



GOVERNMENT OF BERMUDA

Financial Statements

of the

Consolidated Fund

March 31, 2024

Issued by
Ministry of Finance
The Accountant General

**Government of Bermuda – Consolidated Fund
Financial Statements
March 31, 2024**

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**Government of Bermuda – Consolidated Fund
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**Financial Statement Discussion and Analysis
for the fiscal year ended March 31, 2024**

Introduction to the Public Accounts

In accordance with the *Public Treasury (Administration & Payments) Act 1969*, the Ministry of Finance produces the Public Accounts annually to report on the operating results and financial condition of the Government. The Public Accounts include general-purpose financial statements meant to meet the needs of a variety of users. They are not prepared on a consolidated basis, which means that they do not include Quangos, boards, and other entities owned or controlled by the Government but include the financial information of the departments and public service units of government.

These financial statements are prepared in accordance with Canadian public sector accounting standards. For purposes of the Government's financial statements, this refers to the Public Sector Accounting Standards (PSAS) of the Public Sector Accounting Board (PSAB) of the Chartered Professional Accountants of Canada (which are promoted by the Chartered Professional Accountants of Bermuda by signed agreement and therefore generally accepted in Bermuda), supplemented where appropriate by other accounting standards of CPA Canada and the International Federation of Accountants.

The 2024 Public Accounts commence with the Financial Statement Discussion and Analysis (FSD&A) section. The FSD&A is prepared by the Ministry of Finance. The information included in the FSD&A is based on the audited financial statements of the Consolidated Fund. The information provided includes narrative explanations and graphical illustrations highlighting the key relationships that exist among the quantitative representations set out in the financial statements, as well as explanations and illustrations of variances and trends. The Government is responsible for the integrity, objectivity, and fair presentation of the information in the FSD&A.

The Consolidated Fund (CF) is the level at which the annual estimates are prepared in detail for approval by the government. The purpose of the FSD&A is to provide additional analysis and key indicators of the CF's performance. The CF is comprised of all departments and public service units of the Bermuda Government.

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Special Note on Cyber incident

In September 2023, the Government of Bermuda experienced a cyber incident that resulted in a significant disruption to Government IT systems. The incident was discovered on September 20, 2023 and the Government took immediate action to contain the incident and investigate its impact. Critical services, such as healthcare and emergency services, remained operational during this time and online payment systems and digital applications were restored in phases.

A total of \$4,632,885 has been expended to date on fortifying the IT infrastructure to reduce the likelihood of similar incidents in the future. The Government has committed to a comprehensive review and upgrade of its cybersecurity protocols and infrastructure, including the adoption of more robust threat detection and prevention systems. Alongside public awareness campaigns to educate citizens and businesses about cybersecurity best practices and how to recognise potential threats, the Government saw the need to review its existing cybersecurity policies and pursue the exploration of legislative changes to strengthen the protection of public and private sector information in the evolving digital landscape.

As part of these efforts, the Cybersecurity Act 2024 was tabled in May 2024 to support the Government's aims through formally establishing a Cybersecurity Advisory Board, designation of Critical National Information Infrastructures and the designation of the Cybersecurity Unit within the Ministry of National Security Headquarters as the National Cybersecurity Incident Response Team. The Computer Misuse Act 2024 was also introduced in May 2024 to update and amend existing legislation, ensuring Bermuda meets the requirements of the Budapest Convention on Cybercrime. Further amendments to other laws are being developed to strengthen Bermuda's laws on cybercrime and to provide the executive arm with the legislative tools needed to effectively investigate and prosecute cybercrimes.

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Summary Financial Information

The following tables and charts illustrate summary financial information for the fiscal year ended March 31, 2024.

Financial Highlights

The highlights section provides a summary of the key events affecting the financial statements based on information taken from the audited Financial Statements. The Actual figures referred to in the table below reflect Current Account Expenditures. The budget figures are from the book of *Approved Estimates of Revenue and Expenditure for the Year 2023/24*.

Budget and Actual Results 2023/24

(thousands of dollars)¹

	2023-24		2022-23	Variance	
	Budget	Actual	Actual	2023-24 Actual to Budget	2023-24 v 2022-23 Actual
	Revenue				
Payroll Tax	512,500	537,004	488,142	24,504	48,863
Customs Duty	227,264	227,648	225,055	384	2,592
Other taxes	222,159	209,069	201,078	-13,090	7,991
Other revenue (incl. fees, permits and licences, investment income) ²	193,602	202,982	216,809	9,380	-13,827
Total Revenue	1,155,525	1,176,703	1,131,083	21,178	45,620
Expense by Function					
Economic Development	262,050	343,943	378,587	81,893	-34,644
Health	202,772	216,516	220,197	13,744	-3,681
National Security	166,629	173,256	162,837	6,627	10,419
Education	140,876	135,193	136,755	-5,683	-1,562
Social Services & Assistance	96,277	97,330	93,431	1,053	3,899
Other General Government Services	104,028	89,986	87,083	-14,042	2,903
Total Program Expense	972,632	1,056,224	1,078,890	83,592	-22,666
Interest on Debt	130,400	129,236	136,515	-1,164	-7,279
Pensions and Retirement Benefits	0	95,828	144,816	95,828	-48,988
Early Tender Premium on Repurchased Debt	0	0	3,766	0	-3,766
Total Expense	1,103,032	1,281,288	1,363,987	178,256	-82,699
Annual Current Account Deficit	52,493	-104,585	-232,904	-157,078	128,319
Net Debt		5,266,398	5,109,118		157,280

¹ Totals may not add due to rounding

² Other revenues are identified in the Statement of Operations and Accumulated Deficit in the Financial Statements.

Government of Bermuda – Consolidated Fund Financial Highlights March 31, 2024

(Deficit) Surplus

Consolidated Statement Of Operations and Accumulated Deficit

(thousands of dollars)¹

	2023-24	2022-23	Variance
	Actual	Actual	2023-24 v 2022-23
Total Revenue	1,176,703	1,131,083	45,620
Total Program Expense	1,338,235	1,401,609	-63,374
Deficit	-161,532	-270,525	108,993
Net Debt	-5,266,398	-5,109,118	-157,280

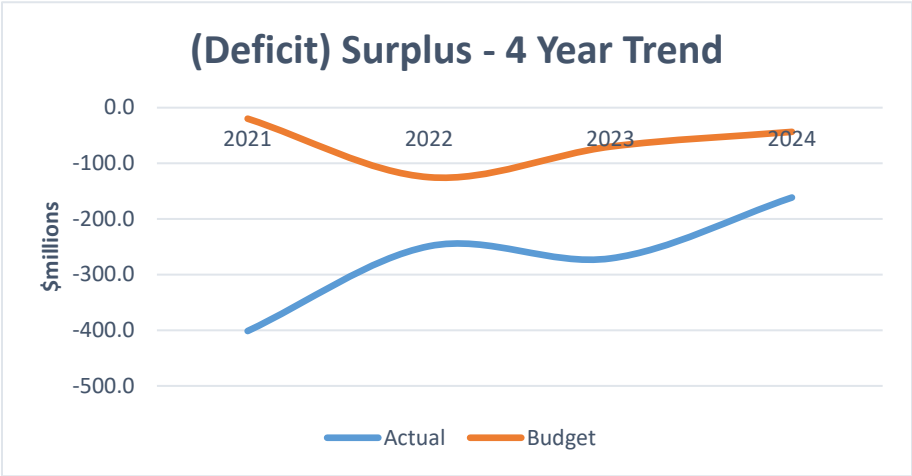
¹ Totals may not add due to rounding

² Other revenues are identified in the Statement of Operations and Accumulated Deficit in the Financial Statements.

The (deficit) surplus is the net financial result of the year’s operations. For the fiscal year ended March 31, 2024, total revenue was \$1.18 billion (2023 – \$1.13 billion) and total expenses were \$1.34 billion (2023 – \$1.40 billion). The resulting deficit of \$161.53 million was \$118.02 million higher than the budgeted deficit of \$43.51 million and \$108.99 million lower than the prior year’s deficit of \$270.90 million. However, the budget deficit is done on a modified cash basis, while the deficit in the financial statements is done on an accrual basis.

The following chart shows the financial results on an accrual basis for the last 4 years against the budget estimates (on a modified bash basis).

(Deficit) Surplus - 4 Year Trend



**Government of Bermuda – Consolidated Fund
Financial Highlights
March 31, 2024**

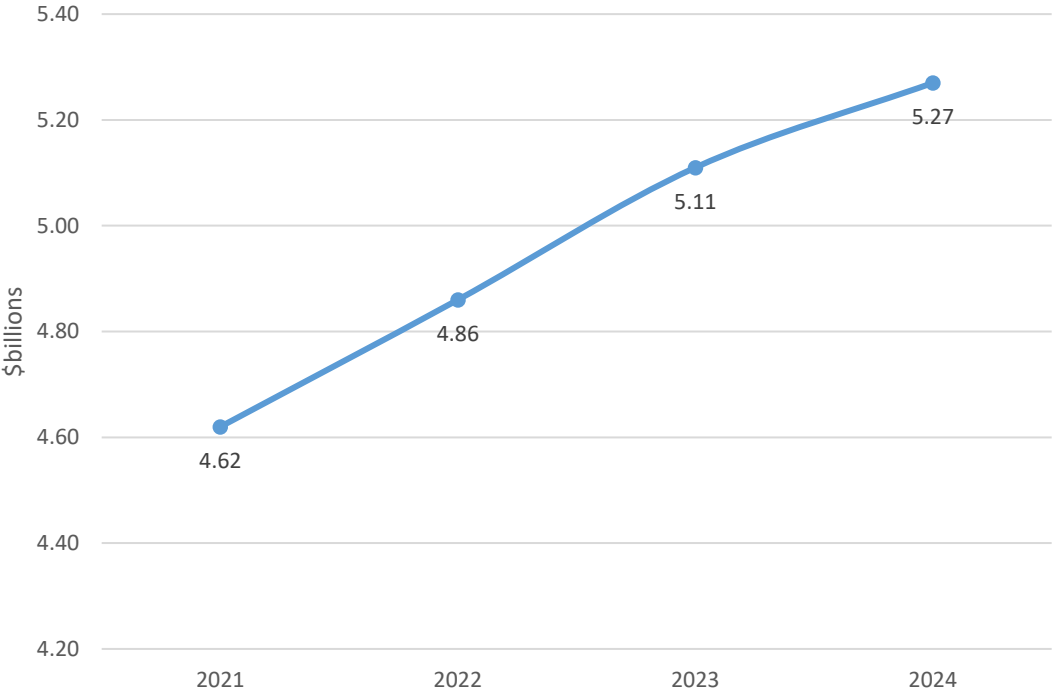
Net Debt

Net debt results when a government’s total liabilities exceed total financial assets. As a key measure of the Government’s financial position, net debt indicates the amount that current and past generations have accumulated through the incurrence of annual deficits and net investments in non-financial assets. Net debt represents the liabilities to be funded by future revenues. These amounts remain as obligations for future generations to fund through annual surpluses or to continue to carry as debt.

Net debt was \$5.27 billion at March 31, 2024, \$157.28 million higher than the prior year due to the \$161.53 million deficit, offset by \$4.47 million net acquisitions of tangible capital assets/assets under construction, \$436,718 net changes to inventories for consumption, and prepaid expenses, and net remeasurement losses of \$652,048.

