



GOVERNMENT OF BERMUDA

Financial Statements of the Consolidated Fund

March 31, 2015

Issued by
The Accountant General
Ministry of Finance

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Statement of Responsibility for the Consolidated Fund Financial Statements

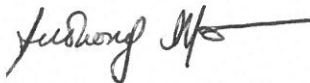
The Government of Bermuda is responsible for the integrity, objectivity and fair presentation of the financial statements of the Consolidated Fund. The Accountant General prepares the statements on behalf of the Minister of Finance in accordance with public sector accounting standards, using the Government's best estimates and judgement where appropriate.

The Government is responsible for maintaining a system of internal accounting and administrative controls in order to provide reasonable assurance that transactions are within statutory authority, assets are safeguarded and financial records are properly maintained.

The Auditor General provides an independent opinion on these financial statements, under section 6 of the Audit Act 1990, and her report appears on page 2 of this document.

The Consolidated Fund financial statements and Auditor General's report are laid before both Houses of the Legislature, and are referred to the Public Accounts Committee for review.

On behalf of the Government of Bermuda.



Anthony Manders, CGA
Financial Secretary



Curtis Stovell, CA, CPA
Accountant General

Hamilton, Bermuda
April 25, 2016



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INDEPENDENT AUDITOR'S REPORT

To the House of Assembly, the Governor and the Senate

I have audited the accompanying financial statements of the Consolidated Fund of the Government of Bermuda, which comprise the statement of financial position as at March 31, 2015, and the statements of operations and accumulated deficit, change in net debt and cash flow for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

In my opinion, the financial statements present fairly, in all material respects, the financial position of the Consolidated Fund of the Government of Bermuda as at March 31, 2015, and the results of its operations, the changes in its net debt, and its cash flows for the year then ended in accordance with public sector accounting standards generally accepted in Bermuda and Canada.

Other matters

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

Increasing Net Debt


Without qualifying my opinion, I wish to draw attention to the level of net debt which increased by \$296 million to \$3.3 billion as of March 31, 2015. Government needs to take concerted action to address this fiscal challenge.

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

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

Usefulness of these Financial Statements is Limited

As described in Note 2, these financial statements represent the financial transactions of the Consolidated Fund and have been prepared primarily to provide accountability for the financial resources appropriated by the Legislature of Bermuda. These financial statements are not summary financial statements of the Government of Bermuda. Significant financial activities of the Government occur outside the Consolidated Fund. As such, the financial statements of the Consolidated Fund for the year ended March 31, 2015 do not represent the full nature and extent of the overall financial affairs and resources of the Government of Bermuda.



Hamilton, Bermuda
April 25, 2016

Heather A. Jacobs Matthews, JP, FCPA, FCA, CFE
Auditor General

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

		2015	2014
		Actual	Actual
		\$	\$
Liabilities			
	<u>Schedule</u>		
Accounts Payable and Accrued Liabilities	5	152,173,513	158,195,821
Deferred Revenue (Note 16)	6	8,735,621	36,054,549
Deferred Insurance Proceeds		3,263,284	-
		<u>164,172,418</u>	<u>194,250,370</u>
Interest Bearing Debt - Net of Sinking Fund	7	<u>2,049,652,442</u>	1,768,442,271
Pensions and Other Employee Future Benefits			
- Pensions and Retirement Benefits (Note 9(g))		1,249,750,620	1,145,115,545
- Compensated Absences (Note 8)		26,312,056	26,182,883
		<u>1,276,062,676</u>	<u>1,171,298,428</u>
Other Liabilities			
Due to Government Funds and Agencies	3(a)	21,697,314	45,728,754
Total Liabilities		3,511,584,850	3,179,719,823
Financial Assets			
Cash and Cash Equivalents		39,416,834	21,818,948
Accounts Receivable	1	140,097,286	136,625,225
Due from Government Funds and Agencies	3	38,285,151	23,212,713
Long-Term Receivables	4	902,908	1,191,140
Investment in BLDC (Note 14(b)(ii))		5,000,000	5,000,000
Investment in ACBDA (Note 14(b)(vii))		100	-
Total Financial Assets		223,702,279	187,848,026
Net Debt		3,287,882,571	2,991,871,797
Non-Financial Assets			
Tangible Capital Assets	11	685,023,784	722,214,382
Assets under Construction	11	63,366,306	52,476,614
Inventories for Consumption	2	13,788,999	16,479,001
Prepaid Expenses		3,739,497	2,704,490
Total Non-Financial Assets		765,918,586	793,874,487
Accumulated Deficit		2,521,963,985	2,197,997,310
Contingent Liabilities, Non-Contractual Operational Obligations, Contractual Obligations and Commitments - Legislated (Notes 10, 11, 12 and Schedule 13)			

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**

		2015	2014
		Actual ¹	Actual
		\$	\$
Revenue	<u>Schedule</u> 8, 9		
Taxes & Duties			
Payroll Tax		326,859,202	330,848,121
Customs Duty		171,469,468	174,951,259
Other Taxes and Duties		64,909,437	62,751,362
Land Tax		61,101,087	60,476,977
Passenger Tax		32,908,276	33,921,396
Total Taxes & Duties		657,247,470	662,949,115
Fees, Permits & Licenses (Note 16)		220,875,261	197,038,543
Other Revenue		23,065,182	20,481,618
Investment Income		2,553,694	3,445,828
Total Revenue		903,741,607	883,915,104
Expenses	10		
Economic Development		385,345,525	402,578,077
Health		197,219,536	211,775,144
National Security		148,166,393	148,265,878
Education		134,322,777	141,683,778
Interest on Debt		113,222,504	109,244,778
Social Services & Assistance		85,786,827	83,078,244
Other General Government Services		58,880,472	64,866,207
Gain on Benefits Plans Amendments (Note 9(g))		-	(214,091,800)
Pensions and Retirement Benefits Expense		104,764,248	120,532,461
Total Expenses		1,227,708,282	1,067,932,767
Annual Deficit		(323,966,675)	(184,017,663)
Accumulated Deficit, Beginning of Year		(2,197,997,310)	(2,013,979,647)
Accumulated Deficit, End of Year		(2,521,963,985)	(2,197,997,310)

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

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

	2015	2014
	Actual	Actual
	\$	\$
Annual Deficit	(323,966,675)	(184,017,663)
Change Due to Tangible Capital Assets:		
Net Additions to Tangible Capital Assets	(16,502,182)	(35,541,886)
Net Additions to Assets under Construction	(10,889,692)	(8,624,694)
Amortization of Tangible Capital Assets	53,692,780	54,677,285
Total Change Due to Tangible Capital Assets	26,300,906	10,510,705
Net Reductions (Additions) to Inventories for Consumption	2,690,002	(1,751,052)
Net (Additions) Reductions to Prepaid Expenses	(1,035,007)	3,021,582
Total Change Due to Inventories for Consumption and Prepaid Expenses	1,654,995	1,270,530
Increase in Net Debt	(296,010,774)	(172,236,428)
Net Debt, Beginning of Year	(2,991,871,797)	(2,819,635,369)
Net Debt, End of Year	(3,287,882,571)	(2,991,871,797)

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

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

	2015	2014
	Actual	Actual
	\$	\$
Operating Activities		
Annual Deficit ¹	(323,966,675)	(184,017,663)
Items not affecting cash:		
Amortization of Tangible Capital Assets	53,692,780	54,677,285
Increase (Decrease) in Pension and Retirement Benefits Liability	104,635,075	(94,302,441)
Increase in Compensated Absences Liability	129,173	743,102
Decrease in Non-Cash Working Capital	(70,710,764)	(14,873,061)
Cash Applied to Operating Activities	(236,220,411)	(237,772,778)
Capital Activities		
Net Additions to Tangible Capital Assets	(16,502,182)	(35,541,886)
Net Additions to Assets under Construction	(10,889,692)	(8,624,694)
Cash Applied to Capital Activities	(27,391,874)	(44,166,580)
Financing Activities		
Debt issues	-	800,000,000
Decrease (Increase) in Sinking Fund	401,210,171	(439,415,763)
Debt retirement	(120,000,000)	-
Cash Provided By Financing Activities	281,210,171	360,584,237
Net Increase in Cash and Cash Equivalents	17,597,886	78,644,879
Cash and Cash Equivalents, Beginning of Year	21,818,948	(56,825,931)
Cash and Cash Equivalents, End of Year	39,416,834	21,818,948

¹ Interest received during the year was \$7,322,029 (2014 - \$158,647). Interest paid during the year was \$115,545,809 (2014 - \$101,129,140). Interest received is made up of interest income from the Statement of Operations in the amount of \$2,553,694 (2014 - \$3,445,828) plus the change in accrued interest receivable in the amount of \$4,768,335 (2014 - \$(3,287,181)). Interest paid is made up of interest expense from the Statement of Operations in the amount of \$113,222,504 (2014 - \$109,244,778) plus the change in accrued interest payable in the amount of \$2,323,302 (2014 - \$(8,115,638)).

Government of Bermuda – Consolidated Fund
Notes to the Financial Statements
March 31, 2015

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

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

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

The Government adheres to the general practice of using a Consolidated Fund as its general operating fund. Schedules 8 to 11 provide information concerning the operations, tangible capital assets and capital expenses of individual Government departments and funds 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 Chartered Professional Accountants of Canada (which are promoted by the Chartered Professional Accountants of Bermuda by signed agreement and therefore generally accepted in Bermuda) are the source for the disclosure basis of accounting.

The preparation of financial statements in accordance with Public Sector Accounting Standards 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

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

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

The significant accounting policies are as follows:

(a) Basis

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.

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

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

(c) Expenses

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

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

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

(d) Interdepartmental Revenues and Expenses

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

(e) Financial Assets

Financial assets are resources that can be used to discharge existing liabilities or finance future operations. They include cash and cash equivalents, accounts receivable, amounts due from Government funds and agencies, long-term receivables and investments in QUANGOs.

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

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

(e) Financial Assets (cont'd)

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

Investments in QUANGOs are recorded at cost.

(f) Non-Financial Assets

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

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

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

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

Government of Bermuda – Consolidated Fund
Notes to the Financial Statements
March 31, 2015

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

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

The Ministry of Public Works is primarily responsible for Government's tangible capital assets. In prior years, amortization was reported as a single expense item of this Ministry. Amortization expense is now reported under the respective departments. Since amortization is a non-cash expense, it is removed for appropriation reporting purposes.

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

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

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

Inventories for consumption are comprised of spare parts and supplies that are held for future program delivery and are not intended for resale. They are valued at cost. Inventories for consumption that no longer have service potential are valued at the lower of cost and net realizable value. Items for which the costs are not readily available have been valued using management's best estimates of original cost based on available information.

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

(g) Liabilities

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

(h) Translation of Foreign Currencies

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

(i) Measurement Uncertainty

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

Measurement uncertainty in these financial statements exists in the accrual of individual and corporate payroll and land taxes, accruals for pension obligations and retirement benefits, accruals for environmental obligations, allowances for doubtful receivables and accruals for liabilities through actuarial valuations.

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

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

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

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

(j) Risk Management of Public Debt

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

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

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

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

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

(k) Future Changes in Accounting Standards

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

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

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

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

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

4. Approved Estimates of the Government

(a) Budget Process

Annually, the Government presents a Budget (“Estimates”) of expected revenues and expenditures for the following fiscal year. The Government’s spending Estimates for the fiscal year commencing April 1, 2014 were presented to the Members of the Legislature by the Minister of Finance. The Estimates outline the spending plans of each Ministry/Department submitted for approval to the Legislature in the Appropriations Act.

The Estimates referred to in the financial statement Schedules 8, 9, 10(a) and 10(b) are from the original Approved Estimates of Revenue and Expenditure for the fiscal year 2014/15 and do not reflect changes arising from the tabling of Supplementary Estimates, except for the Adjusted Estimates referred to in Schedule 12 which include the original Approved Estimates and any tabled Supplementary Estimates.

