

PUBLIC ACCOUNTS
OF THE
GOVERNMENT OF NUNAVUT
FOR THE YEAR ENDED MARCH 31, 2022

HONOURABLE LORNE KUSUGAK

Minister of Finance



**THE HONOURABLE EVA AARIAK
COMMISSIONER OF NUNAVUT**

I have the honour to present the Public Accounts of Nunavut for the fiscal year ended March 31, 2022. I would ask that these accounts be laid before the Legislative Assembly in accordance with the *Financial Administration Act*, R.S.N.W.T. 1988, c.F-4, S. 74 as amended, and duplicated for Nunavut, and the *Nunavut Act*, S.C. 1993, C.28, s.44.



The Honourable Lorne Kusugak
Minister of Finance

Government of Nunavut
Iqaluit, Nunavut

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March 31, 2022

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GOVERNMENT OF NUNAVUT**PUBLIC ACCOUNTS****Introduction to the Public Accounts of Nunavut****March 31, 2022**

These consolidated financial statements, presented through the publication of the Public Accounts, are prepared to meet the financial reporting requirements in Canada's *Nunavut Act* and Nunavut's *Financial Administration Act*. The consolidated financial statements present summary information and serve as a means for the Government of Nunavut (the Government) to show its accountability for the resources, obligations and financial affairs for which it is responsible. The Government has an elected Legislative Assembly which authorizes disbursements, advances, loans and investments, except those specifically authorized by statute.

These consolidated financial statements are prepared by the Department of Finance in accordance with Canadian public sector accounting standards (PSAS) as issued by the Public Sector Accounting Board of Canada. Please refer to the Notes to Consolidated Financial Statements for details of the significant accounting policies that have been adopted by the Government.

The reporting entity of the Government of Nunavut includes all departments, agencies, corporations, organizations, and funds, which are controlled by the Government. For financial reporting purposes, control is defined as the power to govern the financial and operating policies of an organization with benefits from the organization's activities being expected, or the risk of loss being assumed by the Government. All organizations that meet the definitions in the Financial Administration Act for departments, revolving funds, territorial corporations or other public agencies are included in the reporting entity for these consolidated financial statements, except for the Workers' Safety and Compensation Commission (WSCC). Since the Government does not control or have access to the WSCC's assets or responsibility for its obligations, it is excluded from the Government's financial reporting entity. All entities included in the reporting entity, except Nunavut Lottery, are fully consolidated on a line-by-line basis. Significant transactions and balances between fully consolidated entities are eliminated. Nunavut Lottery is accounted for as a government business partnership on a modified equity basis.

Canadian public sector accounting standards require a government to present in its consolidated financial statements a comparison of the results of operations and changes in net financial assets (debt) for the period with those originally planned. The consolidated budget figures are the appropriations approved by the Legislative Assembly and the approved budgets for the consolidated entities, adjusted to eliminate budgeted inter-entity revenues and expenses. They represent the Government's original consolidated fiscal plan for the year and do not reflect supplementary appropriations.

The Department of Finance publishes the Public Accounts, as well as the Main Estimates and Capital Estimates, for this year and those of past years, in PDF format at the following addresses:

<http://www.gov.nu.ca/finance/information/public-accounts>

<https://www.gov.nu.ca/information/budgets-and-business-plans>

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SECTION I
FINANCIAL STATEMENT DISCUSSION AND ANALYSIS

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Financial Statement Discussion and Analysis
for the year ended March 31, 2022
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Executive Summary

This financial statement discussion and analysis (FSDA) has been prepared by the Government of Nunavut (GN) to provide additional information related to its financial position, changes in its financial position and its performance. The FSDA should be read in conjunction with the GN's consolidated financial statements for the fiscal year ended March 31, 2022. Financial highlights are provided below.

Financial Highlights

Consolidated Statement of Financial Position	2022	2021
Total Financial Assets	\$ 1,838,423	\$ 1,614,539
Less: Total Liabilities	1,290,770	1,211,967
Net Financial Assets	547,653	402,572
Tangible Capital Assets	2,732,570	2,613,680
Other Non-Financial Assets	58,409	53,560
Total Non-Financial Assets	2,790,979	2,667,240
Accumulated Surplus	\$ 3,338,632	\$ 3,069,812

Consolidated Statement of Operations	2022 Budget	2022	2021
Revenue from the Government of Canada	\$ 2,148,361	\$ 2,347,240	\$ 2,234,982
Revenue generated by the Government of Nunavut	461,213	469,505	444,606
Total Revenues	2,609,574	2,816,745	2,679,588
Less: Total Expenses	2,590,015	2,547,925	2,494,583
Surplus for the Year	\$ 19,559	\$ 268,820	\$ 185,005

Consolidated Statement of Change in Net Financial Assets	2022	2021
Net Financial Assets, Beginning of Year	\$ 402,572	\$ 248,798
Surplus for the Year	268,820	185,005
Change in Tangible Capital Assets	(118,890)	(27,465)
Change in Other Non-Financial Assets	(4,849)	(3,766)
Total Increase in Net Financial Assets	145,081	153,774
Net Financial Assets, End of Year	\$ 547,653	\$ 402,572

The GN continues to maintain a strong net financial asset position. For the year ended March 31, 2022, the GN increased its net financial asset position by \$145.1M and reported a surplus of \$268.8M. The surplus was \$249.2M higher than the budgeted surplus of \$19.6M for the period. Increased revenues accounted for \$207.1M of the increased surplus while decreased departmental spending contributed \$42.1M to the surplus.

The increase in total revenue for the period compared to the budget was driven by an increase in Government of Canada revenue which accounted for \$198.9M of the \$207.1M increase over budget. GN revenue increased by \$8.3M. Lower spending in Finance (\$78.1M), Education (\$50.5M) and Economic Development and Transportation (\$25.5M) accounted for the majority of lower expenses compared to budget. These amounts were offset by \$56.9M in additional spending by Health, \$51.3M by Executive and Intergovernmental Affairs and \$37.5M by Community and Government Services.

Total revenue for the year increased by \$137.2M over the prior period. Revenues from the Government of Canada increased by \$112.3M while GN revenues increased by \$24.9M compared to 2021. The change in revenues from the Government of Canada consisted of an increase in revenue from Territorial Formula Financing of \$69.6M (4.1%) over the prior period accompanied by an increase in Other Transfers from the Government of Canada of \$42.7M (8.2%). The majority of the increase in Other Transfers is due to a new \$25M agreement with CIRNAC to address immediate short-term housing needs.

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Total expenses grew by \$53.3M in 2022 over the prior period. Of this amount, \$71.8M is attributed to increases in expenses in three departments. Expenses increased by \$34.7M in Health, \$22.7M in Executive and Intergovernmental Affairs, and \$14.4M in Housing. Health increased spending was driven by increased costs related to increase in physician service contracts and increased medical travel due to lifting of Covid-19 travel restrictions, while cost increases in Executive and Intergovernmental Affairs were due to pandemic related airline support and food hamper support. Housing costs increased due to increased social and staff housing programs. These amounts were offset by \$22.1M in cost savings in Community and Government Services due to reduction in Covid-19 construction budget allocation.

The GN faces many challenges such as changes in global commodity prices, the global pandemic, and aging tangible capital assets. The GN continues to take action to address these challenges including efforts to grow its tax base, providing support to residents and businesses and investing in tangible capital assets. In 2022, the GN invested \$263.1M in tangible capital asset additions during the year.

Although the global pandemic has negatively impacted commodity prices and the global economy, the impact has been less significant on GN revenue due to the large percentage of revenues from the Government of Canada. The Conference Board of Canada expects Nunavut's economy to grow by 6.4% in 2022. Nunavut's unemployment rate is higher than the Canadian average, and will remain a principal challenge in the years ahead. Nunavut's relatively young population and high fertility rate will support future labour force growth, which will increase the demand for programs and services resulting in continued upward pressure on program spending.

Covid-19 Effects

Due to the Covid-19 pandemic lasting longer than expected, the 2021-22 financial results of the GN vary from what was expected. The GN received federal funding to help with the effects of the pandemic. Expenses in certain areas are different than planned, primarily due to pandemic related restrictions. These areas include, but are not limited to, capital project planning and development; medical travel and other travel; and delivery of programs. Restrictions were loosened during the fiscal year; over the next few years, it is anticipated that operations will resume as normal.

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Revenues and Expenses - Variances

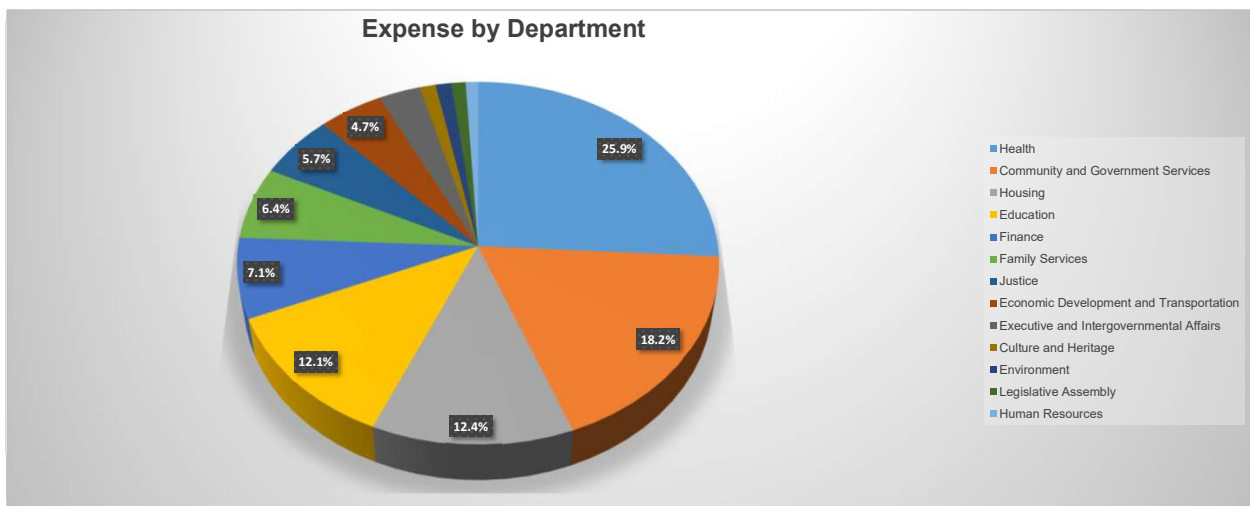
Revenue Variance Analysis	2022	2022	2021	Budget to Actual		Actual to Actual	
	Budget	Actual	Actual	\$ Variance	% Variance	\$ Variance	% Variance
Territorial Formula Financing	\$1,782,100	\$ 1,782,111	\$ 1,712,512	\$ 11	0.0%	\$ 69,599	4.1%
Other Transfers from the Government of Canada	366,261	565,129	522,470	198,868	54.3%	42,659	8.2%
Revenues Generated by the Government of Nunavut	461,213	469,505	444,606	8,292	1.8%	24,899	5.6%
Total Revenue	\$ 2,609,574	\$ 2,816,745	\$ 2,679,588	\$ 207,171		\$ 137,157	

Budget to Actual

For the year ended March 31, 2022, actual revenues were \$207.1M higher than total budgeted revenue. The increase in Government of Canada revenues accounted for \$198.9M of the \$207.1M change. These increases were mainly related to unbudgeted Crown-Indigenous Relations and Northern Affairs Canada (CIRNAC) funding, unbudgeted Health Funding Consolidated Contribution Agreement from Indigenous Services Canada (ISC) for medical travel and carry-over of Covid-19 deferred revenue. Increases in personal income tax of \$9.1M and an increase of \$10.8M in power sales by Qulliq Energy Corporation (QEC) accounted for the majority of the increase in GN generated revenues over budgeted revenues, offset by a decrease of \$9.7M in corporate income tax over budget.

Actual to Actual

Total revenue for the year increased by \$137.2M over the prior period. Revenues from the Government of Canada increased by \$112.3M while GN revenues increased by \$24.9M compared to the prior year. The increase in revenues from the Government of Canada consisted of an increase in revenue from Territorial Formula Financing of \$69.6M (4.1%) over the prior period which was accompanied by an increase in Other Transfers from the Government of Canada of \$42.7M (8.2%). Federal funding to the Department of Finance for Canada Health Transfer and the Carbon tax rebate accounted for \$15M of the \$42.7M increase. Executive and Intergovernmental Affairs pandemic related support make up the majority of the rest of the increase of the revenues from the Government of Canada. The GN's revenues increased by \$24.9M due to higher personal income taxes and petroleum product sales (net of cost of goods sold) of \$18.9M and \$8.4M respectively, as well as an increase in recoveries of \$4M. These increases were offset by a decrease in corporate income tax of \$8.5M.



Expense Variance Analysis	2022	2022	2022 Percent	2021	Budget to Actual		Actual to Actual	
	Budget	Actual	of Total	Actual	\$ Variance	% Variance	\$ Variance	% Variance
Health	\$ 603,019	\$ 659,883	25.9%	\$ 625,212	\$ 56,864	8.6%	\$ 34,671	5.3%
Community and Government Services	427,031	464,560	18.2%	486,673	37,529	8.1%	(22,113)	-4.8%
Housing	313,438	316,374	12.4%	301,995	2,936	0.9%	14,379	4.5%
Education	357,886	307,415	12.1%	310,105	(50,471)	-16.4%	(2,690)	-0.9%
Finance	259,787	181,700	7.1%	186,343	(78,087)	-43.0%	(4,643)	-2.6%
Family Services	169,029	164,140	6.4%	151,290	(4,889)	-3.0%	12,850	7.8%
Justice	151,530	145,142	5.7%	145,246	(6,388)	-4.4%	(104)	-0.1%
Economic Development and Transportation	146,554	121,003	4.7%	127,214	(25,551)	-21.1%	(6,211)	-5.1%
Executive and Intergovernmental Affairs	27,216	78,542	3.1%	55,855	51,326	65.3%	22,687	28.9%
Culture and Heritage	36,943	29,860	1.2%	30,975	(7,083)	-23.7%	(1,115)	-3.7%
Environment	35,051	29,051	1.1%	26,933	(6,000)	-20.7%	2,118	7.3%
Legislative Assembly	29,300	27,072	1.1%	24,675	(2,228)	-8.2%	2,397	8.9%
Human Resources	33,231	23,183	0.9%	22,067	(10,048)	-43.3%	1,116	4.8%
Total Expenses	\$ 2,590,015	\$ 2,547,925	100%	\$ 2,494,583	\$ (42,090)	-1.63%	\$ 53,342	2.14%

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Budget to Actual

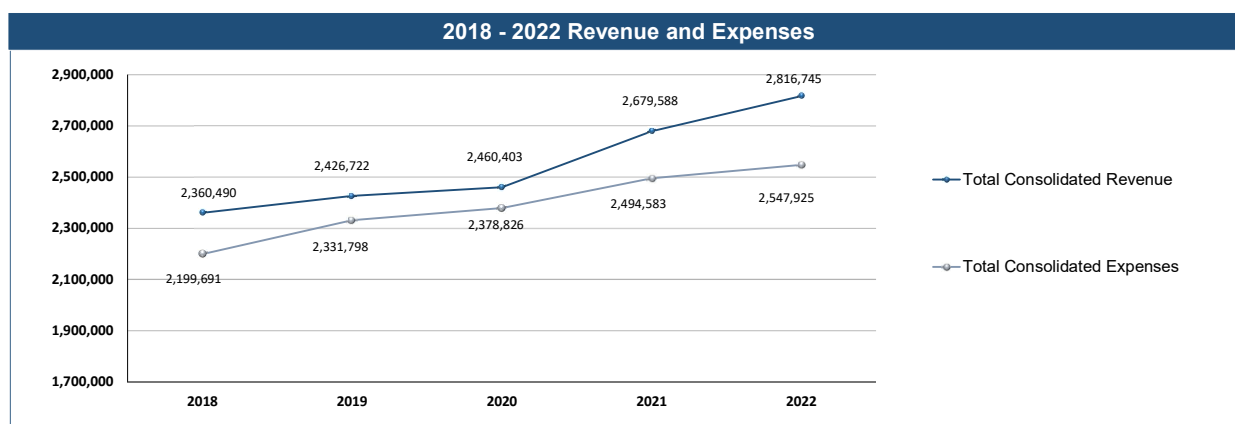
Total expenses were \$42.1M lower than the budget. Reduced spending in Finance (\$78.1M), Education (\$50.5M) and Economic Development and Transportation (\$25.5M) and Human Resources (\$10M) accounted for the majority of the decrease in expenses. These amounts were offset by \$56.9M in additional spending in Health and \$51.3M in Executive and Intergovernmental Affairs. Capital expenditures in Education accounted for (\$37.9M) of the variance between budget and actual as construction work was delayed due to Covid-19 related staff constraints and supply chain issues. Economic Development and Transportation capital costs were under budget by (\$21.2M) due to delayed projects from Covid-19 restrictions.

Actual to Actual

Total expenses grew by \$53.3M in 2022 over the prior period. Health accounted for \$34.7M of the increase. There was also an increase of \$14.4M in Housing and \$22.7M in Executive and Intergovernmental Affairs. The total increase in expenses in these three departments accounted for \$71.8M and was offset by (\$36.8M) in other departments. Increased spending in Health was attributed to medical travel costs funded by Indigenous Services Canada (ISC), increased physician service contracts and increased agency nursing services. Increased pandemic related airline support and food hamper support contributed to the increased expenses at Executive and Intergovernmental Affairs. Housing costs increased primarily due to an increase in utility, maintenance and agency expenses for staff housing and social housing programs.

Revenues and Expenses - Trends

The following chart represents the GN's total consolidated revenue and expenses for the last five years.

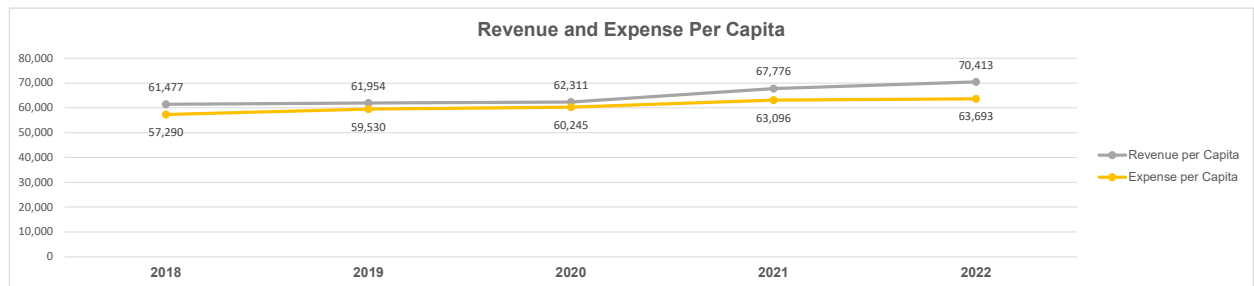


Results of Operations

	2018	2019	2020	2021	2022	5 Yr Avg
Revenue	\$ 2,360,490	\$ 2,426,722	\$ 2,460,403	\$ 2,679,588	\$ 2,816,745	
Expenses	2,199,691	2,331,798	2,378,826	2,494,583	2,547,925	
Surplus for the Year	\$ 160,799	\$ 94,924	\$ 81,577	\$ 185,005	\$ 268,820	
Annual Revenue Growth	9.7%	2.8%	1.4%	8.9%	5.1%	5.6%
Annual Expense Growth	6.4%	6.0%	2.0%	4.9%	2.1%	4.3%

The GN continues its trend of annual surpluses. Annual revenue growth has averaged 5.6% over the last five years while growth in expenses has averaged 4.3%.

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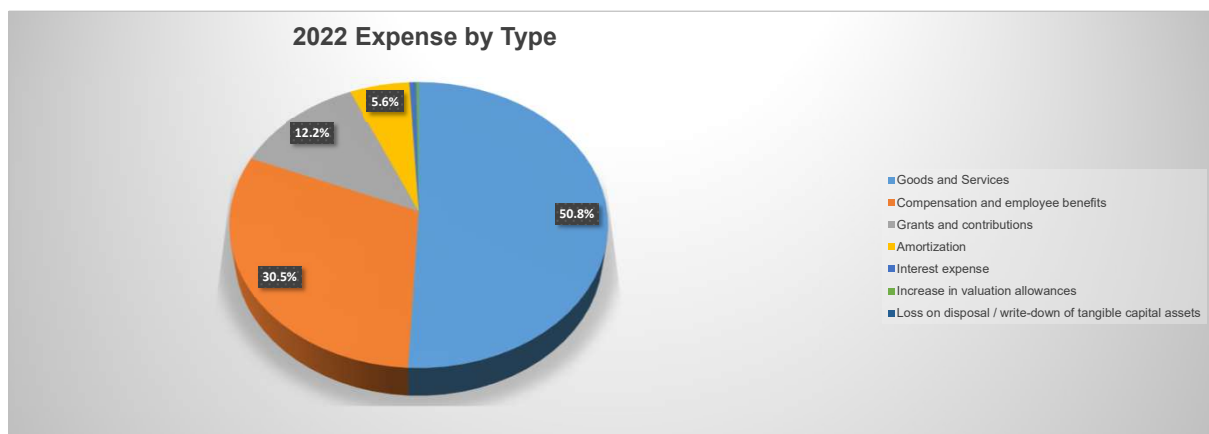


Revenue and Expenses per Capita	2018	2019	2020	2021	2022	
Population	38,396	39,170	39,486	39,536	40,003	
Revenue per Capita	61,477	61,954	62,311	67,776	70,413	
Expense per Capita	57,290	59,530	60,245	63,096	63,693	
Population Growth	1.1%	2.0%	0.8%	0.1%	1.2%	1.0%
Per Capita Revenue growth	8.6%	0.8%	0.6%	8.8%	3.9%	4.5%
Per Capita Expense growth	5.3%	3.9%	1.2%	4.7%	0.9%	3.2%

On average, revenue and expenses have grown faster than the population over the past five years. The population has grown by an average of 1.0% per year during the past five years while per capita revenue and expenses has increased by an average of 4.5% and 3.2% respectively. The GN continues to spend more each year in total and on a per capita basis on its programs and services.

Expense by Type

Spending on compensation and benefits and goods and services account for the approximately 81.3% of GN's expenditures. The majority of the annual growth in GN's expenses is also attributed to these accounts and this trend is expected to continue.



