

**Government of Bermuda - Consolidated Fund
Statement of Cash Flow**

For the year ended March 31	2009	2008
	Actual	Actual
	\$	\$
Operating Activities		
Annual Deficit	(234,161,604)	(215,247,404)
Items not affecting cash:		
Amortization of Tangible Capital Assets	33,937,967	25,923,153
Increase in Pension and Retirement Benefits Liability	86,278,106	76,888,099
Increase in Compensated Absences Liability	1,575,555	1,831,303
Increase in Non-Cash Working Capital	20,483,031	68,373,941
Cash Applied to Operating Activities	(91,886,945)	(42,230,908)
Capital Activities		
Net Additions to Tangible Capital Assets	(29,505,668)	(21,351,507)
Net Additions to Assets under Construction	(88,019,450)	(8,771,529)
Cash Applied to Capital Activities	(117,525,118)	(30,123,036)
Financing Activities		
Loan Proceeds	70,000,000	90,000,000
Increase in Sinking Fund	(11,950,649)	(9,490,989)
Cash Provided By Financing Activities	58,049,351	80,509,011
Net (Decrease) Increase in Cash and Cash Equivalents	(151,362,712)	8,155,067
Cash and Cash Equivalents, Beginning of Year	23,543,990	15,388,923
Cash and Cash Equivalents, End of Year	(127,818,722)	23,543,990
Cash and Cash Equivalents, End of Year		
Cash and Cash Equivalents	19,432,104	23,543,990
Bank Overdraft (Note 17)	(147,250,826)	-
Cash and Cash Equivalents, End of Year	(127,818,722)	23,543,990

Government of Bermuda – Consolidated Fund

Notes to the Financial Statements

March 31, 2009

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 Fund’s financial statements report the financial position, results of operations and 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 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 and amendments.

The Government adheres to the general practice of using a Consolidated Fund as its general operating fund. Schedules 10 to 14 (excluding Schedule 12) provide information concerning the operations, tangible capital assets, and capital expenses of individual Government departments and funds and agencies comprising the Fund.

3. Summary of Significant Accounting Policies

The recommendations of the Public Sector Accounting Board and the Accounting Standards Board of the Canadian Institute of Chartered Accountants (which are promoted by the Institute of Chartered Accountants of Bermuda by signed agreement and therefore generally accepted in Bermuda) are the 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

Government of Bermuda – Consolidated Fund
Notes to the Financial Statements
March 31, 2009

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

earned and expenses incurred during the year. Actual results could differ from these estimates.

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) 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 have been identified as explained in Note 14(c).

(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 and long term receivables.

Accounts receivables are recorded at cost. A valuation allowance is recorded when collection of the receivable is considered doubtful.

Long term receivables are recorded at unamortized cost.

(f) Non-Financial Assets

Non-Financial assets are resources that are employed for future services. They include tangible capital assets, prepaid supplies and prepaid expenses.

**Government of Bermuda – Consolidated Fund
Notes to the Financial Statements
March 31, 2009**

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

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 (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 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 the Statement of Operations and Accumulated Deficit. They include significant items including 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	40 years
Betterments	Remaining life or lease period of the related asset
Building Systems	7 years
Vehicles & Heavy Equipment	
\$10,000 to \$99,999	5 years
\$100,000 and above	7 years
Light Equipment, Boats & Vessels	
\$10,000 to \$99,999	5 years
\$100,000 and above	10 years
Leased Equipment	3 - 5 years
Computer Hardware	3 years
Computer Software	10 years
Furniture & Fixtures	7 years
Office Equipment	5 years
Plant, Machinery & Equipment	10 – 30 years
Infrastructure	10 – 40 years

**Government of Bermuda – Consolidated Fund
Notes to the Financial Statements
March 31, 2009**

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

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

Assets under construction relate to the development of buildings, building betterments, vehicles 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.

Prepaid supplies 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. Prepaid supplies that no longer have service potential are valued at the lower of cost or net realisable 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.

(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 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 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.

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, 2008 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.

**Government of Bermuda – Consolidated Fund
Notes to the Financial Statements
March 31, 2009**

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 2008/09 and do not reflect changes arising from the tabling of Supplementary Estimates, except for the Adjusted Estimates referred to in Schedule 15 which include the original Approved Estimates and any tabled Supplementary Estimates.

(b) Comparison of Expenses to Estimates for Expenditure

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 15 restates actual expenses to the modified cash basis for 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. 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 8. 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 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.

The GBSF assets may only be applied to reduce, cancel or pay interest on 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 Fund's Statement of Financial Position.

**Government of Bermuda – Consolidated Fund
Notes to the Financial Statements
March 31, 2009**

5. Government Borrowing Sinking Fund (cont'd)

The following is a schedule of projected contributions to the GBSF by the Fund up to March 31, 2014, based on estimated debt levels to March 31, 2010:

	2009
	\$
2010	-
2011	28,625,000
2012	18,250,000
2013	18,250,000
2014	18,250,000

Under the provisions of Section 12AA of the Government Loans Act 1978, as amended, the Bermuda Government intends to suspend the GBSF contribution for the fiscal year end 2010. The contributions for fiscal years 2010 and 2011 are included in the contribution for fiscal year 2011.

Separate audited financial statements are prepared for the GBSF which readers should refer to 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 deposits and accumulated deficit.

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 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

Government of Bermuda – Consolidated Fund
Notes to the Financial Statements
March 31, 2009

7. Unemployment Insurance Fund (cont'd)

investments will be paid into the Insurance Fund. As of March 31, 2009, no amounts have been paid into the Insurance Fund.

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.

An actuarial valuation of the Government's obligation for retirement leave was extrapolated to March 31, 2009, using similar long-term assumptions as the Public Service Superannuation Fund pension plan (Note 9). The valuation determined that the accrued benefit obligation for retirement leave is currently \$19,586,264 (2008 - \$18,010,709), as defined in the table below.

	2009	2008
	\$	\$
Accrued benefit obligation, beginning of year	18,010,709	16,179,406
Amortization of experience loss	80,974	80,974
Current period benefit cost	970,378	930,818
Interest accrued	1,242,062	1,139,922
Less: Benefit payments	<u>(717,859)</u>	<u>(320,411)</u>
Accrued benefit obligation, end of year	<u>19,586,264</u>	<u>18,010,709</u>

9. 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

Government of Bermuda – Consolidated Fund
Notes to the Financial Statements
March 31, 2009

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

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 $\frac{3}{1000}$ th 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.

Employees contribute 8.0% 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 2009 - \$30,937,337 (2008 - \$22,384,273), MMLPF 2009 - \$446,060 (2008 - \$406,734). 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 both the PSSF and the MMLPF as at March 31, 2008, the results were then extrapolated to March 31, 2009, 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 2.25% (prior valuation – 2.25%) and the cost of living increase will average 3.0% (prior valuation - 3.0%) per annum.

The 1994 Group Annuity Mortality Table was used for the mortality assumption.

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 expenses for the PSSF.

**Government of Bermuda – Consolidated Fund
Notes to the Financial Statements
March 31, 2009**

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

Due to the fluctuation in the market place, a 15% corridor has been imposed in the market-related value by the Government to ensure the market-related value is not significantly higher or lower than the market value of the assets. The market-related value of assets for the PSSF was \$360,551,315 as at March 31, 2009 (2008 - \$395,509,684) compared to a real market value of \$313,522,883 (2008 - \$408,135,628).

For the MMLPF, there is no difference between the market value of plan assets and the market-related value. As at March 31, 2009, the value was \$8,496,421 (2008 - \$8,867,000). The actual return on plan assets during the year was -24.8% (2008 - 4.5%) for the PSSF and 7.0 % (2008 - 7.0%) for the MMLPF.

As at March 31, 2009, \$5,960,246 was payable to the PSSF in respect of contributions received in excess of benefits paid by the Fund (2008 - (\$2,382,816)).

(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.

A service pension was 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 had its own unique set of assumptions which were used to prepare the actuarial valuation. The most significant assumptions were an interest rate of 6.5% and a salary increase rate of 4.5%. Due to the small size of the scheme, no staff turnover assumptions were made. The mortality assumptions were the same as those used for the PSSF. Pension fund assets consist primarily of listed stocks and short-term investment funds.

At a meeting of the Bermuda Department of Tourism Overseas Pension Plan Trustees on February 19, 2009, the decision was taken to wind down the plan effective March 31, 2009. The plan currently has five members to which benefits have accrued, all other members were terminated. The actuarial report treated the plan as if all benefits were paid by March 31, 2009 and therefore carried a zero fund balance for the year ending in 2009.

Previously, in accordance with the BDTRP agreement, the Government was required to provide funding necessary to ensure that benefits based on actuarial valuations would be fully provided for at retirement. The Government contribution for the prior year was \$306,970. A valuation was performed on the BDTRP as of March 31, 2008 to produce the estimates included in prior financial statements.

(d) Pension-Related Expenses

Pension-related expense 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

Government of Bermuda – Consolidated Fund
Notes to the Financial Statements
March 31, 2009

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

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 Note 9(h) and included in Schedule 9 as a component of retirement benefit expenses.

A net unamortized experience loss of \$245,511,000 (2008 - \$205,434,000) is reported in the following schedule. The amount comprises a total unamortized experience loss on the pension liability of \$168,880,000 (2008 - \$195,156,000) and a total unamortized experience loss on the asset valuation of \$76,631,000 (2008 - \$10,278,000). The period of amortization is ten years.