The Government has reported net debt in the past four years as follows:

Net Debt - 4 Year Trend

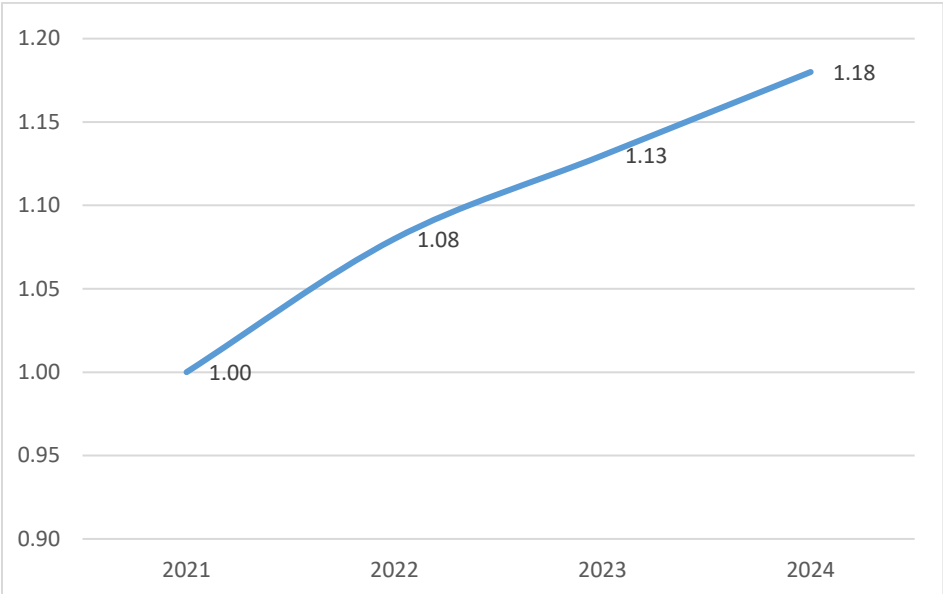


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Revenue

Total revenue for the year was \$21.18 million or 1.8 per cent higher than estimates, and \$45.62 million or 4 per cent higher than the prior year. The increases from estimates were attributable primarily to land tax, payroll tax amendments, changes in fees, permits and licenses rates and an uptick in cruise ship travel resulting in increases in passenger tax revenues. The Consolidated Fund earned other revenues from a variety of sources.

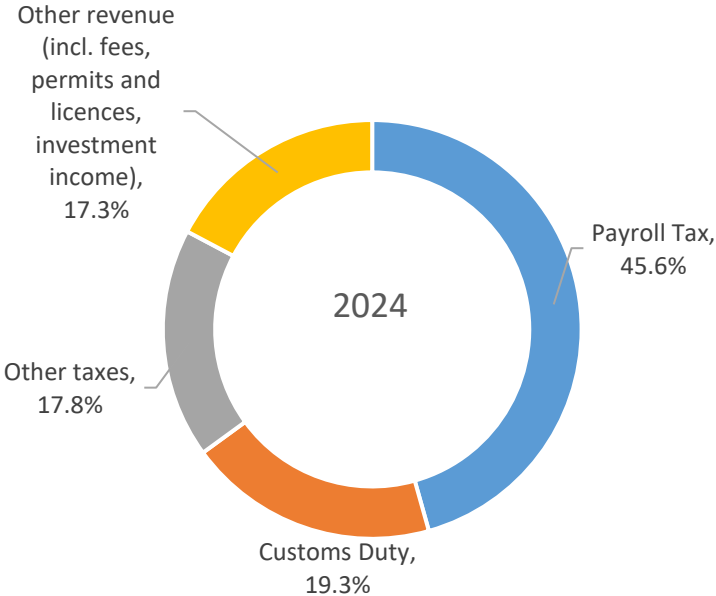
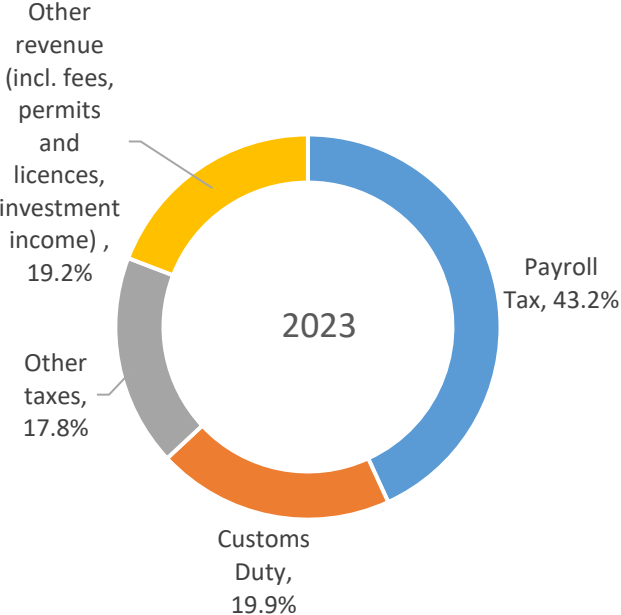
Total Revenue - 4 Year Trend



Government of Bermuda – Consolidated Fund Financial Highlights March 31, 2024

Revenue by Source

The Consolidated Fund’s revenue by major funding sources remained consistent with the prior year. The related breakdowns for fiscal years 2024 and 2023 were as follows:



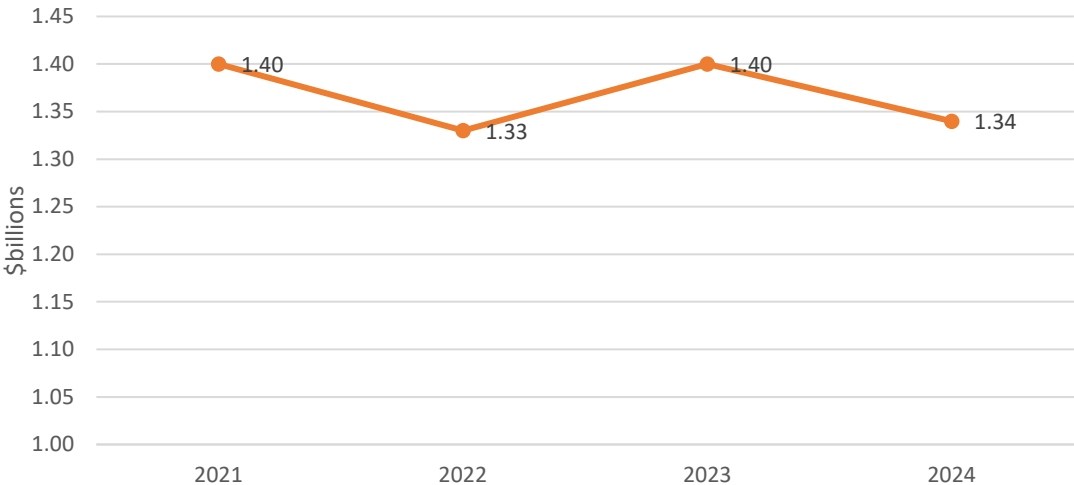
**Government of Bermuda – Consolidated Fund
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Expenses

Total current expenses were \$235.20 million or 21.3 per cent higher than estimates. However, the estimates do not take into account certain pension obligations which accounted for approximately \$95.83 million in expenses. Other factors that contributed to the increase from the budget were the economic development sector exceeding estimates, increases in spending for the health sector and increases in spending on social services and national security.

Similar to 2023, in 2024 the Consolidated Fund had to make payments as a result of the joint provisional liquidator, consultant and advisory fees relating to the Caroline Bay Project, and various projects undertaken by the Ministry of Public Works.

Total Expenses - 4 Year Trend

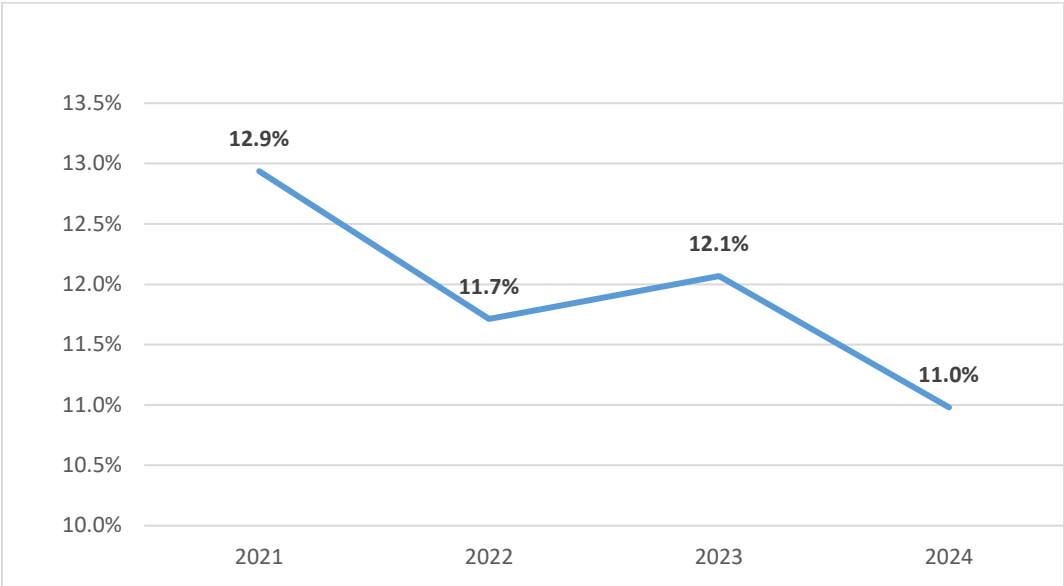


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Debt Servicing Costs to Total Revenue

Debt servicing costs as a percentage of total revenue shows the proportion of every dollar of revenue that is needed to pay interest and thus is not available to provide program initiatives. A lower ratio means that the Government uses less revenues to meet the interest cost on total debt outstanding, which provides greater flexibility in meeting financial and service commitments in the current year. The ratio of debt servicing costs to total revenue decreased by 1.1 percentage points from the previous year to 11 per cent.

Debt Servicing Costs to Total Revenue - 4 Year Trend

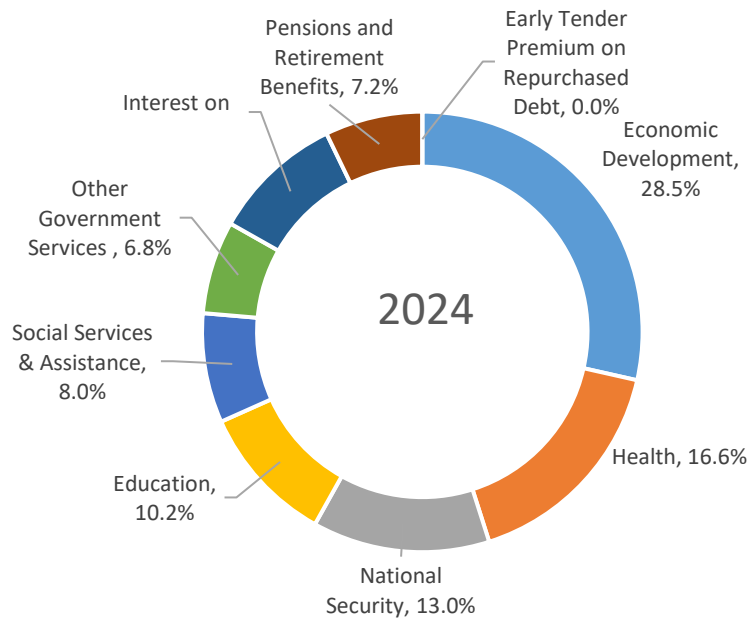
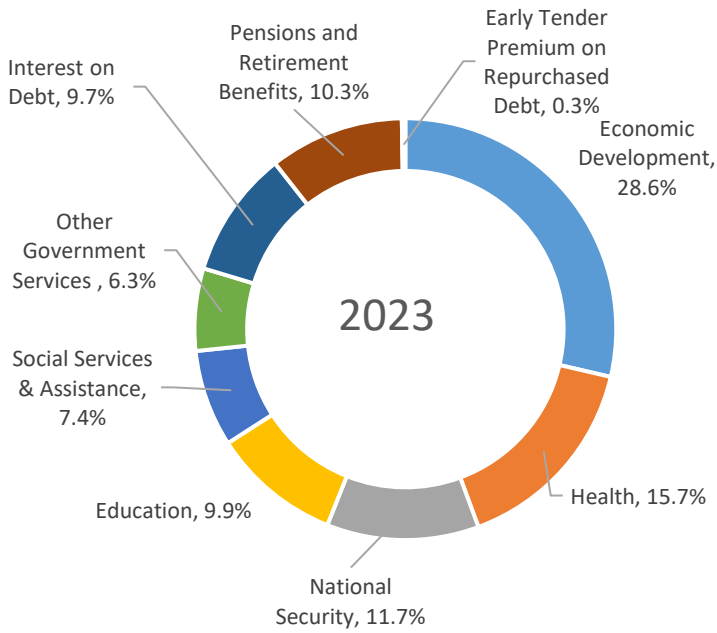


Expenses by Program

Economic Development decreased to 28.6 per cent of expenses by major function, down from 28.7 per cent in the prior year. The decrease was due primarily to less amortization costs related to asset retirement obligations. Health, national security, and education increased to 39.8 per cent of total expenses from 37.3 per cent in 2023. This was mainly due to increased funding provided to Bermuda Hospitals Board to support the hospital and additional funding for the uniformed services.