Expense by Type	2018	2019	2020	2021	2022	2022
						Percent of Total
Goods and Services	\$ 1,121,455	\$ 1,171,479	\$ 1,185,721	\$ 1,257,301	\$ 1,294,625	50.8%
Compensation and employee benefits	694,359	724,258	755,759	777,752	777,373	30.5%
Grants and contributions	196,339	270,184	273,826	299,950	311,232	12.2%
Amortization	152,687	136,228	131,653	133,904	142,413	5.6%
Interest expense	11,664	21,134	20,883	17,443	16,217	0.6%
Increase in valuation allowances	14,317	7,295	7,412	4,702	6,065	0.2%
Loss on disposal / write-down of tangible capital assets	8,870	1,220	3,572	3,531	-	0.0%
	\$ 2,199,691	\$ 2,331,798	\$ 2,378,826	\$ 2,494,583	\$ 2,547,925	100%
Top two expense categories as a percentage of total expenses	82.5%	81.3%	81.6%	81.6%	81.3%	

Summary of Significant Risks and Uncertainties

The Government of Nunavut is exposed to risks and uncertainties that can affect its financial position, changes in its financial position and future operations. The GN is responsible for setting and applying risk management policies and procedures to manage significant risks and uncertainties and is fully accountable for outcomes. The following risks and uncertainties are considered significant:

- » High reliance on funding from the Government of Canada
- » Impacts of the global pandemic on the economy, access to resources, the population, and the resulting uncertainty to the measurement and valuation of its financial assets and liabilities
- » Unknown effects of climate change (ex. infrastructure damage, natural resource development, water shortages, etc.)
- » Impairment of and timely replacement of significant infrastructure such as roads, airfields, power plants, water systems and petroleum storage facilities
- » Volatility as it relates to portfolio investments and long-term debt including interest rate and market risk
- » Exposure to credit risk
- » Impact due to the future accounting standard for asset retirement obligations
- » Liabilities related to contaminated sites and the use of estimates to determine potential remediation costs

The Government of Nunavut actively monitors and manages risks and uncertainties in order to make informed decisions, make effective use of available resources and to enhance strategic and contingency planning. The GN tailors its risk management policies and practices to take into account the scope, size and nature of risk exposures. The GN is currently monitoring these risks and uncertainties and to the extent possible, developing and implementing plans to mitigate the exposure and/or impact.

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Indicators of Financial Condition

Changes in a government's financial position and its results of operations are important in assessing financial performance during the reporting period, however, it is not the only measure of a government's overall financial condition and performance. Sustainability, flexibility and vulnerability are also important indicators of fiscal health and changes to it. While these measures are important, they must be considered in light of the many risks and exposures over which a government has no control. These would include items such as changing global economic and financial conditions, changes in federal transfer programs, and emergencies such as natural disasters and pandemics.

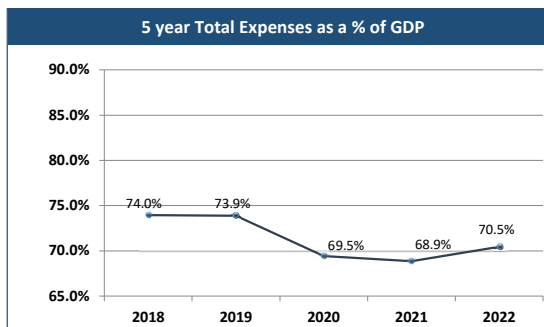
Although many indicators are available, the following sections discuss the more relevant measures and are intended to improve transparency and provide a clearer understanding of the GN's financial condition.

Sustainability

Sustainability indicates a government's ability to maintain its existing services and meet its financial obligations without the need to increase revenues or debt. These indicators provide insight into the sustainability of government practices of generating revenues and incurring expenses and the potential impact of debt levels on program and services.

- **Total Expenses as a Percentage of GDP**. This indicator compares the growth rate of the GN's spending to the rate of growth in the economy (GDP) in which it operates. The GN's ratio for 2022 is 70.5%, which means GN spending in 2022 was less than real GDP for the period. The ratio has declined significantly since 2018 due to growth in the economy driven largely by resource development. This decline over the past five years indicates the economy is growing faster than GN spending. The growth in the economy provides the GN with an opportunity to increase its revenues and thereby lower its reliance on Federal Transfers.

March 31	Growth in Expenses	Total Expenses	Nunavut Real GDP	Total Expenses to GDP
2018	8.9%	2,199,691	2,974,100	74.0%
2019	6.0%	2,331,798	3,156,400	73.9%
2020	2.0%	2,378,826	3,425,000	69.5%
2021	4.9%	2,494,583	3,623,000	68.9%
2022	2.1%	2,547,925	3,616,000	70.5%
\$ change, 2021 to 2022		53,342	(7,000)	
% change, 2021 to 2022		2.1%	-0.2%	
\$ change, 5 year trend		348,234	641,900	
% change, 5 year trend		15.8%	21.6%	



Source: Statistics Canada, System of National Accounts, Table # 36-10-0402-01. "Nunavut Real Gross Domestic Product by Industry"
 Forecasted Real GDP for 2022 was based on the projection of the Key Economic Indicators in GN's Budget 2022-23.

The Conference Board of Canada (CBOC) expects Nunavut's economy to continue to grow, even though there will be negative effects due to the pandemic. Expected growth for 2022 is 6.4%. The CBOC expects the effects of the pandemic on the mining sector to be temporary. The mining sector accounts for approximately one third of Nunavut's real GDP. Planned infrastructure construction, including a new port, will improve access to remote regions, supporting natural resource development and creating economic opportunities for local communities. Nunavut's unemployment rate is higher than the Canadian average, and that will remain a principal challenge in the years ahead.

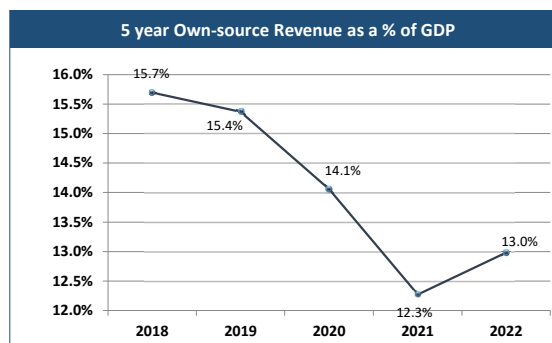
Flexibility

Flexibility indicates a government's ability to either expand its revenues or increase debt to meet existing financial obligations and to provide services. Flexibility provides insight into how a government manages its finances.

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- **Own-Source Revenue as a Percentage of GDP**. Own-source revenue as a percentage of GDP indicates the extent to which the government is generating funds through taxation, user fees and other charges. A declining ratio indicates a government is taking less out of the economy relative to the growth in the economy leaving a government with a greater degree of flexibility to respond to changing circumstances.

March 31	Own-source revenue	Nunavut Real GDP	Own-source revenue to GDP
2018	466,714	2,974,100	15.7%
2019	485,087	3,156,400	15.4%
2020	481,451	3,425,000	14.1%
2021	444,606	3,623,000	12.3%
2022	469,505	3,616,000	13.0%
\$ change, 2021 to 2022	24,899	(7,000)	
% change, 2021 to 2022	5.6%	-0.2%	
\$ change, 5 year trend	2,791	641,900	
% change, 5 year trend	0.6%	21.6%	

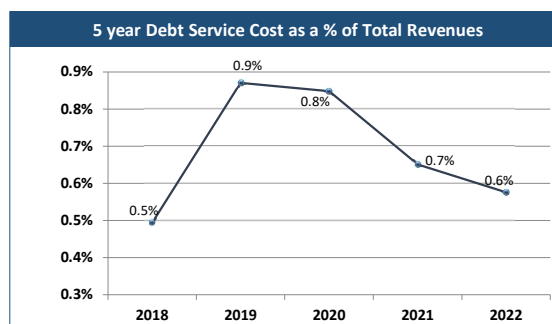


Source: Statistics Canada, System of National Accounts, Table # 36-10-0402-01. "Nunavut Real Gross Domestic Product by Industry"
 Forecasted Real GDP for 2022 was based on the projection of the Key Economic Indicators in GN's Budget 2022-23.

The GN's own-source revenue compared to the size of the Nunavut economy has declined steadily over the last five years, ranging from 15.7% in 2018 to 13.0% in 2022. GN's own-source revenues in 2022 were primarily generated through taxation and sales which accounted for 32.5% and 45.1% of GN revenue. Most Canadian jurisdictions generate their revenue primarily through taxation. In Nunavut, personal, corporate and other taxes accounted for only 32.5% (\$152.4M) of total consolidated own-source revenue in 2022 (2021 - 30.7%, \$136.5M). The GN continues to work to increase its own source revenues by working to expand its tax base rather than raising tax rates.

- **Debt Service Cost as a Percentage of Total Revenues**. This ratio indicates how much of a government's current revenues will be needed to finance past borrowing decisions. If current revenues are needed to fund past borrowing, they are not available to fund current and future programs and services to residents.

March 31	Debt Service Costs	Total Revenue	Debt cost to revenue
2018	11,664	2,360,490	0.49%
2019	21,134	2,426,722	0.87%
2020	20,883	2,460,403	0.85%
2021	17,443	2,679,588	0.65%
2022	16,217	2,816,745	0.58%
\$ change, 2021 to 2022	(1,226)	137,157	
% change, 2021 to 2022	-7.0%	5.1%	
\$ change, 5 year trend	4,553	456,255	
% change, 5 year trend	39.0%	19.3%	

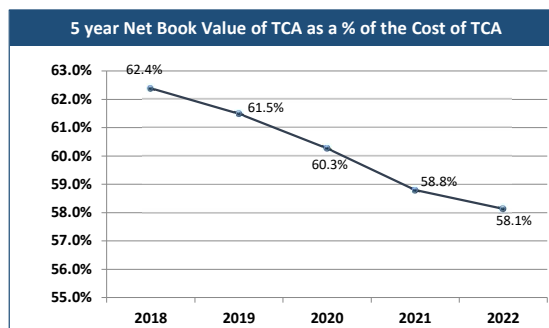


The ratio of debt service cost-to-revenues ranged from 0.49% to 0.58% in the last 5 years. The ratio increased significantly in 2019 due to the long-term debt acquired to finance the Iqaluit International Airport. The ratio improved in 2022 and is currently relatively low which indicates that interest costs are not a strain on the GN's resources leaving significant flexibility. At March 31, 2022, the GN had an authorized borrowing limited of \$750.0M of which \$328.4M remained available.

GOVERNMENT OF NUNAVUT
PUBLIC ACCOUNTS
Financial Statement Discussion and Analysis
for the year ended March 31, 2022
(in thousands of dollars)

- **Net Book Value of Capital Assets as a Percentage of the Cost of Tangible Capital Assets.** This ratio measures the estimated useful life of a government's tangible capital assets. A decreasing ratio indicates that tangible capital assets are aging and not being replaced as fast as they are being used. An aging pool of tangible capital assets indicates a potential for increased repairs and maintenance costs in the future as well as the potential need to replace a significant amount of tangible capital assets.

March 31	Total net book value of TCA	Total Cost of TCA	NBV to cost of TCA
2018	2,409,523	3,861,690	62.4%
2019	2,513,892	4,088,134	61.5%
2020	2,586,215	4,290,675	60.3%
2021	2,613,680	4,445,462	58.8%
2022	2,732,570	4,700,674	58.1%
\$ change, 2021 to 2022	118,890	255,212	
% change, 2021 to 2022	4.5%	5.7%	
\$ change, 5 year trend	323,047	838,984	
% change, 5 year trend	13.4%	21.7%	



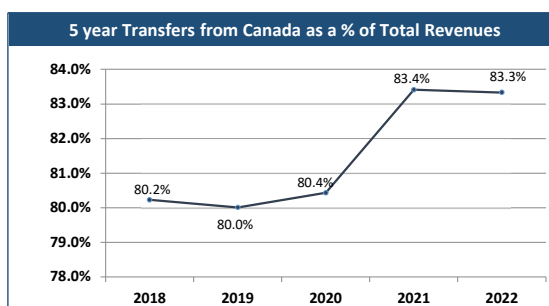
The GN ratio of net book value to total cost of tangible capital assets continues to decline indicating assets are getting older. As assets get older, repairs and maintenance costs increase which results in less funds available for other programs and services. The aging tangible capital asset base also presents a risk to future programs and service delivery as assets become less reliable and the potential for failure increases. The GN is aware of the challenges presented by an aging asset base and continues to actively monitor asset conditions and invest in its tangible capital assets.

Vulnerability

Vulnerability indicates the degree to which a government is dependent on, and therefore vulnerable to, sources of funding outside of its control or influence. This indicator shows the risk that a government is exposed to that could affect its ability to provide programs and services and meet existing commitments. The higher the ratio, the less control a government has over its financial condition.

- **Transfers from Canada as a Percentage of Total Revenue.** This ratio measures the degree of dependence a government has on the Government of Canada. An increasing ratio indicates a greater degree of reliance on the Federal Government.

March 31	Total Transfers from Canada	Total GN Revenues	Transfers from Canada to GN revenue
2018	1,893,776	2,360,490	80.2%
2019	1,941,635	2,426,722	80.0%
2020	1,978,952	2,460,403	80.4%
2021	2,234,982	2,679,588	83.4%
2022	2,347,240	2,816,745	83.3%
\$ change, 2021 to 2022	112,258	137,157	
% change, 2021 to 2022	5.0%	5.1%	



The ratio of transfers from the Government of Canada to total revenue has increased over the past five years. Transfers from the Government of Canada account for approximately 83.3% of the GN's total revenue. Transfers from the Government of Canada increased in 2021 due to an increase in pandemic related support. The GN remains highly dependent on federal sources of funding and is vulnerable to changes in the level of funding. The GN recognizes this high degree of reliance and is actively pursuing ways to increase its own source revenues without raising tax rates and thereby reduce its dependence on the Federal Government.

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SECTION II
CONSOLIDATED FINANCIAL STATEMENTS

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MANAGEMENT RESPONSIBILITY FOR FINANCIAL REPORTING

The Government, through the Department of Finance, is responsible for the preparation of these consolidated financial statements for the Government of Nunavut, and related information contained in the Public Accounts.

The Government, through the Department of Finance, is responsible to prepare the consolidated financial statements in accordance with Canadian public sector accounting standards (PSAS), which represent generally accepted accounting principles for governments as recommended by the Public Sector Accounting Board of Canada and to ensure compliance with applicable authorities. Where Canadian PSAS permits alternative accounting methods, management has chosen those it believes are most appropriate. Where required, management's best estimates and judgments have been applied in the preparation of these consolidated financial statements.

The Government, through the Department of Finance, is responsible for maintaining systems of financial management, while all departments are responsible for implementing and maintaining the internal control. Where necessary, these systems are enhanced and modified to support the provision of accurate information, safeguarding and control of the Government's assets, and ensuring all transactions are in accordance with Nunavut's *Financial Administration Act*.

The Legislative Assembly, through its Standing Committee on Oversight of Government Operations and Public Accounts, is responsible to review the tabled Public Accounts and make recommendations where appropriate, to improve financial management, financial reporting practices and the systems of internal control. Management is responsible to review these recommendations and take action where appropriate.

The Government's independent external auditor, the Auditor General of Canada, is responsible to conduct an annual audit of the consolidated financial statements and to examine transactions that have come to its notice to ensure that they are, in all significant respects, within the statutory powers of the Government and those organizations included in the consolidation. The Auditor General's opinion is accompanying the consolidated financial statements.



Jeff Chown, CPA, CA
Deputy Minister of Finance



Susan Nichols, CPA, CGA
Comptroller General

November 2, 2022

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Office of the
Auditor General
of Canada

Bureau du
vérificateur général
du Canada

INDEPENDENT AUDITOR'S REPORT

To the Legislative Assembly of Nunavut

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of the Government of Nunavut and its controlled entities (the Group), which comprise the consolidated statement of financial position as at 31 March 2022, and the consolidated statement of operations and accumulated surplus, consolidated statement of change in net financial assets and consolidated statement of cash flow for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 31 March 2022, and the consolidated results of its operations, consolidated changes in its net financial assets, and its consolidated cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Management is responsible for the other information. The other information comprises the information included in Sections I and II of the 2021–22 Public Accounts of the Government of Nunavut, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

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

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless an intention exists to liquidate the Group or to cease operations, or there is no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision, and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on Compliance with Specified Authorities

Opinion

In conjunction with the audit of the consolidated financial statements, we have audited transactions of the Government of Nunavut and its controlled entities coming to our notice for compliance with specified authorities. The specified authorities against which compliance was audited are the *Nunavut Act*, the *Financial Administration Act* of Nunavut and regulations, and the specific operating authorities disclosed in Note 1 to the consolidated financial statements.

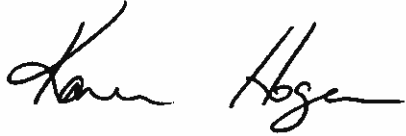
In our opinion, the transactions of the Government of Nunavut and its controlled entities that came to our notice during the audit of the consolidated financial statements have complied, in all material respects, with the specified authorities referred to above.

Responsibilities of Management for Compliance with Specified Authorities

Management is responsible for the Government of Nunavut and its controlled entities' compliance with the specified authorities named above, and for such internal control as management determines is necessary to enable the Government of Nunavut and its controlled entities to comply with the specified authorities.

Auditor's Responsibilities for the Audit of Compliance with Specified Authorities

Our audit responsibilities include planning and performing procedures to provide an audit opinion and reporting on whether the transactions coming to our notice during the audit of the consolidated financial statements are in compliance with the specified authorities referred to above.

A handwritten signature in black ink, appearing to read "Karen Hogan". The signature is written in a cursive style with a large initial 'K' and 'H'.

Karen Hogan, FCPA
Auditor General of Canada

Ottawa, Canada
2 November 2022

GOVERNMENT OF NUNAVUT
PUBLIC ACCOUNTS
Consolidated Statement of Financial Position
as at March 31, 2022
(in thousands of dollars)

	Note	2022	2021
Financial assets			
Cash and cash equivalents	3	1,123,825	1,092,902
Portfolio and other investments	4	177,933	89,842
Accounts receivable	5	333,675	266,943
Inventories for resale	6(a)	184,454	146,407
Condominiums held for resale	7	4,047	4,047
Loans receivable	8	14,489	14,398
Total financial assets		1,838,423	1,614,539
Liabilities			
Bank indebtedness	9	10,060	12,766
Accounts payable and accrued liabilities	10	499,414	456,768
Deferred revenues	11	242,590	208,960
Liability for contaminated sites	12	9,153	10,080
Liabilities for pension and other employee benefits	13	117,993	105,526
Long term debt	14	196,562	196,236
Liability for Iqaluit International Airport	15	149,743	151,672
Capital lease obligations	16	48,274	55,157
Liability for Nunavut Energy Management Program	17	16,981	14,802
Total liabilities		1,290,770	1,211,967
Net financial assets		547,653	402,572
Non-financial assets			
Tangible capital assets (Schedule B)		2,732,570	2,613,680
Condominiums held for resale	7	7,908	7,908
Inventories for use	6(b)	42,175	37,986
Prepaid expenses		8,326	7,666
Total non-financial assets		2,790,979	2,667,240
Accumulated surplus		3,338,632	3,069,812
Contractual obligations (Note 19)			
Contractual rights (Note 20)			
Contingencies (Note 21)			
COVID-19 (Note 23)			

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

GOVERNMENT OF NUNAVUT
PUBLIC ACCOUNTS
Consolidated Statement of Operations and Accumulated Surplus
for the year ended March 31, 2022
(in thousands of dollars)

	2022 Budget	2022 Actual	2021 Actual
Revenues (Schedule A)			
From the Government of Canada	2,148,361	2,347,240	2,234,982
Revenues generated by the Government of Nunavut	461,213	469,505	444,606
Total revenues	2,609,574	2,816,745	2,679,588
Expenses (Note 18)			
Health	603,019	659,883	625,212
Community and Government Services	427,031	464,560	486,673
Housing	313,438	316,374	301,995
Education	357,886	307,415	310,105
Finance	259,787	181,700	186,343
Family Services	169,029	164,140	151,290
Justice	151,530	145,142	145,246
Economic Development and Transportation	146,554	121,003	127,214
Executive and Intergovernmental Affairs	27,216	78,542	55,855
Culture and Heritage	36,943	29,860	30,975
Environment	35,051	29,051	26,933
Legislative Assembly	29,300	27,072	24,675
Human Resources	33,231	23,183	22,067
Total expenses	2,590,015	2,547,925	2,494,583
Surplus for year	19,559	268,820	185,005
Accumulated surplus, beginning of year	3,069,812	3,069,812	2,884,807
Accumulated surplus, end of year	3,089,371	3,338,632	3,069,812

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

GOVERNMENT OF NUNAVUT
PUBLIC ACCOUNTS
Consolidated Statement of Change in Net Financial Assets
for the year ended March 31, 2022
(in thousands of dollars)

	2022 Budget	2022 Actual	2021 Actual
Surplus for year	19,559	268,820	185,005
Tangible capital assets (Schedule B)			
Additions	(151,592)	(263,094)	(164,900)
Disposals	5,476	1,791	628
Amortization	145,438	142,413	133,904
Write-downs	-	-	2,903
	(678)	(118,890)	(27,465)
Additions to inventories for use	(9,970)	(66,165)	(60,265)
Consumption of inventories for use	10,810	61,976	58,515
Net additions of prepaid expenses	-	(660)	(1,416)
Purchases of condominiums for resale	-	-	(600)
	840	(4,849)	(3,766)
Increase in net financial assets	19,721	145,081	153,774
Net financial assets, beginning of year	402,572	402,572	248,798
Net financial assets, end of year	422,293	547,653	402,572

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

GOVERNMENT OF NUNAVUT
PUBLIC ACCOUNTS
Consolidated Statement of Cash Flow
for the year ended March 31, 2022
(in thousands of dollars)

	2022	2021
Cash provided by (used for) operating activities:		
Cash received from:		
Transfers from the Government of Canada	2,326,926	2,266,407
Taxation	149,902	133,600
Other generated revenues	277,935	292,140
Interest on loans receivable and portfolio investments	5,494	3,003
Cash paid for:		
Interest payments on long term debt	(14,837)	(15,448)
Interest payments on capital leases	(1,380)	(1,591)
To and on behalf of employees	(769,215)	(749,353)
Grants and contributions	(311,232)	(300,841)
Suppliers	(1,276,059)	(1,170,583)
	<u>387,534</u>	<u>457,334</u>
Cash provided by (used for) capital activities:		
Purchases of tangible capital assets	(255,691)	(169,583)
Proceeds from sale of tangible capital assets	-	160
	<u>(255,691)</u>	<u>(169,423)</u>
Cash provided by (used for) investing activities:		
Loans issued to municipalities, businesses and individuals	(3,691)	(908)
Loan repayments by municipalities, businesses and individuals	3,600	3,254
Investments in condominiums held for resale	-	(600)
Proceeds from the sale of condominiums held for resale	-	750
Investments in portfolio and other investments	(128,216)	(84,206)
Proceeds from sale of portfolio and other investments	40,125	190,130
	<u>(88,182)</u>	<u>108,420</u>
Cash provided by (used for) financing activities:		
Proceeds from long term debt issuance	32,869	15,930
Principal payments on long term debt	(36,018)	(21,069)
Principal payments on capital leases	(6,883)	(6,671)
	<u>(10,032)</u>	<u>(11,810)</u>
Increase in cash and cash equivalents	33,629	384,521
Net cash and cash equivalents, beginning of year	1,080,136	695,615
Net cash and cash equivalents, end of year	1,113,765	1,080,136
Represented by:		
Cash and cash equivalents	1,123,825	1,092,902
Bank indebtedness	(10,060)	(12,766)
	<u>1,113,765</u>	<u>1,080,136</u>

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

**GOVERNMENT OF NUNAVUT
PUBLIC ACCOUNTS
Notes to Consolidated Financial Statements**

March 31, 2022

(in thousands of dollars)

1 AUTHORITY AND OPERATIONS

(a) Authority

The Government of Nunavut (the Government) operates under the authority of Canada's *Nunavut Act*. The Government has an elected Legislative Assembly which authorizes disbursements, advances, loans and investments, except those specifically authorized by statute.