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

(e) Funded Status of Plans

For the year ended March 31

	2009 Actual	2008 Actual
	\$	\$
Pension Liability		
Accrued Benefit Obligation		
PSSF	1,221,261,000	1,156,050,000
MMLPF	28,933,000	27,156,000
BDTRP	-	1,790,000
	<u>1,250,194,000</u>	<u>1,184,996,000</u>
Net Fund Assets		
PSSF	(360,551,000)	(395,509,000)
MMLPF	(8,496,000)	(8,867,000)
BDTRP	-	(2,507,000)
	<u>(369,047,000)</u>	<u>(406,883,000)</u>
Net Unamortized Experience Loss		
PSSF	<u>(245,511,000)</u>	<u>(205,434,000)</u>
Pension Liability		
PSSF	615,199,000	555,107,000
MMLPF	20,437,000	18,289,000
BDTRP	-	(717,000)
Carried Forward to Note 9 (h)	<u>635,636,000</u>	<u>572,679,000</u>

Government of Bermuda – Consolidated Fund
Notes to the Financial Statements
March 31, 2009

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

For the year ended March 31	2009 <u>Actual</u> \$	2008 <u>Actual</u> \$
Pension-Related Expense		
Cost of Pension Benefits	43,825,100	38,759,687
Employee Contributions	(31,356,381)	(22,791,007)
Interest on Pension Liability	51,385,836	45,900,968
 Amortization of Experience Gains & Losses		
2000 Experience Gain	-	(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	21,908,086
2005 Experience Loss	2,048,199	2,048,199
2006 Experience Loss	595,574	595,574
2007 Experience Gain	(351,626)	(351,626)
2008 Experience Loss	5,243,035	-
Carried forward to Note 9 (h)	<u>95,093,392</u>	<u>84,853,677</u>

(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.

Government of Bermuda – Consolidated Fund
Notes to the Financial Statements
March 31, 2009

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

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.

(g) Retirement Benefits Other than Pensions – Employee 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.

An actuarial calculation of the Government's obligations for retirement benefits other than pensions was performed for accounting purposes at March 31, 2009, using various long-term assumptions, based on the valuation performed as at March 31, 2008.

The discount rate used in determining the accumulated post-retirement benefit obligation was 6.50% per annum. The assumed health-care cost trend rate used was 9.0% (2008 - 7.0%) which will reduce by 0.5% per annum to 5.0% by 2017. 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.

	2009	2008
	\$	\$
Accrued benefit obligation at beginning of year	227,383,530	184,054,567
Current period benefit cost	8,433,266	6,620,812
Interest accrued	14,900,590	12,034,312
Less: Benefit payments	<u>(4,720,603)</u>	<u>(4,443,409)</u>
Accrued benefit obligation at end of year	<u>245,996,783</u>	<u>198,266,282</u>
Expected accrued benefit obligation at end of year	245,996,783	198,266,282
Actual accrued benefit obligation at end of year	<u>245,996,783</u>	<u>227,383,530</u>
Experience loss	<u>-</u>	<u>(29,117,248)</u>

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

Government of Bermuda – Consolidated Fund
Notes to the Financial Statements
March 31, 2009

Expected average remaining service life	13 years	13 years
Annual amortization	\$4,707,852	\$2,281,415

Liability for retirement benefits recorded in the statement of financial position

	2009	2008
	\$	\$
Accrued benefit obligation, end of year	245,996,783	227,383,530
Unamortized experience losses	<u>(47,223,549)</u>	<u>(51,931,402)</u>
Liability for retirement benefits (Note 9(h))	<u>198,773,234</u>	<u>175,452,128</u>

Expenses recorded in statement of operations and accumulated deficit

	2009	2008
	\$	\$
Current period benefit cost	8,433,266	6,620,812
Amortization of experience losses	<u>4,707,852</u>	<u>2,281,415</u>
Retirement benefit expense	13,141,118	8,902,227
Retirement benefit interest expense	<u>14,900,591</u>	<u>12,034,312</u>
Total expenses related to retirement benefits (Note 9(h))	<u>28,041,709</u>	<u>20,936,539</u>

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

	2009	2008
	\$	\$
Pensions (Note 9(e))	635,636,000	572,679,000
Retirement Benefits other than Pensions – Health Insurance Plan (Note 9(g))	<u>198,773,234</u>	<u>175,452,128</u>
Total Pensions and Retirement Benefits Liability	<u>834,409,234</u>	<u>748,131,128</u>
Pensions (Note 9(e))	95,093,392	84,853,677
Retirement Benefits other than Pensions – Health Insurance Plan (Note 9(g))	<u>28,041,709</u>	<u>20,936,539</u>
Total Pensions and Retirement Benefits Expense	<u>123,135,101</u>	<u>105,790,216</u>

10. Contingent Liabilities

Government of Bermuda – Consolidated Fund
Notes to the Financial Statements
March 31, 2009

(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, 2009, \$792,230 (2008 - \$1,152,904) is outstanding on guaranteed student loans with local banks.

(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, 2009 is \$9,543,553 (2008 - \$9,926,379).

(c) Environmental Liabilities

The Government recognizes that there will be a cost for restoration of the environment 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 \$26,250,000 has been accrued, which is an estimate of the costs of the environmental clean-up and remediation at the three former major base land sites. The estimated range is \$32 million to \$40 million, which includes an approximate 20% contingency of the total.

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.

This estimate was developed in 2003, based on orders of cost which were developed from unit rates used for clean-up at Southside and budget estimates from consultants hired by potential developers at the Morgan's Point site. In 2008, the Government also had a registered professional engineer conduct an independent review and estimate which fell within the original range. Therefore, no change has been made to the estimated liability.

10. Contingent Liabilities (cont'd)

Government of Bermuda – Consolidated Fund
Notes to the Financial Statements
March 31, 2009

The Government is currently undertaking steps to commence with the clean up of these sites. It is anticipated that work will commence within the fiscal year 2009/2010 on these sites.

(d) Building Demolition

On August 25, 2008, the Government razed the buildings of the hotel complex in St. George's, last leased by Club Med. The cost, which included the demolition of the main hotel, asbestos remediation, removal of materials and the clean-up of the site, had been estimated and accrued in the 2007/2008 financial statements. The cost of these buildings in the financial statements had already been written down to a nil value.

As at March 31, 2009, the project was not yet complete. Additional work to be done is estimated at \$550,000.

11. Non-Contractual Operational Commitments

The Government has ongoing 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. The following is an analysis of the future, non-contractual, operational commitments:

	2009
	\$
2010	12,779,259
2011	9,125,707
2012	9,156,823
2013	5,883,086
2014	5,304,480
2015 and subsequent	<u>300,000</u>
Total Future Operational Commitments	<u>42,549,355</u>

12. Contractual Commitments

Government of Bermuda – Consolidated Fund
Notes to the Financial Statements
March 31, 2009

(a) Capital Leases

The average period of capitalized leased office machines is 3 years. Leases are capitalized based on the discounted rate of 6.29% and amortized on a straight line basis over the period of the lease.

The following is an analysis of the leases:

	2009	2008
	\$	\$
Present value of lease cost	2,998,260	2,365,123
Less: Accumulated amortization	<u>(2,021,419)</u>	<u>(1,310,362)</u>
Present value of leases payable	<u>976,841</u>	<u>1,054,761</u>

The following is a schedule of discounted future minimum lease payments under leases expiring up to March 31, 2012:

	2009
	\$
2010	583,289
2011	329,644
2012	130,652
Less: Discounted Amount	<u>(66,744)</u>
Present value of leases payable	<u>976,841</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.

Government of Bermuda – Consolidated Fund
Notes to the Financial Statements
March 31, 2009

12. Contractual Commitments (cont'd)

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

	2009
	\$
2010	16,908,801
2011	15,493,109
2012	5,726,551
2013	549,828
2014	549,828
2015 and subsequent	<u>549,828</u>
Total Contractual Obligations	<u><u>39,777,945</u></u>

(c) Operating Leases

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

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

	2009
	\$
2010	10,416,232
2011	8,449,803
2012	6,200,100
2013	4,687,327
2014	3,844,009
2015 and subsequent	<u>14,436,252</u>
Total Future Minimum Operating Lease Payments	<u><u>48,033,723</u></u>

Government of Bermuda – Consolidated Fund
Notes to the Financial Statements
March 31, 2009

13. Supplementary Estimates

Supplementary estimates are required by the Bermuda Constitution Order 1968 for expenditures incurred in excess of amounts appropriated. During the year, \$40,603,998 (2008 - \$25,272,450) in Supplementary Estimates was approved and spent which consisted of \$14,416,798 (2008 - \$17,675,450) for current expenditure and \$26,187,200 (2008 - \$7,597,000) for capital expenditure. Additional current expenditures of \$23,362,833 (2008 - \$19,333,088) were incurred in excess of amounts appropriated by Ministry which will require final supplemental approval.

14. Related Party Transactions

(a) Funds

The Fund is related to the Government Employees 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"), the Public Service Superannuation Fund ("PSSF"), the Confiscated Assets Fund, the Government Borrowing Sinking Fund, the Hospital Insurance Fund, the Mutual Reinsurance 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 Related Organizations

The Fund is related to certain quasi-autonomous non-governmental organizations ("QUANGOs") and other controlled organizations. QUANGOs are government businesses which have been established under their respective legislative incorporation acts. Other government-related organizations are organizations that are controlled by government either by the possession of shares or voting rights or by some other means.

The Fund enters into transactions with the QUANGOs and other 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.

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 related organizations.

Government of Bermuda – Consolidated Fund
Notes to the Financial Statements
March 31, 2009

14. Related Party Transactions (cont'd)

(i) Bermuda Monetary Authority (BMA)

In accordance with Section 8 (3) of the Bermuda Monetary Authority Act 1969, the BMA pays a portion of its net profit (historically 50%) to the Consolidated Fund of the Bermuda Government. Earnings in the amount of \$814,849 (2008 - \$2,941,112) are receivable to the Consolidated Fund for the year ended March 31, 2009. This amount is non-interest bearing and payable to the Consolidated Fund by May 31, 2009.

(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 10(a) and 11(a), respectively.

(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 the BHC operates programmes which do not break even, the Government appropriates annual grants which enable BHC to comply with its legislation."