Government of Bermuda – Consolidated Fund Financial Highlights March 31, 2024

The related breakdowns for fiscal years 2024 and 2023 were as follows:



Government of Bermuda – Consolidated Fund

Financial Highlights

March 31, 2024

Summary Statement of Financial Position

(thousands of dollars)¹

	at March 31		Change from 2023	
	2024 Actual	2023 Actual		
Financial Assets	SFP	SFP		
Cash	35,074	44,943	-9,869	-22.0%
Accounts receivable and long-term receivables	265,685	225,237	40,448	18.0%
Investment in Morgan's Point	1	1	0	0.0%
Investment in BLDC	5,000	5,000	0	0.0%
Net due from government funds and agencies	41,670	42,959	-1,289	-3.0%
	347,431	318,141	29,289	9.2%
Liabilities				
Debt	3,204,146	3,124,783	79,362	2.5%
Asset Retirement Obligations	37,934	37,934	0	0.0%
Pensions and other employee future benefits	2,160,107	2,064,279	95,828	4.6%
Accounts payable and deferred liabilities	211,643	200,264	11,379	5.7%
	5,613,829	5,427,260	186,569	3.4%
Net Debt	5,266,398	5,109,118	157,280	3.1%
Capital / Other Non-financial Assets	645,135	650,040	-4,905	-0.8%
Accumulated Deficit	4,621,263	4,459,079	162,184	3.6%

¹ Totals may not add due to rounding

Financial Assets

Financial assets consist of assets available to discharge existing liabilities or to finance future operations. Financial assets increased by \$29.29 million or 9.2 per cent from last year to \$347.43 million at the end of 2024. Cash decreased by \$9.87 million as a result of the operating, investing, capital, and financing activities shown in the Statement of Cash Flow. Receivables were \$40.45 million higher than the prior year.

The net amount due from government funds and agencies decreased by \$1.29 million or 3 per cent from last year. The decrease was due to additional provisions for doubtful accounts of \$31.43 million primarily relating to collection uncertainty of a receivable of \$98.61 million from the Government Employees Health Insurance Fund. This was offset

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by increases and decreases in amounts due from and to other government funds and agencies.

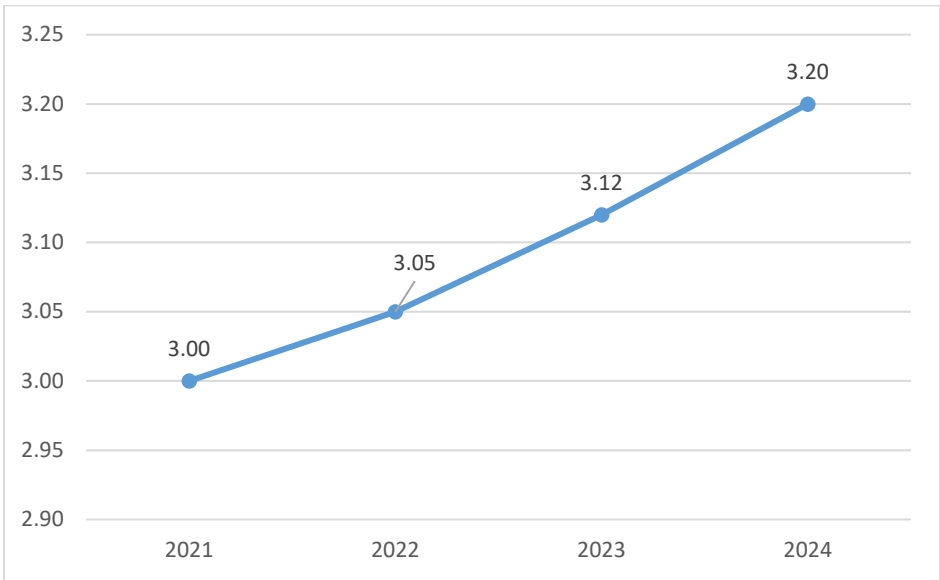
Liabilities

Liabilities, consisting of debts or other monetary obligations owing at year-end and to be settled in the future, increased by \$186.57 million from last year to \$5.61 billion. Pensions and Other Employee Future Benefits, increased by \$95.83 million due to current year Pensions and Retirement Benefits Expense.

Other changes to liabilities included an increase of \$11.38 million in Accounts payable and deferred liabilities mostly attributable to additional accruals for the Baselands clean up costs and an increase in deposits held.

Interest Bearing Debt- Net of Sinking Fund, increased by \$79.36 million from the prior year mainly due to the withdrawal of \$129.62 million from the Sinking Fund. Important to note is the Gross Debt figure of \$3.29 billion had a decrease of \$50 million from the prior year amount of \$3.34 billion.

Debt – Net of Sinking Fund- 4 Year Trend



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Over the past four years, unmatured debt net of sinking fund has increased by \$290 million from \$3 billion in 2021 to \$3.20 billion in 2024, as additional capital had to be sourced when a loan guaranteed by the Government was called and to address the health and financial challenges caused by the COVID-19 pandemic.

In July 2022, Government raised \$496.74 million through the issuance of 5% Senior Notes due in 2032. The Government utilized the proceeds to finance the early principal payment of the \$354 million 4.138% Senior notes due in January 2023, and \$1,915,658 was utilised for the facility charges and other ancillary fees related to the notes refinancing. The remainder was deposited in the Sinking Fund to be used to pay off the \$140 million 5.73% due in December 2022.

The Government also raised an additional \$405.19 million on August 15, 2022 in an additional issuance of \$390 million 5% Senior Notes due in 2032. The proceeds were inclusive of accrued interest of \$2,004,167 and purchase premium of \$13,185,900 and was used for the early retirement of the \$402 million of 4.854% Senior notes due in 2024. Additionally, the Government fully repaid the \$50 million 4.75% Senior Notes due December 2023.

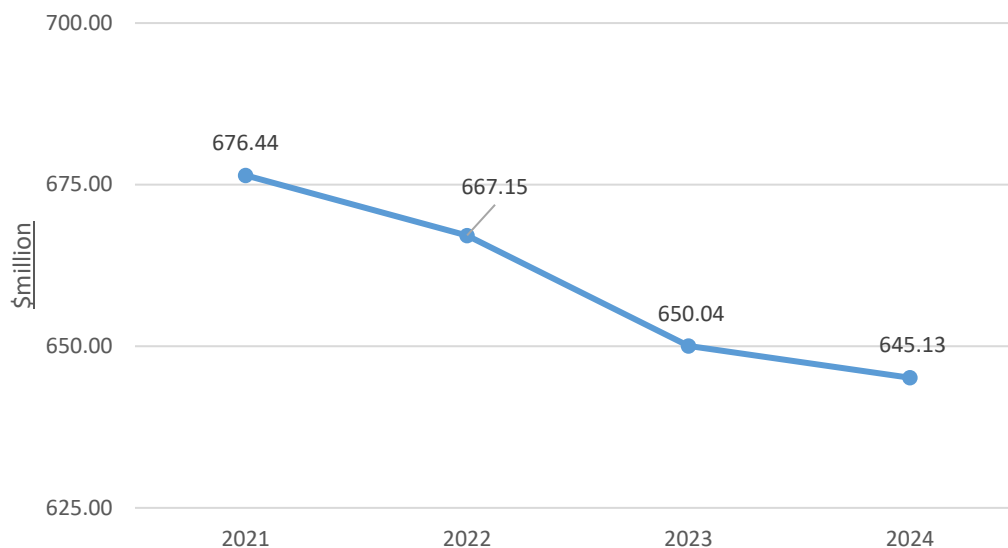
Non-Financial Assets

Non-financial assets are a significant component of the CF's financial position and are assets to be used for the provision of services in the future. Non-financial assets consist primarily of tangible capital assets but also include inventories for consumption and prepaid expenses.

Total non-financial assets decreased by \$4.9 million to \$645.13 million at the end of the fiscal year. Over the past four years, total non-financial assets decreased from \$676.44 million at the end of 2021 to \$645.13 million at the end of 2024, largely due to annual amortization of tangible capital assets exceeding the purchase and construction of new capital assets.

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Non-Financial Assets - 4 Year Trend



Tangible Capital Assets

The net book value (acquisition cost less accumulated amortization) of tangible capital assets (TCA) makes up a substantial asset of the CF, totaling \$572.54 million at the end of 2024, a decrease of \$24.61 million from the end of the previous fiscal year. Net TCA 2024 additions of \$23.13 million were offset by \$47.74 million of annual amortization net of adjustments. This has been the trend since 2020.

The table and chart below summarize the CF’s TCA portfolio by major asset class and show the differences in each class compared to the prior year.

**Tangible Capital Assets (Net Book Value)
(thousands of dollars)**

	<u>2024</u>	<u>2023</u>	<u>Change from 2023</u>	
Land, Buildings & Betterments	354,451	369,944	-15,494	-4.2%
Infrastructure	124,161	129,931	-5,770	-4.4%
Plant, Machinery, Vehicles & Vessels	67,560	67,495	65	0.1%
Computers, Furniture, Equipment & Capital Leases	26,365	29,775	-3,410	-11.5%
	<u>572,536</u>	<u>597,145</u>	<u>-24,609</u>	<u>-4.1%</u>

Totals may not add due to rounding

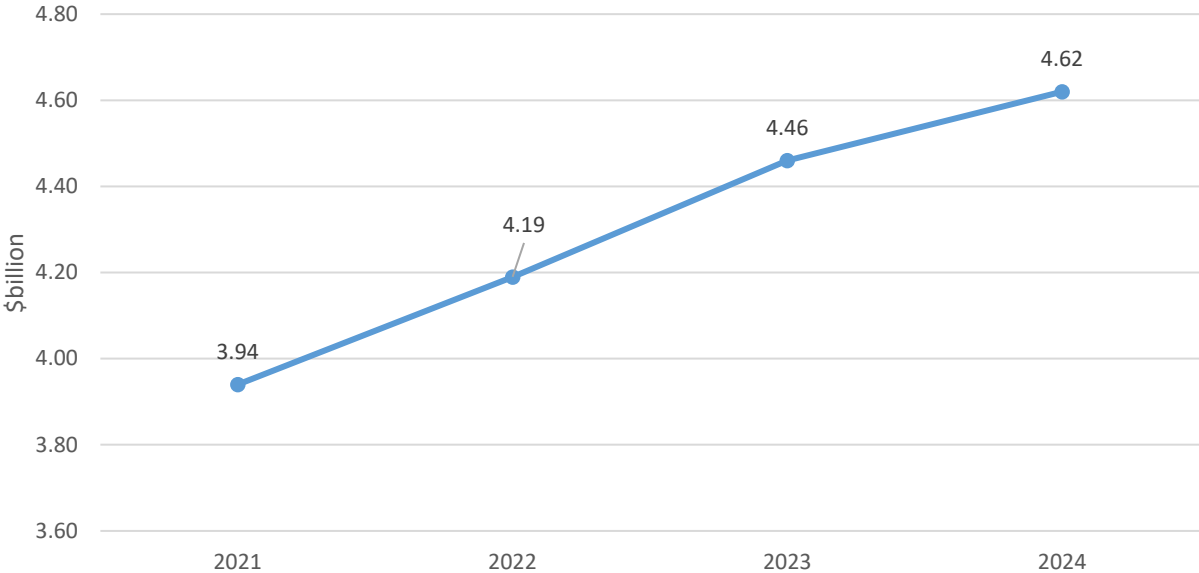
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Accumulated Deficits

Accumulated deficits represent the difference between the CF’s liabilities and both financial and non-financial assets. Further, they are the sum of all surpluses and deficits incurred to date, calculated according to current accounting policies. Accumulated deficits are a secondary measure of the Government’s financial position.