These consolidated financial statements are prepared to meet the financial reporting requirements in Canada's *Nunavut Act* and Nunavut's *Financial Administration Act*. The consolidated financial statements present summary information and serve as a means for the Government to show its accountability for the resources, obligations and financial affairs for which it is responsible.

(b) Reporting entity

The reporting entity of the Government of Nunavut includes all departments, agencies, corporations, organizations and funds, which are controlled by the Government. For financial reporting purposes, control is defined as the power to govern the financial and operating policies of an organization with benefits from the organization's activities being expected, or the risk of loss being assumed by the Government. All organizations that meet the definitions in the *Financial Administration Act* for departments, revolving funds, territorial corporations or other public agencies are included in the reporting entity for these consolidated financial statements, except for the Workers' Safety and Compensation Commission (WSSC).

The WSSC, which is responsible for the administration of related employer insurance premiums and employee benefit programs within Nunavut, is not accounted for in these consolidated financial statements. Since the Government does not control or have access to the WSSC's assets or responsibility for its obligations, it is excluded from the Government's financial reporting entity.

The following organizations comprise the reporting entity of the Government for these consolidated financial statements, and unless indicated otherwise, they have March 31 year ends.

Consolidated Revenue Fund, including those departments and public agencies set out in the Government's Main Estimates

Revolving Funds

Liquor Revolving Fund

Petroleum Products Revolving Fund

Public Stores Revolving Fund

Student Loan Fund

Territorial Corporations

Nunavut Arctic College (NAC) (*June 30*)

Nunavut Business Credit Corporation (NBCC)

Nunavut Development Corporation (including subsidiaries) (NDC)

Nunavut Housing Corporation (including subsidiaries) (NHC)

Nunavut Lottery

Qulliq Energy Corporation (QEC)

District Education Authorities (*June 30*)

Authority for Operations

Financial Administration Act

Revolving Funds Act

Nunavut Arctic College Act

Nunavut Business Credit Corporation Act

Nunavut Development Corporation Act

Nunavut Housing Corporation Act

Partnership agreement

Qulliq Energy Corporation Act

Education Act

All entities included in the reporting entity, except Nunavut Lottery, are fully consolidated on a line-by-line basis. Significant transactions and balances between fully consolidated entities are eliminated. Nunavut Lottery is accounted for as a government business partnership on a modified equity basis.

For segmented disclosure reporting purposes (disclosed in Schedule C), summary information has been provided based on the accountability and control relationships between the Government and the various organizations within the reporting entity using categorization or groupings of organizations noted above.

(c) Budget

Canadian public sector accounting standards require a government to present in its consolidated financial statements a comparison of the results of operations and changes in net financial assets (debt) for the period with those originally planned.

The consolidated budget figures are the appropriations approved by the Legislative Assembly and the approved budgets for the consolidated entities, adjusted to eliminate budgeted inter-entity revenues and expenses. They represent the Government's original consolidated fiscal plan for the year and do not reflect supplementary appropriations.

2 SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of accounting

These consolidated financial statements are prepared in accordance with Canadian public sector accounting standards (PSAS) as issued by the Public Sector Accounting Board of Canada.

(b) Use of estimates and measurement uncertainty

The preparation of consolidated financial statements in accordance with Canadian PSAS requires government management to make estimates and assumptions that affect the amounts of assets, liabilities, revenues and expenses reported in the consolidated financial statements. By their nature, these estimates and assumptions are subject to measurement uncertainty. The effect on the consolidated financial statements of changes to such estimates and assumptions in future periods could be significant, although, at the time of preparation of these consolidated financial statements, management believes the estimates and assumptions to be reasonable.

The most significant management estimates relate to pension and other employee benefit liabilities, liability for contaminated sites, contingencies, useful life of tangible capital assets, valuation of portfolio and other investments, valuation of inventories for resale and use as well as valuation allowances on loans and other receivables.

(c) Cash and cash equivalents

Cash and cash equivalents are comprised of bank account balances, net of outstanding cheques, and short term highly liquid investments that are readily convertible to cash with a maturity term of 3 months or less from the time of their acquisition. Cash equivalents are recorded at cost.

(d) Portfolio and other investments

Portfolio and other investments are long term investments in organizations that do not form part of the government reporting entity and are accounted for at cost. Where there has been a loss in value of a portfolio investment that is other than a temporary decline, the investment is written down to recognize the loss, which is included as a component of investment income, which is part of other revenues within revenues generated by the Government of Nunavut. A write-down of portfolio investments to reflect a loss in value is not reversed if there is a subsequent increase in value. The new carrying value is deemed to be the new cost basis for subsequent accounting purposes and, accordingly, a subsequent increase in value is recognized in the consolidated statement of operations and accumulated surplus only when realized. Interest income is recorded on an accrual basis, dividend income is recognized as it is declared, and capital gains and losses are recognized when realized.

(e) Inventories

Inventories for resale include bulk fuels, liquor products, finished goods and packaging materials and supplies. Inventories for resale are valued at the lower of weighted average cost or net realizable value. Impairments, when recognized, result in a write-down to net realizable value and are recorded as an expense within the consolidated statement of operations and accumulated surplus.

Inventories for use include fuel, supplies and lubricants, health and medical supplies, and raw materials and work in progress. Fuel inventory is valued at the lower of cost or replacement cost, with the cost being determined on a weighted average basis. Supplies and lubricants, health and medical supplies, as well as raw materials and work in progress inventory items are valued at the lower of cost or replacement cost, with the cost being determined on a first-in, first-out basis. Impairments, when recognized, result in a write-down to replacement cost and are recorded as an expense within the consolidated statement of operations and accumulated surplus.

(f) Condominiums held for resale

Condominiums held for resale are recognized as a financial asset when all of the following criteria are met: (i) prior to the date of the consolidated financial statements the Government commits to selling the asset; (ii) the asset is publicly seen to be for sale; (iii) there is an active market for the asset; (iv) there is a plan in place for selling the asset; and (v) the Government reasonably anticipates sale of the asset to an external purchaser within one year of the consolidated financial statement date.

When condominiums intended for resale are being developed for sale they are classified as a non-financial asset. Condominiums held for resale are valued at cost less any valuation allowance to reflect its net recoverable value and not amortized. Cost includes amounts for improvements to prepare the condominiums for sale.

(g) Loans receivable

Loans receivable are valued at the lower of cost or net recoverable value. Based on the circumstances known at the date the consolidated financial statements are prepared, including past events and current conditions, valuation allowances are recorded when collection is considered doubtful or when the value of a loan receivable is impaired. Interest revenue is recorded on an accrual basis when the collectability of both principal and interest are reasonably assured. An uncollectable or impaired loan receivable balance can be written off only upon receipt of required statutory approvals.

2 SIGNIFICANT ACCOUNTING POLICIES (continued)

(h) Tangible capital and leased assets

Tangible capital assets are non-financial assets whose useful life exceeds one fiscal year and are intended to be used on an ongoing basis for delivering government services. They may include such diverse items as buildings, vehicles, equipment, aircraft and computer hardware and software systems.

Tangible capital assets are recorded at cost. Costs include contracted services, materials and supplies, direct labour, attributable overhead costs and directly attributable interest. Capitalization of interest ceases when a tangible capital asset is ready for use in producing goods or delivering services. Gifted or contributed tangible capital assets are recorded at fair market value upon receipt, or a nominal value if fair value is not available.

Leased buildings that meet the definition of a tangible capital asset, except that they are held under lease by the Government, are capitalized and reported as such if, in substance, their terms and conditions transfer substantially all of the benefits and risks of ownership to the Government. Legal ownership may not necessarily have been transferred. The lease liability and corresponding asset are recorded based on the present value of payments due over the course of the lease. The present value is based on the lower of the rate implicit in the lease or the Government's incremental borrowing rate at the time the obligation is incurred.

Tangible capital assets, when placed into service, are amortized over their useful lives using the straight line method. When assets are leased, the amortization rate will be based on the lesser of the lease terms or the useful lives of the leased assets. The following amortization rates are being used:

Asset Category	Amortization Period
Buildings	20-35 years
Leased Buildings	20-30 years
Storage Facilities	20-30 years
Tank Farms	30 years
Equipment	5-30 years
Warehouse and Equipment (QEC)	10-45 years
Electric Power Plants	20-40 years
Transmission Distribution Systems	15-45 years
Infrastructure	30 years
Land	Not amortized

When conditions indicate that a tangible capital asset no longer contributes to the Government's ability to provide goods and services, or that the value of future economic benefits associated with the tangible capital asset is less than its net book value, the cost of the tangible capital asset is reduced to reflect the decline in the asset's value.

In the year a tangible capital asset is acquired or put into service, amortization is taken for the full year. Tangible capital assets under construction or development are recorded as work in progress with no amortization taken until the year the asset is placed into service.

Assets acquired by right, such as Crown lands, water and mineral resources, are not recorded in the consolidated financial statements. The cost of works of art and museum collections consisting mainly of paintings, sculptures, drawings, prints and photographs are charged to expense in the year they are acquired.

(i) Pension and other employee benefits

Pension benefits

Substantially all of the employees of the Government of Nunavut are covered by the public service pension plan (the "Plan"), a defined benefit plan established through legislation and sponsored by the Government of Canada. Contributions are required by both the employees and the Government of Nunavut to cover current service costs. Pursuant to legislation currently in place, the Government of Nunavut has no legal or constructive obligation to pay further contributions with respect to any past service or funding deficiencies of the Plan. Consequently, the Government of Nunavut's contributions are recognized as an expense in the year when employees have rendered service and represent the total pension obligation of the Government of Nunavut.

In addition, the Government provides two different pension benefits to Members of the Legislative Assembly. The costs and obligations of the Government for these pension plan benefits are estimated on an actuarial basis. When actual experience varies from estimates, or when actuarial assumptions change, actuarial gains or losses arise. These gains and losses are not recognized immediately but rather over the estimated average remaining service lives of the contributors. Recognition of actuarial gains and losses commences in the year following the effective date of the related actuarial valuations. In addition, upon a plan amendment, curtailment or settlement, previously unrecognized net actuarial gain or loss balances are recognized immediately within the consolidated statement of operations and accumulated surplus.

2 SIGNIFICANT ACCOUNTING POLICIES (continued)

Other employee benefits

Under the terms and conditions of employment, Government employees may earn severance and removal benefits based on years of service. These benefits are paid upon resignation, lay-off or termination, retirement or death of the employee. Further, employees, upon retirement, are entitled to enroll in health and dental benefit programs, the cost of which are cost-shared by government. The estimated liability and related expenses for these benefit programs are recorded as employees earn them. Actuarial valuation estimates of the government's obligations and related costs for each of these benefit programs have been prepared using data provided by management and assumptions based on management's best estimates.

The Government's employees are entitled to sick leave under their terms of employment. Included in other employee benefits is an amount for employees who are permitted to accumulate unused sick leave. However, such entitlements do not vest and can be used only in the event of illness. The amount of accumulated sick leave entitlements which are expected to be used in future years is determined by an actuarial valuation and has been recorded in these consolidated financial statements.

(j) Revenues

Unless otherwise stated, all revenues are recognized and reported on an accrual basis in the period in which transactions or events give rise to the revenues. Specific revenue accounting policies are as follows:

Transfers from the Government of Canada

Transfers from the Government of Canada are recognized as revenue when the funding is authorized and any eligibility criteria are met, except to the extent that funding stipulations give rise to an obligation that meets the definition of a liability, in which case the transfers are recorded as deferred revenue.

Taxes

Tax revenues are recognized in the period in which the taxable event occurs and when they are authorized by legislation or the ability to assess and collect the tax has been provided through legislative convention. Income tax is calculated net of tax deductions and credits allowed under the *Income Tax Act*. If an expense provides a financial benefit other than a relief of taxes, it is classified as a transfer made through the tax system. If an expense provides tax relief to a taxpayer and relates to revenue, this expense is considered a tax concession and is netted against tax revenues. Tax concessions transferred to taxpayers include the Nunavut child benefit, the cost of living tax credit and the business training tax credit. Taxes, under the *Income Tax Act*, are administered by the Government of Canada on behalf of the Government of Nunavut under a tax collection agreement and are remitted to the Government. The remittances are based on the Government of Canada's estimates for the taxation year, which are periodically adjusted until the income tax assessments for the year are finalized. These income tax adjustments are accounted for in the year known.

Fuel, tobacco and payroll taxes are levied under the authority of the *Petroleum Products Tax Act*, the *Tobacco Tax Act* and the *Payroll Tax Act*, respectively. Revenues are recognized on an accrual basis based on the statements received from collectors or employers. Adjustments from reassessments are recorded in revenue in the year they are identified. Tobacco tax commissions on tobacco tax revenue provides a financial benefit other than a relief of taxes and is recorded as an expense.

Property taxes are assessed on a calendar year basis and are recorded on an accrual basis in the fiscal year.

Other taxes are accrued based on information provided by those parties which collect tax on the Government's behalf.

Recoveries of prior years expenditures

Recoveries of prior years expenditures through the Consolidated Revenue Fund, including reversals of prior years expenditure over-accruals, are reported as revenues in the consolidated financial statements. Pursuant to the *Financial Administration Act*, these recoveries cannot be used to increase the amount appropriated for current year expenditures through the Consolidated Revenue Fund.

(k) Expenses

Expenses are recorded on an accrual basis when goods are received or services are rendered.

Grants and contributions are recognized as expenses provided that the transfer is authorized and all eligibility criteria have been met by the recipient. Grants and contributions include transfer payments to individuals, municipalities and other organizations under government funding arrangements. Payments to individuals include payments for children's benefits, income support or income supplement. These payments are based on age, family status, income and employment criteria. Other grants and contributions are provided to conduct research, to establish new jobs through support for training and to promote educational, health and cultural activities. Tangible capital assets built by the Government on behalf of municipalities are classified as a grant and contribution to the municipality.

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2 SIGNIFICANT ACCOUNTING POLICIES (continued)

(l) Contingencies

The contingencies of the Government are potential liabilities which may become actual liabilities when one or more future events occur or fail to occur. If the future event is likely to occur or fail to occur and is quantifiable, an estimated liability is accrued as part of accounts payable and accrued liabilities. If the likelihood is not determinable or the amount cannot be reasonably estimated, the contingency is disclosed in the notes to the consolidated financial statements and no liability is accrued. Contingent liabilities result from potential environmental contingencies or pending litigation and like items.

(m) Contaminated sites

Contaminated sites are the result of contamination being introduced into air, soil, water or sediment in concentrations that exceeds the maximum acceptable amounts under an environmental standard.

A liability for remediation of a contaminated site is recognized when all of the following criteria are met:

- an environmental standard exists;
- contamination exceeds the environmental standard;
- the Government is directly responsible or accepts responsibility;
- it is expected that future economic benefits will be given up; and
- a reasonable estimate of the amount can be made.

The liability for contaminated sites reflects the government management's best estimate of the amount required to remediate sites to the current minimum standard for its use prior to the contamination.

The liability includes all costs directly attributable to remediation activities including post remediation operations, maintenance and monitoring.

The liability is adjusted each year for the passage of time, new obligations, changes in management estimates and actual costs incurred.

If the likelihood of a future event that would confirm the Government's responsibility is not determinable, a contingent liability is disclosed in the notes to the consolidated financial statements.

(n) Services provided without charge

The Government of Nunavut receives audit services at no charge from the Office of the Auditor General of Canada. That Office's costs for these services have not been recorded in these consolidated financial statements given that they are not significant.

(o) Future changes in accounting standards

A number of new and amended standards issued by the Public Sector Accounting Board of Canada are not yet effective and have not been applied in preparing these consolidated financial statements. The Government plans to adopt these new and amended standards on their effective dates. PS 3450 would result in additional disclosures in the consolidated financial statements. The Government is still in the process of reviewing its assets to determine the impact of PS 3280. The following standards for governments will become effective as follows:

PS 1201 Financial Statement Presentation (effective April 1, 2022), replaces PS 1200 with revised general reporting principles and standards of presentation and disclosure for government financial statements.

PS 2601 Foreign Currency Translation (effective April 1, 2022), replaces PS 2600 with revised guidance on the recognition, presentation and disclosure of transactions and balances that are denominated in a foreign currency.

PS 3450 Financial Instruments (effective April 1, 2022), a new standard establishing guidance on the recognition, measurement, presentation and disclosure of financial instruments, including derivatives.

PS 3041 Portfolio Investments (effective in the period PS 3450, PS 2601 and PS 1201 are adopted), replaces PS 3040 with revised guidance on accounting for, and presentation and disclosure of, portfolio investments.

PS 3280 Asset Retirement Obligations (effective April 1, 2022), replaces PS 3270, with revised guidance on accounting for, and presentation and disclosure of, asset retirement obligations.

PS 3400 Revenue (effective April 1, 2023), a new section establishing standards on how to account for and report on revenue, differentiating between revenue arising from transactions that include performance obligations and transactions that do not have performance obligations.

**GOVERNMENT OF NUNAVUT
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(in thousands of dollars)

3 CASH AND CASH EQUIVALENTS	2022	2021
Cash	1,117,936	1,087,777
Designated cash	5,889	5,125
	1,123,825	1,092,902

Designated cash represents funds reserved for further investments or financing for subsidiary business enterprises and venture investments.

The cash and cash equivalents yield for the year ended March 31, 2022 varied from 0.63% to 2.70% (2021 - 0.8% to 2.45%).

4 PORTFOLIO AND OTHER INVESTMENTS	2022	2022	2022	2021
	Effective Rate of Return	Term to Maturity	Carrying Value	Carrying Value
Portfolio investments				
Guaranteed Investment Certificates	0.90% - 1.75%	375 - 1229 days	115,000	-
Various Bankers' Acceptances	1.35% - 1.70%	415 - 1593 days	35,112	65,011
			150,112	65,011
Other investments				
SRAF designated investments			27,128	23,636
Venture investments			693	1,195
			177,933	89,842

The market value of the portfolio investments at March 31, 2022 was \$148,556 (2021 - \$65,273).

The Supplementary Retiring Allowances Fund of the Legislative Assembly (SRAF) designated investments represent funds set aside within the Consolidated Revenue Fund for use in meeting SRAF benefit obligations. The investments are managed by a third party. The Statement of Investment Policy establishes the eligible classes of securities, categories of issuers, limits and terms. The market value of SRAF investments at March 31, 2022 was \$28,770 (2021 - \$27,017) with a positive return of 3.60% (2021 - positive 27.52%).

5 ACCOUNTS RECEIVABLE	2022	2021
Due from Government of Canada	231,084	180,039
Other revenues receivable:		
- Of the Territorial Corporations	70,874	67,036
- Of the Departments of Government	66,807	56,697
- Of the Petroleum Products Division	50,537	43,947
	188,218	167,680
Less: Allowance for doubtful accounts:		
- Territorial Corporations	(50,497)	(47,534)
- Departments of Government	(20,944)	(18,412)
- Petroleum Products Division	(14,186)	(14,830)
	102,591	86,904
	333,675	266,943

In accordance with Section 82(1) of the FAA, write-offs of \$114 (2021 - \$269) were approved by the Nunavut Arctic College's Board of Governors and assented by the Legislative Assembly of Nunavut in Bill 3 (Write-off of Assets and Debts Act, 2020-21) on June 13, 2022. Individual amounts with a total of \$131 (2021 - \$0) were written off by the Departments of Government.

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6 INVENTORIES	2022	2021
(a) For resale		
Bulk fuels	176,053	140,550
Liquor products	6,404	3,564
Finished goods	1,820	2,114
Packaging materials and supplies	177	179
	<u>184,454</u>	<u>146,407</u>

During the year, Nunavut Development Corporation inventories of \$14 (2021 - \$20) were marked-down and bulk fuels inventory of \$230 (2021- \$406) were written down by the Petroleum Products Division.

(b) For use		
Supplies and lubricants	26,438	27,214
Fuel	8,727	5,497
Health and medical supplies	6,039	4,118
Raw materials and work in progress	971	1,157
	<u>42,175</u>	<u>37,986</u>

7 CONDOMINIUMS HELD FOR RESALE

In 2016-17, the Nunavut Housing Corporation acquired 62 residential units in Iqaluit with the intention of selling the units to the Government of Nunavut staff through the Staff Condominium program. In 2017-18, two of the units were added to the Staff Housing portfolio and work was undertaken to make the remaining 60 units available for sale as condominiums. The Nunavut Housing Corporation advertised its intent to sell the condominiums to Government of Nunavut staff, held an information session and sought applications from prospective buyers. Expected sales were delayed in prior years due to obstacles in establishing a condominium corporation. Thirteen of the units were sold in previous years and 16 of the units are occupied by prospective purchasers. The value of the 16 units occupied by prospective purchasers are classified as a financial assets as the Nunavut Housing Corporation anticipates to complete the sales during the 2022-23 fiscal year. The value of the remaining 31 units have been classified as non-financial assets as it is uncertain when these sales will be completed.