In 2000, the BHC entered into a facility for which drawdowns of up to \$25 million was available until December 31, 2001. As of July 2009, the facility has an outstanding balance due of \$2.7 million. The amount has to be repaid in full by December 31, 2010.

According to both parties, the letter of comfort is not a guarantee and the \$2.7 million is not included in the public debt.

The BHC has received operating grants of \$6.0 million (2008 - \$4.3 million) and capital grants of \$22.5 million (2008 - \$6.9 million) from the Bermuda Government during the year.

15. Tangible Capital Asset Recognition

As disclosed in note 3(f), infrastructure has now been recognized in the financial statements as at April 1, 2008. The assets in these classes purchased prior to April 1, 2008 have been recognized at amortized value. The recognition of the amortized value of these capital assets has been offset by an adjustment to the accumulated deficit, as disclosed in the Statement of Operations & Accumulated Deficit, excluded from the purchase of assets in the Statement of Cash Flow, and included at gross values in Schedule 12.

Government of Bermuda – Consolidated Fund
Notes to the Financial Statements
March 31, 2009

16. Arbitration Award

On December 14, 2007, a Final Award was granted to the Bermuda Government by the Tribunal in the Arbitration proceeding between The Government of Bermuda and Pro-Active Management Systems Inc. ("Pro-Active"), in the matter of the construction of the Berkeley Institute in the amount of \$15.6 million. The Award was comprised of a judgement granted of \$13.2 million and reimbursement of legal costs of \$2.4 million. The award was finalized in September 2008 after initially being appealed by Pro-Active.

In the prior year the Consolidated Fund accrued a receivable of \$15.6 million. An \$8.8 million provision for uncollectibility of the award was also recorded, which was the net of the total award less a performance bond of \$6.8 million issued by Union Assets Holding Ltd. The performance bond was secured by assets and other resources owned by the Bermuda Industrial Union. It had been determined that it was unlikely that the Bermuda Government would receive any satisfaction from Pro-Active given that the company had been represented to be insolvent.

Subsequently, the Bermuda Government has forgiven the performance bond of \$6.8 million with Union Asset Holdings. The full receivable of \$15.6 million and the respective 100% allowance has been written off in the current year. Bad debt expense of \$6.8 million (2008 - \$8.8 million) resulting from this transaction has been recorded in the operations for the year.

17. Bank Overdraft

On October 10, 2008, the Government arranged a new overdraft facility with the Bank of N.T. Butterfield & Son Limited ("BNTB") of \$50 million which expires on October 31, 2009. The facility bears interest at 1% per annum below BNTB's base rate.

As at March 31, 2009 the Government has an overdraft facility agreement at the Bank of Bermuda, HSBC ("HSBC") of \$100 million. The facility expired on July 31, 2009. The daily charges applied to overdrawn balances is 0.50% above HSBC's base rate. Unauthorized overdraft balances are charged at 7.50% over the HSBC's base rate.

18. Temporary Loans Act (1973)

During the current fiscal year the Government had to meet some of its borrowing requirements by increasing overdraft facilities with local financial institutions, due to the unprecedented credit crisis. These amounts were raised under the Government Loans Act 1978 which provides the Minister of Finance with the authority to borrow in such manner and on such terms and conditions as may be agreed with the lenders; provided overall borrowing does not exceed \$1 billion.

This provision is in conflict with the Temporary Loans Act 1973 which restricts the Minister of Finance to certain forms of borrowing classified as temporary loans. The definition of a temporary loan is one in which principal and interest is to be repaid to

**Government of Bermuda – Consolidated Fund
Notes to the Financial Statements
March 31, 2009**

18. Temporary Loans Act (1973) (cont'd)

the lender not later than fifteen months after the funds are raised. As at March 31, 2009 the limit for temporary loans established under this Act was \$15 million. This limit was changed subsequent to year end to 10% of annual budget estimates.

As the overdraft facilities described in note 17 were for terms of less than fifteen months, these facilities could be classified as temporary loans, in which case the Government would not be in compliance with Section 2 of the Temporary Loans Act 1973. However, it should be noted that at this time, these facilities have not been repaid and in all probability will not be repaid within a fifteen month period to qualify them as temporary loans. As such, the Ministry of Finance intends to convert these borrowings to long term debt. This debt has been included in the balances of public debt for future years as regards to payments required under the GBSF (Note 5).

19. Subsequent Events

(a) West End Development Corporation Guarantee

On April 1, 2009, the Minister of Finance approved the guarantee given by the Ministry of Works and Engineering on a loan of \$10 million to the West End Development Corporation (WEDCO) from the Capital G Bank to facilitate the completion of the new Sewage Treatment Plant at Dockyard.

The loan guarantee of \$10 million to WEDCO will be included in the public debt for the fiscal year end March 31, 2010.

(b) Increase in Borrowing

On May 21, 2009, the Bermuda Government entered into a Senior Note Purchase agreement with a group of purchasers in the U.S. Private Placement Market authorizing the issue and sale of senior notes of \$160 million aggregate principal amount in three series; \$45 million of 6.55% Senior Notes due 2014, \$30 million 6.98% Senior Notes due 2016 and \$85 million 7.38% Senior Notes due 2019. Interest is payable semi-annually for all series of notes.

In June 2009, the Bermuda Government authorized the issue and sale of an additional 7.38% Senior Notes due 2019 in the principal amount of \$15 million.

(c) Sale of Dockyard Camber (Wharf) to WEDCO

On May 7, 2009, the Minister of Works and Engineering conveyed to WEDCO, as the Beneficial Owner, the New Dockyard Camber for the total consideration of \$1. The value

Government of Bermuda – Consolidated Fund
Notes to the Financial Statements
March 31, 2009

19. Subsequent Events (cont'd)

of the wharf at the time of the completion of its construction in May 2009 and subsequent conveyance was \$56 million.

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

On June 12, 2009, the Bermuda 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 Bermuda 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 realizes aggregate proceeds equal to and not less than US \$200 million. As the offering was fully subscribed, no such Bermuda Government purchase was necessary.

On June 22, 2009, the Bermuda Government entered into a Preference Shares Guarantee Agreement with the Bank of N.T. Butterfield & Son Limited and others. The Bermuda Government has guaranteed payment of 100% of the liquidation value of the outstanding Preferred 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 Bermuda Government will act as a guarantor for the dividend payments relating to the Preferred Shares issuance. Should the BNTB fail to declare and pay dividends in any quarterly dividend period during the term of the Guarantee, the Bermuda Government will pay such dividends at 8% per annum.

Pursuant to the Preference Share Offering, the BNTB shall pay to the Government a fee of 1% per annum on the liquidation value of then outstanding Preference Shares issued to third party investors. The Bermuda Government is in receipt of 4,279,601 warrants issued by the Bank to purchase a number of non-voting common shares of BNTB having an aggregate market price equal to US \$30 million. The initial exercise price for the warrants and the price for determining the number of common shares of BNTB subject to the warrants is \$7.01 per common share. Per the valuation model run on July 28, 2009, the value of the warrants is \$0.57 per warrant which represents a total value of \$2,422,254.

(e) Overdraft Facilities

On August 1, 2009 the overdraft facility of \$100 million (see Note 17) with the Bank of Bermuda, HSBC ("HSBC") was renewed to expire on March 31, 2010. The daily charges applied to overdrawn balances remain at 0.50% above HSBC's base rate. Unauthorized overdraft balances are charged at 7.50% over the HSBC's base rate.

**Government of Bermuda – Consolidated Fund
Notes to the Financial Statements
March 31, 2009**

20. Comparative Figures

Certain comparative figures have been restated and reclassified to conform to the current year's presentation.

Government of Bermuda - Consolidated Fund

Schedule 1: Accounts Receivable

As at March 31	2009	2008
	Actual	Actual
	\$	\$
Office of the Tax Commissioner	140,190,885	140,083,346
Airport Operations	4,091,341	3,328,997
Telecommunications	3,416,149	3,870,209
Post Office	2,722,115	3,530,145
Registrar of Companies	2,498,461	3,263,056
Operations & Engineering	2,271,446	1,863,720
Judicial Department	1,862,550	1,846,990
Works & Engineering	1,846,974	17,866,080
Department of Education	1,632,493	1,955,662
Customs	1,314,251	4,728,702
Health Department	831,841	492,016
Fire Services	654,057	603,810
Maritime Administration	414,757	971,000
Lands, Buildings & Surveys	231,858	353,446
Marine & Ports	206,782	332,040
Tourism	202,858	1,404
Human Resources	201,908	164,043
Conservation Services	190,909	181,331
Police	145,574	97,102
Public Transportation Board	144,252	309,550
Cabinet Office	132,273	-
Environmental Protection	114,839	126,368
Registry General	87,311	53,806
Civil Aviation	29,879	235,999
Child & Family Services	22,700	9,040
Parks	13,337	6,650
Transport Control Department	6,750	3,179
Libraries	1,975	2,978
Immigration	1,969	1,969
Youth, Sport & Recreation	324	19,813
E-Commerce	196	-
Financial Assistance	-	67,758
Corrections	-	14,967
Department of Public Prosecutions	-	1,340
Cultural Affairs	-	720
Ministry of Community and Cultural Affairs	(47)	-
Accountant General	(39,771)	573,552
	165,443,196	186,960,788
Less: Provision for Doubtful Accounts	28,616,386	36,783,828
	136,826,810	150,176,960

Government of Bermuda - Consolidated Fund
Schedule 2: Prepaid Supplies

As at March 31	2009	2008
	Actual	Actual
	\$	\$
Works & Engineering	5,963,936	5,795,632
Public Transportation Board	4,469,804	3,693,360
Marine & Ports	1,609,780	1,324,969
Police	1,588,092	1,368,268
Defence	704,159	702,486
Department of Education	484,407	561,311
Department of Corrections	426,069	334,952
Health	256,146	211,464
Conservation Services	110,101	87,865
Immigration	54,803	36,618
Post Office	40,644	51,666
	15,707,941	14,168,591
Less: Provision for Obsolescence	1,062,890	1,011,597
	14,645,051	13,156,994