The accumulated deficits were \$4.62 billion at March 31, 2024, \$162 million higher than a year ago as a result of the annual deficit. The CF has reported accumulated deficits in the past four years as follows:

Accumulated Deficits - 4 Year Trend



Cash Flows

The CF’s financial statements are reported on the accrual basis, whereby the timing of transactions may vary from when actual cash is paid or received. The Statement of Cash Flow summarizes the increases and decreases in the CF’s cash flows in terms of the sources and uses of cash identified within the following activities: operating, capital, and financing.

Government of Bermuda – Consolidated Fund

Financial Highlights

March 31, 2024

During 2024, the CF's net cash position decreased by \$9.87 million. Cash outflows were used to purchase \$43.39 million in TCA and assets under construction. Cash outflows of \$46.10 million were also used to fund normal operating activities including pensions and retirement benefits liabilities during the year, \$129.62 million in sinking fund withdrawals and \$50 million net repayment of debt.

Cash Flows by Activity

(\$ thousands)

	<u>2024</u>	<u>2023</u>	<u>Change from 2023</u>
Operating	-46,103	-74,624	28,521
Capital	-43,390	-47,836	4,446
Financing	79,624	67,378	12,246
	<u>-9,869</u>	<u>-55,083</u>	<u>45,214</u>

Modified Cash Basis of Reporting

The Ministry of Finance prepares annual Budget Estimates on the modified cash basis. The financial statements of the Consolidated Fund are prepared on an accrual basis. Due to the difference in accounting, Schedule 12 of the financial statements restates actual expenses on the modified cash basis for comparative and analytical purposes against the Adjusted Budget Estimates.

The total revenue raised by the Consolidated Fund (CF) for fiscal 2023/24, on a modified cash basis was \$1.18 billion, the same amount recorded in the financial statements. The budgeted figure was \$1.16 billion.

Total current expenditure on a modified cash basis was \$1.11 billion (2022/23 – \$1.1 billion), which was \$6.04 million more than original budget estimates (2022/23 – \$22.8 million less).

Total capital account modified cash expenditure was \$97.10 million, which was \$1.09 million lower than the original budget estimates.

Total capital and current account cash expenditure for 2023/24 was \$1.21 billion, which was \$7.13 million or 0.59% higher than the original budget estimate of \$1.20 billion.

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The all-inclusive result from government operations (both current and capital) on an accounting accrual basis for the year ending March 31, 2024, was a deficit of \$161.53 million, \$108.99 million lower than the prior year's deficit of \$270.53 million.

There are many non-appropriated expenses included in this figure. If we strip those away, the modified cash all-inclusive results from government operations (on the same basis that is shown in the Budget Book) was a deficit of \$29.47 million. This compares to a deficit of \$43.51 million that was originally budgeted. Therefore, the actual overall deficit was down by \$14.04 million when compared to the original estimate. The decreased deficit is primarily a result of higher than budgeted revenues. This deficit reduction is part of the Government's Medium-Term expenditure Framework (MTEF) strategy to achieve a balanced budget. During this fiscal year the Government has continued to prudently manage discretionary current and capital expenditures.

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Economic Highlights

March 31, 2024

Bermuda Economy Overview

The economy of Bermuda is based primarily on international business and the high-end segment of the tourism sector. Bermuda is regarded as a leading international financial center because of the following factors:

- a long-established and highly developed commercial and social infrastructure;
- geographic proximity to the United States and Canada and ease of access to and from major European cities and the United Kingdom;
- recognized by the Organization for Economic Cooperation and Development (the “OECD”), the International Monetary Fund (the “IMF”) and other multilateral organizations as having internationally acknowledged transparency standards;
- transparent and consistent application of financial services policy towards the financial services sector;
- close international relations in the financial sector, including bilateral relations with the G7 and G20 economies as well as other markets that are of significant economic importance to Bermuda;
- well-established reputation as a domicile of choice for insurance and reinsurance;
- the BSX is one of the world’s largest offshore, fully electronic securities markets recognized by the SEC as a “Designated Offshore Securities Market”;
- modern business infrastructure and facilities;
- high standards of living;
- well-educated population and world-class labor force;
- absence of direct taxation and exchange controls for international business; and
- stable regulatory framework.

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Economic Highlights

March 31, 2024

Bermuda's economy has shown remarkable resilience in recovering from global challenges and external shocks in the post-COVID period. Growth in key sectors, including employment, international business, tourism, construction, and exports, continues to bolster the recovery. Inflation has steadily declined since peaking in Q3 2022, and rising employment income has boosted consumer confidence. Additionally, the tourism sector has regained its momentum following the initial impact of the pandemic.

In 2024, the Government has sought to build on the GDP growth witnessed in the past few years by continuing to execute its Economic Development Strategy, which has reinforced Bermuda's long-term economic stability and enhanced its global competitiveness. Real GDP is estimated to have grown by 7.1% in the first quarter and 8.7% in the second quarter of 2024. This growth was supported by increases in both the External Balance of Goods and Services and Final Consumption. The External Balance of Goods and Services increased by 16.4% , driven by a 10.8% rise in export receipts, particularly in business services. Final Consumption grew by 2.3%, with household spending making up 79.4% of total consumption. Conversely, Gross Capital Formation decreased by 1.0%.

Economy-wide inflation in 2023 was 3.8% compared to 2.7% in the previous year. The primary drivers of inflation during the last twelve months were increased costs of overseas hotels and airfares in the transportation and foreign travel sector and increases in the average costs of various food items throughout the food sector.

Wholesale and Retail Trade recorded an increase in value added of 3.4 per cent or \$10.7 million. Wholesale Trade activities decreased 0.8 per cent influenced mainly by wholesale of fuel and food, beverages and tobacco. Retail Trade activities increased 3.6 per cent.

Value added for Construction and Quarrying activity decreased 4.8 per cent or by \$12.1 million. This was attributed mostly to overall decreases in construction projects.

The largest concentrations of international companies doing business in Bermuda are involved in the insurance and financial services sectors. Financial and Insurance Activities increased 8.1 per cent or \$72.9 million. This rise was influenced predominantly by a 6.6 per cent increase in the activities of holding companies. The value added of trust companies and similar financial entities decreased 9.3 per cent. Non-life insurance also increased due to a rise in premiums.

Bermuda's Balance of Payments for the second quarter of 2024 recorded a surplus on the current account of \$425 million, which represented a \$100 million increase year over year. The increase in the surplus reflected an increase in receipts from non-residents which was larger than the rise in payments to non-residents, largely driven by Employee

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March 31, 2024

Compensation. The greatest contributions to the current account surplus were the deficit on the goods accounts which expanded by \$26 million to \$334 million, service transactions which realised a surplus of \$247 million and the primary income account which was \$552 million in the second quarter of 2024.

The Government of Bermuda has historically maintained a conservative fiscal policy. The current administration considers the rise in debt as unsustainable and recognizes that it will take time to bring the fiscal position in line with achieving a net debt to revenue ratio that would not exceed 80% and a debt service cost to revenue ratio that would be below 10%. As it works towards these goals, the Government is also focused on targeted investment in growth, while maintaining fiscal discipline to reduce the debt to more manageable levels.

As of October 2024, total net government debt outstanding was \$3.2 billion, which is \$275 million below the debt ceiling.

In December 2023, the Government made a significant \$50 million repayment towards the national debt, a proactive step that directly reduced annual debt service costs by \$2.5 million. As a result, the Government's debt service costs now total \$127.5 million per year, or 10.1% of projected annual revenue, compared to 11.2% the previous year. This accomplishment highlights the Government's commitment to prudent fiscal management and responsible borrowing practices.

Looking ahead, with the next debt maturity scheduled for January 2027, the Government recognizes that reducing the debt burden begins with eliminating budget deficits. This focus on fiscal balance is reflected in the Government's projected fiscal surplus for 2024/25—the first in over two decades. Achieving a surplus represents a significant milestone, demonstrating Bermuda's commitment to sustainable budgeting and gradual debt reduction. Each surplus will further strengthen the Government's ability to lower debt levels, reduce future interest obligations, and create more opportunities to invest in the country's priorities.

The Government expects the employment rate to improve by focusing on policy measures and investments designed to create a more diversified economy, which are expected to generate stronger economic growth. The Government expects this will be supported by various other employment initiatives, including immigration reform, improved work permit processes and numerous hotel and airport redevelopment projects.

The Fairmont Southampton redevelopment has reached a key milestone, with financial close completed in September 2024. This \$560 million project, backed by a \$75 million sovereign guarantee from the Government, marks the largest single investment

Government of Bermuda – Consolidated Fund

Economic Highlights

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in Bermuda's tourism industry to date. The redevelopment underscores strong investor confidence in Bermuda and represents a crucial step in revitalising the island's tourism sector.

Expanding Financial Services and Tourism

The Government's economic plan is rooted in growing the twin pillars that have played key roles in the Bermuda economy over the years, namely financial services and tourism. We are pleased to report that tourism has rebounded from the Covid-19 pandemic, while international business sector continues to show resilience and has grown further in 2023/24. While our property, casualty and captive insurance sectors remain stable, we have witnessed significant growth in the long-term insurance sector. We continue to make strides in attracting more asset managers to our shores by addressing concerns raised by industry, and we expect to leverage our proximity to the financial centers on the eastern seaboard of the United States to attract more asset managers to Bermuda. It is expected that the international business will continue to be the main driver of our economy for the foreseeable future.

In tourism, we continue to invest more in marketing and product development, while recognizing that we must make tourism investment in Bermuda more attractive. The Government is working with unions and hoteliers to increase efficiency and boost productivity in Bermuda's hospitality industry.

Diversifying the Economy

The Government, in conjunction with the BDA, has developed a multi-faceted approach to creating new areas of economic activity. Over the past years, progress has been made in establishing Bermuda as a domicile for technology companies in the emerging areas of Financial Technology ("FinTech"), Regulatory Technology ("RegTech") and Insurance Technology ("InsurTech"). We believe the size of our relevant financial sectors and high regulatory standards make us an attractive jurisdiction for technology companies to develop and test their products in our market before exporting those products to the rest of the world.

In addition to looking to attract technology companies to Bermuda, our economic development and diversification strategy has been specifically focused on aviation and shipping, arbitration, biotech and life sciences, intellectual property, satellite and space and nearshoring. Additionally, the Cabinet Office in conjunction with the Ministry of Finance, BDA and BMA has worked on an appropriate framework for family office business to differentiate Bermuda's offering in this competitive global space. Marketing efforts, policy and legislative changes are also being advanced as part of a targeted Asia and Hong Kong strategy.

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Addressing Issues impacting the Cost of Living

The cost of energy, health insurance, and interest rates directly impact our ability to grow Bermuda’s economy. Steps continue to be taken to address costs in this area. The Government has demonstrated its commitment to providing relief to Bermudians struggling with inflation, high interest rates and other financial challenges, while also making available appropriate assistance to Bermudian businesses during these challenging economic conditions.