8 LOANS RECEIVABLE	2022	2021
Loans from Nunavut Business Credit Corporation to businesses with a maximum maturity of 25 years, bearing interest between 5.25% and 6.96% (2021 - 5.25% and 6.96%), net of a valuation allowance of \$2,350 (2021 - \$2,431). The principal collaterals held as security and other credit enhancements for loans include: (i) various securities on assets; and (ii) corporate and personal guarantees.	10,988	10,451
Student Loan Fund loans, interest rate of 0.0% (2021 - 0.0%), net of doubtful accounts and valuation allowances of \$5,928 (2021 - \$5,683).	1,967	1,893
Mortgage loans from Nunavut Housing Corporation to individuals with a maximum maturity of 25 years, bearing interest between 2.0% and 11.25% (2021 - 2.0% and 11.25%), net of a valuation allowance of \$3,183 (2021 - \$2,954) and subsidy to mortgage holders of \$4,129 (2021 - \$4,129).	1,395	1,883
Other, net of valuation allowance of \$64 (2021 - \$64).	139	171
	<u>14,489</u>	<u>14,398</u>

9 BANK INDEBTEDNESS	2022	2021
Bankers' Acceptances	10,000	10,000
Line of credit - Uqqurmiut Arts and Craft Ltd.	60	60
Overdraft	-	2,706
	<u>10,060</u>	<u>12,766</u>

Qulliq Energy Corporation (QEC) has a credit facility with a limit of \$20,000 (2021 - \$30,000). Interest charged on the credit facility is at prime minus 0.5% (2022 - 2.2%, 2021 - 1.95%). In the current year, QEC's overdraft balance is \$nil (2021 - \$2,685).

The facility also allows for the use of Bank Acceptances (BAs) for borrowing. The BAs have a stamping fee of 50 basis points per annum and the interest rate is approximately prime minus 2.0%, subject to market, with terms not less than 7 days and not more than 365 days and issue and reissued in minimum aggregate amounts of Canadian \$1,000 and multiples thereof.

Uqqurmiut Arts and Craft Ltd., a subsidiary of Nunavut Development Corporation, has a non-interest bearing, revolving demand operating line of credit with a limit of \$100, secured by a guarantee signed by the parent company, for financing the day-to-day operations of the RBC Agency in Pangnirtung.

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10 ACCOUNTS PAYABLE AND ACCRUED LIABILITIES	2022	2021
Due to the Government of Canada	32,867	35,766
Trade and other account payables:		
- Of the Departments of Government	157,461	150,820
- Of the Territorial Corporations	64,608	48,947
- Of the Petroleum Products Division	2,729	2,779
	<u>224,798</u>	<u>202,546</u>
Accrued liabilities, payroll deductions and contractor holdbacks		
- Of the Departments of Government	142,221	147,601
- Of the Petroleum Products Division	48,660	18,810
	<u>190,881</u>	<u>166,411</u>
Vacation pay and lieu time		
- Of the Departments of Government	42,228	44,025
- Of the Territorial Corporations	8,510	7,890
- Of the Petroleum Products Division	130	130
	<u>50,868</u>	<u>52,045</u>
	<u>499,414</u>	<u>456,768</u>

11 DEFERRED REVENUES

	Balance April 1, 2021	Receipts during the year	Interest earned	Transfer to revenue	Balance March 31, 2022
Gas Tax Agreement	71,286	33,992	610	(9,500)	96,388
Canada Mortgage and Housing Corporation (CMHC)	22,903	72,727	-	(52,349)	43,281
Other deferred revenue	26,068	41,143	-	(24,261)	42,950
Nunavut Land Claim Agreement	38,361	10,737	-	(17,082)	32,016
Nunavut Wellness Agreement	17,433	27,534	-	(18,986)	25,981
Strengthening Financial Management	31,113	800	-	(30,880)	1,033
Provincial-Territorial Base Funding (Building Canada Fund)	1,796	-	7	(862)	941
	<u>208,960</u>	<u>186,933</u>	<u>617</u>	<u>(153,920)</u>	<u>242,590</u>

The deferred revenue balance at March 31 includes mostly funding for eligible capital infrastructure projects and specific programs received from the Government of Canada under formal contribution or other agreements. In 2022-23 and beyond, as the Government fulfills its obligations for purpose or other stipulations on the use of these funds, the associated revenue will be recognized in its consolidated financial statements.

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12 LIABILITY FOR CONTAMINATED SITES	2022	2021
Liabilities for remediation of contaminated sites	9,153	10,080
	<u>9,153</u>	<u>10,080</u>

The Government's activities are subject to various federal and territorial laws and regulations, such as the *Environmental Protection Act* of Nunavut and the Environmental Guideline for Contaminated Site Remediation - 2010, governing the protection of the environment or to minimize any adverse impact thereon. The Government conducts its operations so as to protect public health and the environment and believes its operations are in compliance with applicable laws and regulations.

The Government recognizes that there are costs related to the remediation of environmentally contaminated sites for which it is responsible. As of March 31, 2022, there were 6 sites (2021 - 6), 2 storage tank farms (2021 - 2) and 4 waste sites (2021 - 4) identified as requiring environmental remediation. In addition to the number of sites disclosed above, Nunavut Housing Corporation has also recognized costs related to the remediation of 11 sites (2021 - 1) contaminated as a result of oil spills. Qulliq Energy Corporation has recognized costs related to 4 sites (2021 - 2) resulting from oil spills at the Corporation's power plants. For those sites where the Government of Nunavut expects to give up future economic benefits due to a legal order or plans to remediate contamination (e.g., due to the risk to human health), and is responsible or has accepted responsibility for remediation, and a reasonable estimate can be determined for remediation costs, a liability has been recorded in these consolidated financial statements. Where remediation costs have been estimated and a liability has been recorded, the methodology used to estimate the liability is either based on third party analyses or extrapolated from costs previously incurred to remediate, monitor, or manage sites of similar size and contamination.

The Government has identified an additional 73 sites (2021 - 73) on Commissioner's land for which liabilities for contamination may exist for assessment, remediation and monitoring. The activities associated with these sites are classified as follows:

	2022	2021
Storage tank farms	25	25
Power plants	29	29
Town and waste sites	11	11
Garages and other public works	5	5
Airports	2	2
Quarries	1	1
	<u>73</u>	<u>73</u>

The Government acquired ownership of sites and activities associated with airports, tank farms and power plants on creation of the Territory on April 1, 1999. The contamination of certain sites occurred when other parties were responsible for the use of and/or held tenure to the sites. The Government has estimated that remediation of contamination at 14 storage tank farm sites and 29 power plant sites (2021 - 14 and 29) would cost approximately \$9,700 and \$39,000 (2021 - \$9,700 and \$39,000), respectively. In addition, the Government has estimated that remediation at the other sites could cost between \$63,000 - \$134,000 (2021 - \$65,000 - \$136,000) depending on the approach taken. No liability for remediation of these 73 sites (2021 - 73) has been recognized in these consolidated financial statements as the Government does not expect to give up any future economic benefits (i.e. no legal requirement to remediate). Going forward, a liability for remediation of these or other identified sites will be recognized only when future economic benefits are expected to be given up (i.e. public health risk or legal requirement).

Most storage tank farms and power plants are monitored on a regular basis to ensure the containment of the identified contaminants. For the other Government of Nunavut's operations and/or sites, there is no ongoing monitoring program in place, but plans for one are to be developed in the future.

In addition, the Government has identified 144 sites (2021 - 144) where garages, public works facilities, quarries, sewage disposal/treatment and solid waste sites and activities are generally located and conducted within municipal boundaries and governed by municipal legislation. Contamination at these sites and activities within municipal boundaries and jurisdiction are the responsibility of municipalities to monitor and remediate if necessary.

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13 LIABILITIES FOR PENSION AND OTHER EMPLOYEE BENEFITS

There are separate pension arrangements in place to provide retirement benefits to government employees and to Members of the Legislative Assembly (MLAs). In addition to pension benefits, the government provides severance, removal and sick leave benefits to employees as well as retirement health benefits. These non-pension benefit arrangements are not prefunded and thus have no assets set aside to fund them, resulting in deficiencies for the arrangements equal to the accrued benefit liabilities which are estimated actuarially using information and assumptions approved by management. As of March 31, the liabilities for pensions and other employee benefit arrangements were as follows:

	2022	2021
Pension Benefits		
Pension plans for MLAs	23,295	20,335
Total pension benefits	23,295	20,335
Other Employee Benefits		
Retirement health benefits	55,073	38,419
Severance and removal	27,457	33,403
Sick leave	12,168	13,369
Total other employee benefits	94,698	85,191
Total pension and other employee benefits	117,993	105,526

Public Service Pension Plan

Substantially all of the employees of the Government are covered by the public service pension plan (the "Plan"), a defined benefit plan established through legislation and sponsored by the Government of Canada. The Government of Canada holds a statutory obligation for the payment of benefits relating to the Plan. Pension benefits generally accrue up to a maximum period of 35 years at an annual rate of 2 percent of pensionable service times the average of the best five consecutive years of earnings. The benefits are coordinated with Canada/Québec Pension Plan benefits and they are indexed to inflation. Contributions are required by both the employees and the Government of Nunavut. The President of the Treasury Board of Canada sets the required employer contributions based on a multiple of the employees' required contribution. The contribution rate effective at March 31, 2022 was 1.02 times (2021 - 1.01 times) for members enrolled before January 1, 2013, and 1.0 times (2021 - 1.0 times) for members enrolled beginning January 1, 2013. Total employer contributions of \$38,656 (2021 - \$39,331) were recognized as expense in the current year. Total employee contributions were \$38,463 (2021 - \$39,123).

Pension Plans for MLAs

The Government sponsors two defined benefit pension plans for MLAs. Both plans are administered by the Management and Services Board of the Legislative Assembly. The plans provide pensions based on length of service and final average earnings. They provide inflation protection based on increases in the Consumer Price Index.

The first plan is the Legislative Assembly Retiring Allowances Fund (LARAF), a registered and contributory defined benefit pension plan established under the *Legislative Assembly Retiring Allowances Act*. The Office of the Legislative Assembly operates a separate pension fund in trust to administer LARAF contributions and allowances. The fund came into effect on April 1, 1999.

The second plan is the Supplementary Retiring Allowances Fund (SRAF), a voluntary non-registered, non-contributory defined benefit pension plan established under the *Supplementary Retiring Allowances Act* for MLAs who elect to participate. Payments and expenses related to the SRAF are paid from the Government's Consolidated Revenue Fund. This plan came into effect during the 2001-02 year, and provides for benefits retroactive to April 1, 1999.

Retirement benefits are payable to a MLA based on a percentage of the average best earnings over four consecutive years as a MLA and as a Minister, Speaker or Chairperson (if applicable) multiplied by credited service as a MLA and for each of the three positions (if applicable). A position must be held for a least one year, and the pension for each position is calculated separately. The percentages used to calculate retirement benefits are 2% for the LARAF and 3% for the SRAF.

The normal retirement age under both of these plans is the earliest of (a) age 60, (b) 30 years of service, or (c) age plus service equals 80. A MLA may retire at any time upon ceasing to be a MLA. Early retirement results in a pension reduction of 0.25% for each month a MLA retires before the normal retirement age. The late retirement age for MLAs is up to age 69.

There have been no plan amendments, plan settlements and curtailments or temporary deviations from these plans in 2022 (no changes in 2021).

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13 LIABILITIES FOR PENSION AND OTHER EMPLOYEE BENEFITS (continued)

Actuarial valuations were completed for these plans as of April 1, 2018. The valuations were performed using the projected unit credit actuarial cost method. The valuations were based on a number of assumptions as approved by the Management and Services Board of the Legislative Assembly and represents the best estimates of expected long-term experience and short-term forecast, as well as the demographic assumptions underlying the most recent actuarial valuations for funding purposes. The main assumptions include inflation rate of 2.0% (2021 - 2.0%), expected discount rate of 4.0% (2021 - 3.25%), return on assets of 4.3% (2021 - 4.7%), increases in remuneration of 3.0% (2021 - 3.0%), and mortality.

The asset valuation method, market-related value, for the LARAF plan is equal to a smoothed market value which spreads the difference between the actual and expected investment income over a four year period.

The pension liabilities represent the excess of the actuarial present value of accrued pension benefits over the actuarial value of net assets available for benefits.

Based on information provided for the year by the plans' actuary, the MLA pension liabilities as of March 31 are as follows:

	LARAF	SRAF	2022	2021
Accrued benefit obligation	14,071	22,829	36,900	39,255
Deduct:				
Pension fund assets	16,776	-	16,776	16,514
Unamortized actuarial (gain) / loss	(1,604)	(1,567)	(3,171)	2,406
	15,172	(1,567)	13,605	18,920
Pension (asset) liability	(1,101)	24,396	23,295	20,335

As at March 31, 2022, LARAF pension fund assets had a market value of \$17,758 (2021 - \$17,903). The actual rate of return was positive 3.71% (2021 - positive 31.24%). The SRAF has no pension fund assets; however, the pension liability is funded all or in part by designated investments (Note 4).

LARAF and SRAF actuarial gains/losses are both amortized over 3.0 years (2021 - 4.0 years) which is the estimated average remaining service lives for contributors to these plans.

The total expenses related to MLA pensions include the following components:

	LARAF	SRAF	2022	2021
Current period benefit cost	1,512	2,366	3,878	3,402
Amortization of actuarial loss / (gain)	225	377	602	(61)
	1,737	2,743	4,480	3,341
MLAs contributions	(319)	-	(319)	(274)
Pension expense	1,418	2,743	4,161	3,067
Interest cost on the average accrued benefit obligation	535	819	1,354	1,343
Expected return on the average pension plan assets	(707)	-	(707)	(735)
Pension interest (revenue) expense	(172)	819	647	608
Total expenses related to pensions	1,246	3,562	4,808	3,675

Pension benefits paid for the LARAF and SRAF were \$1,948 and \$999, respectively (2021 - \$738 and \$925, respectively).

The Government's contributions related to the LARAF and SRAF during the year were \$850 and \$1,769, respectively (2021 - \$766 and \$1,638, respectively).

13 LIABILITIES FOR PENSION AND OTHER EMPLOYEE BENEFITS (continued)

Other Employee Benefits

Actuarial valuations for severance, removal and sick leave benefits as well as retirement health benefits were completed as of March 31, 2022. The principal actuarial assumptions used in measuring the accrued benefit obligation of other employee benefits as at March 31, 2022, based on management's best estimate included increases in remuneration of 3.0% (2021 - 3.0%) and an average discount rate of 4.0% (2021 - 2.5%).

The changes in the other employee benefits liabilities during the year were as follows:

	Severance and removal	Sick leave	Retirement health benefits	2022	2021
Accrued benefit obligations at beginning of the year	33,403	13,369	75,150	121,922	92,031
Benefits earned	2,634	1,162	2,068	5,864	5,849
Interest cost on the average accrued benefit	687	272	2,525	3,484	2,963
Benefits paid	(3,200)	(2,449)	(1,402)	(7,051)	(5,443)
Actuarial (gain) / loss	(10,743)	(4,986)	(25,578)	(41,307)	26,522
Accrued benefit obligations at end of year	22,781	7,368	52,763	82,912	121,922
Unamortized net actuarial gain / (loss)	4,676	4,800	2,310	11,786	(36,731)
Other employee benefits liabilities, end of the year	27,457	12,168	55,073	94,698	85,191
Benefit Expenses¹					
Benefit earned for the period	2,634	1,162	2,068	5,864	5,848
Amortization of net actuarial loss recognized during the year	1,354	48	13,463	14,865	5,738
Other employee benefits expense	3,988	1,210	15,531	20,729	11,586
Interest cost on the average accrued benefit	687	272	2,525	3,484	2,962
Total expense related to other employee benefits	4,675	1,482	18,056	24,213	14,548

¹The components are other employee benefits expenses included in the compensation and employee benefits category in Note 18.

**GOVERNMENT OF NUNAVUT
PUBLIC ACCOUNTS
Notes to Consolidated Financial Statements**

March 31, 2022

(in thousands of dollars)

14 LONG TERM DEBT AND BORROWING AUTHORITY LIMIT

Loans and mortgages payable	2022	2021
Loans payable to Canada Mortgage and Housing Corporation (CMHC), repayable in annual installments until the year 2032, bearing interest at a rate of 6.97% (2021 - 6.97%).	6,047	6,744
Loans payable to CMHC, assumed from Inuit Non-Profit Housing Corporation in 2017, repayable in monthly installments, maturing in 2028, bearing interest of 10.375% (2021 - 2.12% - 10.375%).	126	142
Redeemable 20 year amortizing debenture, bearing interest at a rate of 6.809% (2021 - 6.809%) due September 27, 2021. Repayable in blended semi-annual payments of \$2,848 with a balloon payment of \$17,502 at the end of the term.	-	17,502
Non-revolving fixed rate term loan facility with payments of \$42 due monthly with the final payment due on May 1, 2021. Interest at 4.24%.	-	74
Non-revolving fixed rate term loan facility with payments of \$53 due monthly with the final payment due on May 1, 2021. Interest at 4.24%.	-	106
Non-revolving fixed rate term loan facility with payments of \$74 due monthly with the final payment due on June 1, 2021. Interest at 4.24%.	-	188
Non-revolving fixed rate term loan facility with payments of \$30 due monthly with the final payment due on February 1, 2022. Interest at 4.24%.	-	3,092
Non-revolving fixed rate term loan facility with payments of \$133 due monthly with the final payment due on July 1, 2021. Interest at 4.24%.	-	515
Non-revolving committed loan in eight tranches with interest calculated at a variable rate of prime minus 0.5% per annum, with principal payments on the first tranche of \$100 plus interest due monthly, beginning on April 1, 2015 with the final payment due on April 1, 2025; on the second tranche of \$58 plus interest due monthly, beginning on April 1, 2016 with the final payment due on April 1, 2026; on the third tranche of \$82 plus interest due monthly, beginning April 1, 2017 with the final payment due on April 1, 2027; on the fourth tranche of \$166 plus interest due monthly, beginning April 30, 2018 with the final payment due on April 30, 2028; on the fifth tranche of \$160 plus interest due monthly, beginning April 30, 2019 with the final payment due on April 30, 2029; on the sixth tranche of \$80 plus interest due monthly, beginning April 30, 2020 with the final payment due on April 30, 2030; on the seventh tranche of \$66 plus interest due monthly, beginning April 30, 2021 with the final payment due on April 30, 2031; and on the eighth tranche of \$137 plus interest due monthly, beginning April 30, 2022 with the final payment due on April 30, 2032.	170,055	145,739
Non-revolving committed loan facility, payments of \$83 plus interest due monthly, beginning on December 1, 2012 with the final payment due November 30, 2022. Interest at prime minus 0.5%.	10,667	11,667
Non-revolving committed loan facility, payments of \$67 plus interest due monthly, beginning on May 1, 2014 with the final payment due April 30, 2024. Interest at prime minus 0.5%.	9,667	10,467
	196,562	196,236

Principal and interest amounts due in each of the next five fiscal years and thereafter on the loans and mortgages payable are as follows:

	Principal	Interest	Total
2023	22,425	3,104	25,529
2024	11,813	2,783	14,596
2025	19,138	2,441	21,579
2026	22,014	2,076	24,090
2027	16,144	1,775	17,919
2028 and beyond	105,028	3,863	108,891
	196,562	16,042	212,604

Interest expense on long term debt was \$2,087 for the year (2021 - \$2,910). During the year, interest costs of \$78 (2021 - \$39) were capitalized as part of additions to tangible capital assets. The interest paid on long term debt during the year was \$2,111 (2021 - \$2,960).

**GOVERNMENT OF NUNAVUT
PUBLIC ACCOUNTS
Notes to Consolidated Financial Statements**

March 31, 2022

(in thousands of dollars)

14 LONG TERM DEBT AND BORROWING AUTHORITY LIMIT (continued)

Borrowing Authority

As of March 31, 2022, the Governor General in Council of Canada, pursuant to subsection 27(4) of the *Nunavut Act*, had approved the Government of Nunavut borrowing up to \$750 million (i.e., authorized borrowing limit).

	2022	2021
Qulliq Energy Corporation, long term debt	190,389	189,350
Nunavut Housing Corporation, long term debt	6,173	6,886
	196,562	196,236
Consolidated Revenue Fund, Iqaluit International Airport (Note 15)	149,743	151,672
Capital lease obligations (Note 16)	48,274	55,157
Consolidated Revenue Fund, Liability for Nunavut Energy Management Program (Note 17)	16,981	14,802
	411,560	417,867
Bank indebtedness (Note 9)	10,060	12,766
Total debt	421,620	430,633
Authorized borrowing limit	750,000	750,000
Available borrowing capacity	328,380	319,367

The Government of Nunavut guarantees the long term debt of Qulliq Energy Corporation and Nunavut Housing Corporation as well as any outstanding bank overdrafts of Qulliq Energy Corporation and Nunavut Development Corporation. As part of their financing, Nunavut Development Corporation subsidiaries have arranged various credit facilities at different terms and interest rates. Nunavut Development Corporation has provided a guarantee for these credit facilities.

Under the terms of the 1999 Social Housing Agreement (SHA), Canada Mortgage and Housing Corporation (CMHC) originally provided funding to the Nunavut Housing Corporation (NHC) to build social housing assets in the form of long-term mortgages payable to CMHC (referred to as *National Housing Act (NHA)* section 79 debt under the SHA) and loans payable to CMHC (referred to as NHA section 82 debt under the SHA). Under the SHA, part of the funding provided to NHC was used to reduce 100% of the NHA section 79 debt and reduce by 5/9th of the NHA section 82 debt, and to fund the related interest repayments that NHC would make each year to CMHC. This funding receivable from CMHC and the related payments due by NHC each year on the long term debt payable to CMHC are legally offset, resulting in no exchange of cash between NHC and CMHC. The funding receivable from CMHC is recorded as a reduction of the corresponding long-term debt payable. As the funding from CMHC and the corresponding repayments of long term debt are non-cash transactions, they have not been recorded in the consolidated statement of cash flow.

15 LIABILITY FOR IQALUIT INTERNATIONAL AIRPORT

In September 2013, the Government signed agreements as part of a public-private partnership (P3) arrangement to design, build, finance, operate and maintain new and updated infrastructure at the Iqaluit International Airport. The airport officially opened and began operations on August 9, 2017. The estimated cost of the project was \$305,376. The actual cost incurred by the private partnership was \$298,430. The capital costs of the arrangement was partially funded by the Government of Canada. The Government of Nunavut received \$74,160 from the Government of Canada during 2017-18.

	2022	2021
Loan payable in monthly installments of \$1,069 to December 2047, bearing interest at a rate of 7.23%.	149,743	151,672

Interest expense on long term debt relating to the Iqaluit International Airport was \$10,900 for the year (2021 - \$11,035). Interest paid during the year was \$10,900 (2021 - \$11,035).