(b) Comparison of Expenses to Estimates 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 12 restates actual expenses to the modified cash basis for

Government of Bermuda – Consolidated Fund
Notes to the Financial Statements
March 31, 2015

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

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

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

5. Government Borrowing Sinking Fund

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

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

2014	2015			2015
\$	\$			\$
Sinking Fund	Contributions	Earnings	Payments	Sinking Fund
536,557,729	47,668,550	2,554,090	(451,432,811)	135,347,558

Government of Bermuda – Consolidated Fund
Notes to the Financial Statements
March 31, 2015

5. Government Borrowing Sinking Fund (cont'd)

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

The assets of the GBSF are comprised of the following:

	2015	2014
	\$	\$
Short Term Investments	118,722,094	437,286,780
Fixed Term Deposits	16,625,464	99,270,949

The following is a schedule of projected contributions to the GBSF by the Fund up to March 31, 2020, based on estimated debt levels to March 31, 2016:

	\$
For 2016	52,250,000
For 2017	58,375,000
For 2018	61,110,000
For 2019	63,553,000
For 2020	63,553,000

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

6. Contingencies Fund

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

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

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7. Unemployment Insurance Fund

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

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

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

8. Compensated Absences

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

The Government offered a Voluntary Early Retirement Incentive Plan (“VERIP”) in February 2015 which allowed certain eligible employees to commence retirement. The retirements are to be effective on March 31, 2015 or June 30, 2015 if employed in the education sector. The VERIP resulted in a curtailment gain of \$677,003 as at March 31, 2015.

An actuarial valuation of the Government’s obligation for retirement leave was performed at March 31, 2014. The results were then extrapolated to March 31, 2015, using similar various long-term assumptions as the Public Service Superannuation Fund pension plan (Note 9 (b)). The extrapolation determined that the accrued benefit obligation for retirement leave is currently \$26,312,056 (2014 - \$26,182,883), as defined in the table below.

	2015	2014
	\$	\$
Accrued benefit obligation, beginning of year	26,182,883	25,439,781
Amortization of experience loss	(384,062)	(145,685)
Current period benefit cost	1,211,397	1,190,012
Interest accrued	1,411,148	1,510,781
Benefit payments	(1,432,307)	(1,812,006)
Curtailment gains	(677,003)	-
	<hr/>	<hr/>
Accrued benefit obligation, end of year	26,312,056	26,182,883

9. Pensions and Retirement Benefits

(a) Contributory Defined Benefit Pension Plans

The Government administers contributory defined benefit pension plans for substantially all of its employees, 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 (the “PSSF”) and the Ministers and Members of the Legislature Pensions Fund (the “MMLPF”).

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

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

Employees contribute 8.0% of their basic salary to the PSSF and Ministers and Members contribute 12.5% of their salary to the MMLPF. The Government matches the participants’ contribution in each plan. The amount of Government contributions made during the year for each plan was as follows: PSSF - \$31,926,513 (2014 - \$33,093,862), MMLPF - \$438,770 (2014 - \$454,927). The Public Service Superannuation Act 1981 and the Ministers and Members of the Legislature (Salaries and Pensions) Act 1975, as amended, provide that, if at any time the funds are insufficient to meet the payments chargeable against them, the deficiency shall be made up out of the Fund.

(b) Pension Liability

Normally, the pension liability is calculated on an actuarial basis. Actuarial valuations are performed triennially using the projected benefit method, pro-rated on services. An actuarial valuation was performed on both the PSSF and the MMLPF as at March 31, 2014. The results were then extrapolated to March 31, 2015 using the same assumptions, to produce the estimates included in the financial statements.

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

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

As at March 31, 2014, the Government adopted the new Canadian CPM2014Publ scale (with full generational mortality improvement, using Scale CPM-B for the mortality

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9. Pensions and Retirement Benefits (cont'd)

assumption). The adoption of these tables resulted in a material increase in the projected accrued benefit obligations (“ABO”) of the funds for 2014. The Government recognized the cost of adopting the new mortality tables in the year ended March 31, 2014.

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

The market-related value of assets for the PSSF was \$592,021,374 as at March 31, 2015 (2014 - \$563,232,830) compared to a real market value of \$586,607,274 (2014 - \$572,747,186).

For the MMLPF, there is no difference between the market value of plan assets and the market-related value. As at March 31, 2015, the value was \$12,782,000 (2014 - \$12,456,938). The actual return on plan assets during the year was 1.85% (2014 - 7.44%) for the PSSF and 7.00% (2014 - 7.03%) for the MMLPF.

As at March 31, 2015, \$7,275,843 (2014 - \$19,503,788) was due to the PSSF in respect of contributions received in excess of benefits paid by the Fund (Schedule 3(a)). As at March 31, 2015, \$13,012,088 (2014 - \$12,633,281) was due to the MMLPF in respect of contributions received in excess of benefits paid by the Fund (Schedule 3(a)).

(c) Pension-Related Expenses

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

In the year ended March 31, 2015 the Government adopted a VERIP whereby, if approved, eligible employees could retire on March 31, 2015 or June 30, 2015 if they were in the education sector. This Plan change resulted in prior service cost charge of \$1,028,000. This charge will be offset against the unamortized actuarial gains and fully recognized in the Statement of Operations and Accumulated Deficit.

At March 31, 2014, the cost of living adjustment (“COLA”) was removed for both current and future pensioners for both the PSSF and MMLPF in order to improve the sustainability of the respective pension plans. This amendment resulted in significant decreases of the ABO of the funds. The Government offset the net unamortized experience losses as at March 31, 2014 of \$173,426,000 against the decrease of the ABO of \$432,661,000 to eliminate all existing amortization schedules. The remaining balance was fully recognized in the Statement of Operations and Accumulated Deficit in the year ended March 31, 2014.

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

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9. Pensions and Retirement Benefits (cont'd)

(d) Funded Status of Plans

For the year ended March 31	2015 Actual	2014 Actual
	\$	\$
Pension Liability		
Accrued Benefit Obligation		
PSSF	1,423,120,000	1,359,815,000
MMLPF	31,077,000	30,075,000
	<u>1,454,197,000</u>	<u>1,389,890,000</u>
Net Fund Assets		
PSSF	(592,021,000)	(563,233,000)
MMLPF	(12,782,000)	(12,457,000)
	<u>(604,803,000)</u>	<u>(575,690,000)</u>
Net Unamortized Experience Gain		
PSSF	2,636,000	-
Pension Liability		
PSSF	833,735,000	796,582,000
MMLPF	18,295,000	17,618,000
Carried Forward to Note 9 (g)	<u>852,030,000</u>	<u>814,200,000</u>

Government of Bermuda – Consolidated Fund
Notes to the Financial Statements
March 31, 2015

9. Pensions and Retirement Benefits (cont'd)

For the year ended March 31	2015 Actual \$	2014 Actual \$
Pension Expense		
Cost of Pension Benefits	49,345,000	57,371,000
Employee Contributions	(32,366,000)	(33,549,000)
Interest on Pension Liability	54,002,000	70,747,000
Prior Period Service Costs	-	(432,661,000)
Recognition of Unamortized Net Actuarial Losses	-	173,426,000
Amortization of Experience Gains & Losses		
2004 Experience Loss	-	21,908,000
2005 Experience Loss	-	2,048,000
2006 Experience Loss	-	596,000
2007 Experience Gain	-	(352,000)
2008 Experience Loss	-	5,243,000
2009 Experience Loss	-	7,609,000
2010 Experience Gain	-	(2,548,000)
2011 Experience Loss	-	443,000
2012 Experience Loss	-	944,000
2013 Experience Loss	-	440,000
2014 Experience Loss	-	-
2015 Experience Loss	-	-
Pensions and Retirement Benefits Expense (Gain) excluding Employer Contribution	<u>70,981,000</u>	<u>(128,335,000)</u>

Government of Bermuda – Consolidated Fund
Notes to the Financial Statements
March 31, 2015

9. Pensions and Retirement Benefits (cont'd)

Value of Obligations Relating to Benefits for the Pension Plans

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

Main economic assumptions used:

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

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

Impact of changes on the main assumptions on the value of obligations relating to PSSF benefits as at March 31, 2015:

Assumption	Change	Impact on ABO (\$)	Impact on ABO (%)
Discount rate	1.0% increase	(148,963,000)	(10.5)
	1.0% decrease	184,040,000	12.9
Salary increase rate	1.0% increase	53,702,000	3.8
	1.0% decrease	(48,263,000)	(3.4)
Life expectancy	1 year increase	22,376,000	1.6
	1 year decrease	(23,676,400)	(1.7)

Government of Bermuda – Consolidated Fund
Notes to the Financial Statements
March 31, 2015

9. Pensions and Retirement Benefits (cont'd)

Impact of changes on the main assumptions on the value of obligations relating to MMLPF benefits as at March 31, 2015:

Assumption	Change	Impact on ABO (\$)	Impact on ABO (%)
Discount rate	1.0% increase	(2,938,000)	(9.5)
	1.0% decrease	3,509,000	11.3
Salary increase rate	1.0% increase	699,000	2.3
	1.0% decrease	(653,000)	(2.1)
Life expectancy	1 year increase	822,000	2.6
	1 year decrease	(735,000)	(2.4)

(e) Contributory Pension Fund

The Contributory Pension Fund (the “CPF”) was established under the Contributory Pensions Act 1970 as amended.

The purpose of the CPF is to provide old age pension, disability and death benefits for persons satisfying certain contribution, citizenship and residency requirements.

Contributions to the CPF are compulsory for persons employed in Bermuda, the self-employed and employers.

There is no legislative provision for the Fund to provide for any shortfall if, at any time, the CPF has insufficient funds to meet its current legislated obligations.

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

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

An actuarial calculation of the Government’s obligations for retirement benefits other than pensions was performed for accounting purposes at March 31, 2014, using various long-term assumptions. The results were then extrapolated to March 31, 2015 to produce the estimates included in the financial statements.

The discount rate used in determining the accumulated post-retirement benefit obligation was 6.5% (2014 – 6.5%). The assumed health-care cost trend rate used was 8.5% (2014 - 9.0%). This will be decreasing by 0.5% per annum to 5.0% per annum by 2022.

Government of Bermuda – Consolidated Fund
Notes to the Financial Statements
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9. Pensions and Retirement Benefits (cont'd)

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

The VERIP resulted in a curtailment charge of \$1,700,684 as at March 31, 2015 which is comprised of an increase in the accrued benefit obligation of \$1,455,300 and recognition of unamortized losses of \$245,384.

As at March 31, 2014, the change in the local claims subsidy to 70% for persons between the age of 65 and 75 and to 80% for persons age 75 and over, the Government's ceasing of the portability claims subsidy and the benefits and coverage previously paid under the Mutual Re-insurance Fund becoming the responsibility of the Island's insurers resulted in a past service cost in the amount of \$45,143,200. The cost was fully recognized in the Statement of Operations and Accumulated Deficit.

As at March 31, 2015, changes to members and retirees contribution rates under the Plan gave rise to a past service gain of \$45,442,200 which was fully offset by the reduction in unamortized loss balance, and as such there is no effect on the Statement of Operations and Accumulated Deficit.