In 2019, the Regulatory Authority of Bermuda (the “Regulatory Authority”) completed the Integrated Resource Plan which is Bermuda’s national plan for its future electricity needs. We believe the production of this plan is an important step to reducing the cost of electricity.

The Integrated Resource Plan documents Bermuda’s commitment to 85 per cent renewable energy by 2035. To achieve this, the Government has committed to measures which include 100 per cent electric public transport by 2030, 21 MW of Solar and 60 MW of Wind. The Airport 6 MW solar finger facility started producing clean power in December 2021. With this facility, Bermuda is expected to commission 30 per cent of the solar capacity necessary to achieve its 85 per cent renewable energy goal. Additionally, in February 2022, the Government added to its fleet of public transport 30 electric buses which are expected to improve the passenger experience for locals and visitors and provide a safer environment thanks to improved air quality. This move has proven successful, as further investments in the fleet of electric buses were made in 2023.

Making Government More Efficient

While we reduce the cost of doing business in Bermuda, we also understand the importance of making government more efficient so that we are able to provide services to residents in a cost effective manner. Government has continued its public service reform work and continues to take steps to more effectively incorporate its public value assessment work into the budgeting framework.

Other Recent Developments

Corporate Income Tax (CIT)

On 27th December 2023, the Government of Bermuda enacted a Corporate Income Tax (“CIT”) that would be applicable to Bermuda businesses that fall within the scope of the Organization for Economic Cooperation and Development’s (“OECD”) global minimum tax rules (“GloBE Rules”). The scope includes Bermuda Tax Resident Entities and Bermuda Permanent Establishments that are part of a Multinational Enterprise

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("MNE") with consolidated revenue of \$750 million or more in at least two of the previous four fiscal years to maintain consistency with GloBE Rules. Bermuda intends for its CIT to be recognised as a Covered Tax under GloBE rules. These rules require companies in scope to pay a minimum tax of 15 % in every jurisdiction in which they operate, to ensure that multinationals globally are paying their fair share of taxes. The Bermuda Government introduced a CIT statutory tax rate of 15%

The CIT legislation will come into force in its entirety on 1st January 2025, which provides MNEs sufficient time to make transition adjustments. Elements of the legislation came into force upon assent to allow various accounting elections to take place. After coming into force in 2025, provisional income tax payments may begin August 2025, with full filings for the upcoming tax year anticipated by the end of 2026. The CIT regime reinforces Bermuda's continuing commitment to global compliance and transparency and maintains Bermuda's international competitive positioning.

Credit Ratings

Bermuda currently holds long-term foreign currency credit ratings of "A+" (stable outlook) from S&P Global Ratings ("S&P") and "A2" (stable outlook) from Moody's Investors Services Inc. ("Moody's"). S&P released their most recent credit rating assessment of Bermuda in May 2024, with Moody's publishing their annual assessment in November 2024. Ratings address the creditworthiness of Bermuda and the likelihood of timely payment of Bermuda's long-term debt securities.

Bermuda's current ratings and the rating outlooks currently assigned to it depend, in part, on economic conditions and other factors that affect credit risk and are outside the control of Bermuda. In assessing the outlook to be stable, each of the rating agencies reflected positively on the continued commitment to a prudent fiscal stance which will help to stabilize Bermuda's debt burden in the next two to three years, driving home their expectations for Bermuda's economy in the medium term.

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Economic Highlights

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GDP

Bermuda continues to maintain an economy focused on international business, finance, tourism and construction. Fourteen out of the 19 reporting industries experienced positive GDP growth in 2023. The following table shows GDP by industry for the years indicated.

Real gross domestic product ⁽¹⁾ by economic sector 2019-2023:

	For the year ended December 31,				
	2019	2020	2021	2022	2023 ^P
	(dollars in thousands)				
Agriculture, Forestry and Fishing	17,292	17,517	21,856	16,128	14,373
Manufacturing	34,198	27,602	25,871	26,246	30,868
Electricity, Water Supply and Waste Management	75,701	89,002	99,085	99,538	93,425
Construction & Quarrying	318,648	241,665	234,964	253,291	241,168
Wholesale and Retail Trade	309,349	311,332	308,427	312,446	323,123
Transportation and Storage	129,613	101,874	107,030	106,198	117,579
Accommodation and Food Service	234,739	73,201	81,713	201,491	255,117
Information and Communication	168,190	149,360	151,194	151,016	161,442
Financial and Insurance Activities ⁽²⁾	879,425	828,868	828,504	898,521	971,445
Real Estate Activities	963,582	978,108	1,009,856	1,038,298	1,044,140
Professional, Scientific and Technical Activities	376,236	312,598	357,796	366,097	395,529
Administrative and Support Services	135,052	108,373	127,000	131,089	137,349
Public Administration	338,176	311,406	297,863	338,762	337,092
Education	127,159	110,707	116,733	112,565	120,206
Human Health and Social Work	329,471	321,158	341,690	334,920	337,209
Arts, Entertainment and Recreation	28,192	20,579	24,247	23,617	29,027
Other Service Activities	62,535	50,553	63,979	67,865	70,756
Activities of Households as Employers	14,270	11,254	13,036	13,036	12,490
International Business Activities	1,627,102	1,641,865	1,780,412	1,917,369	2,034,570
GDP at Constant Basic (2013) Prices	6,168,930	5,707,022	5,991,256	6,456,412	6,726,908
Add: Taxes less Subsidies on Products	281,433	302,988	296,660	285,581	296,326
GDP at Constant Purchasers' (2013) Prices	6,450,363	6,010,010	6,287,916	6,741,993	7,023,235
Percentage change from previous year	0.31%	-6.83%	4.62%	7.22%	4.17%

^P - Provisional figures

Source: Department of Statistics, Bermuda.

(1) The GDP analysis by the Department of Statistics, Bermuda shifted focus from Nominal GDP to Real GDP as of its fiscal year 2016 report.

Government of Bermuda – Consolidated Fund

Economic Highlights

March 31, 2024

(2) Financial and insurance activities refers to domestic insurance and financial services.

Gross Domestic Product (GDP) at constant purchasers' prices rose by 4.9 per cent to \$7 billion in 2023. This figure is above the pre-pandemic figure of \$6.5 billion in 2019. Although activity in all sectors has not yet reached 2019 levels, the indicators for all sectors are generally moving in a positive direction. The largest increases to value added in absolute terms were recorded for Financial and Insurance Activities, International Business Activities and Accommodation and Food Services Activities which grew by \$72.9 million, \$117.2 million and \$53.6 million, respectively. In contrast, value added in the Construction and Quarrying industry, Electricity, Water Supply and Waste Management industry and Agriculture, Forestry and Fishing industry decreased by \$12.1 million, \$6.1 million and \$1.8 million, respectively.

In 2024, the Government has sought to build on the GDP growth witnessed over the past three years by continuing to execute its Economic Development Strategy, which has yielded economic benefits. The Bermuda Government's continued implementation of timely and targeted measures geared to increasing direct foreign investment in the economy, stimulating domestic spending, and maintaining employment will continue to drive economic growth and dampen the impact of internal and external risks.

Statement of Responsibility for the Consolidated Fund Financial Statements

The financial statements are prepared under the general direction of the Minister of Finance by the Accountant General in accordance with public sector accounting standards, and include statements of financial position, operations and accumulated deficit, remeasurement gains and losses, change in net debt, cash flow, notes and schedules integral to the statements.

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

The Government, through the Accountant General's Department, is responsible for maintaining systems of financial management and internal control designed to provide timely and accurate information, to safeguard and control the Government's assets, and to ensure all transactions are in accordance with the Public Treasury (Administration and Payments) Act 1969.

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

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

On behalf of the Government of Bermuda.



Chidozie Ofoego, CPFA
Financial Secretary



Dionne Morrison-Shakir, FCCA
Accountant General

Hamilton, Bermuda
December 24, 2024



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INDEPENDENT AUDITOR'S REPORT

To the House of Assembly, the Senate and the Governor

Qualified Opinion

I have audited the Financial Statements of the Consolidated Fund of the Government of Bermuda (the “Consolidated Fund”), which comprise the Statement of Financial Position as at March 31, 2024, and the Statements of Operations and Accumulated Deficit, Remeasurement Gains and Losses, Change in Net Debt and Cash Flow for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, except for the possible effect of the matter described in the *Basis for Qualified Opinion* section of my auditor’s report, the accompanying financial statements present fairly, in all material respects, the financial position of the Consolidated Fund as at March 31, 2024, and the results of operations, its remeasurement gains and losses, its changes in net debt and cash flow for the year then ended in accordance with public sector accounting standards generally accepted in Bermuda and Canada.

Basis for Qualified Opinion

Insufficient support for asset retirement obligations

Under Public Sector Accounting Standards, the Government was required to adopt *PS 3280- Asset Retirement Obligations* for the year ended March 31, 2023. Legal obligations associated with the retirement or disposal of tangible capital assets are referred to as asset retirement obligations. For the year ended March 31, 2024, the Government has recognized a liability for these asset retirement obligations in the statement of financial position and the related expenses in the statement of operations and accumulated deficit for the year ended, and has restated the comparative figures using the modified retroactive approach.

The Government was required to identify all legal obligations associated with the retirement or disposal of its assets to ensure completeness of the asset retirement obligations recorded, and estimate the future costs of remediation for these obligations. The Government has not provided sufficient audit evidence to allow me to verify the accuracy and completeness of the recorded valuation amounts included in Notes 3(n), 19 and 20.

I conducted my audit in accordance with auditing standards generally accepted in Bermuda and Canada. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Consolidated Fund in accordance with the ethical requirements that are relevant to my audit of the Financial Statements in Bermuda, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

Emphasis of Matter

I draw attention to Note 2 of the financial statements, which states these financial statements are not summary consolidated financial statements of the Government of Bermuda. My opinion is not modified in respect of this matter.

Other Information

The Government, through the Accountant General's Department, is responsible for the other information. The other information comprises the Financial Statement Discussion and Analysis information, but does not include the financial statements and my auditor's report thereon.

My opinion on the financial statements does not cover the other information and I do not and will not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work I have performed on the other information, I conclude that there is a material misstatement of this other information, I am required to report that fact. As described in the Basis for Qualified Opinion section above, the Government did not complete their analysis and record their legal obligations associated with the retirement of its assets. Accordingly, I am unable to conclude whether or not the other information is materially misstated with respect to this matter.

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

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

In preparing the financial statements, management is responsible for assessing the Consolidated Fund'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 management either intends to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibility for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the 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 my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with auditing standards generally accepted in Bermuda and Canada 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 financial statements.

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

- Identify and assess the risks of material misstatement of the 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 my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than from 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 Consolidated Fund'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 Consolidated Fund's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Consolidated Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements (including the disclosures), and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I 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 I identify during the audit.

I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence and, where applicable, related safeguards.

A further description of the auditor's responsibilities for the audit of the financial statements is located at the Office of the Auditor General website at: www.oagbermuda.bm. This description forms part of our auditor's report.

A handwritten signature in black ink, appearing to read "Heather T.", written in a cursive style.