Minimum debt payments, including principal and interest, for each of the next five years and thereafter are as follows:

	Principal	Interest	Total
2023	2,074	10,756	12,830
2024	2,229	10,601	12,830
2025	2,395	10,435	12,830
2026	2,574	10,256	12,830
2027	2,766	10,063	12,829
2028 and beyond	137,705	128,513	266,218
	149,743	180,624	330,367

GOVERNMENT OF NUNAVUT
PUBLIC ACCOUNTS
Notes to Consolidated Financial Statements
March 31, 2022
(in thousands of dollars)

16 CAPITAL LEASE OBLIGATIONS

Capital lease obligations are based upon contractual minimum lease payments for leases in effect as of March 31.

	2022	2021
Total minimum lease payments	52,739	61,014
Less: imputed interest	(4,452)	(5,832)
Less: executory costs	(13)	(25)
Present value of minimum lease payments	48,274	55,157

Minimum lease payments, including principal, interest and executory costs, for each of the next five years and thereafter are as follows:

	Principal	Interest	Executory	Total
2023	6,912	1,160	12	8,084
2024	6,254	966	1	7,221
2025	6,423	793	-	7,216
2026	6,451	615	-	7,066
2027	6,495	437	-	6,932
2028 and beyond	15,739	481	-	16,220
	48,274	4,452	13	52,739

Lease payments are allocated between repayments of the liability, interest expense and any related executory costs. The total minimum lease payments less the initial liability and executory costs represents the total interest cost of the lease. The interest expense is calculated using the same discount rate used in computing the present value of the minimum lease payments applied to the outstanding lease liability at the beginning of the lease payment period.

Interest expense related to capital lease obligations for the year was \$1,380 (2021 - \$1,591) at an implied average interest rate of 2.9% (2021 - 2.9%). The capital lease obligations expire between 2023 and 2030.

17 LIABILITY FOR NUNAVUT ENERGY MANAGEMENT PROGRAM

	2022	2021
Project financing payable - Baffin	538	1,618
Project financing payable - Kivalliq	16,443	13,184
	16,981	14,802

Under the Nunavut Energy Management Program Project - Baffin region, the Government has entered into an energy savings contract arrangement that includes an ongoing responsibility for making all principal and interest payments associated with the third-party financing of costs of improvements under the project. Payments are due monthly at \$139 to 2019, \$95 to 2022 and \$21 to July 2023 at an average interest rate of 5.13% (2021 - 5.13%). Interest expense on the project for the year was \$62 (2021 - \$123). Interest paid during the year was \$62 (2021 - \$123).

Future payments for the Nunavut Energy Management Program Baffin Project, for each of the next two years are as follows:

	Principal	Interest	Total
2023	402	13	415
2024	136	1	137
	538	14	552

Under the Nunavut Energy Management Program Project - Kivalliq region, the Government has entered into a contract for \$24,258 that includes all principal and interest payments associated with the third-party financing of costs of improvements under the project. The project is expected to be completed by November 2022, at which time payments will be due monthly at \$254 until July 2030, at an average interest rate of 6.3% (2021 - 9.4%). Interest expense on the project for the year was \$452 (2021 - \$346). Interest paid during the year was \$nil (2021 - nil).

**GOVERNMENT OF NUNAVUT
PUBLIC ACCOUNTS**

Notes to Consolidated Financial Statements

March 31, 2022

(in thousands of dollars)

18 EXPENSES BY TYPE	2022	2021
Goods and services	1,294,625	1,257,301
Compensation and employee benefits	777,373	777,752
Grants and contributions	311,232	299,950
Amortization of tangible capital assets	142,413	133,904
Interest expense	16,217	17,443
Increase in valuation allowances	6,065	4,702
Loss on disposal / write-down of tangible capital assets	-	3,531
	2,547,925	2,494,583

19 CONTRACTUAL OBLIGATIONS

In addition to other commitments disclosed elsewhere in these consolidated financial statements, the Government has entered into agreements for, or is contractually obligated for, the following payments subsequent to March 31, 2022:

	Total
Commitments under operating leases	111,017
Capital commitments	163,865
Policing agreement	479,080
Iqaluit International Airport commitments	630,662
Other commitments	287,321
	1,671,945

Contractual obligations by fiscal year are as follows:

2023	396,681
2024	189,226
2025	97,128
2026	81,619
2027	78,782
2028 and beyond	828,509
	1,671,945

20 CONTRACTUAL RIGHTS

The Government enters into agreements to provide goods and services with various businesses and government agencies. These agreements will result in revenue and assets in the future. The following table summarizes the contractual rights of the Government when the terms of those agreements are met.

	Total
Canada Infrastructure Plan	549,214
New Building Canada Fund	153,142
Canada Mortgage and Housing Corporation	321,914
Health Canada Agreements	300,676
Others / Third party agreements	170,080
	1,495,026

Contractual rights by fiscal year are as follows:

2023	360,508
2024	330,329
2025	312,005
2026	220,618
2027	136,992
2028 and beyond	134,574
	1,495,026

**GOVERNMENT OF NUNAVUT
PUBLIC ACCOUNTS
Notes to Consolidated Financial Statements**

March 31, 2022

(in thousands of dollars)

21 CONTINGENCIES

(a) Post-division adjustments

The agreement governing the division of assets and liabilities between the Government of Nunavut and the Government of the Northwest Territories as at April 1, 1999 sets out a mechanism which provides for post-division adjustments.

The period for such adjustments is unlimited; and such adjustments could be made in a variety of specified circumstances such as the settlement of litigation related to events prior to the date of division. In such an event, there is an opportunity for one of the governments to file a claim against the other government to share in costs. Post-division adjustments will be recognized in the year the liability can be reasonably estimated. As at March 31, 2022, no new post-division adjustments were recorded (2021 - nil).

(b) Litigation

A number of cases of alleged sexual abuse by former employees or contractors in Nunavut when it was part of the Northwest Territories have been filed or are pending. The Nunavut and the Northwest Territories governments will jointly defend any such proceedings and the cost of defending the actions and any damages that may eventually be awarded will be shared by the two governments 44.34% and 55.66%, respectively. Where it is likely that there will be a future payment and a reasonable estimate of the amount can be made, the Government has recorded a liability. For those pending cases, where the outcome is not determinable as at March 31 and a reasonable estimate of the amount can be made, the total amount of those claims is estimated at \$11,270 (2021 - \$11,270). No liability has been recorded for these claims as the outcome of these cases is not determinable.

There are a number of claims and threatened litigation cases outstanding against the Government for which the outcomes are not determinable, including a number of cases where an amount is not specified. The nature of these claims include wrongful dismissal, breach of policy, personal injury, sexual abuse, negligence, wrongful arrest and assault. Where it is likely that there will be a future payment and a reasonable estimate of the amount can be made, the Government has recorded a liability. For those pending cases, where the outcome is not determinable as at March 31 and a reasonable estimate of the amount can be made, the total amount of those claims is estimated at \$146,775 (2021 - \$105,671). No liability has been recorded for these claims as the outcome of these cases is not determinable.

(c) Other

Under the terms of the Social Housing Agreement with Canadian Mortgage and Housing Corporation (CMHC), Nunavut Housing Corporation (NHC) is responsible for the administration of a number of loans to third parties, where CMHC is the lender or insurer of these loans. The agreement provides that NHC shall indemnify and reimburse CMHC for, and save it harmless from, all losses, costs and expenses related to these loans. The carrying value of these third party loans is approximately \$338 as at March 31, 2022 (2021 - \$384).

22 TRUSTS UNDER ADMINISTRATION

The Government administers trust accounts on behalf of third parties, which are not included in the reported Government assets and liabilities.

	2022	2021
Public Trustee	7,462	7,402
Natural Resources Conservation Trust	1,465	1,326
Territorial Court Trust	596	611
	9,523	9,339

23 COVID-19

In March 2020, the World Health Organization declared the outbreak of a novel coronavirus (COVID-19) as a global pandemic, which continues to spread in Canada and around the world.

The Government of Nunavut supported their employees by closing government offices to non-essential staff and clients; customers by waiving payment terms and suspending collections; small businesses by instituting the Nunavut Essential Workers Wage Premium and Nunavummiut by operating isolation sites and vaccination clinics.

During the year ended March 31, 2022, the Government received an amount of \$17,600 (2021 - \$183,860) from the Government of Canada to support it during the pandemic. In response to COVID-19, the Government of Canada also supplied the Territory with equipment, supplies, and vaccines at no cost. These are recorded at fair value when such value can reasonably be determined. The equipment and supplies received were accounted for based on an estimated fair value of \$5,494 (2021 - \$4,756). No amounts have been recorded for the COVID-19 vaccines provided by the Government of Canada as the fair value of these vaccines cannot be reasonably determined.

24 COMPARATIVE INFORMATION

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

**GOVERNMENT OF NUNAVUT
PUBLIC ACCOUNTS**

SCHEDULE A

Consolidated Schedule of Revenues by Source

for the year ended March 31, 2022

(in thousands of dollars)

	2022	2021
	Actual	Actual
From the Government of Canada		
Territorial Formula Financing	1,782,111	1,712,512
Transfers under third-party funding agreements	361,313	352,375
Other transfer payments	203,816	170,095
	2,347,240	2,234,982
Revenues generated by the Government of Nunavut		
Personal income tax	41,253	22,341
Corporate income tax	13,230	21,767
Payroll tax	39,340	35,683
Tobacco tax	24,617	25,173
Fuel tax	18,947	17,702
Property tax	12,063	11,319
Insurance tax	2,904	2,536
Sales		
Petroleum Products Revolving Fund - before cost of goods sold of \$84,733 (2021 - \$96,394)	116,595	119,830
Liquor Revolving Fund - before cost of goods sold of \$7,435 (2021 - \$8,030)	17,525	16,944
Nunavut Development Corporation - before cost of goods sold of \$3,923 (2021 - \$2,859)	3,669	2,657
Qulliq Energy Corporation - power sales	73,844	72,388
Staff housing recoveries	20,302	21,333
Transfers under third-party funding agreements	1,423	1,415
Recoveries of prior years expenditures	16,769	12,720
Investment income	5,494	4,264
Insurance proceeds	4,420	-
Other revenues	57,110	56,534
	469,505	444,606
Total revenues	2,816,745	2,679,588

**GOVERNMENT OF NUNAVUT
PUBLIC ACCOUNTS**

SCHEDULE B

**Consolidated Schedule of Tangible Capital Assets
for the year ended March 31, 2022**

(in thousands of dollars)

	Buildings	Leased Buildings	Storage Facilities	Tank Farms	Equipment	Warehouse / Equipment (QEC)	Electric Power Plants	Transmission Distribution Systems	Infrastructure	Land	2022	2021
Cost												
Opening balance	2,686,800	191,024	49,250	207,845	152,598	57,930	340,468	78,827	367,492	327	4,132,561	4,043,506
Additions	44,287	-	-	3,310	6,304	-	-	-	-	-	53,901	14,668
Transferred from work in progress	138,291	-	-	346	49	1,881	8,120	3,586	8,700	-	160,973	84,500
Disposals	-	(7,189)	-	-	-	(693)	-	-	-	-	(7,882)	(6,407)
Write-downs	-	-	-	-	-	-	-	-	-	-	-	(3,706)
Closing balance	2,869,378	183,835	49,250	211,501	158,951	59,118	348,588	82,413	376,192	327	4,339,553	4,132,561
Accumulated amortization												
Opening balance	(1,141,569)	(131,784)	(26,180)	(106,738)	(130,843)	(27,917)	(128,682)	(27,480)	(110,589)	-	(1,831,782)	(1,704,460)
Amortization	(90,850)	(7,156)	(1,575)	(7,271)	(8,175)	(2,096)	(11,075)	(1,591)	(12,624)	-	(142,413)	(133,904)
Disposals	-	5,398	-	-	-	693	-	-	-	-	6,091	5,779
Write-downs	-	-	-	-	-	-	-	-	-	-	-	803
Closing balance	(1,232,419)	(133,542)	(27,755)	(114,009)	(139,018)	(29,320)	(139,757)	(29,071)	(123,213)	-	(1,968,104)	(1,831,782)
Work in progress												
Opening balance	186,330	-	558	12,783	49	2,620	21,159	3,498	85,904	-	312,901	247,169
Additions	132,703	-	4,670	174	-	16,821	28,249	3,658	22,918	-	209,193	150,232
Transferred to cost	(138,291)	-	-	(346)	(49)	(1,881)	(8,120)	(3,586)	(8,700)	-	(160,973)	(84,500)
Closing balance	180,742	-	5,228	12,611	-	17,560	41,288	3,570	100,122	-	361,121	312,901
Net book value	1,817,701	50,293	26,723	110,103	19,933	47,358	250,119	56,912	353,101	327	2,732,570	2,613,680

Estimated useful life **20-35 years** **20-30 years** **20-30 years** **30 years** **5-30 years** **10-45 years** **20-40 years** **15-45 years** **30 years**

During the year, interest of \$78 was capitalized (2021 - \$39) as part of the cost of additions.

The tangible capital asset additions presented in the Consolidated Statement of Cash Flow exclude non-cash acquisitions totalling \$46,742 (2021 - \$41,038) which represent unpaid purchases and holdbacks that are included in accounts payables and accrued liabilities as well as the liability for the Nunavut Energy Management Program at March 31, 2022.

Included in tangible capital asset additions are \$874 (2021 - \$303) of corporate overhead costs of the Qulliq Energy Corporation.

The disposal of tangible capital assets having a net book value of \$1,791 received assent by the Legislative Assembly of Nunavut in Bill 9, (Write-off of Assets and Debts Act, 2021-22) on November 3, 2022.

**GOVERNMENT OF NUNAVUT
PUBLIC ACCOUNTS**

SCHEDULE C

Consolidated Schedule of Segmented Information

for the year ended March 31, 2022

(in thousands of dollars)

	Consolidated Revenue Fund	Revolving Funds	Territorial Corporations	Total for All Segments	Consolidation Adjustments (1)	2022	2021
Revenues							
From the Government of Canada							
Territorial Formula Financing Agreement	1,782,111	-	-	1,782,111	-	1,782,111	1,712,512
Transfers under third-party funding agreements	361,313	-	-	361,313	-	361,313	352,375
Other transfer payments	135,185	-	68,631	203,816	-	203,816	170,095
	2,278,609	-	68,631	2,347,240	-	2,347,240	2,234,982
Generated by the Government of Nunavut							
Sales	-	205,848	135,520	341,368	(129,735)	211,633	211,819
Other taxes	97,871	-	-	97,871	-	97,871	92,413
General	53,734	-	463,966	517,700	(430,374)	87,326	82,131
Corporate and personal income taxes	54,483	-	-	54,483	-	54,483	44,108
Transfers under third-party funding agreements	1,423	-	-	1,423	-	1,423	1,415
	207,511	205,848	599,486	1,012,845	(560,109)	452,736	431,886
Recoveries of prior years expenditures	16,769	-	-	16,769	-	16,769	12,720
Total revenues	2,502,889	205,848	668,117	3,376,854	(560,109)	2,816,745	2,679,588
Expenses							
Goods and services	1,020,288	192,461	350,129	1,562,878	(268,253)	1,294,625	1,257,301
Compensation and employee benefits	628,099	8,144	135,123	771,366	6,007	777,373	777,752
Grants and contributions	576,774	-	-	576,774	(265,542)	311,232	299,950
Amortization of tangible capital assets	85,204	-	57,546	142,750	(337)	142,413	133,904
Interest expense	12,750	30	3,556	16,336	(119)	16,217	17,443
Increase in valuation allowances	1,383	644	2,996	5,023	1,042	6,065	4,702
Loss on disposal / write down of tangible capital assets	-	-	-	-	-	-	3,531
Total expenses	2,324,498	201,279	549,350	3,075,127	(527,202)	2,547,925	2,494,583
Surplus (deficit) for year	178,391	4,569	118,767	301,727	(32,907)	268,820	185,005

(1) - Includes adjustments to eliminate inter-entity balances to comply with Canadian public sector accounting standards. For example, contributions by departments to revolving funds, territorial corporations and other agencies (i.e., consolidated entities) are shown in grants and contributions expense under the "Consolidated Revenue Fund" column, while the amounts received by the applicable consolidated entity group are shown as revenues in their respective columns. These amounts are eliminated upon consolidation to avoid double-counting and results in significant amounts shown in the 'Consolidation Adjustments' column.

SECTION III

NON-CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

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**GOVERNMENT OF NUNAVUT
PUBLIC ACCOUNTS**

Non-Consolidated Statement of Financial Position (unaudited)

as at March 31, 2022

(in thousands of dollars)

	Note	2022	2021
Financial assets			
Cash and cash equivalents	3	913,661	902,430
Due from the Government of Canada	4	197,319	148,425
Accounts receivable	5	134,045	111,300
Inventories for resale	6(a)	182,457	144,114
Loans receivable	7	32,876	13,898
Portfolio and other investments	8	132,128	23,636
Total financial assets		1,592,486	1,343,803
Liabilities			
Accounts payable and accrued liabilities	9	477,236	415,157
Deferred revenues	10	180,143	181,942
Liability for contaminated sites	11	7,793	9,609
Liabilities for pension and other employee benefits	12	110,201	97,294
Liability for Iqaluit International Airport	13	149,743	151,672
Capital lease obligations	14	47,496	53,766
Liability for Nunavut Energy Management Program	15	16,981	14,802
Total liabilities		989,593	924,242
Net financial assets		602,893	419,561
Non-financial assets			
Tangible capital assets (Schedule C)		1,510,238	1,512,992
Inventories for use	6(b)	6,039	4,118
Prepaid expenses		5,624	5,163
Total non-financial assets		1,521,901	1,522,273
Accumulated surplus		2,124,794	1,941,834
Contractual obligations (Note 17)			
Contractual rights (Note 18)			
Contingencies (Note 19)			

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

**GOVERNMENT OF NUNAVUT
PUBLIC ACCOUNTS**

Non-Consolidated Statement of Operations and Accumulated Surplus (unaudited)

for the year ended March 31, 2022

(in thousands of dollars)

	2022 Budget	2022 Actual	2021 Actual
Revenues (Schedule A)			
From the Government of Canada	2,091,120	2,278,609	2,176,310
Tax revenues generated by the Government of Nunavut	157,600	152,354	136,521
Other revenues generated by the Government of Nunavut	88,721	97,109	82,502
Recoveries of prior years expenditures	11,000	16,769	12,720
Total revenues	2,348,441	2,544,841	2,408,053
Expenses (Schedule B)			
Operations and maintenance expenses before amortization and write down of tangible capital assets	2,117,230	2,167,790	2,050,707
<i>Plus: Amortization expenses on tangible capital assets</i>	86,009	85,204	83,176
<i>Plus: Write-down of tangible capital assets</i>	-	-	2,414
Total operations and maintenance expenses	2,203,239	2,252,994	2,136,297
Capital expenditures	212,388	191,618	245,314
<i>Less: Transfers to tangible capital assets</i>	52,903	82,731	78,048
Total capital expenses	159,485	108,887	167,266
Total expenses	2,362,724	2,361,881	2,303,563
(Deficit) surplus for year	(14,283)	182,960	104,490
Accumulated surplus, beginning of year	1,941,834	1,941,834	1,837,344
Accumulated surplus, end of year	1,927,551	2,124,794	1,941,834

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

**GOVERNMENT OF NUNAVUT
PUBLIC ACCOUNTS****Non-Consolidated Statement of Change in Net Financial Assets (unaudited)****for the year ended March 31, 2022***(in thousands of dollars)*

	2022 Budget	2022 Actual	2021 Actual
(Deficit) surplus for year	(14,283)	182,960	104,490
Tangible capital assets (Schedule C)			
Additions	(52,903)	(84,242)	(78,048)
Disposals	45	1,791	611
Amortization	86,009	85,204	83,176
Additions in Kind	(40)	-	-
Write-downs	-	-	2,414
	33,111	2,753	8,153
Additions to inventories for use	(4,051)	(8,858)	(6,538)
Consumption of inventories for use	4,891	6,938	6,100
Net additions of prepaid expenses	-	(461)	(740)
	840	(2,381)	(1,178)
Increase in net financial assets	19,668	183,332	111,465
Net financial assets, beginning of year	419,561	419,561	308,096
Net financial assets, end of year	439,229	602,893	419,561

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

**GOVERNMENT OF NUNAVUT
PUBLIC ACCOUNTS**

Non-Consolidated Statement of Cash Flow (unaudited)

for the year ended March 31, 2022

(in thousands of dollars)

	2022	2021
Cash provided by (used for) operating activities:		
Cash received from:		
Transfers from the Government of Canada	2,225,252	2,215,642
Taxation	150,843	133,600
Other generated revenues	226,622	254,550
Interest on loans receivable and portfolio investments	2,994	2,025
Cash paid for:		
Interest payments on capital leases, mortgage and project financing	(12,286)	(12,664)
To and on behalf of employees	(619,639)	(613,608)
Grants and contributions	(625,259)	(636,384)
Suppliers	(1,120,711)	(1,005,810)
	227,816	337,351
Cash provided by (used for) capital activities:		
Purchases of tangible capital assets	(79,764)	(79,876)
	(79,764)	(79,876)
Cash provided by (used for) investing activities:		
Loans issued to municipalities, businesses and individuals	(21,076)	(46)
Loan repayments by municipalities, businesses and individuals	2,026	2,236
Investments in portfolio and other investments	(108,492)	47,396
	(127,542)	49,586
Cash provided by (used for) financing activities:		
Principal payments on Iqaluit International Airport	(1,929)	(1,795)
Principal payments on capital leases	(6,270)	(6,088)
Principal payments on Nunavut Energy Savings Program Project	(1,080)	(1,018)
	(9,279)	(8,901)
Increase in cash and cash equivalents	11,231	298,160
Cash and cash equivalents, beginning of year	902,430	604,270
Cash and cash equivalents, end of year (Note 3)	913,661	902,430

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

**GOVERNMENT OF NUNAVUT
PUBLIC ACCOUNTS**

Notes to Non-Consolidated Financial Statements (unaudited)

March 31, 2022

(in thousands of dollars)

1 AUTHORITY AND OPERATIONS

(a) Government of Nunavut

The Government of Nunavut (the Government) operates under the authority of Canada's *Nunavut Act*. The Government has an elected Legislative Assembly which authorizes disbursements, advances, loans and investments, except those specifically authorized by statute.