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

	2015	2014
	\$	\$
Accrued benefit obligation at beginning of year	512,755,500	269,381,327
Current period benefit cost	20,211,100	10,291,944
Interest accrued	33,747,698	17,621,733
Past service (gain) cost	(45,442,200)	45,143,200
Benefit payments	(7,331,399)	(6,847,426)
Curtailment impact	1,455,300	-
	<hr/>	<hr/>
Accrued benefit obligation at end of year	515,395,999	335,590,778
	<hr/>	<hr/>
Expected accrued benefit obligation at end of year	515,395,999	335,590,778
Actual accrued benefit obligation at end of year	423,134,021	512,755,500
	<hr/>	<hr/>
Experience gain (loss)	92,261,978	(177,164,722)

Government of Bermuda – Consolidated Fund
Notes to the Financial Statements
March 31, 2015

9. Pensions and Retirement Benefits (cont'd)

	2015	2014
Expected average remaining service life	11 years	11 years
Annual amortization	\$18,476,992	\$2,371,108

Liability for retirement benefits recorded in the statement of financial position

	2015	2014
	\$	\$
Accrued benefit obligation, end of year	423,134,021	512,755,500
Unamortized experience losses	(25,413,401)	(181,839,955)
Liability for retirement benefits (Note 9(g))	<u>397,720,620</u>	<u>330,915,545</u>

Expenses recorded in the statement of operations and accumulated deficit

	2015	2014
	\$	\$
Current period benefit cost	20,211,100	10,291,944
Amortization of experience losses	<u>18,476,992</u>	<u>2,371,108</u>
Retirement benefit expense	38,688,092	12,663,052
Retirement benefit interest expense	33,747,698	17,621,733
Past service cost	-	45,143,200
Curtailement impact	1,700,684	-
Total expenses related to retirement benefits	<u>74,136,474</u>	<u>75,427,985</u>

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

	2015	2014
	\$	\$
Pensions (Note 9(d))	852,030,000	814,200,000
Retirement Benefits other than Pensions – Health Insurance Plan (Note 9(f))	<u>397,720,620</u>	<u>330,915,545</u>
Total Pensions and Retirement Benefits Liability	<u>1,249,750,620</u>	<u>1,145,115,545</u>

Government of Bermuda – Consolidated Fund
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March 31, 2015

9. Pensions and Retirement Benefits (cont'd)

			2015 \$	2014 \$
	Pension Plans	Other Benefits	Total	Total
Plan amendments gain	(1,028,000)	(45,442,200)	(46,470,200)	(387,517,800)
Recognition of unamortized net actuarial losses	1,028,000	45,442,200	46,470,200	173,426,000
Gain on benefit plans amendments	-	-	-	(214,091,800)
Current period benefit cost	49,345,000	21,422,497	70,767,497	68,852,956
Amortization of experience losses	-	18,092,930	18,092,930	38,556,423
Employee contributions	(32,366,000)	-	(32,366,000)	(33,549,000)
Interest on accrued benefits	54,002,000	35,158,846	89,160,846	89,879,514
Employer contributions	(33,151,000)	(8,763,706)	(41,914,706)	(43,207,432)
Curtailment impact	-	1,023,681	1,023,681	-
Pensions and retirement benefits expense	37,830,000	66,934,248	104,764,248	120,532,461

10. Contingent Liabilities

(a) Guarantees

(i) National Education Guarantee Scheme

In August 1994, the Government introduced the National Education Guarantee Scheme to provide qualifying students with financial guarantees on bank loans for post-secondary education. The repayment of principal and accrued interest is guaranteed by the Government. In the event of default by the student, the banks will call on the guarantee contract. At March 31, 2015, \$15,755 (2014 - \$26,129) is outstanding on guaranteed student loans with local banks.

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

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

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

10. Contingent Liabilities (cont'd)

The Ministry of Public Works further guarantees and will make good any default on the part of WEDCO in the payment of the loan to Clarien Bank and all related interest fees and charges due as a result of default by WEDCO until all indebtedness to Clarien Bank has been fully discharged. At March 31, 2015, \$2,857,145 (2014 - \$4,285,716) is outstanding on WEDCO's indebtedness to Clarien Bank (Schedule 5).

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

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

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

On June 22, 2009, the Government entered into a Preference Shares Guarantee Agreement with BNTB and others. The Government has guaranteed payment of 100% of the liquidation value of the outstanding Preference Shares in the event of any voluntary or involuntary liquidation, dissolution or winding up of the affairs of BNTB during the term of the guarantee. Also, the Government will act as a guarantor for the dividend payments relating to the Preference Shares issuance. Should the BNTB fail to declare and pay dividends in any quarterly dividend period during the term of the guarantee, the Government will pay such dividends at 8% per annum. As at March 31, 2015, Preference Shares with a liquidation value of \$182.9 million remained outstanding.

Pursuant to the Preference Share Offering, BNTB pays to the Government a fee of 1% per annum on the liquidation value of then outstanding Preference Shares issued to third party investors. The Government was in receipt of 4,279,601 warrants issued by BNTB to purchase a number of non-voting common shares of BNTB having an aggregate market price equal to US\$30 million. The initial exercise price for the warrants and the price for determining the number of common shares of BNTB subject to the warrants was \$7.01 per common share. The quantity of warrants is now 4,320,613 (2014 - 4,299,010) with an exercise price of \$3.472 (2014 - \$3.489). Per the valuation model run for March 31, 2015, the value of the warrants is \$0.002 (2014 - \$0.083) per warrant which represents a total value of \$8,641 (2014 - \$356,817).

(iv) Bermuda Hospitals Board (the "BHB") Guarantee

On December 1, 2010, the Minister of Finance provided an irrevocable Guarantee to Paget Health Services Limited on behalf of the BHB to facilitate the completion of the new acute care wing (the "New Facility") of the King Edward VII Memorial Hospital in Paget.

10. Contingent Liabilities (cont'd)

The design and construction-related costs of the New Facility were approximately \$247 million. The Annual Service Payments commenced from June 12, 2014, the Service Commencement date, for a period of approximately thirty years, consisting of principal, interest, lifecycle and hard facilities management. A portion of the Annual Service Payment is indexed over the thirty year period to allow for changes in the cost of living and other related facility costs. The first year's Annual Service Payment was \$21.4 million.

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

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

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

No liability has been admitted and no provision for loans in default is included in the financial statements of the Government. The total of specific amounts deemed contingent liabilities of the Government, as determined by the BEDC, as at March 31, 2015 is \$1,483,764 (2014 - \$2,369,830).

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

On August 12, 2013 the Government provided a letter of comfort to the Morgan's Point hotel developer, Morgan's Point Limited (“MPL”) to confirm the Government's willingness to consider credit enhancement for the project. This letter was required so that MPL could begin discussions with potential lenders for the project's financing. The value of the possible credit enhancement provided by the letter of comfort was an amount up to, and not to exceed, US\$165 million, with the precise amount to be determined by the Government in its sole discretion.

On November 28, 2014, the Minister of Finance provided an irrevocable Guarantee Agreement to Arch Reinsurance Limited (“Arch”) on behalf of MPL. The guarantee was issued to provide credit support for a US\$5 million loan made by Arch to MPL for the purpose of meeting reasonable expenses incurred by MPL in connection with the first phase of the Morgan's Point Project, including expenses relating to architecture, design, construction, engineering and professional advice and services. The Government guarantees the full and prompt payment of the principal and interest on the Loan.

10. Contingent Liabilities (cont'd)

(b) Claims and Potential Claims

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

The total of specific amounts claimed or potential settlements which are under litigation or possible litigation as at March 31, 2015 is \$15,512,294 (2014 - \$21,049,879).

(c) Base Lands Clean Up

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

A liability of \$36,820,519 (2014 - \$44,078,555) has been accrued, which is an estimate of the remaining costs of the clean-up and remediation at the three former major base land sites. The estimated range is \$28.5 million to \$41 million.

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

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

Clean-up of Morgan's Point is estimated at \$18.8 million (with a range of \$17 million to \$19 million) to remove environmental hazards and fuel storage tanks, removal and remediation of asbestos, as well as demolition of derelict buildings. To be conservative, the Morgan's Point provision remains at \$25.3 million, comprised of the prior year provision less actual expenditures incurred during the current year.

The Government had a registered professional engineer conduct an independent review of the estimates in 2012 and 2014.

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

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

10. Contingent Liabilities (cont'd)

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

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

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

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

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

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

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

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

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

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

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

The total of the hotel concessions granted as at March 31, 2015 is \$3,322,234 (2014 - \$3,246,029) which may be applied against any future payroll tax or hotel occupancy tax incurred by the applicable hotels.

In addition to this amount, \$35,485,398 (2014 - \$23,812,384) is available for use but has not yet been granted by the Ministry of Tourism Development and Transport as per the terms and conditions of the individual orders.

10. Contingent Liabilities (cont'd)

In March 2014, with an operative date of February 2015, a Resort Act which includes hotel concessions was tabled in the House of Assembly. This act was approved. The total value of concessions to be applied in the future against payroll, hotel occupancy and land taxes under this act cannot be determined at this time.

(e) Air Service Agreements

As at March 31, 2015, the Government has signed agreements with two commercial airlines whereby in consideration of providing regular scheduled air service to Bermuda, the Government commits to pay the airlines a calculated sum if there is a financial shortfall on the routes. The agreements vary in detail, but guarantee the airlines either a certain level of revenue or a specific level of profit on a particular route. Shortfalls occur when ticket revenues are insufficient to cover the cost of operating the routes, either due to insufficient passenger numbers or discounted tickets to attract passengers.

The estimated liability for Air Service Agreements as at March 31, 2015 is \$1,181,006 (2014 - \$2,726,636). In accordance with the agreements, Government established and delivered to one commercial airline an irrevocable Letter of Credit (“LOC”) issued by HSBC Bank of Bermuda Ltd. (“HSBC”), for US\$2,000,000.

(f) America’s Cup Related Concessions

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

11. Non-Contractual Operational Obligations

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

11. Non-Contractual Operational Obligations (cont'd)

	2015
	\$
2016	152,256,538
2017	149,789,837
2018	147,906,000
2019	871,000
2020	630,000
2021 and subsequent	-
Total Future Operational Obligations	<u>451,453,375</u>

12. Contractual Obligations

(a) Capital Leases

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

The following is an analysis of the leases:

	2015	2014
	\$	\$
Present value of lease cost	5,014,501	4,879,101
Less: Accumulated amortization	<u>(4,311,253)</u>	<u>(4,108,677)</u>
Present value of lease obligations (Schedule 11)	<u>703,248</u>	<u>770,424</u>

Government of Bermuda – Consolidated Fund
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March 31, 2015

12. Contractual Obligations (cont'd)

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

	2015
	\$
2016	193,814
2017	102,762
2018	30,185
2019	-
Add: Discounted Amount	<u>376,487</u>
Present value of lease obligations	<u><u>703,248</u></u>

(b) Contractual Obligations

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

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

	2015
	\$
2016	26,783,741
2017	18,125,895
2018	17,965,331
2019	4,126,742
2020	4,933,882
2021 and subsequent	<u>2,672,545</u>
Total Contractual Obligations	<u><u>74,608,136</u></u>

12. Contractual Obligations (cont'd)

(c) Operating Leases

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

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

	2015
	\$
2016	8,932,099
2017	6,839,856
2018	5,697,618
2019	6,879,576
2020	2,591,176
2021 and subsequent	<u>17,289,910</u>
Total Future Minimum Operating Lease Payments	<u><u>48,230,235</u></u>

13. Supplementary Estimates and Virements (Transfers)

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

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

During the year \$22,783,749 (2014 - \$52,266,000) in Supplementary Estimates were approved and spent which consisted of \$17,907,149 (2014 - \$50,138,000) for current expenditure and \$4,876,600 (2014 - \$2,128,000) for capital expenditure.

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

During the year \$15,393,642 (2014 - \$25,251,904) in virements were approved and transferred which consisted of \$4,558,488 (2014 - \$4,320,845) for current expenditure and \$10,835,154 (2014 - \$20,931,059) for capital expenditure.

Additional expenditures of \$2,607,702 (2014 - \$962,168) were incurred in excess of amounts appropriated by the Ministry and will require final approval, which consisted of \$2,606,021 (2014 - \$962,168) for current expenditure and \$1,681 (2014 - \$0) for capital expenditure.