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

As at March 31	2009	2008
	Actual	Actual
	\$	\$
Government Employees Health Insurance Fund	10,005,933	10,994,391
Confiscated Assets Fund	2,545,959	586,582
Bermuda Hospitals Board	2,282,266	-
Hospital Insurance Fund	2,053,837	1,085,713
Bermuda Monetary Authority	1,517,470	3,460,092
West End Development Corporation	1,244,086	711,975
Golf Courses	834,851	729,039
Government Reserves Fund	501,808	179,982
Bermuda Housing Corporation	368,124	-
Bermuda College	213,722	186,696
Bermuda Land Development Company	142,592	225,426
Tourism North America Retirement Plan	105,093	-
CedarBridge Academy	104,444	58,332
Bermuda Health Council	32,000	-
Parish Councils	16,492	16,187
Bermuda Small Business Development Corporation	16,359	26,858
Pension Commission	12,600	-
Bermuda Housing Trust	8,700	-
National Sports Centre	171	533
Public Service Superannuation Fund	-	2,382,817
	22,006,507	20,644,623

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

As at March 31	2009	2008
	Actual	Actual
	\$	\$
Contributory Pension Fund	42,429,184	22,931,873
Ministers and Members Pensions Fund	8,608,473	9,006,473
Public Service Superannuation Fund	5,960,247	-
Bermuda Hospitals Board	3,120,185	812,886
Bermuda Housing Corporation	329,916	2,133,217
Pembroke Parish Council	18,011	11,560
West End Development Corporation	6,981	6,981
Bermuda Land Development Company	5,142	4,921
Bermuda Small Business Development Corporation	3,800	3,800
Golf Courses	1,943	1,943
Bermuda College	1,672	1,672
Hospital Insurance Fund	1,460	-
Tourism North America Retirement Plan	-	131,885
	60,487,014	35,047,211

**Government of Bermuda - Consolidated Fund
Schedule 4: Long-Term Receivables**

As at March 31	2009	2008
	Actual	Actual
	\$	\$
Customs Duty	1,129,538	3,262,888
Student Loans and Teacher Training Awards	1,126,206	997,251
	2,255,744	4,260,139

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

As at March 31	2009	2008
	Actual	Actual
	\$	\$
Department Trade Accounts	72,161,984	72,943,880
Environmental Liabilities (Note 10(c))	26,250,000	26,250,000
Employees' Leave Entitlements	14,963,231	13,380,713
Deposits Held	12,452,488	11,467,665
Salaries, Wages and Benefits	9,282,576	24,169,615
Teachers' Salaries & Leave Entitlements	8,723,463	9,784,060
Interest on Debt	4,894,375	4,640,399
Leases Payable	627,632	756,191
	149,355,749	163,392,523

Government of Bermuda - Consolidated Fund
Schedule 6: Deferred Revenue

As at March 31	2009	2008
	Actual	Actual
	\$	\$
Registrar of Companies	43,689,997	46,063,546
Transport Control Department	17,793,025	17,921,058
Office of the Tax Commissioner	11,192,999	11,089,188
Immigration	7,064,268	7,258,027
Civil Aviation	6,000,019	4,775,575
Marine & Ports	592,983	600,800
Post Office	430,571	430,380
Lands, Buildings & Surveys	91,132	82,763
Environmental Protection	87,067	82,786
Police	56,668	97,230
Health Department	40,380	42,467
Tourism	33,435	33,855
Youth, Sport & Recreation	24,100	3,935
Parks	21,627	22,677
Maritime Administration	21,354	39,267
Cultural Services	100	-
Customs	-	34,446
	87,139,725	88,578,000

Government of Bermuda - Consolidated Fund
Schedule 7: Debt - Net of Sinking Fund

As at March 31	2009	2008
	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	75,000,000
Loan Facility - US\$		
Amount: US \$ 200 million		
Issue Date: June 17, 2005		
Interest: LIBOR + .11% payable on rollover date		
Facility Fee: .04% per annum payable quarterly		
Period: 5 years	200,000,000	130,000,000
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
	415,000,000	345,000,000
Less: Sinking Fund (Note 5)	79,780,761	67,830,112
	335,219,239	277,169,888

Government of Bermuda - Consolidated Fund
Schedule 8: Revenue By Type

For the year ended March 31	2009 Original Estimates	2009 Actual	2008 Actual
	\$	\$	\$
Taxes & Duties			
Payroll Tax	335,500,000	356,525,572	337,748,864
Customs Duty	259,737,000	224,160,285	229,566,222
Stamp Duty	60,000,000	46,194,035	47,378,735
Land Tax	45,000,000	45,706,621	45,220,549
Passenger Tax	33,050,000	29,750,110	29,106,234
Non-Bermudian Land Acquisition Tax	16,375,000	15,813,424	14,685,112
Foreign Currency Purchase Tax	15,750,000	14,464,731	14,096,359
Hotel Occupancy Tax	12,000,000	11,102,667	13,487,271
Corporate Services Tax	3,000,000	3,717,881	3,219,320
Betting Tax	1,500,000	956,789	1,486,322
Timesharing Tax	350,000	233,268	257,551
	782,262,000	748,625,383	736,252,539
Fees, Permits & Licences			
International Companies	56,116,000	64,766,401	55,452,790
Vehicle Licences & Registration	26,122,000	27,172,435	28,997,427
Telecommunications	12,000,000	13,793,437	11,551,704
Registration of Aircraft	12,970,000	13,069,058	9,973,971
Immigration	18,006,000	11,559,713	11,033,941
Air Terminal & Aviation	12,110,000	11,121,680	11,748,609
Bus Transportation	8,015,000	8,010,617	8,470,395
Postal Services	7,128,000	6,064,975	5,897,285
Registration of Shipping	3,010,000	3,658,811	3,012,813
Local Companies	2,907,000	3,233,331	2,463,863
Water	4,112,000	3,211,873	3,618,506
Solid Waste Services	2,910,000	2,715,535	2,796,053
Rentals	2,645,000	2,614,941	2,719,543
Services to Seaborne Shipping	3,001,000	2,447,348	2,840,468
Ferry Services	1,703,000	1,929,933	1,988,863
Wharfage	1,700,000	1,817,057	1,584,168
Planning Fees and Searches	1,657,000	1,654,626	1,697,187
Trade and Service Mark	1,416,000	1,545,007	1,640,775
Other Customs Fees & Charges	2,343,000	809,130	2,476,558
Companies Licences	350,000	562,286	451,657
Plant Production and Marketing Centre	438,000	442,825	426,185
Liquor Licences	320,000	344,455	309,094
Insurance Fees	-	27,447	8,106
	180,979,000	182,572,921	171,159,961
Other Revenue			
Other	13,330,000	13,792,959	12,167,331
Fines & Forfeitures	5,252,000	3,575,187	2,030,127
Investment Income	3,200,000	3,481,966	3,935,427
Bermuda Monetary Authority	250,000	817,749	2,954,469
	22,032,000	21,667,861	21,087,354
TOTAL REVENUE	985,273,000	952,866,165	928,499,854

Government of Bermuda - Consolidated Fund
Schedule 9: Current Expense By Type

For the year ended March 31	2009 Original Estimates	2009 Actual	2008 Actual
	\$	\$	\$
Employees			
Salaries	329,910,000	310,817,003	284,734,739
Retirement Benefit Expenses (Note 9(h))	-	123,135,101	105,790,216
Wages	83,546,000	101,258,816	91,418,669
Employer Overhead	58,496,000	29,820,088	26,549,473
Training	11,933,000	7,956,002	6,802,857
Other Personnel Costs	9,462,000	5,155,334	12,146,974
Compensated Absences	-	1,575,555	1,831,303
	493,347,000	579,717,899	529,274,231
Operations			
Grants & Contributions	220,656,000	234,920,291	215,426,235
Professional Services	79,263,000	95,455,877	85,942,804
Materials & Supplies	35,036,000	37,042,547	38,168,846
Amortization	-	33,937,967	25,923,151
Energy	19,200,000	23,785,687	18,745,553
Repairs & Maintenance	21,351,000	23,384,615	19,898,935
Interest on Debt	22,006,000	21,827,266	18,524,801
Advertising & Promotion	18,770,000	16,850,147	19,166,463
Rentals	16,906,000	16,644,439	13,926,529
Insurance	11,952,000	11,571,448	12,286,148
Communications	9,309,000	9,608,650	8,968,545
Bad Debts	-	7,973,426	12,969,334
Transport	7,091,000	6,587,995	6,541,863
Travel	7,436,000	6,439,319	6,395,705
Other	5,064,000	4,698,891	4,686,068
Clothing & Uniforms	3,021,000	2,566,236	2,189,938
Equipment	1,827,000	2,066,408	2,156,082
Bank Charges & Commissions	-	637,843	519,222
Capital Recharges	-	55,104	-
Transfer to Other Funds	8,625,000	-	-
Receipts Credited to Programmes	(19,020,000)	(23,578,982)	(18,810,745)
	468,493,000	532,475,174	493,625,477
TOTAL CURRENT EXPENSE	961,840,000	1,112,193,073	1,022,899,708

Government of Bermuda - Consolidated Fund
Schedule 10: Revenue By Ministry / Department