(b) Main Estimates

The 2021-2022 Main Estimates were tabled in the Legislative Assembly in February 2021 and represent the Government's fiscal plan for the year (i.e., original budget). Summary information and totals for government's original budget for the year are provided on pages x through xiii of the 2021-2022 Main Estimates. Planned Vote 5 revenues and Vote 4 expenses represent the share of eligible costs to be funded under agreements with the Government of Canada or others, and while not part of the annual Appropriations (Operations and Maintenance) Act approved by the Legislative Assembly in March 2021, they are, along with those of revolving funds, included in the original budget totals disclosed in these financial statements.

2 SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of accounting

These non-consolidated financial statements are prepared in accordance with Canadian public sector accounting standards (PSAS), as issued by the Public Sector Accounting Board of Canada, with the exception that they are not consolidated and certain revenues are reported net of expenses (i.e., The petroleum products division and liquor revenues are reported net of their cost of goods sold).

Pursuant to Section 74 of the *Financial Administration Act*, the Government also prepares consolidated financial statements, which provide an accounting of the full nature and extent of the financial affairs and resources for which the Government is responsible. The consolidated reporting entity is defined in those statements.

(b) Reporting entity

These financial statements include the assets, liabilities and operating results of the Government's Consolidated Revenue Fund, including departments included in the Main Estimates, as well as the following revolving funds:

Liquor Revolving Fund
Petroleum Products Revolving Fund
Public Stores Revolving Fund
Student Loan Fund

Revolving funds are established by the Government to provide the required working capital to deliver goods and services to the general public and to Government departments.

The following public agencies are included in these non-consolidated financial statements only to the extent of the Government's contributions to and services received from or provided to them during the year:

Territorial corporations
- Nunavut Arctic College (NAC)
- Nunavut Business Credit Corporation (NBCC)
- Nunavut Development Corporation (NDC)
- Nunavut Housing Corporation (NHC)
- Qulliq Energy Corporation (QEC)

Other public agencies
- District Education Authorities
- Human Rights Tribunal
- Inuit Uqausinginnik Taiguusiliuqtiit
- Labour Standards Board
- Legal Services Board
- Liquor Commission
- Nunavut Liquor Licensing Board
- Office of the Public Trustee
- Qullit Nunavut Status of Women Council

Nunavut Lottery, which operates as a government business partnership, is recorded in these non-consolidated financial statements based on the contributions received during the year from the net results of lottery sales and activities in Nunavut.

The Workers' Safety and Compensation Commission (WSCC), which is responsible for the administration of related employer insurance premiums and employee benefit programs within Nunavut is not accounted for in these financial statements. Since the Government does not control or have access to the WSCC's assets or responsibility for its obligations, it is excluded from the Government's financial reporting entity.

**GOVERNMENT OF NUNAVUT
PUBLIC ACCOUNTS**

Notes to Non-Consolidated Financial Statements (unaudited)

March 31, 2022

(in thousands of dollars)

2 SIGNIFICANT ACCOUNTING POLICIES (continued)

(c) Use of estimates and measurement uncertainty

The preparation of financial statements in accordance with Canadian PSAS requires government management to make estimates and assumptions that affect the amounts of assets, liabilities, revenues and expenses reported in the financial statements. By their nature, these estimates and assumptions are subject to measurement uncertainty. The effect on the financial statements of changes to such estimates and assumptions in future periods could be significant, although, at the time of preparation of these financial statements, management believes the estimates and assumptions to be reasonable. The most significant areas where estimates and assumptions have been used to prepare these financial statements include:

(i) Income tax revenues collected by the Government of Canada on the Government's behalf.

(ii) Allowance for doubtful accounts, loan valuation allowances, provision for losses on loan guarantees, valuation of inventories for resale and use, valuation of portfolio and other investments, useful life of tangible capital assets, liability for contaminated sites, contingencies and pensions and other employee benefit liabilities.

(d) Cash and cash equivalents

Cash and cash equivalents are comprised of bank account balances, net of outstanding cheques, and short term highly liquid investments that are readily convertible to cash with a maturity term of 3 months or less from the time of their acquisition. Cash equivalents are recorded at cost.

(e) Inventories

Inventories for resale include bulk fuel and liquor products. Liquor products and bulk fuel are valued at the lower of weighted average cost or net realizable value. Inventory for use includes health and medical supplies valued at the lower of cost or replacement cost, with the cost being determined on a first-in, first-out basis.

(f) Loans receivable

Loans receivable are valued at the lower of cost or net recoverable value. Based on the circumstances known at the date the financial statements are prepared, including past events and current conditions, valuation allowances are recorded when collection is considered doubtful or when the value of a loan receivable is impaired. Interest revenue is recorded on an accrual basis when the collectability of both principal and interest are reasonably assured. An uncollectible or impaired loan receivable balance can be written off only upon receipt of required statutory approvals.

(g) Tangible capital and leased assets

Tangible capital assets are non-financial assets whose useful life exceeds one fiscal year and are intended to be used on an ongoing basis for delivering government services. They may include such diverse items as buildings, vehicles, equipment, aircraft and computer hardware and software systems.

Tangible capital assets are recorded at cost. Costs include contracted services, materials and supplies, direct labour, attributable overhead costs and directly attributable interest. Capitalization of interest ceases when a tangible capital asset is ready for use in producing goods or delivering services. Gifted or contributed tangible capital assets are recorded at fair market value upon receipt, or a nominal value if fair value is not available.

Leased assets that meet the definition of a tangible capital asset, except that they are held under lease by the Government, are capitalized and reported as such if, in substance, their terms and conditions transfer substantially all of the benefits and risks of ownership to the Government. Legal ownership may not necessarily have been transferred. The lease liability and corresponding asset are recorded based on the present value of payments due over the course of the lease. The present value is based on the lower of the rate implicit in the lease or the Government's incremental borrowing rate at the time the obligation is incurred.

Tangible capital assets, when placed into service, are amortized over their useful lives using the straight line method. When assets are leased, the amortization rate will be based on the lesser of the lease terms or the useful lives of the leased assets. The following amortization rates are being used:

Asset Category	Amortization Period
Buildings	30 years
Leased Buildings	30 years
Infrastructure	30 years
Tank Farms	30 years
Storage Facilities	30 years
Equipment	5-30 years
Land	Not amortized

When conditions indicate that a tangible capital asset no longer contributes to the Government's ability to provide goods and services, or that the value of future economic benefits associated with the tangible capital asset is less than its net book value, the cost of the tangible capital asset is reduced to reflect the decline in the asset's value.

In the year a tangible capital asset is acquired or put into service, amortization is taken for the full year. Tangible capital assets under construction or development are recorded as work in progress with no amortization taken until the year the asset is placed into service.

Assets acquired by right, such as Crown lands, water and mineral resources, are not recorded in the financial statements. The cost of works of art and museum collections consisting mainly of paintings, sculptures, drawings, prints and photographs are charged to expense in the year they are acquired.

GOVERNMENT OF NUNAVUT**PUBLIC ACCOUNTS**

Notes to Non-Consolidated Financial Statements (unaudited)

March 31, 2022

(in thousands of dollars)

2 SIGNIFICANT ACCOUNTING POLICIES (continued)**(h) Pension and other employee benefits**Pension benefits

Substantially all of the employees of the Government of Nunavut are covered by the public service pension plan (the "Plan"), a defined benefit plan established through legislation and sponsored by the Government of Canada. Contributions are required by both the employees and the Government of Nunavut to cover current service costs. Pursuant to legislation currently in place, the Government of Nunavut has no legal or constructive obligation to pay further contributions with respect to any past service or funding deficiencies of the Plan. Consequently, the Government of Nunavut's contributions are recognized as an expense in the year when employees have rendered service and represent the total pension obligation of the Government of Nunavut.

In addition, the Government provides two different pension benefits to Members of the Legislative Assembly. The costs and obligations of the Government for these pension plan benefits are estimated on an actuarial basis. When actual experience varies from estimates, or when actuarial assumptions change, actuarial gains or losses arise. These gains and losses are not recognized immediately but rather over the estimated average remaining service lives of the contributors. Recognition of actuarial gains and losses commences in the year following the effective date of the related actuarial valuations. In addition, upon a plan amendment, curtailment or settlement, previously unrecognized net actuarial gain or loss balances will require immediate recognition.

Other employee benefits

Under the terms and conditions of employment, Government employees may earn severance and removal benefits based on years of service. These benefits are paid upon resignation, lay-off or termination, retirement or death of the employee. Further, employees, upon retirement, are entitled to enroll in health and dental benefit programs, the cost of which are cost-shared by government. The estimated liability and related expenses for these benefit programs are recorded as employees earn them. Actuarial valuation estimates of the government's obligations and related costs for each of these benefit programs have been prepared using data provided by management and assumptions based on management's best estimates. Severance and removal benefits are recorded when employees are identified for lay-off.

The Government's employees are entitled to sick leave under their terms of employment. Included in other employee benefits is an amount for employees who are permitted to accumulate unused sick leave. However, such entitlements do not vest and can be used only in the event of illness. The amount of accumulated sick leave entitlements which are expected to be used in future years is determined by an actuarial valuation and has been recorded in these financial statements.

(i) Revenues

Unless otherwise stated, all revenues are recognized and reported on an accrual basis in the period in which transactions or events give rise to the revenues. Specific revenue accounting policies are as follows:

Transfers from the Government of Canada

Transfers from the Government of Canada are recognized as revenue when the funding is authorized and any eligibility criteria are met, except to the extent that funding stipulations give rise to an obligation that meets the definition of a liability and is recorded as deferred revenue.

Taxes

Tax revenues are recognized in the period in which the taxable event occurs and when they are authorized by legislation or the ability to assess and collect the tax has been provided through legislative convention. Income tax is calculated net of tax deductions and credits allowed under the *Income Tax Act*. If an expense provides a financial benefit other than a relief of taxes, it is classified as a transfer made through the tax system. If an expense provides tax relief to a taxpayer and relates to revenue, this expense is considered a tax concession and is netted against tax revenues. Tax concessions transferred to taxpayers include the Nunavut child benefit, the cost of living tax credit and the business training tax credit. Taxes, under the *Income Tax Act*, are administered by the Government of Canada on behalf of the Government of Nunavut under a tax collection agreement and are remitted to the Government. The remittances are based on the Government of Canada's estimates for the taxation year, which are periodically adjusted until the income tax assessments for the year are finalized. These income tax adjustments are accounted for in the year known.

Fuel, tobacco, and payroll taxes are levied under the authority of the *Petroleum Products Tax Act*, the *Tobacco Tax Act* and the *Payroll Tax Act*, respectively. Revenues are recognized on an accrual basis based on the statements received from collectors or employers. Adjustments from reassessments are recorded in revenue in the year they are identified. Tobacco tax commission on tobacco tax revenue provides a financial benefit other than relief of taxes and is recorded as an expense.

Property taxes are assessed on a calendar year basis and are recorded on an accrual basis in the fiscal year.

Other taxes are accrued based on information provided by those parties which collect tax on the Government's behalf.

Recoveries of prior years expenditures

Recoveries of prior years expenditures, including reversals of prior years expenditure over-accruals, are reported separately from other revenues on the statement of operations. Pursuant to the subsection 36(9) of the *Financial Administration Act*, these recoveries cannot be used to increase the amount appropriated for current year expenditures.

(j) Expenses

Expenses are recorded on an accrual basis when goods are received or services are rendered.

Grants and contributions are recognized as expenses provided that the transfer is authorized and all eligibility criteria have been met by the recipient. Grants and contributions include transfer payments to individuals, municipalities and other organizations under government funding arrangements. Payments to individuals include payments for children's benefits, income support or income supplement. These payments are based on age, family status, income, and employment criteria. Other grants and contributions are provided to conduct research, to establish new jobs through support for training and to promote educational, health and cultural activities.

2 SIGNIFICANT ACCOUNTING POLICIES (continued)

(k) Contingencies

The contingencies of the Government are potential liabilities which may become actual liabilities when one or more future events occur or fail to occur. If the future event is likely to occur or fail to occur and is quantifiable, an estimated liability is accrued as part of accounts payable and accrued liabilities. If the likelihood is not determinable or the amount cannot be reasonably estimated, the contingency is disclosed in the notes to the financial statements and no liability is accrued. Contingent liabilities result from potential environmental contingencies or pending litigation and like items.

(l) Contaminated sites

Contaminated sites are the result of contamination being introduced into air, soil, water or sediment in concentrations that exceeds the maximum acceptable amounts under an environmental standard.

A liability for remediation of a contaminated site is recognized when all of the following criteria are met:

- an environmental standard exists;
- contamination exceeds the environmental standard;
- the Government is directly responsible or accepts responsibility;
- it is expected that future economic benefits will be given up; and
- a reasonable estimate of the amount can be made.

The liability for contaminated sites reflects government management's best estimate of the amount required to remediate sites to the current minimum standard for its use prior to the contamination.

The liability is recognized net of any expected recoveries and includes all costs directly attributable to remediation activities including post remediation operations, maintenance and monitoring.

The liability is adjusted each year for the passage of time, new obligations, changes in management estimates and actual costs incurred.

If the likelihood of a future event that would confirm the Government's responsibility is not determinable, a contingent liability is disclosed in the notes to the financial statements.

(m) Services provided without charge

The Government of Nunavut receives audit services at no charge from the Office of the Auditor General of Canada. That Office's costs for these services have not been recorded in these financial statements.

(n) Future changes in accounting standards

A number of new and amended standards issued by the Public Sector Accounting Board of Canada are not yet effective and have not been applied in preparing these consolidated financial statements. The Government plans to adopt these new and amended standards on their effective dates. PS 3450 would result in additional disclosures in the consolidated financial statements. The Government is still in the process of reviewing its assets to determine the impact of PS 3280. The following standards for governments will become effective as follows:

PS 1201 Financial Statement Presentation (effective in the period PS 3450 and PS 2601 are adopted), replaces PS 1200 with revised general reporting principles and standards of presentation and disclosure for government financial statements.

PS 2601 Foreign Currency Translation (effective April 1, 2022), replaces PS 2600 with revised guidance on the recognition, presentation and disclosure of transactions and balances that are denominated in a foreign currency.

PS 3450 Financial Instruments (effective April 1, 2022), a new standard establishing guidance on the recognition, measurement, presentation and disclosure of financial instruments, including derivatives.

PS 3041 Portfolio Investments (effective in the period PS 3450, PS 2601 and PS 1201 are adopted), replaces PS 3040 with revised guidance on accounting for, and presentation and disclosure of, portfolio investments.

PS 3280 Asset Retirement Obligations (effective April 1, 2022), replaces PS 3270, with revised guidance on accounting for, and presentation and disclosure of, asset retirement obligations.

PS 3400 Revenue (effective April 1, 2023), a new section establishing standards on how to account for and report on revenue, differentiating between revenue arising from transactions that include performance obligations and transactions that do not have performance obligations.

GOVERNMENT OF NUNAVUT**PUBLIC ACCOUNTS****Notes to Non-Consolidated Financial Statements (unaudited)**

March 31, 2022

(in thousands of dollars)

3 CASH AND CASH EQUIVALENTS	2022	2021
Cash	913,661	902,430

During the year, government earned interest of prime less 1.65% on its net bank balances (2021 - prime less 1.65%).

4 DUE FROM THE GOVERNMENT OF CANADA	2022	2021
Grant receivable:		
From the Government of Canada (Schedule A)	1,782,111	1,712,512
Less: Payments received	(1,782,111)	(1,712,512)
	-	-
Balance of grant receivable, beginning of the year	-	-
Balance of grant receivable, end of the year	-	-
Other receivables:		
Other receivables from the Government of Canada	197,319	148,425
	197,319	148,425

The amounts due from the Government of Canada are non-interest bearing. The carrying amounts approximate fair market value because of the short term to maturity.

5 ACCOUNTS RECEIVABLE	2022	2021
Receivable by funds		
Consolidated Revenue Fund	85,048	72,172
Petroleum Products Revolving Fund	83,843	72,229
Public Stores Revolving Fund	211	94
Liquor Revolving Fund	73	47
	169,175	144,542
Less: Allowance for doubtful accounts	(35,130)	(33,242)
	134,045	111,300
Receivable by relation with the creditors		
Nunavut Arctic College	8,202	4,981
District Education Authorities	1,908	5,992
Nunavut Business Credit Corporation	42	60
Nunavut Development Corporation	29	2
Nunavut Housing Corporation	18,738	17,146
Qulliq Energy Corporation	19,636	15,717
Receivable from related parties	48,555	43,898
	120,620	100,644
Other accounts receivable	169,175	144,542
Less: Allowance for doubtful accounts	(35,130)	(33,242)
	134,045	111,300

6 INVENTORIES	2022	2021
(a) For resale		
Bulk fuels	176,053	140,550
Liquor products	6,404	3,564
	182,457	144,114

The write down for bulk fuels inventory for 2022 was \$230 (2021 - \$406).

(b) For use		
Health and medical supplies	6,039	4,118

**GOVERNMENT OF NUNAVUT
PUBLIC ACCOUNTS**

Notes to Non-Consolidated Financial Statements (unaudited)

March 31, 2022

(in thousands of dollars)

7 LOANS RECEIVABLE	2022	2021
Working Capital advances to the Nunavut Business Credit Corporation. The term is indeterminate with the option to repay any portion of the principal on any interest payment date. Interest is calculated at selected Government of Canada three year benchmark bond yields ranging between 0.48% and 2.28% (2021 - 0.53% and 1.18%) at the end of the month, compounded annually.	12,037	12,005
Student Loan Fund loans, interest rate of 0.0% (2021 - 0.0%), net of doubtful accounts and valuation allowances of \$5,928 (2021 - \$5,683).	1,967	1,893
Loan to Qulliq Energy Corporation. Interest is calculated as Government of Nunavut's operating interest plus 0.15 % per annum compounded monthly, beginning September 1, 2021 in equal installments of \$173. The final instalment, including any other amounts accrued under this loan, is payable August 31, 2031.	18,872	-
Other, net of valuation allowances of \$64 (2021 - \$64).	-	-
	32,876	13,898

8 PORTFOLIO AND OTHER INVESTMENTS	2022	2021		
	Effective Rate of Return	Term to Maturity	Carrying Value	Carrying Value
Portfolio investments				
Guaranteed Investment Certificates	0.97%	373 -529 days	105,000	-
			105,000	-
Other investments				
SRAF designated investments			27,128	23,636
			132,128	23,636

The Supplementary Retiring Allowances Fund of the Legislative Assembly (SRAF) designated investments represent funds set aside within the Consolidated Revenue Fund for use in meeting SRAF benefit obligations. The investments are managed by a third party. The Statement of Investment Policy establishes the eligible classes of securities, categories of issuers, limits and terms. The market value of SRAF investments at March 31, 2022 was \$28,770 (2021 - \$27,017) with a return of 3.60% (2021 - return of 27.52%).

9 ACCOUNTS PAYABLE AND ACCRUED LIABILITIES	2022	2021
To related parties		
Nunavut Arctic College	8,454	2,116
District Education Authorities	3,654	2,602
Nunavut Business Credit Corporation	226	-
Nunavut Development Corporation	130	167
Nunavut Housing Corporation	27,194	3,286
Qulliq Energy Corporation	12,066	8,076
	51,724	16,247
To others		
Accounts payable	155,876	145,212
Accrued liabilities, payroll deductions, and contractor holdbacks	190,880	166,411
Vacation pay and lieu time	42,358	44,155
Due to the Government of Canada	32,083	34,747
Due to the Government of the Northwest Territories	4,315	8,385
	425,512	398,910
	477,236	415,157

All amounts above are non-interest bearing.

10 DEFERRED REVENUES	Balance April 1, 2021	Receipts during the year	Interest earned	Transfer to revenue	Balance March 31, 2022
Provincial-Territorial Base Funding (Building Canada Fund)	1,796	-	7	(862)	941
Gas Tax Agreement	71,287	33,992	610	(9,500)	96,389
Nunavut Land Claim	38,361	10,737	-	(17,081)	32,017
Other deferred revenue	70,498	50,309	-	(70,011)	50,796
	181,942	95,038	617	(97,454)	180,143

The deferred revenue balance at March 31 includes mostly funding for eligible capital infrastructure projects and specific programs received from the Government of Canada under formal contribution or other agreements. In 2022-23 and beyond, as the government fulfills its obligations from purpose or other stipulations for the use of these funds the associated revenue will be recognized in its non-consolidated financial statements.

**GOVERNMENT OF NUNAVUT
PUBLIC ACCOUNTS**

Notes to Non-Consolidated Financial Statements (unaudited)

March 31, 2022

(in thousands of dollars)

11 LIABILITY FOR CONTAMINATED SITES	2022	2021
Liabilities for remediation of contaminated sites	7,793	9,609

The Government's activities are subject to various federal and territorial laws and regulations, such as the Environmental Protection Act of Nunavut and the Environmental Guideline for Contaminated Site Remediation - 2010, governing the protection of the environment or to minimize any adverse impact thereon. The Government conducts its operations so as to protect public health and the environment and believes its operations are in compliance with all applicable laws and regulations.

The Government recognizes that there are costs related to the remediation of environmentally contaminated sites for which it is responsible. As of March 31, 2022, there were 6 sites (2021 - 6) - 2 storage tank farms (2021 - 2) and 4 waste sites - (2021 - 4), identified as requiring environmental remediation. For those sites where the Government of Nunavut expects to give up future economic benefits due to a legal order or plans to remediate contamination (e.g., due to the risk to human health), and is responsible or has accepted responsibility for remediation, and a reasonable estimate can be determined for remediation costs, a liability has been recorded in these financial statements. Where remediation costs have been estimated and a liability has been recorded the methodology used to estimate the liability is either based on third party analyses or extrapolated from costs previously incurred to remediate, monitor, or manage sites of similar size and contamination.

The Government has identified an additional 73 (2021 - 73) sites on Commissioner's land for which liabilities for contamination may exist for assessment, remediation and monitoring. The activities associated with these sites are classified as follows:

	2022	2021
Storage tank farms	25	25
Power plants	29	29
Town and waste sites	11	11
Garages and other public works	5	5
Airports	2	2
Quarries	1	1
	73	73

The Government acquired ownership of sites and activities associated with airports, tank farms and power plants on creation of the Territory on April 1, 1999. The contamination of certain sites occurred when other parties were responsible for the use of and/or held tenure to the sites. The Government has estimated that remediation of contamination at 14 storage tank farm sites and 29 power plant sites (2021 - 14 and 29) would cost approximately \$9,700 and \$39,000 (2021 - \$9,700 and \$39,000), respectively. In addition, the Government has estimated that remediation at the other sites could cost between \$63,000 - \$134,000 (2021 - \$65,000 - \$136,000) depending on the approach taken. No liability for remediation of these 73 (2021 - 73) sites has been recognized in these financial statements as the Government does not expect to give up any future economic benefits (i.e. no legal requirement to remediate). Going forward, a liability for remediation of these or other identified sites will be recognized only when future economic benefits are expected to be given up (i.e. public health risk or legal requirement).