Additional virements of \$8,353,602 (2014 - \$6,777,378) require final approval and transfer, which consisted of \$7,993,113 (2014 - \$4,088,716) for current expenditure and \$360,489 (2014 - \$2,688,662) for capital expenditure.

14. Related Party Transactions

(a) Funds

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

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

(b) QUANGOs and Other Government-Related Organizations

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

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

14. Related Party Transactions (cont'd)

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

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

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

The BMA reported a net profit for the year ended December 31, 2014, and \$169,926 was transferred to the Fund.

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

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

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

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

On July 12, 2011, the Government provided a letter of comfort to BNTB on behalf of BHC which states, “To the extent that the BHC operates programmes which do not break even, the Government appropriates annual grants which enable BHC to comply with its legislation.” The annual grant awarded for the year ended March 31, 2015 was \$7,440,000 (2014 - \$8,000,000).

(iv) WEDCO Guarantee

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

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

14. Related Party Transactions (cont'd)

(v) BHC Guarantee

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

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

(vi) Regulatory Authority (the “RA”)

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

In accordance with Section 41 (1)(a) of the RAA, the RA will pay 50% of its net surplus to the Fund. The RA reported a net surplus for the year ended March 31, 2015. Government’s 50% portion of the net surplus for the year ended March 31, 2015 is \$173,000 (2014 - \$315,000).

(vii) ACBDA Limited (“ACBDA”)

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

15. Bank Overdraft

As at March 31, 2015 the Government had no overdraft facilities in place.

16. Change in Deferral of Revenue

The Government reviews estimates reported in the financial statements on an ongoing basis. This review indicated that certain revenues no longer qualify for deferral, as there was no remaining obligation of performance for the Government relating to these revenues. As a result, effective 1st April 2014, Government discontinued deferring revenues related to its Transport Control Department and Department of Civil Aviation operations to better reflect the business cycle. The effect of this change in estimate was to reduce 2015 deferred revenue by \$29,820,497 and increase 2015 Fees, Permits & Licenses revenue by \$29,820,497.

17. Subsequent Events

(a) Ferry Lease

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

(b) WEDCO Guarantee

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

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

(c) Increase in Borrowing

On July 20, 2015, the Government entered into a Term Loan Agreement with BNTB for a loan facility of up to \$200 million expiring July 31, 2017. Interest is calculated at the Lender's published USD rate plus 1% and is payable monthly. The proceeds of this loan facility will be used to assist with Government's cash flow and deficit financing.

(d) Hotel Concessions

In August 2015, the Minister of Tourism Development and Transport tabled a Resort Act which included Hotel Concessions in the House of Assembly. This act was approved which resulted in an additional hotel concessions for 2015. The total value of concessions to be applied in the future against payroll and hotel occupancy taxes under this act is conservatively estimated to be \$20,000,000 over a period of ten years and is not capped. The land tax concession in this act cannot be determined as the structure does not exist and is not capped.

17. Subsequent Events (cont'd)

In December 2015, the Minister of Tourism Development and Transport tabled a Hotel Concession Order in the House of Assembly. This order was approved which resulted in an additional Hotel Concession Order for 2015 over a period of two years. The total value of concessions to be applied in the future against payroll, hotel occupancy and land tax under this order is conservatively estimated to be \$900,000.

(e) Gaming Commission Loan

In August 2015, the Government issued an interest free loan to the Bermuda Casino Gaming Commission (the “BCGC”) for \$3,760,000. The loan is for a term of three years and repayment is due at maturity. The purpose of the loan is to finance the development costs and related expenses associated with establishing the BCGC. The first payment of \$630,000 was made by Government on October 19, 2015.

(f) Additional Air Service Agreement

In September 2015, the Government signed an agreement with an additional commercial airline whereby in consideration of providing regular scheduled air service to Bermuda, the Government commits to pay the airline a calculated sum if there is a financial shortfall on the routes.

In accordance with this agreement, Government established and delivered an irrevocable LOC issued by BNTB, for US\$900,000.

(g) Morgan’s Point Guarantee

Subsequent to March 31, 2015, the Minister of Finance provided irrevocable Guarantee Agreements to lenders, replacing the letter of comfort (see Note 10(vi)), providing certain credit facilities on behalf of MPL for use in the construction of a new hotel and condominium project at Morgan’s Point to be branded and managed as a member of the Ritz Carlton hotel and residences brands. The guarantees provide that the Government cannot be legally required to fund more than \$165 million to repay the lenders if the borrowers are unable to perform their obligations to the lenders. The financing guaranteed is provided under separate groups of loans each maturing in five years with two 1 year options to extend.

18. Comparative Figures

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

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

	2015	2014
	Actual	Actual
	\$	\$
Office of the Tax Commissioner	197,009,084	190,464,658
Works & Engineering	8,818,394	6,871,580
Registrar of Companies	8,139,506	7,654,265
Fire Services	5,054,760	4,423,467
Judicial Department	4,628,888	3,166,659
Airport Operations	3,696,844	3,879,134
Customs	3,430,238	4,267,786
Accountant General	3,200,888	3,188,719
Post Office	2,527,661	1,978,321
Civil Aviation	2,499,404	1,557,866
Public Lands & Buildings	2,328,746	448,176
Department of Education	2,008,054	1,578,478
Department of Health	1,343,349	1,159,606
Ministry of Public Works HQ	943,940	908,758
Maritime Administration	921,221	666,546
Public Transportation	736,365	494,432
Office of the Auditor General	724,350	31,900
Environmental Protection	429,499	65,435
Marine & Ports	350,201	164,449
Telecommunications	282,979	634,024
Conservation Services	151,147	167,607
Department of Human Resources	130,642	134,252
Defence	128,936	129,795
Ministry of Tourism Dev. & Transport HQ	116,420	-
Ministry of Finance HQ	111,327	-
Police	77,333	106,695
Financial Assistance	63,861	47,844
Registry General	51,620	67,171
Transport Control Department	40,471	208
Ministry of Health & Environment HQ	31,708	31,708
Ministry of Environment & Planning HQ	10,500	10,500
Tourism	9,589	9,589
Department of Planning	8,964	8,964
Parks	6,166	6,166
Child & Family Services	2,980	4,765
Information Technology Office	2,301	2,301
Libraries	1,947	6,004
Attorney General's Chambers	877	877
Ministry of Legal Affairs HQ	728	728
Youth, Sport & Recreation	180	-
Parliamentary Registrar	50	50
Workforce Development	38	-
Department of Corrections	(209)	(209)
	250,021,947	234,339,274
Less: Provision for Doubtful Accounts	109,924,661	97,714,049
	140,097,286	136,625,225

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

	2015	2014
	Actual	Actual
	\$	\$
Public Transportation	4,051,683	4,139,214
Ministry of Public Works HQ	3,151,170	4,981,817
Works & Engineering	2,674,279	2,931,238
Marine & Ports	2,471,003	2,764,585
Police	1,269,471	1,307,039
Department of Education	898,034	701,153
Department of Corrections	391,545	360,224
Department of Health	285,096	263,745
Immigration	261,284	409,248
Public Lands & Buildings	114,887	28,749
Post Office	79,657	18,031
Conservation Services	76,461	111,278
Defence	54,459	176,232
	15,779,029	18,192,553
Less: Provision for Obsolescence	1,990,030	1,713,552
	13,788,999	16,479,001

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

	2015	2014
	Actual	Actual
	\$	\$
Health Insurance Funds	24,605,455	20,415,167
Regulatory Authority	3,338,279	2,704,863
Contributory Pension Fund	3,153,326	-
Bermuda Hospitals Board	3,078,949	3,092,646
Bermuda Monetary Authority	1,239,020	877,594
Golf Courses	821,853	1,077,879
Confiscated Assets Fund	752,084	589,066
West End Development Corporation	323,314	374,609
Government Reserves Fund	268,490	168,490
Bermuda College	193,204	952,667
Pembroke Parish Council	99,852	99,852
CedarBridge Academy	99,660	179,917
Bermuda Land Development Company	94,321	773,515
Bermuda Housing Corporation	86,103	460,209
Berkeley Institute	38,816	17,281
Bermuda Health Council	30,632	28,207
Bermuda Economic Development Corporation	28,468	46,814
Parish Councils	17,809	24,042
Pension Commission	9,262	35,459
Whitney Institute	4,531	5,233
St. George's Preparatory School	1,723	1,691
Unemployment Insurance Fund (Note 7)	-	182,949
Financial Intelligence Agency	-	40,522
Bermuda Housing Trust	-	22,668
National Sports Centre	-	7,332
Sandys Secondary Middle School	-	4,011
	38,285,151	32,182,683
Less: Provision for Doubtful Accounts	-	8,969,970
	38,285,151	23,212,713

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

As at March 31	2015	2014
	Actual	Actual
	\$	\$
Ministers and Members of the Legislature Pensions Fund (Note 9(b))	13,012,088	12,633,281
Public Service Superannuation Fund (Note 9(b))	7,275,843	19,503,788
Bermuda Hospitals Board	1,123,793	11,482,952
Department of Tourism North American Retirement Plan	197,175	197,175
Bermuda College	70,149	1,672
West End Development Corporation	6,981	6,981
Bermuda Land Development Company	5,142	5,142
Bermuda Economic Development Corporation	3,800	3,800
Golf Courses	1,943	1,943
Bermuda Housing Corporation	400	400
Contributory Pension Fund	-	1,891,620
	21,697,314	45,728,754

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

	2015	2014
	Actual	Actual
	\$	\$
Student Loans and Teacher Training Awards	522,375	798,893
Customs Duty	380,533	392,247
	902,908	1,191,140

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

As at March 31	2015	2014
	Actual	Actual
	\$	\$
Base Lands Clean Up (Note 10(c))	36,820,519	44,078,555
Department Trade Accounts	36,417,032	31,642,236
Interest on Debt	25,617,116	27,927,929
Deposits Held	19,691,226	19,135,976
Employees' Leave Entitlements	18,378,103	17,943,246
Teachers' Salaries & Leave Entitlements	9,717,001	9,797,343
Guarantee Payable to WEDCO (Note 10(a)(ii))	2,857,145	4,285,716
Salaries, Wages and Benefits	2,348,560	2,963,982
Leases Payable	326,811	420,838
	152,173,513	158,195,821

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

	2015	2014
	Actual	Actual
	\$	\$
Immigration	7,103,923	5,397,244
Civil Aviation (Note 16)	929,585	12,103,870
Post Office	302,392	309,379
Environmental Protection	118,790	225,577
Department of Health	106,507	82,794
Public Lands & Buildings	90,816	90,816
Parks	65,352	65,352
Youth, Sport & Recreation	13,256	28,051
Office of the Tax Commissioner	5,000	5,000
Transport Control Department (Note 16)	-	17,716,627
Tourism	-	29,839
	8,735,621	36,054,549

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

	2015	2014
	Actual	Actual
	\$	\$
Senior Notes Due 2024 - US\$ Issue Date: August 6, 2013 Interest: 4.854% payable semi-annually February 6 and August 6 Notes Due: February 6, 2024	750,000,000	750,000,000
Senior Notes Due 2023 - BMD\$ Issue Date: December 16, 2013 Interest: 4.75% payable semi-annually June 16 and December 16 Notes Due: December 16, 2023	50,000,000	50,000,000
Senior Notes Due 2023 - US\$ Issue Date: July 3, 2012 Interest: 4.138% payable semi-annually January 3 and July 3 Notes Due: January 3, 2023	475,000,000	475,000,000
Senior Notes Due 2020 - US\$ Issue Date: July 13, 2010 Interest: 5.60% payable semi-annually January 20 and July 20 Notes Due: July 20, 2020	500,000,000	500,000,000
Senior Notes Due 2019 - US\$ Issue Date: November 10, 2009 Interest: 5.93% payable semi-annually November 10 and May 10 Notes Due: November 10, 2019	80,000,000	80,000,000
Senior Notes Due 2016 - US\$ Issue Date: November 10, 2009 Interest: 5.27% payable semi-annually November 10 and May 10 Notes Due: November 10, 2016	60,000,000	60,000,000
Senior Notes Due 2019 - US\$ Issue Date: May 21, 2009 Interest: 7.38% payable semi-annually May 21 and November 21 Notes Due: May 21, 2019	100,000,000	100,000,000