For the year ended March 31	2009 Original Estimates	2009 Actual	2008 Actual
	\$	\$	\$
Non-Ministry Departments			
01 Governor & Staff	-	1,479	5,403
05 Office of the Auditor General	537,000	724,400	692,200
63 Parliamentary Registrar	117,000	138,508	123,615
	654,000	864,387	821,218
Cabinet Office Departments			
09 Cabinet Office	-	3,956	6,011
14 Department of Statistics	10,000	5,109	13,597
15 Management Services	-	15	-
19 Archives	9,000	4,304	6,589
26 Human Resources	-	270	-
30 Marine & Ports	5,511,000	5,171,435	5,613,170
31 Airport Operations	13,340,000	12,798,878	12,954,017
33 Tourism	290,000	58,346	41,439
34 Transport Control Department	26,123,000	27,180,148	29,002,202
35 Public Transportation Board	8,015,000	8,048,521	8,487,556
48 Ministry of Transport HQ	-	-	638
57 Civil Aviation	13,000,000	13,096,598	10,002,314
73 Maritime Administration	3,000,000	3,658,313	2,998,549
	69,298,000	70,025,893	69,126,082
Ministry of Justice			
02 Legislature	3,000	1,126	5,101
03 Judicial Department	8,717,000	8,955,597	6,239,190
04 Attorney-General's Chambers	-	5,784	19,616
75 Department of Public Prosecutions	-	1,790	-
	8,720,000	8,964,297	6,263,907
Ministry of Finance			
10 Ministry of Finance HQ	-	784	21,656
11 Accountant-General	3,509,000	5,410,247	7,293,691
12 Customs	264,066,000	227,250,063	233,941,868
28 Department of Social Insurance	5,000	42,360	3,150
38 Office of the Tax Commissioner	503,038,000	503,737,304	488,200,141
39 Registrar of Companies	60,115,000	69,278,890	59,396,007
	830,733,000	805,719,648	788,856,513
Ministry of Education			
17 Department of Education	205,000	208,177	638,355
	205,000	208,177	638,355
Ministry of Health			
21 Ministry of Health HQ	-	144,382	-
22 Health Department	2,728,000	2,565,158	1,429,494
	2,728,000	2,709,540	1,429,494

Government of Bermuda - Consolidated Fund
Schedule 10: Revenue By Ministry / Department (cont'd)

For the year ended March 31	2009	2009	2008
	Estimates	Actual	Actual
	\$	\$	\$
Ministry of Environment & Sport			
20 Youth, Sport & Recreation	881,000	771,010	684,249
32 Planning	1,752,000	1,762,874	1,745,217
49 Land Valuation	-	1,063	-
50 Ministry of the Environment HQ	12,000	28,130	19,347
68 Parks	357,000	166,400	262,033
69 Conservation Services	950,000	992,771	1,004,272
72 Environmental Protection	477,000	523,387	494,486
	4,429,000	4,245,635	4,209,604
Ministry of Culture & Social Rehabilitation			
18 Libraries	19,000	15,079	24,667
23 Child & Family Services	197,000	224,711	137,658
52 Community and Cultural Affairs	254,000	253,848	217,394
55 Financial Assistance	-	60,852	65,662
56 Human Affairs	-	2,223	7,418
71 Ministry of Culture and Social Rehab HQ	-	3,589	-
74 Department of Court Services	-	199	-
86 Ministry of Community & Cultural Affairs HQ	-	-	6,938
88 National Drug Control	36,000	18,766	-
	506,000	579,267	459,737
Ministry of Labour, Home Affairs & Housing			
06 Defence	-	66,066	185,254
07 Police	480,000	632,950	577,784
25 Department of Corrections	-	-	150
27 Immigration	34,381,000	27,377,967	25,710,185
45 Fire Services	1,136,000	849,097	597,931
60 Labour & Training	270,000	2,604	5,658
83 Ministry of Labour, Home Affairs & Housing HQ	-	78	298
	36,267,000	28,928,762	27,077,260
Ministry of Energy, Telecommunications & E-Commerce			
13 Post Office	7,188,000	6,105,397	5,946,218
29 Registry General	1,587,000	1,766,658	1,861,003
42 Rent Commissioner	1,000	1,199	377
43 Information Technology Office	-	2,499	2,351
46 Telecommunications	12,000,000	13,794,276	11,551,704
	20,776,000	21,670,029	19,361,653
Ministry of Works & Engineering			
36 Works & Engineering	110,000	143,863	81,623
81 Lands, Buildings & Surveys	2,230,000	2,115,922	2,106,943
82 Operations & Engineering	8,617,000	6,690,745	8,067,465
	10,957,000	8,950,530	10,256,031
TOTAL REVENUE	985,273,000	952,866,165	928,499,854

Government of Bermuda - Consolidated Fund
Schedule 10(a): Interdepartmental Revenue By Ministry / Department

For the year ended March 31	2009 Interdepartmental Revenue	2009 Gross Revenue Actual	2009 Net Revenue
	\$	\$	\$
Non-Ministry Departments			
01 Governor & Staff	-	1,479	1,479
05 Office of the Auditor General	-	724,400	724,400
63 Parliamentary Registrar	-	138,508	138,508
	-	864,387	864,387
Cabinet Office Departments			
09 Cabinet Office	-	3,956	3,956
14 Department of Statistics	260	5,109	4,849
15 Management Services	-	15	15
19 Archives	1,080	4,304	3,224
26 Human Resources	500	270	(230)
30 Marine & Ports Services	1,768	5,171,435	5,169,667
31 Airport Operations	43,333	12,798,878	12,755,545
33 Tourism	1,431	58,346	56,915
34 Transport Control Department	150	27,180,148	27,179,998
35 Public Transportation Board	133,628	8,048,521	7,914,893
57 Civil Aviation	-	13,096,598	13,096,598
73 Maritime Administration	1,418	3,658,313	3,656,895
	183,568	70,025,893	69,842,325
Ministry of Justice			
02 Legislature	-	1,126	1,126
03 Judicial Department	180	8,955,597	8,955,417
04 Attorney-General's Chambers	-	5,784	5,784
75 Department of Public Prosecutions	-	1,790	1,790
	180	8,964,297	8,964,117
Ministry of Finance			
10 Ministry of Finance HQ	-	784	784
11 Accountant-General	-	5,410,247	5,410,247
12 Customs	3,094,956	227,250,063	224,155,107
28 Social Insurance	90	42,360	42,270
38 Office of the Tax Commissioner	118,791	503,737,304	503,618,513
39 Registrar of Companies	-	69,278,890	69,278,890
	3,213,837	805,719,648	802,505,811
Ministry of Education			
17 Department of Education	695	208,177	207,482
	695	208,177	207,482
Ministry of Health			
21 Ministry of Health HQ	-	144,382	144,382
22 Health Department	12,446	2,565,158	2,552,712
	12,446	2,709,540	2,697,094

Government of Bermuda - Consolidated Fund
Schedule 10(a): Interdepartmental Revenue By Ministry / Dept (cont'd)

For the year ended March 31	2009 Interdepartmental Revenue	2009 Gross Revenue Actual	2009 Net Revenue
	\$	\$	\$
Ministry of Environment & Sport			
20 Youth, Sport & Recreation	19,927	771,010	751,083
32 Department of Planning	11,175	1,762,874	1,751,699
49 Land Valuation	-	1,063	1,063
50 Ministry of the Environment	-	28,130	28,130
68 Parks	-	166,400	166,400
69 Conservation Services	990	992,771	991,781
72 Environmental Protection	2,743	523,387	520,644
	34,835	4,245,635	4,210,800
Ministry of Culture & Social Rehabilitation			
18 Libraries	16	15,079	15,063
23 Child & Family Services	7,178	224,711	217,533
52 Community and Cultural Affairs	8,475	253,848	245,373
55 Financial Assistance	-	60,852	60,852
56 Human Affairs	4,585	2,223	(2,362)
71 Ministry of Culture and Social Rehab HQ	-	3,589	3,589
74 Department of Court Services	-	199	199
86 Ministry of Community & Cultural Affairs HQ	-	-	-
88 National Drug Control	-	18,766	18,766
	20,254	579,267	559,013
Ministry of Labour, Home Affairs & Housing			
06 Defence	-	66,066	66,066
07 Police	2,768	632,950	630,182
25 Corrections	41	-	(41)
27 Immigration	3,389	27,377,967	27,374,578
45 Fire Services	3,480	849,097	845,617
60 Labour & Training	100	2,604	2,504
83 Ministry of Labour, Home Affairs & Housing HQ	-	78	78
	9,778	28,928,762	28,918,984
Ministry of Telecommunications & E-Commerce			
13 Post Office	42,635	6,105,397	6,062,762
29 Registry General	8,177	1,766,658	1,758,481
42 Rent Commissioner	-	1,199	1,199
43 Information Technology Office	-	2,499	2,499
46 Telecommunications	33,581	13,794,276	13,760,695
	84,393	21,670,029	21,585,636
Ministry of Works & Engineering			
36 Works & Engineering	73,519	143,863	70,344
81 Lands, Buildings & Surveys	44,000	2,115,922	2,071,922
82 Operations & Engineering	419,692	6,690,745	6,271,053
	537,211	8,950,530	8,413,319
TOTAL REVENUE	4,097,197	952,866,165	948,768,968