Hamilton, Bermuda
December 24, 2024

Heather Thomas, CPA, CFE, CGMA
Auditor General

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

		2024	2023
		Actual	Restated (Note 19)
		\$	\$
Liabilities			
	<u>Schedule</u>		
Accounts Payable and Accrued Liabilities	5	200,241,850	186,092,926
Deferred Revenue (Note 16)	6	9,674,074	10,919,455
Deferred Insurance Proceeds (Note 16)		1,727,034	3,251,343
		<u>211,642,958</u>	<u>200,263,724</u>
Interest Bearing Debt - Net of Sinking Fund Asset Retirement Obligations (Note 20)	7	3,204,145,679	3,124,783,461
		<u>37,933,502</u>	<u>37,933,502</u>
		<u>3,242,079,181</u>	<u>3,162,716,963</u>
Pensions and Other Employee Future Benefits			
- Pensions and Retirement Benefits (Note 9(g))		2,123,350,455	2,027,004,341
- Compensated Absences (Note 8)		36,756,238	37,274,771
		<u>2,160,106,693</u>	<u>2,064,279,112</u>
Other Liabilities			
Due to Government Funds and Agencies	3(a)	15,625,225	10,369,417
Total Liabilities		5,629,454,057	5,437,629,216
Financial Assets			
Cash		35,074,326	44,943,335
Accounts Receivable	1	265,223,238	224,781,498
Due from Government Funds and Agencies	3	57,295,462	53,328,901
Morgan's Point / Caroline Bay (Note 17)		1,000	1,000
Investment in BLDC (Note 14(b)(iv))		5,000,000	5,000,000
Long-Term Receivables	4	461,948	455,996
Total Financial Assets		363,055,974	328,510,730
Net Debt		5,266,398,083	5,109,118,486
Non-Financial Assets			
Tangible Capital Assets	11	572,536,211	597,145,307
Assets under Construction	11	58,251,409	38,110,353
Inventories for Consumption	2	11,141,430	10,621,832
Prepaid Expenses		3,205,857	4,162,173
Total Non-Financial Assets		645,134,907	650,039,665
Accumulated Deficit		4,621,263,176	4,459,078,821

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

		2024	2023
		Actual ^{1,2}	Restated ² (Note 19)
		\$	\$
Revenue	<u>Schedule</u> 8, 9		
Taxes & Duties			
Payroll Tax		537,004,313	488,141,500
Customs Duty		227,647,550	225,055,077
Other Taxes and Duties		97,559,634	96,445,191
Land Tax		88,728,988	85,877,910
Passenger Tax		22,780,350	18,754,455
Total Taxes & Duties		973,720,835	914,274,133
Fees, Permits & Licenses		167,377,783	159,701,516
Other Revenue		24,462,532	49,071,835
Investment Income		11,141,731	8,035,745
Total Revenue		1,176,702,881	1,131,083,229
Expenses	10		
Economic Development		381,720,922	401,384,475
Health		221,682,566	220,478,572
National Security		174,168,275	163,529,186
Pensions and Retirement Benefits Expense (Note 9(g))		95,827,581	144,816,069
Education		136,719,530	138,443,713
Interest on Debt		129,236,442	136,514,640
Other Government Services		91,262,166	88,531,573
Social Services & Assistance		107,617,705	104,144,234
Early Tender Premium on Repurchased Debt (Note 15(a))		-	3,766,097
Total Expenses		1,338,235,187	1,401,608,559
Annual Deficit		(161,532,306)	(270,525,330)
Accumulated Operating Deficit, Beginning of Year		(4,460,842,804)	(4,190,317,474)
Accumulated Operating Deficit, End of Year		(4,622,375,110)	(4,460,842,804)
Accumulated Deficit comprised of:			
Accumulated Operating Deficit		(4,622,375,110)	(4,460,842,804)
Accumulated Remeasurement Gains		1,111,934	1,763,983
		(4,621,263,175)	(4,459,078,821)

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

² Totals may not add due to rounding

**Government of Bermuda - Consolidated Fund
Statement of Remeasurement Gains and Losses
For the year ended March 31**

	2024	2023
	Actual ¹	Actual ¹
	\$	\$
Accumulated Remeasurement Gains and Losses, Beginning of Year	1,763,983	-
Adjustment on adoption of the PS 3450, <i>Financial Instruments, Implementation April 1, 2022 (Note 3)</i>	-	(2,302,963)
As Restated	1,763,983	(2,302,963)
Unrealized Gains During the Year		
Portfolio Investments in an Active Market	1,111,934	1,763,983
Realized Gains (Losses) Reclassified to the Statement of Operations During the Year		
Portfolio Investments in an Active Market	(1,763,983)	2,302,963
Net Remeasurement Gains (Losses) for the Year	(652,048)	4,066,946
Accumulated Remeasurement Gains, End of Year (Note 3)	1,111,934	1,763,983

¹ Totals may not add due to rounding

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

	2024	2023
	Actual ¹	Restated ¹ (Note 19)
	\$	\$
Annual Deficit	(161,532,306)	(270,525,330)
Change Due to Tangible Capital Assets:		
Additions to Tangible Capital Assets	(23,249,148)	(63,908,908)
Loss on Disposal or Impairment of Tangible Capital Assets and Adjustments	(31,484)	16,145,435
Net (Additions to) Transfers from Assets under Construction	(20,141,056)	16,072,409
Amortization of Tangible Capital Assets	47,889,727	45,650,297
Total Change Due to Tangible Capital Assets	4,468,040	13,959,233
Net (Additions) Reductions to Inventories for Consumption	(519,598)	3,436,794
Net Reductions (Additions) to Prepaid Expenses	956,316	(285,915)
Total Change Due to Inventories for Consumption and Prepaid Expenses	436,718	3,150,879
Adjustment on adoption of the PS 3450, <i>Financial Instruments, Implementation April 1, 2022 (Note 3)</i>	-	(2,302,963)
Net Remeasurement Gains (Losses) for the Year	(652,048)	4,066,946
Increase in Net Debt	(157,279,596)	(251,651,235)
Net Debt, Beginning of Year	(5,109,118,487)	(4,857,467,252)
Net Debt, End of Year	(5,266,398,083)	(5,109,118,487)

¹ Totals may not add due to rounding

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

	2024 Actual ¹	2023 Restated ¹ (Note 19)
	\$	\$
Operating Activities		
Annual Deficit ¹	(161,532,306)	(270,525,330)
Items not affecting cash:		
Amortization of Tangible Capital Assets	47,889,727	45,650,297
Increase in Pension and Retirement Benefits Liability	96,346,114	143,685,253
Increase (decrease) in Compensated Absences Liability	(518,533)	1,130,816
Loss on Disposal or Impairment of Tangible Capital Assets and Adjustments	(31,484)	16,145,435
Adjustment on adoption of the PS 3450, <i>Financial Instruments, Implementation April 1, 2022 (Note 3)</i>	-	(2,302,963)
Net Remeasurement Gains (Losses) for the Year	(652,048)	4,066,946
Change in unamortized debt-related premium and discount	(262,154)	10,067,515
Increase in Non-Cash Working Capital	(27,342,493)	(22,542,237)
Cash Applied to Operating Activities	(46,103,177)	(74,624,267)
Capital Activities		
Additions to Tangible Capital Assets	(23,249,148)	(63,908,908)
Net (Transfers to) Additions to Assets under Construction	(20,141,056)	16,072,409
Cash Applied to Capital Activities	(43,390,203)	(47,836,499)
Financing Activities		
Debt Issues	-	890,000,000
Sinking Fund Application of Funds	129,624,372	73,485,963
Repayment of Debt	(50,000,000)	(896,108,000)
Cash Provided by Financing Activities	79,624,372	67,377,963
Net Decrease in Cash	(9,869,009)	(55,082,803)
Cash, Beginning of Year	44,943,335	100,026,138
Cash, End of Year	35,074,326	44,943,335

1 - Interest received during the year was \$10,489,684 (2023 - \$9,096,611). Interest received is made up of interest income from the Statement of Operations and Accumulated Deficit in the amount of \$10,375,628 (2023 - \$9,006,097) plus the change in accrued interest receivable in the amount of \$114,056 (2023- \$90,514). Interest paid during the year was \$128,899,871 (2023 - \$134,393,209). Interest paid is made up of interest expense from the Statement of Operations and Accumulated Deficit in the amount of \$129,239,450 (2023 - \$134,142,844) plus the change in accrued interest payable in the amount of \$339,579 (2023 - \$250,365).

2 - Totals may not add due to rounding

Government of Bermuda – Consolidated Fund

Notes to the Financial Statements

March 31, 2024

1. Authority

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

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

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

2. Reporting Entity

The Fund’s financial statements report the financial position, results of operations, change in net debt and cash flow resulting from the activities of the Fund only, which comprise the accounts of the Senate, the House of Assembly, all Government departments and offices (including the Public Service Commission) and all courts that are controlled by the Government. Control exists regardless of whether the Government chooses not to exercise its power to govern so long as it has the ability to govern. The Fund is established and defined pursuant to Section 94 of the Bermuda Constitution Order 1968.

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

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

The Government adheres to the general practice of using a Consolidated Fund as its general operating fund. Schedules 8 to 11 provide information concerning the operations, tangible capital assets and capital expenses of individual Government departments and funds comprising the Fund. Accounts of the Government not controlled are excluded from the reporting entity.

3. Summary of Significant Accounting Policies

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

(a) Basis of Accounting

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

Government of Bermuda – Consolidated Fund
Notes to the Financial Statements
March 31, 2024

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

(b) Revenues

Effective April 1, 2023, Public Sector Accounting Standards PS 3400 Revenues came into effect. Revenues are accounted for in the fiscal year in which the transactions or events occurred that gave rise to the revenues. Revenue from transactions with no performance obligations is recognized when the mandate to claim or retain an economic inflow is in place, and the events giving rise to the revenue have occurred as stipulated in the Government Authorities (Fees) Act 1971. Revenue from transactions with performance obligations is recognized when those performance obligations have been satisfied.

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

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

Payroll tax, foreign currency purchase tax, financial service tax and corporate service tax are recognized when reported for the first three quarters and based on estimates for the last quarter. Land tax is recognized in the month the tax is due. Stamp duty is recognized upon completion of the review of the related legal documents. Passenger tax, transport infrastructure tax, foreign currency purchase tax, hotel occupancy tax, betting tax, timesharing tax, and financial services tax are recognized when reported.

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

The following are typical performance obligations in relation to the Government's revenues:

Key Revenue Stream	Common Performance Obligations	Recognition	Examples
Licences & Registration	Provide rights	Point of sale	Drivers licence/Vehicle licence/Liquor licence/Work permits
Vital statistics	Provide rights	Point of sale	Birth certificates/marriage certificates/Status & naturalisation
Facility & Assistance-Delivery of services	Provide service	Point in time/Point of sale	Waste collection & disposal/Electricity/Tug & Pilotage fees/Boot Moorings
Accommodation/Rental	Access to lodging/space	Over a period of time	Property rentals/PO Boxes/Patient fees

**Government of Bermuda – Consolidated Fund
Notes to the Financial Statements
March 31, 2024**

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

(b) Revenues (Cont'd)

Key Revenue Stream	Common Performance Obligations	Recognition	Examples
Transportation	Access to public transportation	Over a period of time	Bus Transportation/Ferry Service
Sale of items	Provide item	Point of sale	Tickets/Water sales/Publications/Licence Plate & Stickers/Medication
Fines & penalties	None	When collectible/Point in time	Parking fines/Moving traffic fines/Penalties
Regulatory fees	None	When collectible/Point in time	Cellular & ICOL fees, Document filing fees

(c) Expenses

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

Government transfers are recognized as an expense in the period the transfer is authorized and all eligibility criteria have been met by the recipient.

Costs arising from obligations under guarantees are recognized as expenses when management determines that Government will likely be called upon to make payment. The expense represents management’s best estimate of future payments less recoveries.

Classification of expenses between current account items and capital account items follows the classification in the Approved Estimates of Revenue and Expenditure for the year 2023/24 (the “Approved Estimates”).

(d) Interdepartmental Revenues and Expenses

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

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

(e) Financial Assets

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

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

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

Investments in QUANGOs are recorded at cost.

(f) Asset Retirement Obligations (ARO)

Public Sector Accounting Standard PS 3280- Asset Retirement Obligations came into effect on 1 April 2022. This new accounting standard provides guidance on the reporting of legal obligations associated with the retirement of tangible capital assets. The retirement of a tangible capital asset is the permanent removal of an asset from service. This encompasses the sale, abandonment, or disposal in some other matter but not its temporary idling.