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

	2015	2014
	Actual	Actual
	\$	\$
Senior Notes Due 2016 - US\$		
Issue Date: May 21, 2009		
Interest: 6.98% payable semi-annually		
May 21 and November 21		
Notes Due: May 21, 2016	30,000,000	30,000,000
Senior Notes Due 2014 - US\$		
Issue Date: May 21, 2009		
Interest: 6.55% payable semi-annually		
May 21 and November 21		
Notes Due: May 21, 2014	-	45,000,000
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
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
	2,185,000,000	2,305,000,000
Less: Sinking Fund (Note 5)	135,347,558	536,557,729
	2,049,652,442	1,768,442,271

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

	2015 Original Estimates	2015 Actual	2014 Actual
	\$	\$	\$
Taxes & Duties			
Payroll Tax	332,000,000	326,859,202	330,848,121
Customs Duty	200,660,000	171,469,468	174,951,259
Land Tax	59,000,000	61,101,087	60,476,977
Passenger Tax	35,784,000	32,908,276	33,921,396
	627,444,000	592,338,033	600,197,753
Other Taxes & Duties			
Stamp Duty	20,500,000	23,884,966	21,379,248
Foreign Currency Purchase Tax	21,500,000	20,069,213	20,823,253
Hotel Occupancy Tax	10,050,000	9,186,517	9,195,261
Non-Bermudian Land Acquisition Tax	10,008,000	5,492,550	4,937,639
Corporate Services Tax	4,500,000	4,444,107	4,686,562
Betting Tax	1,600,000	1,668,325	1,540,106
Timesharing Tax	105,000	163,759	189,293
	68,263,000	64,909,437	62,751,362
Total Taxes & Duties	695,707,000	657,247,470	662,949,115
Fees, Permits & Licences			
International Companies	56,079,000	62,775,686	62,473,501
Vehicle Licences & Registration	28,156,000	46,151,930	26,664,805
Registration of Aircraft	24,497,000	38,400,391	26,569,005
Immigration	10,637,000	12,281,347	11,887,007
Telecommunications	10,360,000	10,594,610	10,031,429
Air Terminal & Aviation	10,599,000	9,914,899	10,589,960
Bus Transportation	8,300,000	7,628,244	7,244,714
Registration of Shipping	4,982,000	5,332,168	5,139,326
Postal Services	4,757,000	4,222,293	4,552,756
Solid Waste Services	3,500,000	3,661,520	4,097,763
Water	4,462,000	3,574,926	3,555,830
Rentals	2,059,000	2,826,493	2,111,306
Local Companies	2,770,000	2,666,328	2,808,526
Services to Seaborne Shipping	2,712,000	2,632,984	2,612,825
Other Customs Fees & Charges	1,999,000	2,160,975	2,073,025
Trade and Service Mark	1,731,000	1,770,126	1,751,791
Ferry Services	1,852,000	1,484,298	1,921,159
Planning Fees and Searches	685,000	1,100,029	868,546
Wharfage	900,000	638,918	8,679,779
Companies Licences	582,000	574,032	703,946
Liquor Licences	180,000	310,945	371,058
Plant Production and Marketing Centre	274,000	172,119	330,431
Insurance Fees	-	-	55
	182,073,000	220,875,261	197,038,543
Other Revenue			
Other	15,588,000	20,095,470	17,770,289
Fines & Forfeitures	3,591,000	2,969,712	2,711,329
	19,179,000	23,065,182	20,481,618
Investment Income	4,750,000	2,553,694	3,445,828
	23,929,000	25,618,876	23,927,446
TOTAL REVENUE	901,709,000	903,741,607	883,915,104

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

	2015 Original Estimates	2015 Actual	2014 Actual
	\$	\$	\$
Non-Ministry Departments			
05 Office of the Auditor General	911,000	728,033	682,508
63 Parliamentary Registrar	300,000	324,253	332,551
01 Governor & Staff	-	1,200	1,206
92 Internal Audit	-	583	602
02 Legislature	-	-	2,850
	1,211,000	1,054,069	1,019,717
Cabinet Office Departments			
96 Sustainable Development	-	4,358	-
26 Department of Human Resources	-	1,170	685
14 Department of Statistics	-	274	81
09 Cabinet Office	-	120	-
	-	5,922	766
Ministry of Tourism Development & Transport			
34 Transport Control Department (Note 16)	28,276,000	46,272,470	26,783,419
57 Civil Aviation (Note 16)	24,546,000	38,436,931	26,626,888
31 Airport Operations	10,719,000	10,030,149	10,707,671
35 Public Transportation	8,325,000	7,672,483	7,282,058
30 Marine & Ports	5,872,000	5,506,344	5,565,563
73 Maritime Administration	4,231,000	5,409,116	5,149,790
48 Ministry of Tourism Dev. & Transport HQ	-	647,000	38,194
33 Tourism	-	59,768	35,851
	81,969,000	114,034,261	82,189,434
Ministry of Legal Affairs			
03 Judicial Department	6,801,000	8,255,594	5,135,906
87 Ministry of Legal Affairs HQ	-	5,626	728
04 Attorney General's Chambers	-	2,775	968
	6,801,000	8,263,995	5,137,602
Ministry of Finance			
38 Office of the Tax Commissioner	482,538,000	475,680,586	481,393,449
10 Ministry of Finance HQ	2,180,000	3,558,103	2,134,685
11 Accountant General	5,500,000	2,736,077	4,640,073
28 Social Insurance	-	-	1,968
	490,218,000	481,974,766	488,170,175
Ministry of Education & Economic Development			
39 Registrar of Companies	60,004,000	66,593,549	66,546,616
46 Telecommunications	10,360,000	10,799,495	10,303,960
17 Department of Education	230,000	336,533	188,117
95 Min. of Education & Economic Dev. HQ	-	13,758	153
	70,594,000	77,743,335	77,038,846
Ministry of Health & Environment			
22 Department of Health	3,322,000	3,486,094	3,216,808
72 Environmental Protection	892,000	1,437,024	918,700
21 Ministry of Health & Environment HQ	20,000	89,393	23,247
91 Health Insurance	-	10,471	3,600
	4,234,000	5,022,982	4,162,355

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

	2015 Original Estimates	2015 Actual	2014 Actual
	\$	\$	\$
Ministry of Environment & Planning			
50 Ministry of Environment & Planning HQ	-	-	9,315
	-	-	9,315
Ministry of Community, Culture & Sports			
20 Youth, Sport & Recreation	706,000	706,726	749,483
52 Community & Cultural Affairs	136,000	142,956	146,741
23 Child & Family Services	77,000	87,175	101,506
18 Libraries	16,000	12,123	22,605
19 Archives	4,000	3,352	1,495
	939,000	952,332	1,021,830
Ministry of National Security			
12 Customs	204,120,000	174,820,682	186,336,894
13 Post Office	4,684,000	4,174,936	4,485,974
45 Fire Services	8,000	651,001	705,989
07 Police	350,000	521,390	541,001
06 Defence	-	3,266	11,190
25 Department of Corrections	-	200	-
88 National Drug Control	12,000	-	17,395
83 Ministry of National Security HQ	-	-	6,906
	209,174,000	180,171,475	192,105,349
Ministry of Home Affairs			
27 Immigration	20,644,000	17,773,776	16,824,646
29 Registry General	1,960,000	1,987,172	2,005,919
32 Department of Planning	799,000	1,311,520	1,067,286
93 Ministry of Home Affairs HQ	7,000	17,290	-
60 Workforce Development	20,000	502	696
42 Rent Commissioner	1,000	38	72
	23,431,000	21,090,298	19,898,619
Ministry of Public Works			
82 Works & Engineering	9,474,000	10,276,471	10,692,174
81 Public Lands & Buildings	1,880,000	2,513,369	1,833,682
69 Conservation Services	250,000	385,350	465,183
68 Parks	254,000	222,105	201,569
36 Ministry of Public Works HQ	136,000	28,897	(31,917)
97 Land, Surveys & Registration	1,144,000	1,450	360
49 Land Valuation	-	530	45
	13,138,000	13,428,172	13,161,096
TOTAL REVENUE	901,709,000	903,741,607	883,915,104

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

	2015 Interdepartmental Revenue	2015 Gross Revenue Actual	2015 Net Revenue
	\$	\$	\$
Non-Ministry Departments			
05 Office of the Auditor General	-	728,033	728,033
63 Parliamentary Registrar	-	324,253	324,253
01 Governor & Staff	-	1,200	1,200
92 Internal Audit	-	583	583
	-	1,054,069	1,054,069
Cabinet Office Departments			
96 Sustainable Development	-	4,358	4,358
26 Department of Human Resources	-	1,170	1,170
14 Department of Statistics	-	274	274
09 Cabinet Office	-	120	120
	-	5,922	5,922
Ministry of Tourism Development & Transport			
34 Transport Control Department	-	46,272,470	46,272,470
57 Civil Aviation	-	38,436,931	38,436,931
31 Airport Operations	63,123	10,030,149	9,967,026
35 Public Transportation	326,838	7,672,483	7,345,645
73 Maritime Administration	-	5,409,116	5,409,116
30 Marine & Ports	14,702	5,506,344	5,491,642
48 Ministry of Tourism Dev. & Transport HQ	-	647,000	647,000
33 Tourism	-	59,768	59,768
	404,663	114,034,261	113,629,598
Ministry of Legal Affairs			
03 Judicial Department	1,956	8,255,594	8,253,638
04 Attorney General's Chambers	-	2,775	2,775
87 Ministry of Legal Affairs HQ	-	5,626	5,626
	1,956	8,263,995	8,262,039
Ministry of Finance			
38 Office of the Tax Commissioner	58,948	475,680,586	475,621,638
10 Ministry of Finance HQ	-	3,558,103	3,558,103
11 Accountant General	6,552	2,736,077	2,729,525
	65,500	481,974,766	481,909,266
Ministry of Education & Economic Development			
39 Registrar of Companies	-	66,593,549	66,593,549
46 Telecommunications	-	10,799,495	10,799,495
17 Department of Education	872	336,533	335,661
95 Ministry of Education & Economic Dev. HQ	-	13,758	13,758
	872	77,743,335	77,742,463
Ministry of Health & Environment			
22 Department of Health	253,380	3,486,094	3,232,714
72 Environmental Protection	3,724	1,437,024	1,433,300
21 Ministry of Health & Environment HQ	-	89,393	89,393
91 Health Insurance	-	10,471	10,471
	257,104	5,022,982	4,765,878