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

For the year ended March 31	2009 Original Estimates	2009 Actual	2008 Actual
	\$	\$	\$
Non-Ministry Departments			
01 Governor & Staff	1,642,000	2,117,102	1,211,228
05 Office of the Auditor General	2,915,000	2,922,352	2,850,973
08 Public Service Commission	79,000	71,993	84,318
63 Parliamentary Registrar	709,000	586,263	1,271,860
85 Ombudsman's Office	687,000	683,513	642,080
	6,032,000	6,381,223	6,060,459
Cabinet Office Departments			
09 Cabinet Office	6,160,000	8,422,706	4,846,403
14 Department of Statistics	3,168,000	2,577,742	2,644,884
15 Department of Management Services	1,356,000	776,600	1,096,699
19 Department of Archives	1,919,000	1,574,682	1,162,346
26 Department of Human Resources	6,219,000	3,789,124	4,021,744
30 Marine & Ports	21,340,000	22,739,219	20,537,597
31 Airport Operations	21,606,000	22,729,114	22,291,126
33 Department of Tourism	35,299,000	35,802,291	42,067,916
34 Transport Control Department	5,588,000	4,929,404	4,040,661
35 Public Transportation Board	22,623,000	23,112,257	21,611,336
48 Ministry of Transport HQ	1,795,000	1,274,588	1,641,261
51 Department of Communication & Information	2,942,000	2,469,680	2,634,982
57 Civil Aviation	4,491,000	5,387,392	4,581,468
73 Maritime Administration	1,715,000	1,594,042	1,607,611
	136,221,000	137,178,841	134,786,034
Ministry of Justice			
02 Legislature	4,999,000	4,616,168	3,996,530
03 Judicial Department	8,653,000	8,146,699	10,091,116
04 Attorney-General's Chambers	5,250,000	4,267,699	3,366,973
75 Department of Public Prosecutions	2,582,000	2,330,275	1,898,320
87 Ministry of Justice HQ	3,440,000	3,871,852	510,817
	24,924,000	23,232,693	19,863,756
Ministry of Finance			
10 Ministry of Finance HQ	15,038,000	12,386,670	12,548,853
11 Accountant-General	69,771,000	82,000,905	64,976,352
Retirement Benefit Expenses	-	87,763,661	78,719,402
12 Customs	20,408,000	17,863,714	16,795,995
28 Department of Social Insurance	8,986,000	15,322,980	10,970,590
38 Office of the Tax Commissioner	3,355,000	3,606,714	7,485,943
39 Registrar of Companies	4,385,000	2,857,043	4,990,212
58 Interest on Debt	21,516,000	18,186,394	17,658,177
59 Sinking Fund Contribution	8,625,000	-	-
	152,084,000	239,988,081	214,145,524
Ministry of Education			
17 Department of Education	122,985,000	129,231,983	122,306,818
41 Bermuda College	20,290,000	20,289,671	18,194,981
	143,275,000	149,521,654	140,501,799

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

For the year ended March 31	2009 Original Estimates	2009 Actual	2008 Actual
	\$	\$	\$
Ministry of Health			
21 Ministry of Health HQ	6,588,000	8,505,980	3,396,309
22 Health Department	31,822,000	28,023,696	29,463,204
24 Hospitals	113,291,000	119,242,771	111,197,894
	151,701,000	155,772,447	144,057,407
Ministry of Environment & Sports			
20 Youth, Sport & Recreation	15,194,000	15,467,811	15,725,499
32 Department of Planning	4,638,000	3,835,120	3,344,216
49 Land Valuation	868,000	652,127	616,335
50 Ministry of the Environment HQ	868,000	1,296,226	772,419
68 Parks	11,806,000	11,493,137	10,961,916
69 Conservation Services	5,677,000	5,484,041	5,375,891
72 Environmental Protection	4,312,000	3,733,058	3,464,435
	43,363,000	41,961,520	40,260,711
Ministry of Culture & Social Rehabilitation			
18 Libraries	2,340,000	2,451,199	2,091,733
23 Child & Family Services	13,666,000	17,714,911	14,990,913
52 Community & Cultural Affairs	4,101,000	4,373,513	3,788,936
55 Financial Assistance	18,351,000	24,428,616	18,414,497
56 Human Affairs	4,709,000	3,619,718	3,992,093
71 Ministry of Culture and Social Rehabilitation HQ	5,271,000	3,807,857	1,764,403
74 Court Services	5,140,000	4,486,575	4,456,439
86 Ministry of Community & Cultural Affairs HQ	-	(8,699)	2,061,806
88 National Drug Control	6,666,000	5,174,818	4,461,960
	60,244,000	66,048,508	56,022,780
Ministry of Labour, Home Affairs & Housing			
06 Defence	8,971,000	8,844,684	7,582,476
07 Police	62,813,000	71,604,334	69,467,526
25 Corrections	27,798,000	28,867,590	24,346,137
27 Immigration	5,827,000	5,873,734	4,896,812
45 Fire Services	14,073,000	11,964,141	12,525,156
53 Bermuda Housing Corporation	6,000,000	6,000,000	4,300,000
54 Security Services & Delegated Affairs	234,000	296,732	186,656
60 Labour & Training	7,864,000	7,430,816	6,173,741
83 Ministry of Labour, Home Affairs & Housing HQ	3,702,000	3,979,986	3,470,124
	137,282,000	144,862,017	132,948,628
Ministry of Energy Telecommunications & E-Commerce			
13 Post Office	14,852,000	14,749,496	13,602,778
29 Registry General	2,253,000	1,810,287	1,621,706
42 Rent Commissioner	725,000	562,483	536,770
43 Information Technology Office	6,685,000	7,570,126	6,935,609
46 Telecommunications	2,272,000	2,758,410	2,268,961
67 E-Commerce	1,282,000	895,747	1,066,393
84 E-Government	1,029,000	995,653	907,469
89 Energy	559,000	555,278	-
90 Ministry of Energy, Telecommunications and E-Commerce HQ	606,000	395,307	-
	30,263,000	30,292,787	26,939,686
Ministry of Works & Engineering			
36 Works & Engineering	7,228,000	12,483,447	13,619,202
80 Architectural Design & Construction	1,611,000	879,780	815,929
81 Lands, Buildings & Surveys	29,177,000	27,331,549	28,134,803
82 Operations & Engineering	38,435,000	42,320,559	38,819,839
Amortization	-	33,937,967	25,923,151
	76,451,000	116,953,302	107,312,924
TOTAL CURRENT EXPENSE	961,840,000	1,112,193,073	1,022,899,708

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

For the year ended March 31

	2009 Interdepartmental Expense	2009 Actual Gross Expense	2009 Net Expense
	\$	\$	\$
Non-Ministry Departments			
01 Governor & Staff	7,260	2,117,102	2,109,842
05 Office of the Auditor General	4,456	2,922,352	2,917,896
08 Public Service Commission	-	71,993	71,993
63 Parliamentary Registrar	-	586,263	586,263
85 Ombudsman's Office	150	683,513	683,363
	11,866	6,381,223	6,369,357
Cabinet Office Departments			
09 Cabinet Office	2,737	8,422,706	8,419,969
14 Department of Statistics	4,679	2,577,742	2,573,063
15 Department of Management Services	50	776,600	776,550
19 Department of Archives	12,374	1,574,682	1,562,308
26 Department of Human Resources	4,431	3,789,124	3,784,693
30 Marine & Ports	64,502	22,739,219	22,674,717
31 Airport Operations	1,193	22,729,114	22,727,921
33 Department of Tourism	138,697	35,802,291	35,663,594
34 Transport Control Department	28,562	4,929,404	4,900,842
35 Public Transportation Board	1,732,740	23,112,257	21,379,517
48 Ministry of Transport HQ	-	1,274,588	1,274,588
51 Dept. of Communication & Information	10,397	2,469,680	2,459,283
57 Civil Aviation	5,282	5,387,392	5,382,110
73 Maritime Administration	690	1,594,042	1,593,352
	2,006,334	137,178,841	135,172,507
Ministry of Justice			
02 Legislature	1,180	4,616,168	4,614,988
03 Judicial Department	138	8,146,699	8,146,561
04 Attorney-General's Chambers	3,500	4,267,699	4,264,199
75 Department of Public Prosecutions	231	2,330,275	2,330,044
87 Ministry of Justice HQ	50	3,871,852	3,871,802
	5,099	23,232,693	23,227,594
Ministry of Finance			
10 Ministry of Finance HQ	-	12,386,670	12,386,670
11 Accountant-General	10,775	82,000,905	81,990,130
Retirement Benefit Expenses	-	87,763,661	87,763,661
12 Customs	86,198	17,863,714	17,777,516
28 Department of Social Insurance	2,337	15,322,980	15,320,643
38 Office of the Tax Commissioner	3,429	3,606,714	3,603,285
39 Registrar of Companies	1,909	2,857,043	2,855,134
58 Interest on Debt	-	18,186,394	18,186,394
	104,648	239,988,081	239,883,433
Ministry of Education			
17 Department of Education	51,697	129,231,983	129,180,286
41 Bermuda College	-	20,289,671	20,289,671
	51,697	149,521,654	149,469,957

Government of Bermuda - Consolidated Fund
Schedule 11(a): Interdepartmental Current Expense By Ministry/Department (cont'd)