An asset retirement obligation is recognized when, as at the financial reporting date, all of the following criteria are met:

- There is a legal obligation to incur retirement costs in relation to a tangible capital asset;
- The past transaction or event giving rise to the liability has occurred;
- It is expected that future economic benefits will be given up; and
- A reasonable estimate of the amount can be made.

The estimate of a liability would include costs directly attributable to asset retirement activities. Costs would include post-retirement operation, maintenance and monitoring that are an integral part of the retirement of the tangible capital asset. The estimate would include costs of tangible capital assets acquired as part of asset retirement activities to the extent those assets have no alternative use.

A liability for the removal of asbestos in several of the buildings owned by the Government and the decommissioning of several underground fuel tanks has been recognized based on estimated future expenses on closure of the site and post-closure care. Under the modified retroactive method, the assumptions used on initial recognition are those as of the date of adoption of the standard. Assumptions used in the subsequent calculations are revised yearly.

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

(f) Asset Retirement Obligations (ARO) (Cont'd)

While the standard suggests using a present value technique, it does not require it for the measurement of the ARO liability. For the assets identified to be within scope, the Government does not have adequate information regarding the anticipated timing of cash flows to settle the ARO, thus a present value technique does not necessarily need to be applied as it could present an increased risk of measurement error.

As a result, management concluded that a discount rate shall not be applied within the ARO liability calculations. The recognition of a liability resulted in an accompanying increase to the respective tangible capital assets. The buildings and fuel tanks tangible capital assets affected by the asbestos liability are being amortized following the amortization accounting policies outlined in note 3(h).

(g) Financial Instruments

The Government prospectively implemented PS 3450, Financial Instruments, which requires the simultaneous adoption of PS 1201, Financial Statement Presentation, PS 2601, Foreign Currency Translation, and PS 3041, Portfolio Investments, effective April 1, 2022. These new standards provide comprehensive requirements for the recognition, measurement, presentation, and disclosure of financial instruments and foreign currency transactions.

As PS3450 standard was implemented prospectively, there is no prior period restatement. As such, the recognition, derecognition and measurement policies followed in financial statements for periods prior to the effective date of this new standard are not reversed and, therefore, the prior periods are not restated.

The Government recognized all financial assets and liabilities in accordance with the new standard on its Consolidated Fund Statement of Financial Position and an accumulated unrealized remeasurement gain on portfolio investments of \$1.1M million on its Consolidated Fund Statement of Remeasurement Gains and Losses.

The Government classifies its financial instruments as either fair value or cost. The cost category includes cash, accounts receivable (Note 3(e)), Due from Government Funds and Agencies and long-term receivables (Note 3(i)), namely, accounts payable and accrued liabilities, Due to Government Funds and Agencies, and public debt.

The fair value category is comprised of the Government of Bermuda Sinking Fund portfolio investments. Financial instruments in the fair value category are recognized at cost on initial recognition and subsequently carried on a fair value basis. The determination of fair value requires judgment and is based on market information where available and appropriate. Unrealized changes in fair value are recognized in the statement of remeasurement gains and losses until they are realized, at which point they are transferred to the statement of operations. Transaction costs incurred on the acquisition of financial instruments measured subsequently at fair value are expensed as incurred.

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

(g) Financial Instruments (Cont'd)

All financial assets are assessed for impairment on an annual basis. When a decline is determined to be other than temporary, the amount of the loss is reported in the statement of operations and any unrealized gain is adjusted through the statement of remeasurement gains and losses.

When the asset is sold, the unrealized gains and losses previously recognized in the statement of remeasurement gains and losses are reversed and recognized in the statement of operations.

Financial instruments that are measured subsequent to initial recognition at fair value, are grouped into Levels 1 to 3 based on the degree to which the fair value is observable:

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities using the last bid price;
- Level 2 fair value measurements are those using quoted prices in markets that are not active or inputs that are not observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The cash equivalents and debt securities in the sinking fund investments portfolio consist of a combination of level 1 and 2 assets. There are no level 3 financial assets.

(h) Non-Financial Assets

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

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

Government of Bermuda – Consolidated Fund
Notes to the Financial Statements
March 31, 2024

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

(h) Non-Financial Assets (Cont'd)

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

Buildings	2 – 40 years
Leasehold Improvements	Remaining life or lease period of the related asset
Betterments	Remaining life or lease period of the related asset
Heavy Equipment	
\$10,000 to \$99,999	5 years
\$100,000 and above	7 years
Vehicles	
2 to 3 Wheeled Vehicles	
\$3,000 to \$99,999	5 years
\$100,000 and above	7 years
4 or More Wheeled Vehicles	
\$0 to \$99,999	5 years
\$100,000 and above	7 years
Boats & Vessels	
\$10,000 to \$99,999	5 years
\$100,000 and above	10 years
Capital Leases	
\$3,000 and above	3 – 20 years
Computer Hardware	
\$3,000 to \$99,999	3 years
\$100,000 and above	7 years
All laptops and desktop computers are capitalized	
Computer Software	
\$20,000 and above	4 –10 years
Furniture & Fixtures	
\$3,000 and above	7 years
Office Equipment	
\$3,000 and above	5 years

Government of Bermuda – Consolidated Fund
Notes to the Financial Statements
March 31, 2024

4. Summary of Significant Accounting Policies (Cont'd)

(h) Non-Financial Assets (Cont'd)

Plant, Machinery & Equipment	
\$50,000 and above	10 – 30 years
Infrastructure	
\$50,000 to \$199,999	5 –10 years
\$200,000 and above	10 – 40 years

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

Assets under construction relate to buildings, betterments, vehicles, computer hardware, computer software, infrastructure, office equipment and vessels in development. Assets under construction are not amortized.

Tangible capital assets that have historical or cultural value, including works of art, historical documents, and historical and cultural artifacts, are not recognized as tangible capital assets in these financial statements.

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

Inventories for consumption that no longer have service potential are valued at the lower of cost or net realizable value.

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

(i) Liabilities

Liabilities are recorded for financial obligations to organizations and individuals occurring as a result of transactions and events arising on or before the year-end. They occur as a result of contracts, agreements and legislation in force at the year-end that require the Government to repay borrowings, or to pay for goods and services supplied on or before the year-end. Liabilities also include grant payments due on or before the year-end. Liabilities are recorded at the estimated amount ultimately payable.

(j) Translation of Foreign Currencies

The financial statements are reported in Bermuda dollars. The Bermuda dollar is valued at par with the United States dollar. Financial assets (excluding investments) and liabilities denominated in foreign currencies are translated at the exchange rate prevailing at the year-end date. Non-financial assets and investments are translated at historical rates of exchange.

Government of Bermuda – Consolidated Fund
Notes to the Financial Statements
March 31, 2024

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

(j) Translation of Foreign Currencies (Cont'd)

Revenues and expenses originating in foreign currencies are translated at the exchange rate in effect on the date the specific transactions occurred. Translation gains and losses are included in the Statement of Operations and Accumulated Deficit. At the initial recognition of a financial instrument asset or financial instrument liability arising from a foreign currency transaction, the Government has elected to recognize the exchange gains and losses directly in the Statement of Operations and Accumulated Deficit, including those exchange gains and losses arising prior to settlement or derecognition.

The Government is required to disclose the carrying amounts of financial instrument assets and financial instrument liabilities in which exchange gains and losses, including the exchange gain or loss component of changes in fair value, are recognized directly in the statement of operations.

However, the cost benefit analysis of conducting this exercise is not expected to have a material impact on the readability and understandability of the financial statements.

(k) Measurement Uncertainty

The preparation of financial statements requires the Government to make estimates and assumptions that affect the amounts of assets, liabilities, revenues and expenses during the reporting period. Uncertainty in the determination of these amounts is known as measurement uncertainty.

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

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

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

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

Government of Bermuda – Consolidated Fund
Notes to the Financial Statements
March 31, 2024

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

(k) Measurement Uncertainty (Cont'd)

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

(l) Risk Management

During the normal course of business the Government is exposed to a number of financial risks including credit, liquidity, and market risk (including foreign currency exchange risk and interest rate risk). The Government employs various risk management strategies and operates within fixed risk exposure limits to ensure exposure to risk is managed in a prudent and cost effective manner.

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

Interest rate risk is the risk that debt servicing costs will increase due to changes in interest rates and the risk of loss on the investments like fixed income securities associated with adverse fluctuations in interest rates. A rise in interest rates generally means a drop in the fair value of interest-bearing securities held as portfolio investments. This risk is managed by diversifying the investment portfolio and by setting asset mix guidelines which strike a balance between the money market investments/ cash equivalents and fixed income investments / bonds. It is estimated that a one per cent change in interest rates would impact the Government's operating results by \$574,423 due to the loss on the fixed income portfolio. On the Government borrowing, this risk is managed by issuing debt securities at predominately fixed rates of interest rather than floating rates of interest for fixed terms.

The Government is primarily exposed to foreign currency exchange risk on its investments and general debt. Foreign currency exchange risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate unfavourably with a change in the value of the Bermudian dollar and that debt servicing costs will increase due to a decline of the Bermuda dollar relative to other currencies. Foreign currency exchange risk also arises from fixed income securities that are denominated in currencies other than Bermudian dollars. This risk is managed by maintaining a preference for debt and investments that are issued predominately in United States ("US") dollars. The Bermuda dollar is pegged to the US dollar to eliminate the impact of any fluctuations in the exchange rates between the two.

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

(I) Risk Management (Cont'd)

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

The financial instruments that potentially subject the Government to credit risk mainly consist of accounts receivable, due from Government Funds and Agencies, portfolio investments and loan guarantees (Note 10(a)). For all classes of financial instruments held by the Government (including accrued investment income and cash and cash equivalents), the maximum credit risk exposure to the Government is the carrying value as disclosed on the Statement of Financial Position. The Government seeks to limit its credit risk with respect to amounts due from Government Funds and Agencies by stipulating reporting conditions to the relevant Government ministries in order to monitor financial stability of the Government Funds and Agencies and monitoring outstanding receivables from the general public. The Government also reviews balances and aging information to determine if a valuation allowance is necessary.

The Government's maximum exposure to credit risk on accounts receivables and the level of provision for doubtful accounts is disclosed in Schedule 1.

For cash and portfolio investments, the Government manages this risk by dealing solely with reputable financial institutions, and through an investment policy that limits investments to high credit quality as well as limits the maximum exposure with respect to any one issuer. Credit ratings for bonds held by the Government as at March 31, 2024 range from AAA to BBB as set out by Standard & Poor's.

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The Government is exposed to three types of market risk, namely, foreign currency exchange risk, interest rate risk (discussed above), and refinancing risk. The Government continually monitors its exposure to these risks and uses a variety of strategies to manage these risks.

Refinancing risk refers to the possibility that the Government will not be able to replace an existing debt with new debt due to unfavorable market conditions. The orderly retirement of future debt obligations, without incurring undue refinancing risk, is important in terms of managing both future interest costs and accessing required funding in future years. To this end, the Government utilizes its best efforts to smooth out debt maturities and to refinance existing debt when the low-interest rate regime is prevailing in the market.

The Government also identifies favourable bond buy-back opportunities, whereby the Sinking Fund investments can be utilized to buy back outstanding debt, thus reducing refinancing risk and future liquidity risk.

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

(l) Risk Management (Cont'd)

Liquidity risk is the risk that financial commitments will not be met over the short term. The Government is primarily exposed to liquidity risk on its accounts payable and accrued liabilities, pension liabilities, general debt and other liabilities. The Government manages its overall liquidity risk through its treasury function by managing cash resources which entails monitoring actual and forecasted cash flows from operating, investing and financing activities. This risk is also managed through prudent financial and debt management, and the establishment of the Government Borrowing Sinking Fund as a separate legal entity for the repayment of government debt and to pay interest charged on long-term public debt under the provisions of the Government Loans Act 1978 as amended. The Government spreads debt maturities over many years, maintaining the sinking fund in which the investment maturities approximate that of the underlying long-term debt issues and maintaining adequate cash reserves and establishing short-term borrowing programs as contingent sources of liquidity. Schedule 7 provides a summary of contractual maturities for interest-bearing debt.