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

	2015 Interdepartmental Revenue	2015 Gross Revenue Actual	2015 Net Revenue
	\$	\$	\$
Ministry of Community, Culture & Sports			
20 Youth, Sport & Recreation	870	706,726	705,856
52 Community & Cultural Affairs	50	142,956	142,906
23 Child & Family Services	-	87,175	87,175
18 Libraries	-	12,123	12,123
19 Archives	64	3,352	3,288
	984	952,332	951,348
Ministry of National Security			
12 Customs	1,872,138	174,820,682	172,948,544
13 Post Office	16,200	4,174,936	4,158,736
45 Fire Services	5,685	651,001	645,316
07 Police	9,239	521,390	512,151
06 Defence	-	3,266	3,266
25 Department of Corrections	-	200	200
	1,903,262	180,171,475	178,268,213
Ministry of Home Affairs			
27 Immigration	3,109	17,773,776	17,770,667
29 Registry General	3,089	1,987,172	1,984,083
32 Department of Planning	12,053	1,311,520	1,299,467
93 Ministry of Home Affairs HQ	-	17,290	17,290
60 Workforce Development	-	502	502
42 Rent Commissioner	-	38	38
	18,251	21,090,298	21,072,047
Ministry of Public Works			
82 Works & Engineering	610,988	10,276,471	9,665,483
81 Public Lands & Buildings	104,541	2,513,369	2,408,828
69 Conservation Services	-	385,350	385,350
68 Parks	-	222,105	222,105
36 Ministry of Public Works HQ	21,000	28,897	7,897
97 Land, Surveys & Registration	85	1,450	1,365
49 Land Valuation	-	530	530
	736,614	13,428,172	12,691,558
TOTAL REVENUE	3,389,206	903,741,607	900,352,401

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

	2015 Capital Development	2015 Capital Acquisition	2015 Current Expenses	2015 Total Actual	2014 Total Actual
	\$	\$	\$	\$	\$
Economic Development					
11 Accountant General	-	23,908	77,769,640	77,793,548	80,830,265
82 Works & Engineering	1,911,765	-	48,966,211	50,877,976	54,889,743
81 Public Lands & Buildings	505,452	-	37,241,211	37,746,663	42,350,472
31 Airport Operations	1,742,459	13,251	23,842,956	25,598,666	25,605,625
48 Ministry of Tourism Dev. & Transport HQ	36,507	28,300	26,874,508	26,939,315	1,014,256
35 Public Transportation	-	821,672	23,861,347	24,683,019	24,313,135
30 Marine & Ports	-	210,146	22,769,805	22,979,951	24,623,999
12 Customs	-	-	17,923,384	17,923,384	20,922,648
36 Ministry of Public Works HQ	1,046,851	377,527	13,509,281	14,933,659	15,874,366
95 Ministry of Education & Economic Dev. HQ	3,076,600	-	9,240,775	12,317,375	7,048,279
13 Post Office	-	13,382	11,432,246	11,445,628	12,840,645
43 Information Technology Office	-	1,390,766	7,945,112	9,335,878	9,292,305
57 Civil Aviation	-	40,112	8,136,680	8,176,792	7,872,254
38 Office of the Tax Commissioner	-	3,678	7,164,113	7,167,791	3,949,626
34 Transport Control Department	-	2,316	6,309,388	6,311,704	6,444,787
10 Ministry of Finance HQ	-	30,000	5,459,829	5,489,829	4,986,317
93 Ministry of Home Affairs HQ	-	-	4,054,300	4,054,300	6,666,730
05 Office of the Auditor General	-	1,127	3,805,246	3,806,373	3,900,260
39 Registrar of Companies	-	234,467	3,406,294	3,640,761	4,220,579
32 Department of Planning	-	16,904	2,879,444	2,896,348	3,336,703
73 Maritime Administration	-	-	2,844,703	2,844,703	2,304,649
33 Tourism ¹	-	-	-	-	31,390,995
29 Registry General	-	-	1,633,886	1,633,886	1,686,449
84 E-Government	-	129,975	1,115,757	1,245,732	1,004,999
97 Land, Surveys & Registration	-	-	1,322,021	1,322,021	1,260,762
89 Energy	-	-	789,920	789,920	730,402
46 Telecommunications	-	-	785,498	785,498	650,495
80 Project Management & Procurement	382	-	764,593	764,975	519,708
67 E-Commerce	-	-	749,303	749,303	583,418
49 Land Valuation	-	325	715,964	716,289	983,216
96 Sustainable Development	-	-	373,295	373,295	479,990
94 Ministry of Economy, Trade & Industry HQ	-	-	943	943	-
	8,320,016	3,337,856	373,687,653	385,345,525	402,578,077
Health					
24 Hospitals	1,120,000	-	147,862,105	148,982,105	153,445,516
22 Department of Health	19,931	2,083	25,703,827	25,725,841	27,456,303
21 Ministry of Health & Environment HQ	-	-	14,475,399	14,475,399	13,348,181
28 Social Insurance	-	-	7,292,441	7,292,441	7,144,051
91 Health Insurance	-	-	743,750	743,750	10,381,093
	1,139,931	2,083	196,077,522	197,219,536	211,775,144
National Security					
07 Police	65,096	376,778	68,092,026	68,533,900	68,366,201
25 Department of Corrections	284,160	173,835	24,515,671	24,973,666	25,561,043
45 Fire Services	-	-	14,399,271	14,399,271	14,412,240
06 Defence	121,309	6,555	8,123,375	8,251,239	7,877,025
03 Judicial Department	-	16,405	8,051,622	8,068,027	8,281,649
87 Ministry of Legal Affairs HQ	-	13,906	7,073,864	7,087,770	8,074,203
27 Immigration	-	44,927	4,981,895	5,026,822	4,453,050
04 Attorney General's Chambers	-	645	3,914,379	3,915,024	3,768,457
74 Department of Court Services	-	-	3,735,854	3,735,854	3,561,613
75 Department of Public Prosecutions	-	1,759	2,687,105	2,688,864	2,812,599
83 Ministry of National Security HQ	48,450	-	1,437,506	1,485,956	1,097,798
	519,015	634,810	147,012,568	148,166,393	148,265,878
Education					
17 Department of Education	346,742	564,842	112,203,371	113,114,955	115,911,423
41 Bermuda College	-	-	16,850,670	16,850,670	18,119,000
60 Workforce Development	-	15,171	4,341,981	4,357,152	5,358,959
16 Ministry of Education HQ	-	-	-	-	2,294,396
	346,742	580,013	133,396,022	134,322,777	141,683,778

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

	2015 Capital Development	2015 Capital Acquisition	2015 Current Expenses	2015 Total Actual	2014 Total Actual
	\$	\$	\$	\$	\$
Interest on Debt					
58 Interest on Debt	-	-	113,222,504	113,222,504	109,244,778
	-	-	113,222,504	113,222,504	109,244,778
Social Services & Assistance					
55 Financial Assistance	-	-	51,964,024	51,964,024	48,458,980
23 Child & Family Services	-	20,117	15,531,276	15,551,393	15,677,047
53 Bermuda Housing Corporation	-	-	7,440,000	7,440,000	8,000,000
88 National Drug Control	90	-	5,062,561	5,062,651	5,036,021
71 Ministry of Community, Culture and Sports HQ	-	1,400	2,687,889	2,689,289	2,233,705
52 Community & Cultural Affairs	-	-	2,624,726	2,624,726	3,143,440
42 Rent Commissioner	-	-	454,744	454,744	529,051
	90	21,517	85,765,220	85,786,827	83,078,244
Other General Government Services					
20 Youth, Sport & Recreation	1,150,000	650	10,524,818	11,675,468	13,265,346
68 Parks	75,853	5,611	9,366,799	9,448,263	11,157,762
09 Cabinet Office	-	-	6,075,981	6,075,981	6,808,293
69 Conservation Services	155,585	200	4,509,039	4,664,824	4,980,303
02 Legislature	38,459	-	4,785,294	4,823,753	5,148,071
26 Department of Human Resources	-	-	3,811,689	3,811,689	4,029,595
72 Environmental Protection	64,830	-	3,392,060	3,456,890	3,743,172
14 Department of Statistics	-	-	2,552,001	2,552,001	2,716,680
51 Department of Communication & Information	-	-	2,295,324	2,295,324	2,447,769
18 Libraries	-	7,125	2,123,733	2,130,858	2,247,304
56 Human Affairs	-	3,346	1,989,480	1,992,826	2,142,951
01 Governor & Staff	-	-	1,485,179	1,485,179	1,455,585
92 Internal Audit	-	-	1,481,236	1,481,236	1,356,755
19 Archives	-	-	1,279,509	1,279,509	1,191,611
63 Parliamentary Registrar	-	5,246	945,714	950,960	837,166
85 Ombudsman's Office	-	-	755,711	755,711	785,933
50 Ministry of Environment & Planning HQ	-	-	-	-	551,911
	1,484,727	22,178	57,373,567	58,880,472	64,866,207
Pensions and Other Employee Future Benefits					
Gain on Benefits Plans Amendments	-	-	-	-	(214,091,800)
Pensions and Retirement Benefits Expense	-	-	104,764,248	104,764,248	120,532,461
	-	-	104,764,248	104,764,248	(93,559,339)
TOTAL EXPENSES	11,810,521	4,598,457	1,211,299,304	1,227,708,282	1,067,932,767

¹ Effective April 1, 2014, the Department of Tourism was replaced by the Bermuda Tourism Authority.

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

	2015 Original Estimates	2015 Actual	2014 Actual
	\$	\$	\$
Employees			
Salaries	306,171,000	301,987,772	309,981,244
Wages	72,313,000	81,259,953	83,381,635
Employer Overhead	72,950,000	31,777,029	31,369,492
Other Personnel Costs	6,939,000	5,460,322	5,644,886
Training	6,678,000	2,104,302	2,491,282
Compensated Absences	-	129,173	743,102
Gain on Benefits Plans Amendments (Note 9(g))	-	-	(214,091,800)
Pensions and Retirement Benefits Expense	-	144,332,474	161,184,785
	465,051,000	567,051,025	380,704,626
Operations			
Grants & Contributions	291,051,000	296,390,380	286,962,034
Interest on Debt	113,735,000	113,222,504	109,704,201
Professional Services	68,860,000	68,783,923	81,469,122
Amortization (Note 4(b)(v))	-	53,692,780	54,677,285
Materials & Supplies	25,006,000	22,654,861	19,797,144
Repairs & Maintenance	21,754,000	18,341,942	16,908,319
Energy	21,264,000	18,063,501	20,119,926
Rentals	17,013,000	15,507,099	16,695,815
Insurance	9,998,000	9,020,404	11,984,402
Bad Debts	-	6,121,942	4,122,070
Communications	8,745,000	7,170,781	8,404,455
Transport	4,489,000	4,757,113	4,534,011
Advertising & Promotion	2,564,000	3,554,358	16,967,815
Travel	4,079,000	2,818,312	3,311,420
Clothing & Uniforms	1,470,000	1,702,949	1,858,041
Bank Charges & Commissions	-	1,361,749	1,362,238
Other (Note 10(c))	3,595,000	712,862	12,391,793
Equipment	664,000	370,819	522,285
Transfer to Other Funds (Note 4(b)(iii))	47,693,000	-	-
	641,980,000	644,248,279	671,792,376
TOTAL CURRENT EXPENSES	1,107,031,000	1,211,299,304	1,052,497,002