Most storage tank farms and power plants are monitored on a regular basis to ensure the containment of the identified contaminants. For the other Government of Nunavut's operations and/or sites, there is no ongoing monitoring program in place, but plans for one are to be developed in the future.

In addition, the Government has identified 144 (2021 - 144) sites where garages, public works facilities, quarries, sewage disposal/treatment and solid waste sites and activities are generally located and conducted within municipal boundaries and governed by municipal legislation. Contamination at these sites and activities within municipal boundaries and jurisdiction are the responsibility of municipalities to monitor and remediate if necessary.

12 LIABILITIES FOR PENSION AND OTHER EMPLOYEE BENEFITS

There are separate pension arrangements in place to provide retirement benefits to government employees and to Members of the Legislative Assembly (MLAs). In addition to pension benefits, the government provides severance, removal and sick leave benefits to employees as well as retirement health benefits. These non-pension benefit arrangements are not prefunded and thus have no assets set aside to fund them, resulting in deficiencies for the arrangements equal to the accrued benefit liabilities, which are estimated actuarially using information and assumptions approved by management. As of March 31, the liabilities for pensions and other employee benefit arrangements were as follows:

	2022	2021
Pension Benefits		
Pension plans for MLAs	23,295	20,335
Total pension benefits	23,295	20,335
Other Employee Benefits		
Severance and removal	21,687	27,363
Retirement health benefits	55,073	38,419
Sick leave	10,146	11,177
Total other employee benefits	86,906	76,959
Total pension and other employee benefits	110,201	97,294

Public Service Pension Plan

Substantially all of the employees of the Government of Nunavut are covered by the public service pension plan (the "Plan"), a defined benefit plan established through legislation and sponsored by the Government of Canada. The Government of Canada holds a statutory obligation for the payment of benefits relating to the Plan. Pension benefits generally accrue up to a maximum period of 35 years at an annual rate of 2 percent of pensionable service times the average of the best five consecutive years of earnings. The benefits are coordinated with Canada/Québec Pension Plan benefits and they are indexed to inflation. Contributions are required by both the employees and the Government of Nunavut. The President of the Treasury Board of Canada sets the required employer contributions based on a multiple of the employees' required contribution. The contribution rate effective at March 31, 2022 was 1.02 times (2021 - 1.01 times) for members enrolled before January 1, 2013, and 1.0 times (2021 - 1.0 times) for members enrolled beginning January 1, 2013. Total employer contributions of \$33,789 (2021 - \$34,237) were recognized as expense in the current year. Total employee contributions were \$33,690 (2021 - \$34,157).

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12 LIABILITIES FOR PENSION AND OTHER EMPLOYEE BENEFITS (continued)

Pension Plans for MLAs

The Government sponsors two defined benefit pension plans for Members of the Legislative Assembly (MLAs). Both plans are administered by the Management and Services Board of the Legislative Assembly. The plans provide pensions based on length of service and final average earnings. They provide inflation protection based on increases in the Consumer Price Index.

The first plan is the Legislative Assembly Retiring Allowances Fund (LARAF), a registered and contributory defined benefit pension plan established under the *Legislative Assembly Retiring Allowances Act*. The Office of the Legislative Assembly operates a separate pension fund in trust to administer LARAF contributions and allowances. The fund came into effect on April 1, 1999.

The second plan is the Supplementary Retiring Allowances Fund (SRAF), a voluntary non-registered, non-contributory defined benefit pension plan established under the *Supplementary Retiring Allowances Act* for MLAs who elect to participate. Payments and expenses related to the SRAF are paid from the Government's Consolidated Revenue Fund. This plan came into effect during the 2001-02 fiscal year, and provides for benefits retroactive to April 1, 1999.

Retirement benefits are payable to a MLA based on a percentage of the average best earnings over four consecutive years as a MLA and as a Minister, Speaker or Chairperson (if applicable) multiplied by credited service as a MLA and for each of the three positions (if applicable). A position must be held for at least one year, and the pension for each position is calculated separately. The percentages used to calculate retirement benefits are 2% for the LARAF and 3% for the SRAF.

The normal retirement age under both of these plans is the earliest of: (a) age 60; (b) 30 years of service; or (c) age plus service equals 80. A MLA may retire at any time upon ceasing to be a MLA. Early retirement results in a pension reduction of 0.25% for each month a MLA retires before the normal retirement age. The late retirement age for MLAs is up to age 69.

There have been no plan amendments, plan settlements and curtailments or temporary deviations from these plans in 2022 (no changes in 2021).

Actuarial valuations were completed for these plans as of April 1, 2018. The valuations were performed using the projected unit credit actuarial cost method. The valuations were based on a number of assumptions as approved by the Management and Services Board of the Legislative Assembly and represents the best estimates of expected long-term experience and short-term forecast, as well as the demographic assumptions underlying the most recent actuarial valuations for funding purposes. The main assumptions include inflation rate of 2.0% (2021 - 2.0%), discount rate of 4.0% (2021 - 3.25%), return on assets of 4.3% (2021 - 4.7%), increases in remuneration of 3.0% (2021 - 3.0%), and mortality.

The asset valuation method, market-related value, for the LARAF plan is equal to a smoothed market value which spreads the difference between the actual and expected investment income over a four year period.

The pension liabilities represent the excess of the actuarial present value of accrued pension benefits over the actuarial value of net assets available for benefits.

Based on information provided for the year by the plans' actuary, the MLA pension liabilities as of March 31 are as follows:

	LARAF	SRAF	2022	2021
Accrued benefit obligation	14,071	22,829	36,900	39,255
Deduct:				
Pension fund assets	16,776	-	16,776	16,514
Unamortized actuarial (gain) / loss	(1,604)	(1,567)	(3,171)	2,407
	15,172	(1,567)	13,605	18,921
Pension (asset) liability	(1,101)	24,396	23,295	20,334

As at March 31, 2022, the LARAF pension fund assets had a market value of \$17,758 (2021 - \$17,903). The actual rate of return was positive 3.71% (2021 - positive 31.24%). The SRAF has no pension fund assets; however, the pension liability is funded all or in part by designated investments (Note 8).

LARAF and SRAF actuarial gains/losses are both amortized over 3 years (2021 - 4 years for both) which is the estimated average remaining service lives for contributors to these plans.

The total expenses related to MLA pensions include the following components:

	LARAF	SRAF	2022	2021
Current period benefit cost	1,512	2,366	3,878	3,402
Amortization of actuarial loss / (gain)	225	377	602	(61)
	1,737	2,743	4,480	3,341
MLAs contributions	(319)	-	(319)	(274)
Pension expense	1,418	2,743	4,161	3,067
Interest cost on the average accrued benefit obligation	535	819	1,354	1,343
Expected return on average pension plan assets	(707)	-	(707)	(735)
Pension interest expense	(172)	819	647	608
Total pension expenses	1,246	3,562	4,808	3,675

Pension benefits paid for the LARAF and SRAF were \$2,194 and \$1,005, respectively (2021 - \$738 and \$925, respectively).

The Government's contributions related to the LARAF and SRAF during the year were \$850 and \$1,769, respectively (2021 - \$766 and \$1,638, respectively).

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12 LIABILITIES FOR PENSION AND OTHER EMPLOYEE BENEFITS (continued)

The changes in the other employee benefits liabilities during the year were as follows:

	Severance and removal	Sick leave	Retirement health benefits	2022	2021
Accrued benefit obligations at beginning of the year	26,748	11,178	75,150	113,076	83,764
Benefits earned	2,167	1,072	2,068	5,307	5,243
Interest cost on the average accrued benefit	577	236	2,525	3,338	2,783
Benefits paid	(2,939)	(2,060)	(1,402)	(6,401)	(4,928)
Subtotal	26,553	10,426	78,341	115,320	86,862
Actuarial (gain) / loss	(8,749)	(4,397)	(25,578)	(38,724)	26,214
Accrued benefit obligations at end of the year	17,804	6,029	52,763	76,596	113,076
Unamortized net actuarial gain / (loss)	3,883	4,117	2,310	10,310	(36,117)
Other employee benefits liabilities at end of the year	21,687	10,146	55,073	86,906	76,959

	Severance and removal	Sick leave	Retirement health benefits	2022	2021
Benefit earned for the period	2,167	1,072	2,068	5,307	5,243
Actuarial (gain) loss on benefit obligation	(8,749)	(4,397)	(25,578)	(38,724)	24,148
Amortization of net actuarial gain / (loss) recognized during the year	1,136	61	13,463	14,660	(19,418)
Other employee benefits expense	(5,446)	(3,264)	(10,047)	(18,757)	9,973
Interest cost on the average accrued benefit	577	236	2,525	3,338	2,782
Total expense related to other employee benefits	(4,869)	(3,028)	(7,522)	(15,419)	12,755

13 LIABILITY FOR IQALUIT INTERNATIONAL AIRPORT

In September 2013, the Government signed agreements as part of a public-private partnership (P3) arrangement to design, build, finance, operate and maintain new and updated infrastructure at the Iqaluit International Airport. The airport officially opened and began operations on August 9, 2017. The estimated cost of the project was \$305,376. The actual cost incurred by the private partnership was \$298,430. The capital costs of the arrangement was partially funded by the Government of Canada. The Government of Nunavut received \$74,160 from the Government of Canada during 2017-18.

	2022	2021
Loan payable in monthly instalments of \$1,069 to December 2047, bearing interest at a rate of 7.23%.	149,743	151,672

Interest expense on long term debt relating to the Iqaluit International Airport was \$10,900 for the year (2021 - \$11,035). The interest paid during the year was \$10,900 (2021 - \$11,035).

Principal and interest amounts due in each of the next five fiscal years and thereafter on the liability are as follows:

	Principal	Interest	Total
2023	2,074	10,756	12,830
2024	2,229	10,601	12,830
2025	2,395	10,435	12,830
2026	2,574	10,256	12,830
2027	2,766	10,063	12,829
2028 and beyond	137,705	128,513	266,218
	149,743	180,624	330,367

14 CAPITAL LEASE OBLIGATIONS

Capital lease obligations are based upon contractual minimum lease payments for leases in effect as of March 31. The original capital leases, with terms of 20 years, expired between 2019 and 2020. On July 1, 2017, the Government entered into lease amending and extension agreements with the lessor that extended the original terms by another 10 years.

	2022	2021
Total minimum lease payments	51,905	59,498
Less: Imputed interest	(4,409)	(5,732)
Present value of minimum lease payments	47,496	53,766

Minimum lease payments, including principal and interest, for each of the next five years and thereafter are as follows:

	Principal	Interest	Total
2023	6,459	1,134	7,593
2024	6,099	954	7,053
2025	6,266	788	7,054
2026	6,438	615	7,053
2027	6,495	437	6,932
2028 and beyond	15,739	481	16,220
	47,496	4,409	51,905

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14 CAPITAL LEASE OBLIGATIONS (continued)

Lease payments are allocated between repayment of the liability and interest expense. The total minimum lease payments less the initial liability represents the total interest cost of the lease. The interest expense is calculated using the same discount rate used in computing the present value of the minimum lease payments applied to the outstanding lease liability at the beginning of the lease payment period.

Interest expense related to capital lease obligations for the year was \$1,324 (2021 - \$1,506) at an implied average interest rate of 2.6% (2021 - 2.6%). Interest paid for the year was \$1,324 (2021 - \$1,506). The capital lease obligations expire between 2023 and 2030.

15 LIABILITY FOR NUNAVUT ENERGY MANAGEMENT PROGRAM PROJECT

	2022	2021
Project financing payable - Baffin	538	1,618
Project financing payable - Kivalliq	16,443	13,184
	<u>16,981</u>	<u>14,802</u>

Under the Nunavut Energy Management Program Project - Baffin region, the Government has entered into an energy savings contract arrangement that included an ongoing responsibility for making all principal and interest payments associated with the third-party financing of costs of improvements under the project. Payments are due monthly at \$139 to 2019, \$95 to 2022 and \$21 to July 2023 at an average interest rate of 5.13% (2021 - 5.13%). Interest expense on the project for the year was \$62 (2021 - \$123). Interest paid during the year was \$62 (2021 - \$123).

Future payments for the Nunavut Energy Management Program Baffin Project, for each of the next two years are as follows:

	Principal	Interest	Total
2023	402	13	415
2024	136	1	137
	<u>538</u>	<u>14</u>	<u>552</u>

Under the Nunavut Energy Management Program Project - Kivalliq region, the Government has entered into a contract for \$24,258 that includes all principal and interest payments associated with the third-party financing of costs of improvements under the project. The project is expected to be completed by November 2022, at which time payments will be due monthly at \$254 until July 2030, at an average interest rate of 6.3% (2021 - 9.4%). Interest expense on the project for the year was \$452 (2021 - \$346). Interest paid during the year was \$nil (2021 - nil).

16 PETROLEUM PRODUCTS STABILIZATION FUND

The Petroleum Products Stabilization Fund was created under the authority of the *Revolving Funds Act*. The purpose of the Fund is to stabilize the prices of petroleum products purchased, sold, and distributed by the Government. The net profit (loss) of the Petroleum Products Revolving Fund is charged to the Petroleum Products Stabilization Fund. The surplus or deficit balance in the fund cannot exceed \$20,000.

	2022	2021
Surplus (deficit), beginning of year	(13,164)	(5,107)
Petroleum Products Revolving Fund net profit (loss) for the year	7,251	(8,057)
Minimum transfer required from (to) Consolidated Revenue Fund		
Surplus (deficit), end of year	<u>(5,913)</u>	<u>(13,164)</u>

17 CONTRACTUAL OBLIGATIONS

The Government has entered into agreements for, or is contractually obligated for, the following payments subsequent to March 31, 2022:

	Total
Operating leases (Schedule 5)	49,157
Capital commitments	128,814
Operational commitments	264,207
Policing agreement	479,080
Iqaluit International Airport Improvement commitments	630,662
	<u>1,551,920</u>

Contractual obligations by fiscal year are as follows:

2023	319,477
2024	170,592
2025	90,991
2026	80,128
2027	77,879
2028 and beyond	812,853
	<u>1,551,920</u>

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18 CONTRACTUAL RIGHTS

The Government enters into various agreements to provide goods and services with various businesses and government agencies. These agreements will result in revenue and assets in the future. The following table summarizes the contractual rights of the Government where the terms of those agreements are met.

	Total
Canada Infrastructure Plan	549,214
Health Canada Agreements	300,676
New Building Canada Fund	153,142
Others / Third party agreements	142,599
	1,145,631
Contractual rights by fiscal year are as follows:	
2023	289,763
2024	283,893
2025	266,185
2026	175,051
2027	91,203
2028 and beyond	39,536
	1,145,631

19 CONTINGENCIES

(a) Post-division adjustments

The agreement governing the division of assets and liabilities between the Government of Nunavut and the Government of the Northwest Territories as at April 1, 1999 sets out a mechanism which provides for post-division adjustments.

The period for such adjustments is unlimited; and such adjustments could be made in a variety of specified circumstances such as the settlement of litigation related to events prior to the date of division. In such an event, there is an opportunity for one of the governments to file a claim against the other government to share in costs. Post-division adjustments will be recognized in the year the liability can reasonably be estimated. As at March 31, 2022, no new post-division adjustments were recorded.

(b) Litigation

A number of cases of alleged sexual abuse by former employees or contractors in Nunavut when it was part of the Northwest Territories have been filed or are pending. The Nunavut and the Northwest Territories governments will jointly defend any such proceedings and the cost of defending the actions and any damages that may eventually be awarded will be shared by the two governments 44.34% and 55.66%, respectively. Where it is likely that there will be a future payment and a reasonable estimate of the amount can be made, the Government has recorded a liability. For those pending cases, where the outcome is not determinable as at March 31 and a reasonable estimate of the amount can be made, the total amount of those claims is estimated at \$11,270 (2021 - \$11,270). No liability has been recorded for these claims as the outcome of these cases is not determinable.

There are a number of claims and threatened litigation cases outstanding against the Government for which the outcomes are not determinable, including a number of cases where an amount is not specified. The nature of these claims include wrongful dismissal, breach of policy, personal injury, sexual abuse, negligence, wrongful arrest and assault. Where it is likely that there will be a future payment and a reasonable estimate of the amount can be made, the Government has recorded a liability. For those pending cases, where the outcome is not determinable as at March 31 and a reasonable estimate of the amount can be made, the total amount of those claims is estimated at \$146,775 (2021 - \$105,671). No liability has been recorded for these claims as the outcome of these cases is not determinable.

(c) Loan guarantees

As part of its financing, the Qulliq Energy Corporation (QEC) has arranged various credit facilities at different terms and interest rates. The Government has guaranteed the following QEC credit facilities:

	2022	2021
Bank credit facility, interest at prime minus 0.50%	7,570	12,685
20 year redeemable amortizing debenture due September 2021, interest rate of 6.809%	-	17,502
Fixed rate capital loan facility due May 2021, interest rate of 4.24%	-	74
Fixed rate capital loan facility due May 2021, interest rate of 4.24%	-	106
Fixed rate capital loan facility due June 2021, interest rate of 4.24%	-	188
Fixed rate capital loan facility due February 2022, interest rate of 4.24%	-	3,092
Fixed rate capital loan facility due July 2021, interest rate of 4.24%	-	515
Variable rate capital loan facility due November 2022, interest at prime minus 0.50%	10,667	11,667
Variable rate capital loan facility due April 2024, interest at prime minus 0.50%	9,667	10,467
Variable rate capital loan facility due April 2032, interest at prime minus 0.50%	170,055	145,739
Total guarantees provided on balances outstanding	197,959	202,035

The QEC bank credit facility limit is \$20,000 (2021 - \$30,000). The non-revolving committed and bridge loan facilities above each has an option to utilize BAs with stamping fees calculated at 50 bps per annum with terms not less than 7 days and not more than 365 days and issued and reissued in minimum aggregate amounts of Canadian \$1,000 and multiples thereof.

Based on its operational needs, the Nunavut Development Corporation (NDC) may from time to time be in a bank overdraft position. The overdraft is guaranteed by the Government, and interest on the overdraft is charged based on a rate of prime plus 0.50% per annum. Interest is charged only when NDC's operating account is in an overdraft position and the pooled accounts of the Government are also in an overdraft position. As at March 31, 2022, NDC's bank overdraft position was \$nil (2021 - nil).

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20 RELATED PARTIES

Transactions with related parties and balances at year-end, not disclosed elsewhere in the financial statements, are disclosed in this note. During the year, the Government made grants and contributions to or funded other costs for the following related parties:

	2022	2021
Nunavut Arctic College	2,359	2,981
District Education Authorities	14,195	14,069
Nunavut Development Corporation	3,537	3,615
Nunavut Business Credit Corporation	900	900
	20,991	21,565

Under agreements with related boards and agencies, the Government provides services at cost or for a service fee where direct costs cannot be determined. The fees charged for indirect costs are not necessarily the cost of providing those services. Services provided include personnel, payroll, financial, procurement, accommodation, buildings and works, utilities, legal, and interpretation services. Direct costs of \$48,273 (2021 - \$48,561) were incurred and recovered from related parties. Grants and contributions from the Government of Nunavut to Nunavut Arctic College and Nunavut Housing Corporation are disclosed separately in the Schedule of Expenses Funded under Approved Appropriations (Schedule B.1).

21 TRUSTS UNDER ADMINISTRATION

The Government administers trust accounts on behalf of third parties, which are not included in the reported Government assets and liabilities.

	2022	2021
Public Trustee	7,462	7,402
Natural Resources Conservation Trust	1,465	1,326
Territorial Court Trust	596	611
	9,523	9,339

22 BUDGET ADJUSTMENTS

The 2022 total revenue budget on page xi of the 2021-2022 Main Estimates is \$2,387,350. It includes \$2,152,545 of 'Revenues' and \$153,253 of 'Vote 5 Revenues' on page A-IV-4 of the 2021-2022 Main Estimates, plus \$81,552 of funding under third-party agreements for specific capital projects included on page A-IV-16 of the 2021-2022 Capital Estimates. The planned expenses to be funded by these additional revenues have been added to the affected budget totals disclosed in these statements.

The 2022 budget total for capital expenditures on Schedule B.2 of \$47,438 excludes the \$4,290 of CMHC capital projects and \$29,824 of Social Infrastructure Fund & Investment in Affordable Housing capital projects that were both budgeted for Nunavut Housing Corporation, as well as an unknown difference of \$4,795. As a result, the budget totals for expenses and transfers under third-party funding agreements included in these statements is \$200,691 versus \$239,600 on page x of the 2021-2022 Main Estimates. The third party funded Infrastructure Projects under the New Building Canada Fund are included in Community and Government Services.

23 COVID-19

In March 2020, the World Health Organization declared the outbreak of a novel coronavirus (COVID-19) as a global pandemic, which continues to spread in Canada and around the world.

The Government of Nunavut supported their employees by closing government offices to non-essential staff and clients; customers by waiving payment terms and suspending collections; small businesses by instituting the Nunavut Essential Workers Wage Premium and Nunavummiut by operating isolation sites and vaccination clinics.

During the year ended March 31, 2022, the Government received an amount of \$17,600 (2021 - \$183,860) from the Government of Canada to support it during the pandemic. In response to COVID-19, the Government of Canada also supplied the Territory with equipment, supplies, and vaccines at no cost. These are recorded at fair value when such value can reasonably be determined. The equipment and supplies received were accounted for based on an estimated fair value of \$5,494 (2021 - \$4,756). No amounts have been recorded for the COVID-19 vaccines provided by the Government of Canada as the fair value of these vaccines cannot be reasonably determined.