For the year ended March 31	2009 Interdepartmental Expense	2009 Actual Gross Expense	2009 Net Expense
	\$	\$	\$
Ministry of Health			
21 Ministry of Health HQ	662	8,505,980	8,505,318
22 Health Department	134,927	28,023,696	27,888,769
24 Hospitals	-	119,242,771	119,242,771
	135,589	155,772,447	155,636,858
Ministry of Environment & Sports			
20 Youth, Sport & Recreation	131,194	15,467,811	15,336,617
32 Department of Planning	11,025	3,835,120	3,824,095
49 Land Valuation	1,075	652,127	651,052
50 Ministry of the Environment HQ	7,122	1,296,226	1,289,104
68 Parks	75,341	11,493,137	11,417,796
69 Conservation Services	30,139	5,484,041	5,453,902
72 Environmental Protection	5,636	3,733,058	3,727,422
	261,532	41,961,520	41,699,988
Ministry of Culture & Social Rehabilitation			
18 Libraries	960	2,451,199	2,450,239
23 Child & Family Services	51,156	17,714,911	17,663,755
52 Community & Cultural Affairs	18,933	4,373,513	4,354,580
55 Financial Assistance	65	24,428,616	24,428,551
56 Human Affairs	4,185	3,619,718	3,615,533
86 Ministry of Community & Cultural Affairs HQ	-	3,807,857	3,807,857
71 Ministry of Social Rehabilitation HQ	8,830	4,486,575	4,477,745
74 Court Services	5,650	(8,699)	(14,349)
88 National Drug Control	11,715	5,174,818	5,163,103
	101,494	66,048,508	65,947,014
Ministry of Labour, Home Affairs & Housing			
06 Defence	7,273	8,844,684	8,837,411
07 Police	245,069	71,604,334	71,359,265
25 Corrections	84,843	28,867,590	28,782,947
27 Immigration	6,641	5,873,734	5,867,093
45 Fire Services	5,290	11,964,141	11,958,851
53 Bermuda Housing Corporation	-	6,000,000	6,000,000
54 Security Services & Delegated Affairs	-	296,732	296,732
60 Labour & Training	218	7,430,816	7,430,598
83 Ministry of Labour, Home Affairs & Housing HQ	4,745	3,979,986	3,975,241
	353,879	144,862,017	144,508,138
Ministry of Energy, Telecommunications & E-Commerce			
13 Post Office	12,160	14,749,496	14,737,336
29 Registry General	1,091	1,810,287	1,809,196
42 Rent Commissioner	1,773	562,483	560,710
43 Information Technology Office	6,101	7,570,126	7,564,025
46 Telecommunications	343	2,758,410	2,758,067
67 E-Commerce	-	895,747	895,747
84 E-Government	-	995,653	995,653
89 Energy	-	555,278	555,278
90 Ministry of Energy, Telecommunications & E-Commerce HQ	33,581	395,307	361,726
	55,049	30,292,787	30,237,738
Ministry of Works & Engineering			
36 Works & Engineering	1,010,008	12,483,447	11,473,439
80 Architectural Design & Construction	-	879,780	879,780
81 Lands, Buildings & Surveys	-	27,331,549	27,331,549
82 Operations & Engineering	-	42,320,559	42,320,559
Amortization	-	33,937,967	33,937,967
	1,010,008	116,953,302	115,943,294
TOTAL CURRENT EXPENSE	4,097,195	1,112,193,073	1,108,095,878

Government of Bermuda - Consolidated Fund
 Schedule 12: Schedule of Tangible Capital Assets and Assets under Construction

As at March 31, 2009

	Estimated Useful Life	COST				ACCUMULATED AMORTIZATION				31-Mar-09 Net Book Value	31-Mar-08 Net Book Value
		Opening Balance	Additions	Disposals & Adjustments	Closing Balance	Opening Balance	Amortization Expense	Disposals & Adjustments	Closing Balance		
Tangible Capital Assets											
Land	Indefinite	45,513,778	123,000	-	45,636,778	-	-	-	-	45,636,778	45,513,778
Buildings & Betterments	40 years	458,097,120	25,140,363	(445,800)	482,791,683	(95,984,168)	(13,066,118)	445,800	(108,604,488)	374,187,197	362,112,952
Infrastructure (Note 15)	Varied	-	27,043,552	86,988,730	114,012,282	-	(4,152,557)	(3,784,840)	(7,937,397)	106,074,885	-
Vehicles & Heavy Equipment	Varied	67,414,607	10,791,192	(1,048,246)	77,157,553	(49,025,243)	(6,170,376)	1,048,246	(54,147,373)	23,010,180	18,389,364
Vessels	Varied	41,656,336	286,864	-	41,943,000	(23,152,945)	(2,624,487)	-	(25,777,432)	18,165,568	18,503,391
Computer Software	10 years	7,061,370	3,340,219	-	10,401,589	(784,181)	(996,018)	53,289	(1,626,910)	8,774,679	6,277,189
Office Equipment	5 years	5,796,017	2,239,955	-	8,035,972	(1,969,600)	(1,291,247)	-	(3,260,847)	4,775,125	3,826,417
Computer Hardware	3 years	5,588,699	766,876	-	6,355,575	(2,597,100)	(1,860,707)	-	(4,457,807)	1,897,768	2,991,599
Capital Leases	3 - 5 years	2,365,123	633,137	-	2,998,260	(1,310,362)	(711,057)	-	(2,021,419)	976,841	1,054,761
Furniture & Fixtures	7 years	2,450,398	680,447	-	3,130,845	(654,204)	(369,007)	690	(1,042,521)	2,088,324	1,796,194
Plant, Machinery & Equipment	Varied	39,269,473	6,981,320	-	46,250,793	(27,798,095)	(2,776,393)	-	(30,574,488)	15,676,305	11,471,378
Total Tangible Capital Assets		675,212,921	78,026,725	85,474,684	838,714,330	(203,275,898)	(33,937,967)	(2,236,816)	(239,450,680)	599,263,650	471,937,023
Assets under Construction		24,711,237	114,308,368	(26,286,918)	112,730,687	-	-	-	-	112,730,687	24,711,237

Government of Bermuda - Consolidated Fund
Schedule 13: Capital Development Expense By Ministry / Department

For the year ended March 31	2009	2008
	Actual	Actual
	\$	\$
Cabinet Office Departments		
31 Airport Operations	3,873,937	11,422,103
33 Tourism	2,065,656	6,884,683
34 Transport Control Department	(697,606)	648,654
35 Public Transportation Board	2,537	-
48 Ministry of Transport HQ	96,095	39,549,622
51 Department of Communication & Information	22,470	132
	5,363,089	58,505,194
Ministry of Justice		
02 Legislature	95,969	107,617
03 Judicial Department	235	20,205
	96,204	127,822
Ministry of Finance		
11 Accountant-General	72,896	414,507
	72,896	414,507
Ministry of Education		
17 Department of Education	9,207,157	3,994,770
41 Bermuda College	-	300,000
	9,207,157	4,294,770
Ministry of Environment & Sport		
20 Youth, Sport & Recreation	15,372	5,550,371
50 Ministry of the Environment HQ	267,026	760,022
68 Parks	637,358	1,221,251
69 Conservation Services	176,081	447,597
72 Environmental Protection	60,420	118,125
	1,156,257	8,097,366
Ministry of Health		
22 Health Department	8,076,795	271,901
24 Hospitals	3,129,659	1,216,991
	11,206,454	1,488,892
Ministry of Labour, Home Affairs & Housing		
06 Defence	730,258	230,854
07 Police	375,630	84,303
25 Department of Corrections	49,526	78,861
45 Fire Services	171,372	-
54 Security Services & Delegated Affairs	29,491	42,825
83 Ministry of Labour, Home Affairs & Housing HQ	23,776,084	9,165,775
	25,132,361	9,602,618
Ministry of Energy, Telecommunications & E-Commerce		
13 Post Office	-	608
46 Telecommunications	1,388,834	331,062
	1,388,834	331,670
Ministry of Works & Engineering		
36 Works & Engineering	8,566,480	25,721,193
80 Architectural Design & Construction	17,914	-
81 Lands, Buildings & Surveys	30,752	2,727
82 Operations & Engineering	507,304	280,524
	9,122,450	26,004,444
TOTAL CAPITAL DEVELOPMENT	62,745,702	108,867,283

Government of Bermuda - Consolidated Fund
Schedule 14: Capital Acquisition Expense By Ministry / Department

For the year ended March 31	2009	2008
	Actual	Actual
	\$	\$
Non-Ministry Departments		
05 Office of the Auditor General	8,670	19,603
	8,670	19,603
Cabinet Office Departments		
14 Department of Statistics	105,255	4,338
15 Department of Management Services	636	22,465
19 Archives	22,347	30,343
26 Department of Human Resources	-	10,070
30 Marine & Ports	61,724	491,711
31 Airport Operations	599,646	147,798
34 Transport Control Department	141,209	209,589
35 Public Transportation Board	682,605	302,406
51 Department of Communication & Information	-	172,971
57 Civil Aviation	132,842	29,922
	1,746,264	1,421,613
Ministry of Justice		
02 Legislature	-	20,933
03 Judicial Department	6,147	72,601
04 Attorney-General's Chambers	-	14,011
87 Ministry of Justice	73,321	10,475
	79,468	118,020
Ministry of Finance		
10 Ministry of Finance HQ	29,322	29,316
11 Accountant-General	446,010	654,891
12 Customs	51,037	607,359
38 Office of the Tax Commissioner	62,138	89,738
39 Registrar of Companies	24,494	-
	613,001	1,381,304
Ministry of Education, Sports & Recreation		
17 Department of Education	2,065,104	2,220,524
	2,065,104	2,220,524
Ministry of Health		
21 Ministry of Health HQ	65,456	31,184
22 Health Department	740,942	167,024
	806,398	198,208

Government of Bermuda - Consolidated Fund
Schedule 14: Capital Acquisition Expense By Ministry / Department
(cont'd)

For the year ended March 31	2009	2008
	Actual	Actual
	\$	\$
Ministry of Environment & Sport		
20 Youth, Sport & Recreation	4,530	19,999
32 Department of Planning	9,310	8,800
49 Land Valuation	(9,125)	25,698
68 Parks	74,807	(36,874)
69 Conservation Services	36,259	29,268
72 Environmental Protection	-	21,451
	115,781	68,342
Ministry of Culture & Social Rehabilitation		
18 Libraries	49,343	79,075
23 Child & Family Services	17,225	32,668
52 Community & Cultural Affairs	57,005	5,353
55 Financial Assistance	56,868	(18,361)
56 Human Affairs	108,917	52,269
74 Department of Court Services	1,302	-
88 National Drug Control	81,087	-
	371,747	151,004
Ministry of Labour, Home Affairs & Housing		
06 Defence	70,556	63,878
07 Police	1,478,069	2,305,830
25 Department of Corrections	41,215	198,981
27 Immigration	150,604	792,118
45 Fire Services	442,695	170,239
60 Labour & Training	-	12,352
	2,183,139	3,543,398
Ministry of Energy, Telecommunications & E-Commerce		
13 Post Office	130,836	472,124
29 Registry General	-	60
43 Information Technology Office	3,208,003	2,011,918
46 Telecommunications	2,815	13,863
67 E-Commerce	30,000	35,723
84 E-Government	601,668	76,306
	3,973,322	2,609,994
Ministry of Works & Engineering		
36 Works & Engineering	81,300	(12,431)
81 Lands, Buildings & Surveys	44,800	260,688
	126,100	248,257
TOTAL CAPITAL ACQUISITION	12,088,994	11,980,267