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

	2015 Original Estimates	2015 Actual	2014 Actual
	\$	\$	\$
Non-Ministry Departments			
02 Legislature	5,206,000	4,785,294	5,134,536
05 Office of the Auditor General	3,760,000	3,805,246	3,895,980
01 Governor & Staff	1,544,000	1,485,179	1,455,585
92 Internal Audit	1,659,000	1,481,236	1,356,755
63 Parliamentary Registrar	1,285,000	945,714	837,166
85 Ombudsman's Office	772,000	755,711	785,268
	14,226,000	13,258,380	13,465,290
Cabinet Office Departments			
43 Information Technology Office	6,742,000	7,945,112	8,232,394
09 Cabinet Office	6,992,000	6,075,981	6,807,429
26 Department of Human Resources	4,094,000	3,811,689	3,815,644
14 Department of Statistics	2,773,000	2,552,001	2,694,798
51 Department of Communication & Information	2,375,000	2,295,324	2,455,406
84 E-Government	1,057,000	1,115,757	964,783
80 Project Management & Procurement	913,000	764,593	649,303
96 Sustainable Development	438,000	373,295	479,990
	25,384,000	24,933,752	26,099,747
Ministry of Tourism Development & Transport			
48 Ministry of Tourism Dev. & Transport HQ	25,161,000	26,874,508	958,194
35 Public Transportation	19,445,000	23,861,347	23,714,179
31 Airport Operations	20,561,000	23,842,956	25,288,089
30 Marine & Ports	21,312,000	22,769,805	24,426,856
57 Civil Aviation	10,131,000	8,136,680	7,851,018
34 Transport Control Department	5,751,000	6,309,388	6,444,787
73 Maritime Administration	2,653,000	2,844,703	2,304,199
33 Tourism	-	-	31,387,946
	105,014,000	114,639,387	122,375,268
Ministry of Legal Affairs			
03 Judicial Department	8,141,000	8,051,622	8,281,649
87 Ministry of Legal Affairs HQ	5,725,000	7,073,864	8,074,203
04 Attorney General's Chambers	3,982,000	3,914,379	3,768,457
74 Department of Court Services	4,073,000	3,735,854	3,561,613
75 Department of Public Prosecutions	2,930,000	2,687,105	2,794,518
	24,851,000	25,462,824	26,480,440
Ministry of Finance			
58 Interest on Debt	113,500,000	113,222,504	109,244,778
11 Accountant General	82,308,000	77,769,640	80,661,680
28 Social Insurance	6,333,000	7,292,441	7,144,051
38 Office of the Tax Commissioner	3,240,000	7,164,113	3,844,942
10 Ministry of Finance HQ	5,160,000	5,459,829	4,956,317
59 Sinking Fund Contribution	47,693,000	-	-
Gain on Benefits Plans Amendments	-	-	(214,091,800)
Pensions and Retirement Benefits Expense	-	104,764,248	120,532,461
	258,234,000	315,672,775	112,292,429
Ministry of Education & Economic Development			
17 Department of Education	114,900,000	112,203,371	113,750,780
41 Bermuda College	16,851,000	16,850,670	18,119,000
95 Ministry of Education & Economic Dev. HQ	8,677,000	9,240,775	7,047,555
39 Registrar of Companies	3,171,000	3,406,294	4,218,546
89 Energy	1,040,000	789,920	730,402
46 Telecommunications	900,000	785,498	650,495
67 E-Commerce	962,000	749,303	583,418
16 Ministry of Education HQ	-	-	2,294,396
	146,501,000	144,025,831	147,394,592
Ministry of Health & Environment			
24 Hospitals	146,835,000	147,862,105	152,825,516
22 Department of Health	27,096,000	25,703,827	27,369,614
21 Ministry of Health & Environment HQ	15,578,000	14,475,399	13,348,181
72 Environmental Protection	3,877,000	3,392,060	3,711,032
91 Health Insurance	1,436,000	743,750	10,381,093
	194,822,000	192,177,141	207,635,436

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

	2015 Original Estimates	2015 Actual	2014 Actual
	\$	\$	\$
Ministry of Environment & Planning			
50 Ministry of Environment & Planning HQ	-	-	542,546
	-	-	542,546
Ministry of Community, Culture & Sports			
55 Financial Assistance	46,948,000	51,964,024	48,454,709
23 Child & Family Services	16,980,000	15,531,276	15,676,567
20 Youth, Sport & Recreation	10,745,000	10,524,818	11,217,114
71 Ministry of Community, Culture and Sports HQ	2,602,000	2,687,889	2,230,824
52 Community & Cultural Affairs	3,411,000	2,624,726	3,143,440
18 Libraries	2,127,000	2,123,733	2,236,267
56 Human Affairs	2,122,000	1,989,480	2,142,951
19 Archives	1,412,000	1,279,509	1,169,462
	86,347,000	88,725,455	86,271,334
Ministry of National Security			
07 Police	67,925,000	68,092,026	67,583,568
25 Department of Corrections	26,174,000	24,515,671	25,454,803
12 Customs	18,175,000	17,923,384	20,772,202
45 Fire Services	13,798,000	14,399,271	14,468,585
13 Post Office	11,781,000	11,432,246	12,823,180
06 Defence	7,314,000	8,123,375	7,797,102
88 National Drug Control	4,127,000	5,062,561	4,869,590
83 Ministry of National Security HQ	1,195,000	1,437,506	1,097,798
	150,489,000	150,986,040	154,866,828
Ministry of Home Affairs			
27 Immigration	4,407,000	4,981,895	4,449,807
60 Workforce Development	5,200,000	4,341,981	5,358,069
93 Ministry of Home Affairs HQ	3,466,000	4,054,300	6,306,730
32 Department of Planning	3,331,000	2,879,444	3,336,703
29 Registry General	1,966,000	1,633,886	1,686,449
42 Rent Commissioner	480,000	454,744	529,051
	18,850,000	18,346,250	21,666,809
Ministry of Public Works			
82 Works & Engineering	31,767,000	48,966,211	51,630,779
81 Public Lands & Buildings	20,532,000	37,241,211	40,379,859
36 Ministry of Public Works HQ	5,679,000	13,509,281	15,624,303
68 Parks	9,893,000	9,366,799	10,794,737
53 Bermuda Housing Corporation	7,440,000	7,440,000	8,000,000
69 Conservation Services	4,559,000	4,509,039	4,715,613
97 Land, Surveys & Registration	1,621,000	1,322,021	1,281,501
49 Land Valuation	822,000	715,964	979,491
	82,313,000	123,070,526	133,406,283
Ministry of Economy, Trade and Industry			
94 Ministry of Economy, Trade and Industry HQ	-	943	-
	-	943	-
TOTAL CURRENT EXPENSES	1,107,031,000	1,211,299,304	1,052,497,002

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

	2015 Interdepartmental Expense	2015 Actual Gross Expense	2015 Net Expense
	\$	\$	\$
Non-Ministry Departments			
02 Legislature	-	4,785,294	4,785,294
05 Office of the Auditor General	241	3,805,246	3,805,005
01 Governor & Staff	4,763	1,485,179	1,480,416
92 Internal Audit	85	1,481,236	1,481,151
63 Parliamentary Registrar	170	945,714	945,544
85 Ombudsman's Office	-	755,711	755,711
	5,259	13,258,380	13,253,121
Cabinet Office Departments			
43 Information Technology Office	3,734	7,945,112	7,941,378
09 Cabinet Office	2,620	6,075,981	6,073,361
26 Department of Human Resources	392	3,811,689	3,811,297
14 Department of Statistics	355	2,552,001	2,551,646
51 Department of Communication & Information	3,220	2,295,324	2,292,104
84 E-Government	-	1,115,757	1,115,757
80 Project Management & Procurement	456	764,593	764,137
96 Sustainable Development	-	373,295	373,295
	10,777	24,933,752	24,922,975
Ministry of Tourism Development & Transport			
48 Ministry of Tourism Dev. & Transport HQ	347	26,874,508	26,874,161
35 Public Transportation	1,048,681	23,861,347	22,812,666
31 Airport Operations	18,436	23,842,956	23,824,520
30 Marine & Ports	171,843	22,769,805	22,597,962
57 Civil Aviation	120	8,136,680	8,136,560
34 Transport Control Department	20,444	6,309,388	6,288,944
73 Maritime Administration	120	2,844,703	2,844,583
33 Tourism	81	-	(81)
	1,260,072	114,639,387	113,379,315
Ministry of Legal Affairs			
03 Judicial Department	2,092	8,051,622	8,049,530
87 Ministry of Legal Affairs HQ	1,865	7,073,864	7,071,999
04 Attorney General's Chambers	-	3,914,379	3,914,379
74 Department of Court Services	11,642	3,735,854	3,724,212
75 Department of Public Prosecutions	-	2,687,105	2,687,105
	15,599	25,462,824	25,447,225
Ministry of Finance			
58 Interest on Debt	-	113,222,504	113,222,504
11 Accountant General	6,961	77,769,640	77,762,679
28 Social Insurance	253,622	7,292,441	7,038,819
38 Office of the Tax Commissioner	59,188	7,164,113	7,104,925
10 Ministry of Finance HQ	-	5,459,829	5,459,829
Retirement Benefit (Refund) Expenses	-	104,764,248	104,764,248
	319,771	315,672,775	315,353,004
Ministry of Education & Economic Development			
17 Department of Education	57,636	112,203,371	112,145,735
41 Bermuda College	-	16,850,670	16,850,670
95 Min. of Education & Economic Dev. HQ	-	9,240,775	9,240,775
39 Registrar of Companies	-	3,406,294	3,406,294
89 Energy	-	789,920	789,920
46 Telecommunications	85	785,498	785,413
67 E-Commerce	172	749,303	749,131
	57,893	144,025,831	143,967,938
Ministry of Health & Environment			
24 Hospitals	-	147,862,105	147,862,105
22 Department of Health	69,522	25,703,827	25,634,305
21 Ministry of Health & Environment HQ	12,357	14,475,399	14,463,042
72 Environmental Protection	3,760	3,392,060	3,388,300
91 Health Insurance	-	743,750	743,750
	85,639	192,177,141	192,091,502

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

	2015 Interdepartmental Expense	2015 Actual Gross Expense	2015 Net Expense
	\$	\$	\$
Ministry of Community, Culture & Sports			
55 Financial Assistance	31,498	51,964,024	51,932,526
23 Child & Family Services	19,855	15,531,276	15,511,421
20 Youth, Sport & Recreation	195,337	10,524,818	10,329,481
71 Ministry of Community, Culture and Sports HQ	222	2,687,889	2,687,667
52 Community & Cultural Affairs	20,173	2,624,726	2,604,553
18 Libraries	5,698	2,123,733	2,118,035
56 Human Affairs	268	1,989,480	1,989,212
19 Archives	612	1,279,509	1,278,897
	273,663	88,725,455	88,451,792
Ministry of National Security			
07 Police	87,958	68,092,026	68,004,068
25 Department of Corrections	174,885	24,515,671	24,340,786
12 Customs	26,819	17,923,384	17,896,565
45 Fire Services	12,898	14,399,271	14,386,373
13 Post Office	30,141	11,432,246	11,402,105
06 Defence	3,739	8,123,375	8,119,636
88 National Drug Control	5,531	5,062,561	5,057,030
83 Ministry of National Security HQ	2,594	1,437,506	1,434,912
	344,565	150,986,040	150,641,475
Ministry of Home Affairs			
27 Immigration	1,605	4,981,895	4,980,290
60 Workforce Development	1,889	4,341,981	4,340,092
93 Ministry of Home Affairs HQ	76	4,054,300	4,054,224
32 Department of Planning	70	2,879,444	2,879,374
29 Registry General	-	1,633,886	1,633,886
42 Rent Commissioner	-	454,744	454,744
	3,640	18,346,250	18,342,610
Ministry of Public Works			
82 Works & Engineering	707	48,966,211	48,965,504
81 Public Lands & Buildings	5,301	37,241,211	37,235,910
36 Ministry of Public Works HQ	689,590	13,509,281	12,819,691
68 Parks	277,862	9,366,799	9,088,937
53 Bermuda Housing Corporation	-	7,440,000	7,440,000
69 Conservation Services	37,653	4,509,039	4,471,386
97 Land, Surveys & Registration	170	1,322,021	1,321,851
49 Land Valuation	1,045	715,964	714,919
	1,012,328	123,070,526	122,058,198
Ministry of Economy, Trade and Industry			
94 Min. of Economy, Trade & Industry HQ	-	943	943
	-	943	943
TOTAL CURRENT EXPENSES	3,389,206	1,211,299,304	1,207,910,098

Government of Bermuda - Consolidated Fund
Schedule 11: Schedules of Tangible Capital Assets and Assets Under Construction
As at March 31, 2015