24 COMPARATIVE INFORMATION

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

PUBLIC ACCOUNTS

Non-Consolidated Schedule of Revenues by Source (unaudited)

for the year ended March 31, 2022

(in thousands of dollars)

	2022 Budget	2022 Actual	2021 Actual
From the Government of Canada			
Territorial Formula Financing	1,782,100	1,782,111	1,712,512
Transfers under third-party funding agreements	198,420	361,313	350,578
Other transfer payments	110,600	135,185	113,220
	2,091,120	2,278,609	2,176,310
Revenues generated by the Government of Nunavut			
Taxation revenues			
Personal income tax	32,200	41,253	22,341
Corporate income tax	23,000	13,230	21,767
Payroll tax	36,300	39,340	35,683
Tobacco tax	27,200	24,617	25,173
Fuel tax	24,600	18,947	17,702
Property tax	11,600	12,063	11,319
Insurance tax	2,700	2,904	2,536
	157,600	152,354	136,521
Other revenues			
Petroleum Products Division revenue - net of cost of goods sold of \$145,173 (2021 - \$153,840)	22,950	31,862	23,436
Nunavut Liquor and Cannabis revenue - net of cost of goods sold of \$7,435 (2021 - \$8,030)	11,700	10,090	8,914
Staff housing recoveries	21,800	20,302	21,333
Transfers under third-party funding agreements	2,271	1,423	1,415
Insurance proceeds		4,420	-
Other	30,000	29,012	27,404
	88,721	97,109	82,502
Recoveries of prior years expenditures (Schedule 1)	11,000	16,769	12,720
Total revenues (Note 22)	2,348,441	2,544,841	2,408,053

**GOVERNMENT OF NUNAVUT
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Schedule B

**Non-Consolidated Schedule of Expenses (unaudited)
for the year ended March 31, 2022
(in thousands of dollars)**

TOTALS	Original Budget	Actual	(Over) Under Original Budget
FUNDED UNDER APPROVED APPROPRIATIONS (Schedule B.1)			
Operations and maintenance expenses before amortization	1,848,369	1,821,143	27,226
Plus: Amortization expenses on tangible capital assets	86,009	85,204	805
Plus: Write-down of tangible capital assets	-	-	-
Total operations and maintenance expenses	1,934,378	1,906,347	28,031
Capital expenditures	164,001	140,291	23,710
Less: Transfers to tangible capital assets	52,903	43,033	9,870
Total capital expenses	111,098	97,258	13,840
Total appropriation expenses	2,045,476	2,003,605	41,871
FUNDED UNDER THIRD-PARTY AGREEMENTS (Schedule B.2)			
Operations and maintenance expenses before amortization	153,253	306,472	(153,219)
Plus: Amortization expenses on tangible capital assets	-	-	-
Total operations and maintenance expenses	153,253	306,472	(153,219)
Capital expenditures	47,438	51,327	(3,889)
Less: Transfers to tangible capital assets	-	39,698	(39,698)
Total capital expenses	47,438	11,629	35,809
Total third-party agreement expenses	200,691	318,101	(117,410)
FUNDED BY REVOLVING FUNDS (Schedule B.3)			
Operations and maintenance expenses before amortization	40,608	40,175	433
Plus: Amortization expenses on tangible capital assets	-	-	-
Total operations and maintenance expenses	40,608	40,175	433
Capital expenditures	949	-	949
Less: Transfers to tangible capital assets	-	-	-
Total capital expenses	949	-	949
Total revolving fund expenses	41,557	40,175	1,382
NON-CONSOLIDATED STATEMENTS TOTALS			
Operations and maintenance expenses before amortization and write down of tangible capital assets	2,042,230	2,167,790	
Plus: Centrally estimated 'Supplementary requirements' per page x of 2021-2022 Main Estimates	75,000	-	
Less: Capital portion of the estimated 'Supplementary requirements'	-	-	
Total operations and maintenance expenses before amortization and write down of tangible capital assets	2,117,230	2,167,790	(50,560)
Plus: Amortization expenses on tangible capital assets	86,009	85,204	805
Plus: Write-down of tangible capital assets	-	-	-
Total operations and maintenance expenses	2,203,239	2,252,994	(49,755)
Capital expenditures	212,388	191,618	
Plus: Centrally estimated capital carryovers from prior year included in 'Capital' on page x of 2021-2022 Main Estimates	-	-	
Plus: Capital portion of the estimated 'Supplementary requirements'	-	-	
Total capital expenditures	212,388	191,618	20,770
Less: Transfers to tangible capital assets	52,903	82,731	(29,828)
Total capital expenses	159,485	108,887	50,598
Total expenses	2,362,724	2,361,881	843

Total expenses above includes, among other items, interest expense of \$12,780 (2021 - \$13,030) and a net increase in valuation allowances of \$2,027 (2021 - \$830).

Total capital expenditures above includes capital grants and contributions of \$75,462 (2021 - \$117,774).

PUBLIC ACCOUNTS

Non-Consolidated Schedule of Expenses Funded under Approved Appropriations (unaudited)

for the year ended March 31, 2022

(in thousands of dollars)

APPROPRIATIONS	Original Budget	Supplementary Appropriations	Transfers	Revised Budget	Actual	(Over) Under Revised Budget
LEGISLATIVE ASSEMBLY						
Operations and maintenance						
Compensation and benefits	14,818	-	-	14,818	13,109	1,709
Grants and contributions	-	-	-	-	-	-
Other	13,952	-	-	13,952	13,348	604
	28,770	-	-	28,770	26,457	2,313
Capital expenditures	250	70	-	320	300	20
Total spending under appropriations	29,020	70	-	29,090	26,757	2,333
EXECUTIVE AND INTERGOVERNMENTAL AFFAIRS						
Operations and maintenance						
Compensation and benefits	16,235	-	(2,760)	13,475	14,972	(1,497)
Grants and contributions	235	32,279	2,604	35,118	30,578	4,540
Other	4,860	-	156	5,016	5,203	(187)
	21,330	32,279	-	53,609	50,753	2,856
Capital expenditures	-	41	-	41	-	41
Total spending under appropriations	21,330	32,320	-	53,650	50,753	2,897
FINANCE						
Operations and maintenance						
Compensation and benefits	44,435	-	-	44,435	48,548	(4,113)
Grants and contributions	18,162	-	-	18,162	15,386	2,776
Other	40,356	-	-	40,356	29,207	11,149
	102,953	-	-	102,953	93,141	9,812
Capital expenditures	2,500	3,564	-	6,064	1,663	4,401
Total spending under appropriations	105,453	3,564	-	109,017	94,804	14,213
HUMAN RESOURCES						
Operations and maintenance						
Compensation and benefits	19,042	-	-	19,042	10,686	8,356
Grants and contributions	-	-	-	-	-	-
Other	9,176	-	-	9,176	6,289	2,887
	28,218	-	-	28,218	16,975	11,243
Capital expenditures	-	-	-	-	-	-
Total spending under appropriations	28,218	-	-	28,218	16,975	11,243
JUSTICE						
Operations and maintenance						
Compensation and benefits	52,668	-	(28)	52,640	54,824	(2,184)
Grants and contributions	13,378	-	-	13,378	12,724	654
Other	68,427	11,000	28	79,455	71,249	8,206
	134,473	11,000	-	145,473	138,797	6,676
Capital expenditures	11,351	1,799	-	13,150	9,601	3,549
Total spending under appropriations	145,824	12,799	-	158,623	148,398	10,225

PUBLIC ACCOUNTS

Non-Consolidated Schedule of Expenses Funded under Approved Appropriations (unaudited)

for the year ended March 31, 2022

(in thousands of dollars)

APPROPRIATIONS	Original Budget	Supplementary Appropriations	Transfers	Revised Budget	Actual	(Over) Under Revised Budget
CULTURE AND HERITAGE						
Operations and maintenance						
Compensation and benefits	12,707	-	(748)	11,959	10,028	1,931
Grants and contributions	7,227	-	675	7,902	5,595	2,307
Other	6,930	-	73	7,003	5,409	1,594
	26,864	-	-	26,864	21,032	5,832
Capital expenditures	500	450	-	950	500	450
Total spending under appropriations	27,364	450	-	27,814	21,532	6,282
EDUCATION						
Operations and maintenance						
Compensation and benefits	180,779	-	-	180,779	174,179	6,600
Grants and contributions	37,590	-	-	37,590	32,572	5,018
Other	25,225	-	-	25,225	19,472	5,753
	243,594	-	-	243,594	226,223	17,371
Capital expenditures	35,180	13,801	-	48,981	11,121	37,860
Total spending under appropriations	278,774	13,801	-	292,575	237,344	55,231
HEALTH						
Operations and maintenance						
Compensation and benefits	156,978	-	-	156,978	157,752	(774)
Grants and contributions	11,898	-	-	11,898	7,192	4,706
Other	302,241	17,110	-	319,351	308,563	10,788
	471,117	17,110	-	488,227	473,507	14,720
Capital expenditures	24,550	20,145	-	44,695	17,547	27,148
Total spending under appropriations	495,667	37,255	-	532,922	491,054	41,868
ENVIRONMENT						
Operations and maintenance						
Compensation and benefits	15,176	-	(431)	14,745	15,060	(315)
Grants and contributions	1,389	-	735	2,124	1,920	204
Other	8,144	-	(304)	7,840	4,308	3,532
	24,709	-	-	24,709	21,288	3,421
Capital expenditures	2,250	2,289	-	4,539	1,313	3,226
Total spending under appropriations	26,959	2,289	-	29,248	22,601	6,647
COMMUNITY AND GOVERNMENT SERVICES						
Operations and maintenance						
Compensation and benefits	53,380	-	(900)	52,480	51,180	1,300
Grants and contributions	74,948	-	711	75,659	72,681	2,978
Other	137,463	-	189	137,652	141,850	(4,198)
	265,791	-	-	265,791	265,711	80
Capital expenditures	26,486	98,379	-	124,865	39,097	85,768
Total spending under appropriations	292,277	98,379	-	390,656	304,808	85,848
ECONOMIC DEVELOPMENT AND TRANSPORTATION						
Operations and maintenance						
Compensation and benefits	20,015	-	(3,600)	16,415	18,036	(1,621)
Grants and contributions	23,767	-	-	23,767	20,220	3,547
Other	48,014	-	3,600	51,614	49,587	2,027
	91,796	-	-	91,796	87,843	3,953
Capital expenditures	11,449	19,213	-	30,662	9,454	21,208
Total spending under appropriations	103,245	19,213	-	122,458	97,297	25,161

**GOVERNMENT OF NUNAVUT
PUBLIC ACCOUNTS**

Schedule B.1

**Non-Consolidated Schedule of Expenses Funded under Approved Appropriations (unaudited)
for the year ended March 31, 2022**

(in thousands of dollars)

APPROPRIATIONS	Original Budget	Supplementary Appropriations	Transfers	Revised Budget	Actual	(Over) Under Revised Budget
FAMILY SERVICES						
Operations and maintenance						
Compensation and benefits	30,749	-	-	30,749	32,725	(1,976)
Grants and contributions	72,521	-	(6,000)	66,521	55,456	11,065
Other	57,876	-	6,000	63,876	63,404	472
	161,146	-	-	161,146	151,585	9,561
Capital expenditures	1,000	2,444	-	3,444	1,210	2,234
Total spending under appropriations	162,146	2,444	-	164,590	152,795	11,795
NUNAVUT HOUSING CORPORATION						
Operations and maintenance						
Compensation and benefits	-	-	-	-	-	-
Grants and contributions	219,125	-	-	219,125	219,125	-
Other	-	-	-	-	-	-
	219,125	-	-	219,125	219,125	-
Capital expenditures	48,485	-	-	48,485	48,485	-
Total spending under appropriations	267,610	-	-	267,610	267,610	-
NUNAVUT ARCTIC COLLEGE						
Operations and maintenance						
Compensation and benefits	-	-	-	-	-	-
Grants and contributions	37,984	-	-	37,984	37,984	-
Other	-	-	-	-	-	-
	37,984	-	-	37,984	37,984	-
Capital expenditures	-	-	-	-	-	-
Total spending under appropriations	37,984	-	-	37,984	37,984	-
TOTALS						
Operations and maintenance						
Compensation and benefits	616,982	-	(8,467)	608,515	601,099	7,416
Grants and contributions	518,224	32,279	(1,275)	549,228	511,433	37,795
Other	722,664	28,110	9,742	760,516	717,889	42,627
	1,857,870	60,389	-	1,918,259	1,830,421	87,838
Less: Principal repayments on capital leases included in spending above	6,493	-	-	6,493	6,270	223
Less: Principal repayments on Nunavut Energy Management Program Project included in spending above	1,079	-	-	1,079	1,079	-
Less: Principal repayments on the Iqaluit International Airport included in spending above	1,929	-	-	1,929	1,929	-
Operations and maintenance expenses before amortization and write down of tangible capital assets	1,848,369	60,389	-	1,908,758	1,821,143	87,615
Plus: Amortization expenses on tangible capital assets	86,009	-	-	86,009	85,204	805
Plus: Write-down of tangible capital assets	-	-	-	-	-	-
Total operations and maintenance expenses	1,934,378	60,389	-	1,994,767	1,906,347	88,420
Capital expenditures	164,001	162,195	-	326,196	140,291	185,905
Less: Transfers to tangible capital assets	52,903	-	-	52,903	43,033	9,870
Total capital expenses	111,098	162,195	-	273,293	97,258	176,035
Total appropriation expenses	2,045,476	222,584	-	2,268,060	2,003,605	264,455

Total capital expenditures above includes capital grants and contributions of \$63,833 (2021 - \$102,152).

**GOVERNMENT OF NUNAVUT
PUBLIC ACCOUNTS**

Schedule B.2

Non-Consolidated Schedule of Expenses Funded under Third-Party Agreements (unaudited)

for the year ended March 31, 2022

(in thousands of dollars)

By Department	Original Budget	Actual	(Over) Under Original Budget
Legislative Assembly	-	-	-
Executive and Intergovernmental Affairs	5,754	27,597	(21,843)
Finance	800	26,332	(25,532)
Human Resources	5,000	6,197	(1,197)
Justice	4,690	2,353	2,337
Culture and Heritage	9,633	8,201	1,432
Education	15,111	11,137	3,974
Health	102,143	166,823	(64,680)
Environment	4,984	5,151	(167)
Community and Government Services	19,976	48,157	(28,181)
Economic Development and Transportation	25,209	5,490	19,719
Family Services	7,391	10,663	(3,272)
	200,691	318,101	(117,410)

By Category	Original Budget	Actual	(Over) Under Original Budget
Operations and maintenance			
Compensation and benefits	23,894	27,000	(3,106)
Grants and contributions	16,837	65,341	(48,504)
Other	112,522	214,131	(101,609)
Operations and maintenance expenses before amortization	153,253	306,472	(153,219)
Plus: Amortization expenses on tangible capital assets	-	-	-
Total operations and maintenance expenses	153,253	306,472	(153,219)
Capital expenditures	47,438	51,327	(3,889)
Less: Transfers to tangible capital assets	-	39,698	(39,698)
Total capital expenses	47,438	11,629	35,809
Total third-party agreement expenses	200,691	318,101	(117,410)

Total capital expenditures above includes capital grants and contributions of \$11,629 (2021 - \$15,622).

PUBLIC ACCOUNTS

Non-Consolidated Schedule of Expenses Funded by Revolving Funds (unaudited)

for the year ended March 31, 2022

(in thousands of dollars)

By Revolving Fund	Original Budget	Actual	(Over) Under Original Budget
Liquor	8,503	7,130	1,373
Petroleum Products	30,828	30,254	574
Public Stores	2,000	2,546	(546)
Student Loan	226	245	(19)
	41,557	40,175	1,382

By Category	Original Budget	Actual	(Over) Under Original Budget
Operations and maintenance			
Compensation and benefits	8,513	8,144	369
Grants and contributions	100	-	100
Other expenses	31,995	32,031	(36)
Operations and maintenance expenses before amortization	40,608	40,175	433
<i>Plus: Amortization expenses on tangible capital assets (1)</i>	-	-	-
Total operations and maintenance expenses	40,608	40,175	433
Capital expenditures	949	-	949
<i>Less: Transfers to tangible capital assets</i>	-	-	-
Total capital expenses	949	-	949
Total revolving fund expenses	41,557	40,175	1,382

(1) Petroleum Products amortization of \$1,241 (2021 - \$1,277) is included in the budget and actuals totals for Department of Community and Government Services on Sch. B.1.

GOVERNMENT OF NUNAVUT
Schedule C
PUBLIC ACCOUNTS
Non-Consolidated Schedule of Tangible Capital Assets (unaudited)
for the year ended March 31, 2022
(in thousands of dollars)

	Buildings	Leased Buildings	Infra- structure	Tank Farms	Storage Facilities	Equipment	2022	2021
Cost								
Opening balance	1,406,969	185,185	367,492	207,845	18,799	143,164	2,329,454	2,261,835
Additions	5,411	-	-	3,310	-	5,962	14,683	12,670
Additions In Kind	-	-	-	-	-	-	-	-
Transferred from work in progress	30,763	-	8,700	346	-	49	39,858	58,509
Reclassification	-	-	-	-	-	-	-	-
Disposals	-	(7,189)	-	-	-	-	(7,189)	(1,146)
Write-downs	-	-	-	-	-	-	-	(2,414)
Closing balance	1,443,143	177,996	376,192	211,501	18,799	149,175	2,376,806	2,329,454
Accumulated amortization								
Opening balance	(536,442)	(126,580)	(110,588)	(106,738)	(12,619)	(124,110)	(1,017,077)	(934,435)
Amortization	(50,068)	(6,866)	(12,624)	(7,271)	(730)	(7,645)	(85,204)	(83,176)
Reclassification	-	-	-	-	-	-	-	-
Disposals	-	5,398	-	-	-	-	5,398	535
Write-downs	-	-	-	-	-	-	-	-
Closing balance	(586,510)	(128,048)	(123,212)	(114,009)	(13,349)	(131,755)	(1,096,883)	(1,017,076)
Work in progress								
Opening balance	101,753	-	85,904	12,782	126	49	200,614	193,745
Additions	46,442	-	22,917	174	26	-	69,559	65,378
Transferred to cost	(30,763)	-	(8,700)	(346)	-	(49)	(39,858)	(58,509)
Closing balance	117,432	-	100,121	12,610	152	-	230,315	200,614
Net book value	974,065	49,948	353,101	110,102	5,602	17,420	1,510,238	1,512,992
Estimated useful life	30 Years	30 Years	30 Years	30 Years	30 Years	5-30 Years		

The tangible capital asset additions presented in the Statement of Cash Flow excludes non-cash acquisitions totalling \$28,269 (2021 - \$27,282) which represent unpaid purchases and holdbacks that are included in accounts payables and accrued liabilities as well as the liability for the Nunavut Energy Management Program at March 31, 2022.

**GOVERNMENT OF NUNAVUT
PUBLIC ACCOUNTS**

Schedule 1

**Non-Consolidated Schedule of Recoveries of Prior Years Expenditures (unaudited)
for the year ended March 31, 2022***(in thousands of dollars)*

Department	Over Accruals	Other Recoveries	Total
Legislative Assembly	-	-	-
Executive and Intergovernmental Affairs	-	-	-
Finance	63	124	187
Human Resources	-	68	68
Justice	17	783	800
Culture and Heritage	528	159	687
Education	423	3,204	3,627
Health	1,728	942	2,670
Environment	255	59	314
Community and Government Services	1,245	735	1,980
Economic Development and Transportation	3,594	796	4,390
Family Services	-	2,046	2,046
	7,853	8,916	16,769

GOVERNMENT OF NUNAVUT

Schedule 2

PUBLIC ACCOUNTS**Non-Consolidated Schedule of Special Warrants (unaudited)****for the year ended March 31, 2022***(in thousands of dollars)*

	Date of FMB Approval	Amount Authorized
OPERATIONS AND MAINTENANCE		
Executive and Intergovernmental Affairs		
Extending Support to Northern Airlines	07-May-21	10,100
Total operations and maintenance		10,100

	Date of FMB Approval	Amount Authorized
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CAPITAL

There were no Special Warrants during the year.

Total capital		-
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PUBLIC ACCOUNTS

Non-Consolidated Schedule of Inter-Activity Transfers Over \$250,000 (unaudited)

for the year ended March 31, 2022

(in thousands of dollars)

	Transfers to (from)	Explanation
OPERATIONS AND MAINTENANCE		
Executive and Intergovernmental Affairs		
Directorate	(680)	Reallocation of funds
Strategic Planning	(1,079)	
Intergovernmental Affairs	(620)	
Executive and Intergovernmental Affairs Directorate	(100) 2,479	
Finance		
Centrally Administered Funds	(350)	Reallocation of funds
Comptrollership	350	
Culture and Heritage		
Directorate	(90)	Reallocation of funds
Official Languages Admin	(35)	
Heritage	(250)	
Official Languages Admin	375	
Health		
Health Care Service Delivery	(600)	Reallocation of funds
Directorate	400	
Population Health	200	
Community and Government Services		
Local Government Services	(400)	Reallocation of funds
Info Mngmt/Info Technology	350	
Infrastructure	50	
Economic Development and Transportation		
Corporate Management	(400)	Reallocation of funds
Economic Development	(100)	
Transportation	500	
Economic Development	(1,680)	Reallocation of funds
Corporate Management	970	
Transportation	710	
Family Services		
Corporate Management	(6,776)	Set up of Poverty Reduction branch
Poverty Reduction	6,776	
Income Assistance	(3,850)	Reallocation of funds
Poverty Reduction	3,850	
Income Assistance	(6,000)	Reallocation of funds
Family Wellness	6,000	
CAPITAL		
Community and Government Services		
Petroleum Products Division	(2,251)	Reallocation of funds
CGS - Capital	2,251	
Petroleum Products Division	(431)	Reallocation of funds
CGS - Capital	431	

PUBLIC ACCOUNTS**Non-Consolidated Schedule of Write-offs and Student Loan Remissions (unaudited)****for the year ended March 31, 2022**

Under subsection 26(1) of the *Financial Administration Act* any remissions or write-offs over \$500 must be disclosed in the Public Accounts.

WRITE-OFFS

Individual amounts were written off with a total of \$130,734.

STUDENT LOAN REMISSIONS

Under the *Student Financial Assistance Regulations*, the Government may forego collection of students' loans, provided certain criteria are met. Students, having met the academic and the employment or residency criteria, qualify for and are granted remission of their loans.

No amounts were remitted during the year.

**GOVERNMENT OF NUNAVUT
PUBLIC ACCOUNTS**

Schedule 5

Non-Consolidated Schedule of Contractual Obligations under Operating Leases (unaudited)

for the year ended March 31, 2022

(in thousands of dollars)

	2023	2024	2025	2026	2027	>2027	Total
Headquarters	1,737	348	207	107	-	-	2,399
Qikiqtaaluk	11,068	6,443	4,138	2,788	2,222	3,009	29,668
Kivalliq	3,213	1,549	1,010	815	738	1,103	8,428
Kitikmeot	2,488	2,213	1,447	1,127	1,127	260	8,662
	18,506	10,553	6,802	4,837	4,087	4,372	49,157