Government of Bermuda - Consolidated Fund
Schedule 15: Current Expenditure - Estimates Compared to Expenses

For the year ended March 31, 2009

	Expenses	Expenditure *	Adjusted Estimates **	Under (Over) Spent
	\$	\$	\$	\$
Non-Ministry Departments				
01 Governor & Staff	2,117,102	2,117,102	1,641,867	(475,235)
05 Office of the Auditor General	2,922,352	2,922,352	2,915,498	(6,854)
08 Public Service Commission	71,993	71,993	78,861	6,868
63 Parliamentary Registrar	586,263	586,263	708,964	122,701
85 Ombudsman's Office	683,513	683,513	687,021	3,508
	6,381,223	6,381,223	6,032,211	(349,012)
Cabinet Office Departments				
09 Cabinet Office	8,422,706	8,422,706	8,437,657	14,951
14 Department of Statistics	2,577,742	2,577,742	3,167,624	589,882
15 Department of Management Services	776,600	776,600	905,523	128,923
19 Department of Archives	1,574,682	1,574,682	1,918,723	344,041
26 Department of Human Resources	3,789,124	3,789,124	4,194,791	405,667
30 Marine & Ports	22,739,219	22,728,672	22,340,150	(388,522)
31 Airport Operations	22,729,114	22,364,210	21,605,555	(758,655)
33 Department of Tourism	35,802,291	35,802,291	35,299,299	(502,992)
34 Transport Control Department	4,929,404	4,929,404	4,787,990	(141,414)
35 Public Transportation Board	23,112,257	23,112,257	22,623,050	(489,207)
48 Ministry of Transport HQ	1,274,588	1,274,588	1,352,340	77,752
51 Dept. of Communication & Information	2,469,680	2,469,680	2,941,508	471,828
57 Civil Aviation	5,387,392	5,379,978	5,376,990	(2,988)
73 Maritime Administration	1,594,042	1,601,870	1,595,017	(6,853)
	137,178,841	136,803,804	136,546,217	(257,587)
Ministry of Justice				
02 Legislature	4,616,168	4,616,168	4,999,450	383,282
03 Judicial Department	8,146,699	8,106,604	8,652,685	546,081
04 Attorney-General's Chambers	4,267,699	4,267,699	4,664,581	396,882
75 Department of Public Prosecutions	2,330,275	2,330,275	2,582,470	252,195
87 Ministry of Justice HQ	3,871,852	3,871,852	4,025,273	153,421
	23,232,693	23,192,598	24,924,459	1,731,861
Ministry of Finance				
10 Ministry of Finance HQ	12,386,670	12,386,670	15,038,259	2,651,589
11 Accountant-General	82,000,905	82,000,905	72,270,367	(9,730,538)
Retirement Benefit Expenses	87,763,661	-	-	-
12 Customs	17,863,714	17,801,690	20,408,424	2,606,734
28 Social Insurance	15,322,980	15,322,980	8,986,387	(6,336,593)
38 Office of the Tax Commissioner	3,606,714	3,264,644	3,355,431	90,787
39 Registrar of Companies	2,857,043	2,857,043	4,385,285	1,528,242
58 Interest on Debt	18,186,394	18,186,394	19,016,000	829,606
59 Sinking Fund Contribution	-	9,447,075	8,625,000	(822,075)
	239,988,081	161,267,401	152,085,153	(9,182,248)
Ministry of Education				
17 Department of Education	129,231,983	130,665,766	124,925,012	(5,740,754)
41 Bermuda College	20,289,671	20,289,671	20,289,671	-
	149,521,654	150,955,437	145,214,683	(5,740,754)
Ministry of Health				
21 Ministry of Health HQ	8,505,980	8,505,980	8,988,291	482,311
22 Health Department	28,023,696	27,820,520	29,721,782	1,901,262
24 Hospitals	119,242,771	119,242,771	116,780,410	(2,462,361)
	155,772,447	155,569,271	155,490,483	(78,788)

* Adjusted for Non-Budgeted, Non-Cash Items

** Includes all Approved Supplementary amounts during the year

Government of Bermuda - Consolidated Fund
Schedule 15: Current Expenditure - Estimates Compared to Expenses (cont'd)

For the year ended March 31, 2009

	Expenses	Expenditure*	Adjusted Estimates **	Under (Over) Spent
	\$	\$	\$	\$
Ministry of the Environment & Sports				
20 Youth, Sport & Recreation	15,467,811	15,487,624	15,347,334	(140,290)
32 Department of Planning	3,835,120	3,835,120	4,269,060	433,940
49 Land Valuation	652,127	652,127	777,701	125,574
50 Ministry of the Environment HQ	1,296,226	1,296,226	1,556,272	260,046
68 Parks	11,493,137	11,493,137	11,652,745	159,608
69 Conservation Services	5,484,041	5,493,759	5,676,955	183,196
72 Environmental Protection	3,733,058	3,735,413	4,082,708	347,295
	41,961,520	41,993,406	43,362,775	1,369,369
Ministry of Culture & Social Rehabilitation				
18 Libraries	2,451,199	2,451,595	2,340,198	(111,397)
23 Child & Family Services	17,714,911	17,715,301	16,666,351	(1,048,950)
52 Community & Cultural Affairs	4,373,513	4,373,513	4,397,261	23,748
55 Financial Assistance	24,428,616	24,496,374	23,710,806	(785,568)
56 Human Affairs	3,619,718	3,619,718	4,709,109	1,089,391
71 Ministry of Social Rehabilitation	3,807,857	3,807,857	4,975,292	1,167,435
74 Court Services	4,486,575	4,486,575	5,140,437	653,862
86 Ministry of Community & Cultural Affairs HQ	(8,699)	(8,699)	-	8,699
88 National Drug Control	5,174,818	5,174,818	6,665,755	1,490,937
	66,048,508	66,117,052	68,605,209	2,488,157
Ministry of Labour, Home Affairs & Housing				
06 Defence	8,844,684	8,844,684	8,694,436	(150,248)
07 Police	71,604,334	71,600,564	63,112,643	(8,487,921)
25 Corrections	28,867,590	28,867,590	27,797,992	(1,069,598)
27 Immigration	5,873,734	5,873,734	5,827,458	(46,276)
45 Fire Services	11,964,141	11,964,141	14,072,851	2,108,710
53 Bermuda Housing Corporation	6,000,000	6,000,000	6,000,000	-
54 Security Services & Delegated Affairs	296,732	296,732	234,235	(62,497)
60 Labour & Training	7,430,816	7,430,816	7,808,950	378,134
83 Ministry of Labour, Home Affairs & Housing HQ	3,979,986	3,979,986	3,733,728	(246,258)
	144,862,017	144,858,247	137,282,293	(7,575,954)
Ministry of Energy, Telecommunications & E-Commerce				
13 Post Office	14,749,496	14,855,916	14,752,196	(103,720)
29 Registry General	1,810,287	1,810,287	2,143,272	332,985
42 Rent Commissioner	562,483	562,483	599,949	37,466
43 Information Technology Office	7,570,126	7,570,126	6,684,992	(885,134)
46 Telecommunications	2,758,410	2,751,585	2,837,477	85,892
67 E-Commerce	895,747	895,747	1,182,255	286,508
84 E-Government	995,653	995,653	1,028,690	33,037
89 Energy	555,278	555,278	559,323	4,045
90 Ministry of Energy, Telecommunications and E-Commerce HQ	395,307	395,307	475,521	80,214
	30,292,787	30,392,362	30,263,675	(128,707)
Ministry of Works & Engineering				
36 Works & Engineering	12,483,447	6,092,352	6,927,613	835,261
80 Architectural Design & Construction	879,780	879,780	880,727	947
81 Lands, Buildings & Surveys	27,331,549	27,355,219	29,176,532	1,821,313
82 Operations & Engineering	42,320,559	42,172,043	39,464,739	(2,707,304)
Amortization	33,937,967	-	-	-
	116,953,302	76,499,394	76,449,611	(49,783)
TOTAL CURRENT EXPENDITURE	1,112,193,073	994,030,215	976,256,769	(17,773,446)

* Adjusted for Non-Budgeted, Non-Cash Items

** Includes all Approved Supplementary amounts during the year

Government of Bermuda - Consolidated Fund
Schedule 16: Commitments - Legislated

For the year ended March 31	2009	2008
	Actual	Actual
	\$	\$

Unspent Capital Appropriations

In accordance with Section 6 of the Appropriations Act 2008, unspent capital appropriations for incomplete capital projects to be carried forward to future years are as follows:

Capital Development	12,825,532	56,952,000
Capital Acquisition	4,963,805	9,963,629
	17,789,337	66,915,629

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	960,616,583	926,634,791
Appropriated Capital Development	(548,305,964)	(500,858,753)
Unappropriated Capital Development Commitments	412,310,619	425,776,038

**Government of Bermuda - Consolidated Fund
Schedule 17: Public Debt - Legislated Limit**

As at March 31	2009	2008
	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 \$1 billion as amended on March 25, 2009 (2008 - \$375 million).

Debt (Schedule 7)	415,000,000	345,000,000
National Education Guarantees (Note 10(a))	792,230	1,152,904
Overdraft Facility Drawdown (Note 17)	147,250,826	-
	563,043,056	346,152,904
Sinking Fund (Schedule 7)	79,780,761	67,830,112
	483,262,295	278,322,792
Public Debt	483,262,295	278,322,792
Legislated Limit	1,000,000,000	375,000,000
	516,737,705	96,677,208
Available Limit	516,737,705	96,677,208