	Estimated Useful Life	COST				ACCUMULATED AMORTIZATION				31-Mar-15 Net Book Value	31-Mar-14 Net Book Value
		Opening Balance	Additions	Disposals & Adjustments	Closing Balance	Opening Balance	Amortization Expense	Disposals & Adjustments	Closing Balance		
		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Tangible Capital Assets											
Land	Indefinite	45,636,778	5,560	-	45,642,338	-	-	-	-	45,642,338	45,636,778
Buildings & Betterments	2 - 40 years	627,582,738	3,316,722	-	630,899,460	(188,781,597)	(18,035,068)	-	(206,816,665)	424,082,795	438,801,141
Infrastructure	10 - 40 years	184,175,137	1,242,183	-	185,417,320	(53,564,429)	(10,806,472)	-	(64,370,901)	121,046,419	130,610,708
Vehicles & Heavy Equipment	5 - 7 years	93,649,948	3,718,616	-	97,368,564	(80,823,715)	(5,770,850)	-	(86,594,565)	10,773,999	12,826,233
Boats & Vessels	5 - 10 years	46,141,352	(20,395)	-	46,120,957	(38,257,762)	(2,126,234)	-	(40,383,996)	5,736,961	7,883,590
Computer Software	10 years	36,948,911	1,184,110	-	38,133,021	(15,077,821)	(3,740,128)	-	(18,817,949)	19,315,072	21,871,090
Office Equipment	5 years	17,467,071	601,550	-	18,068,621	(13,498,693)	(1,781,929)	-	(15,280,622)	2,787,999	3,968,378
Computer Hardware	3 - 7 years	19,329,474	2,447,963	-	21,777,437	(13,028,921)	(2,642,816)	-	(15,671,737)	6,105,700	6,300,553
Capital Leases	3 years	4,879,101	201,582	(66,182)	5,014,501	(4,108,677)	(244,889)	42,313	(4,311,253)	703,248	770,424
Furniture & Fixtures	7 years	4,834,019	465,624	-	5,299,643	(3,708,106)	(467,767)	-	(4,175,873)	1,123,770	1,125,913
Plant, Machinery & Equipment	10 - 30 years	104,052,430	3,338,667	-	107,391,097	(51,632,856)	(8,052,758)	-	(59,685,614)	47,705,483	52,419,574
Total Tangible Capital Assets		1,184,696,959	16,502,182	(66,182)	1,201,132,959	(462,482,577)	(53,668,911)	42,313	(516,109,175)	685,023,784	722,214,382
Assets Under Construction		52,476,614	21,095,257	(10,205,565)	63,366,306	-	-	-	-	63,366,306	52,476,614
Loss on Disposal of Leases						(23,869)					

Government of Bermuda - Consolidated Fund
Schedule 12: Current Expenditure - Estimates Compared to Expenditures
For the year ended March 31, 2015

	Expenses	Expenditure ¹	Adjusted Estimates ²	Under (Over) Spent
	\$	\$	\$	\$
Non-Ministry Departments				
02 Legislature	4,785,294	4,749,377	5,182,713	433,336
05 Office of the Auditor General	3,805,246	3,754,322	3,760,496	6,174
01 Governor & Staff	1,485,179	1,481,690	1,543,773	62,083
92 Internal Audit	1,481,236	1,479,936	1,659,291	179,355
63 Parliamentary Registrar	945,714	930,912	1,271,412	340,500
85 Ombudsman's Office	755,711	750,276	785,746	35,470
	13,258,380	13,146,513	14,203,431	1,056,918
Cabinet Office Departments				
43 Information Technology Office	7,945,112	6,330,793	6,742,229	411,436
09 Cabinet Office	6,075,981	6,054,366	6,991,615	937,249
26 Department of Human Resources	3,811,689	3,798,965	4,093,654	294,689
14 Department of Statistics	2,552,001	2,530,371	2,772,961	242,590
51 Department of Communication & Information	2,295,324	2,270,244	2,375,498	105,254
84 E-Government	1,115,757	1,106,319	1,056,858	(49,461)
80 Project Management & Procurement	764,593	753,996	913,262	159,266
96 Sustainable Development	373,295	373,295	437,815	64,520
	24,933,752	23,218,349	25,383,892	2,165,543
Ministry of Tourism Development & Transport				
48 Ministry of Tourism Dev. & Transport HQ	26,874,508	25,374,542	25,570,472	195,930
35 Public Transportation	23,861,347	21,547,646	20,029,236	(1,518,410)
31 Airport Operations	23,842,956	21,054,573	23,835,453	2,780,880
30 Marine & Ports	22,769,805	21,086,506	21,502,628	416,122
57 Civil Aviation	8,136,680	8,033,469	8,692,852	659,383
34 Transport Control Department	6,309,388	5,717,022	5,750,613	33,591
73 Maritime Administration	2,844,703	2,801,057	2,906,213	105,156
	114,639,387	105,614,815	108,287,467	2,672,652
Ministry of Legal Affairs				
03 Judicial Department	8,051,622	7,523,465	8,141,305	617,840
87 Ministry of Legal Affairs HQ	7,073,864	7,069,786	6,382,016	(687,770)
04 Attorney General's Chambers	3,914,379	3,810,327	4,073,881	263,554
74 Department of Court Services	3,735,854	3,716,723	4,074,874	358,151
75 Department of Public Prosecutions	2,687,105	2,681,876	2,929,852	247,976
	25,462,824	24,802,177	25,601,928	799,751
Ministry of Finance				
58 Interest on Debt	113,222,504	113,222,504	113,500,000	277,496
11 Accountant General	77,769,640	76,985,814	81,207,622	4,221,808
28 Social Insurance	7,292,441	7,269,550	7,133,000	(136,550)
38 Office of the Tax Commissioner	7,164,113	2,903,818	3,239,888	336,070
10 Ministry of Finance HQ	5,459,829	5,446,714	5,460,169	13,455
59 Sinking Fund Contribution	-	47,668,750	47,693,000	24,250
Retirement Benefit (Refund) Expenses	104,764,248	-	-	-
	315,672,775	253,497,150	258,233,679	4,736,529
Ministry of Education & Economic Development				
17 Department of Education	112,203,371	111,313,889	114,859,004	3,545,115
41 Bermuda College	16,850,670	16,850,670	16,850,670	-
95 Ministry of Education & Economic Dev. HQ	9,240,775	9,237,468	10,118,700	881,232
39 Registrar of Companies	3,406,294	2,226,740	3,070,735	843,995
89 Energy	789,920	789,920	1,040,000	250,080
46 Telecommunications	785,498	773,245	1,180,000	406,755
67 E-Commerce	749,303	744,243	961,893	217,650
	144,025,831	141,936,175	148,081,002	6,144,827
Ministry of Health & Environment				
24 Hospitals	147,862,105	147,862,105	146,834,504	(1,027,601)
22 Department of Health	25,703,827	24,881,097	27,065,877	2,184,780
21 Ministry of Health & Environment HQ	14,475,399	14,463,434	15,608,041	1,144,607
72 Environmental Protection	3,392,060	3,087,011	3,876,986	789,975
91 Health Insurance	743,750	743,750	1,436,253	692,503
	192,177,141	191,037,397	194,821,661	3,784,264

¹ Adjusted for Non-Budgeted, Non-Cash Items

² Includes all Approved Supplementary amounts during the year

Government of Bermuda - Consolidated Fund
Schedule 12: Current Expenditure - Estimates Compared to Expenditures (cont'd)
For the year ended March 31, 2015

	Expenses	Expenditure ¹	Adjusted Estimates ²	Under (Over) Spent
	\$	\$	\$	\$
Ministry of Community, Culture & Sports				
55 Financial Assistance	51,964,024	51,925,494	52,548,408	622,914
23 Child & Family Services	15,531,276	15,468,240	16,979,537	1,511,297
20 Youth, Sport & Recreation	10,524,818	10,449,226	10,685,029	235,803
71 Ministry of Community, Culture and Sports HQ	2,687,889	2,671,582	2,791,659	120,077
52 Community & Cultural Affairs	2,624,726	2,619,078	3,296,634	677,556
18 Libraries	2,123,733	2,110,017	2,126,917	16,900
56 Human Affairs	1,989,480	1,927,753	2,116,178	188,425
19 Archives	1,279,509	1,257,797	1,401,568	143,771
	88,725,455	88,429,187	91,945,930	3,516,743
Ministry of National Security				
07 Police	68,092,026	66,692,399	67,504,967	812,568
25 Department of Corrections	24,515,671	24,375,478	26,174,495	1,799,017
12 Customs	17,923,384	17,195,775	17,975,400	779,625
45 Fire Services	14,399,271	12,823,524	13,579,432	755,908
13 Post Office	11,432,246	11,215,124	11,729,434	514,310
06 Defence	8,123,375	8,063,329	8,095,741	32,412
88 National Drug Control	5,062,561	4,415,203	4,693,911	278,708
83 Ministry of National Security HQ	1,437,506	1,444,595	1,555,823	111,228
	150,986,040	146,225,427	151,309,203	5,083,776
Ministry of Home Affairs				
27 Immigration	4,981,895	4,167,077	4,262,779	95,702
60 Workforce Development	4,341,981	4,281,220	5,099,634	818,414
93 Ministry of Home Affairs HQ	4,054,300	4,049,139	5,355,997	1,306,858
32 Department of Planning	2,879,444	2,870,787	3,294,432	423,645
29 Registry General	1,633,886	1,603,421	1,836,113	232,692
42 Rent Commissioner	454,744	454,744	480,195	25,451
	18,346,250	17,426,388	20,329,150	2,902,762
Ministry of Public Works				
82 Works & Engineering	48,966,211	30,270,978	31,766,859	1,495,881
81 Public Lands & Buildings	37,241,211	20,593,322	20,456,924	(136,398)
36 Ministry of Public Works HQ	13,509,281	16,926,606	9,883,662	(7,042,944)
68 Parks	9,366,799	9,166,489	9,893,477	726,988
53 Bermuda Housing Corporation	7,440,000	5,640,000	7,440,000	1,800,000
69 Conservation Services	4,509,039	4,469,091	4,559,174	90,083
97 Land, Surveys & Registration	1,322,021	1,301,157	1,620,848	319,691
49 Land Valuation	715,964	681,374	822,052	140,678
	123,070,526	89,049,017	86,442,996	(2,606,021)
Ministry of Government Estates & Information Services				
94 Ministry of Economy, Trade & Industry HQ	943	-	-	-
	943	-	-	-
TOTAL CURRENT EXPENDITURE	1,211,299,304	1,094,382,596	1,124,640,339	30,257,744

¹ Adjusted for Non-Budgeted, Non-Cash Items

² Includes all Approved Supplementary amounts during the year

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

	2015	2014
	Actual	Actual
	\$	\$
Unspent Capital Appropriations		
In accordance with Section 6 of the Appropriations Act 2015, unspent capital appropriations for incomplete capital projects to be carried forward to future years are as follows:		
Capital Development	178,841	5,511,234
Capital Acquisition	318,000	2,000,000
	496,841	7,511,234

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	926,638,138	889,850,476
Projects Completed during the year	(143,529,000)	(126,370,000)
Supplementary Estimate No.1	4,876,600	2,128,000
Revised Total Authorized Funding	787,985,738	765,608,476
Appropriated Capital Development	(354,345,720)	(330,782,820)
Unappropriated Capital Development Commitments	433,640,018	434,825,656

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

	2015	2014
	Actual	Actual
	\$	\$

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

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

Debt (Schedule 7)	2,185,000,000	2,305,000,000
Less:		
Sinking Fund (Schedule 7)	135,347,558	536,557,729
Public Debt	2,049,652,442	1,768,442,271
Legislated Limit	2,500,000,000	2,500,000,000
Available Limit	450,347,558	731,557,729