Apart from its interest-bearing debt, the Government expects to settle its liabilities within twelve months of the end of the fiscal year.

(m) Future Changes in Accounting Standards

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

Effective April 1, 2026, the Government will adopt the new Conceptual Framework for Financial Reporting in the Public Sector (Conceptual Framework) and PS 1202 Financial Statement Presentation. PS 1202 is also known as the new reporting model. An assessment will be done to determine the impact that these adoptions will have on the presentation of information in the financial statements.

The Conceptual Framework prescribes the nature, function and limits of financial accounting and reporting. It is the foundation on which Public Sector Accounting Standards are developed and professional judgement is applied. It will replace the Conceptual aspects of PS 1000 Financial Statement Concepts and PS 1100 Financial Statement Objectives. This Standard sets out general and specific requirements for the presentation of information in public sector financial statements, based on the concepts within the Conceptual Framework.

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

(n) Change in accounting policies

PS 3280 Asset Retirement Obligations

On April 1, 2023, the Government adopted PS 3280 Asset Retirement Obligations. This standard is effective for fiscal years beginning on or after April 1, 2022 and addresses the reporting of legal obligations associated with the retirement of certain tangible capital assets, such as asbestos removal in retired buildings and the decommissioning of underground fuel tanks. The standard was adopted on the modified retroactive basis at the date of adoption.

The Government recognised asset retirement obligations related to several buildings owned with known or possible remediation for asbestos and related remediation costs for underground fuel tanks. The buildings were originally purchased or constructed before 1985 and the liability was measured as of the date of construction or purchase of the buildings, when the liability was assumed. The asset retirement obligation costs for fuel tanks were estimated taking into account the capacity of each individual fuel tank and the historical remediation estimates based on the size and complexity of the operations involved. The Government has decided to not revise the useful life of fully amortized assets and will absorb the ARO cost through surplus following the implementation of PS 3280.

In accordance with the provision of this new standard, the Government reflected the following adjustments relating to asbestos and fuel tanks obligation:

- I. An increase of \$37.9 million to the buildings tangible capital asset account, representing the original estimate of the obligation as of the date of purchase, and an accompanying increase of \$37.7 million to accumulated amortization;
- II. An asset retirement obligation in the amount of \$37.9 million;
- III. A decrease to opening accumulated surplus of \$37.7 million, as a result of the recognition of the liability and accompanying increase in amortization expense for the years since purchase.

(o) Adoption of New Accounting Standards and Changes to the Accumulated Deficit

i. PS 3400 Revenue

Effective April 1, 2023, the Government adopted PS 3400- Revenue. PS 3400 addresses how to account for, and report on, revenues. The Government recognises revenue from exchange transactions when the performance obligations are satisfied, and the payor obtains control of the asset or benefits from the good or service provided. Revenue from contracts with customers is recognized at an amount equal to the transaction price allocated to the specific distinct performance obligation when the performance obligation is satisfied. Revenue from contracts with customers is evaluated and separated into distinct performance obligations when there is a distinct good or service to be transferred in the future.

Government of Bermuda – Consolidated Fund
Notes to the Financial Statements
March 31, 2024

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

(o) Adoption of New Accounting Standards and Changes to the Accumulated Deficit (Cont'd)

i. PS 3400 Revenue (Cont'd)

Non-exchange transactions are transactions or events where there is no direct transfer of goods or services to a payor. Revenue from non-exchange transactions is recognized when the Government has the authority and identifies a past transaction or event that gives rise to an asset.

The Government used prospective application in the adoption of PS 3400. Under prospective application, prior periods are not restated, including the opening accumulated deficit. Adjustments are only applied to events and transactions from April 1, 2023, to March 31, 2024 and for periods thereafter. Adoption of PS 3400 has resulted in changes in the timing of revenue recognition for certain revenue streams such as Bus transportation and Ferry Services. The Government will recognize revenues from these exchange transactions when it satisfies its performance obligations, rather than recognizing the revenues when the amounts are received.

ii. PS 3160 – Public Private Partnerships

This standard outlines the accounting, measurement, and disclosure requirements for tangible capital assets and related liabilities acquired through private sector partnerships. The adoption of this standard has had no effect on the financial statements as the Government did not enter any Public Private Partnerships during fiscal year 23-24.

iii. PSG-8 – Purchased Intangibles

This guideline allows the recognition of intangible assets purchased through an exchange transaction. There has been no impact to these financial statements as a result of adopting this guideline.

4. Approved Estimates of the Government

(a) Budget Process

Annually, the Government presents a Budget (“Estimates”) of expected revenues and expenditures for the following fiscal year. The Government’s spending Estimates for the fiscal year commencing April 1, 2023 were presented to the Members of the Legislature by the Minister of Finance. The Estimates outline the spending plans of each Ministry/Department submitted for approval to the Legislature in the Appropriations Act.

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

Government of Bermuda – Consolidated Fund
Notes to the Financial Statements
March 31, 2024

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

(b) Comparison of Expenses to Estimates and Expenditures

The Ministry of Finance prepares annual Estimates on the modified cash basis. These financial statements are prepared on an accrual basis. Schedule 12 restates actual expenses on the modified cash basis for comparative and analytical purposes against the Adjusted Estimates. The primary differences are as follows:

- (i) Bad Debts – For financial statement purposes, a provision is established and expensed for accounts receivable where collection is doubtful. For budget purposes, no such provision is made.
- (ii) Pension – The financial statement pension-related expense is explained in Note 9. For budget purposes, pension expense is equal to its funding requirements.
- (iii) Government Borrowing Sinking Fund (Note 5) – Transfers to the Sinking Fund are recorded as cash transfers against long-term debt. For budget purposes, the Sinking Fund contribution is considered an expenditure.
- (iv) Compensated Absences – Certain Government employees are entitled to paid retirement leave, as explained in Note 8. For budget purposes, retirement pay is estimated based on anticipated salary spending for the current year.
- (v) Amortization – For financial statement purposes, annual amortization of tangible capital assets is expensed based on the respective assets as explained in Note 3(h). For budget purposes, amortization is not considered expenditure.
- (vi) Environmental Liability – As explained in Note 10(c), the Government has recognized a cost of restoration of land and costs related to the disposal of asbestos containers. Changes in the environmental liability are not considered expenditure for budget purposes.
- (vii) Inventory Usage- For budget purposes, inventory usage throughout the year is not considered expenditure.
- (viii) Asset Retirement Obligations – As explained in Note 20, the Government has recognized a cost for its asset retirement obligations associated with buildings and fuel tanks. Changes in the liability are not considered expenditure for budget purposes.

5. Government Borrowing Sinking Fund

Effective March 31, 1993, the Government Borrowing Sinking Fund (the “GBSF”) was established as a separate legal entity for the repayment of Government borrowing under the provisions of the Government Loans Act 1978 as amended. Please see also Note 15(a).

Each year the Fund is required to pay into the GBSF 2.5% of the public debt outstanding at the end of the preceding year, or such other amount as the Minister may deem appropriate, upon taking into consideration the annual budget.

Government of Bermuda – Consolidated Fund
Notes to the Financial Statements
March 31, 2024

5. Government Borrowing Sinking Fund (Cont'd)

2023		2024			
\$		\$			
Sinking Fund	Withdrawals of Funds	Contributions	Earnings	Payments	Sinking Fund
223,554,047	(90,000,000)	-	10,375,628	(50,000,000)	93,929,675

Up until 2013, the GBSF assets were only to be applied to reduce, cancel or pay interest on public debt. In 2013 the Government Loans Act 1978 was amended to allow excess funds borrowed to be paid into the GBSF and applied to future year deficits.

The assets are invested in accordance with the Public Funds Act 1954 and are shown as a reduction of debt issued on the Fund's Statement of Financial Position. Please see also Note 15(a).

In 2019, an amendment to the Government Loans Act 1978 was tabled and passed in the Legislature. The amendment gives the Minister of Finance flexibility with regard to making a contribution into the GBSF and removes the provision for Government having to pay interest to the GBSF for late payments. This amendment applies to the current fiscal year, and therefore no contribution was made to the GBSF for the financial year 2023/2024.

For the Financial Year ended March 31, 2024, the Fund reported Investment Income and Loss as shown below:

	2024	2023
	\$	\$
Investment Income	8,714,638	8,035,745
Investment Gain	1,775,046	1,060,866
<u>Investment Gain (Loss):</u>		
Unrealized gain on Sinking Fund Investments	1,111,934	1,763,983
Realized gain (loss) on Sinking Fund Investments	663,112	(703,117)

The assets of the GBSF are comprised of the following:

	2024	2023
	\$	\$
Cash & Cash Equivalents	28,410,602	78,933,373
Fixed Income Securities	65,363,926	144,991,825
Securities (Payable) Receivable	(624,256)	(1,435,690)
Interest Receivable	776,109	1,061,243

Government of Bermuda – Consolidated Fund
Notes to the Financial Statements
March 31, 2024

5. Government Borrowing Sinking Fund (Cont'd)

Financial instruments recorded at fair value are classified using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. Financial instruments were measured using a commonly used valuation model that includes all factors market participants would consider in pricing a transaction and is consistent with economic methodologies for financial instruments.

The following table presents the fair value hierarchy for financial instruments recorded at fair value in the Statement of Financial Position, classified using the fair value hierarchy described in Note 3 (g):

	Level 1	Level 2	2024 Total
	\$	\$	\$
Cash Equivalents	19,406,973	9,003,629	28,410,602
Fixed Income Securities	-	65,363,926	65,363,926
	19,406,973	74,367,555	93,774,529

Additionally, as at March 31, 2024, the GBSF had a cash balance of \$145,921 (2023 - \$973,701).

	Cost	2024 Carrying value
	\$	\$
Cash Equivalents	28,225,347	28,410,602
Fixed Income Securities	65,407,975	65,363,926
	93,633,322	93,774,529

There are separate financial statements for the GBSF to which readers should refer for further information. The amounts disclosed are unaudited. Fiscal year 2016 was the last audit of GBSF.

6. Contingencies Fund

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

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

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Notes to the Financial Statements
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7. Unemployment Insurance Fund

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

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

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

On March 24, 2020 the Government enacted the Public Treasury (Administration and Payments) (Temporary Unemployment Benefit) Regulations 2020 to provide temporary unemployment benefits to individuals directly impacted by COVID-19. The unemployment benefit was paid to eligible individuals for a maximum period of eighteen weeks beginning from the date the application for the unemployment benefit was approved.

On September 17, 2020 the Government enacted the Public Treasury (Administration and Payments) (Supplemental Unemployment Benefit) Regulations 2020 to provide temporary relief to individuals who remained unemployed as a result of COVID-19. The supplemental unemployment benefit was for a twenty-six month period from the date the application was approved with the final payment to be made in November 2022. There were a number of amendments to this regulation, the last one which was effective October 13, 2022 which extends the payment of supplemental unemployment benefits to November 30, 2022.

During the year, \$Nil (2023 - \$0.7 million) was paid out in unemployment benefits and supplemental unemployment benefits as follows:

	2024	2023
	\$	\$
Temporary Unemployment Benefit	-	-
Bars Clubs and Restaurants Unemployment Benefit	-	-
Supplemental Unemployment Benefit	-	662,739
Quarantine Unemployment Benefit	-	67,341
Taxi Operators Unemployment Benefit	-	-
Member’s Bars Clubs and Nightclub Unemployment Benefit	-	-
TOTAL	-	730,080

Government of Bermuda – Consolidated Fund
Notes to the Financial Statements
March 31, 2024

7. Unemployment Insurance Fund (Cont'd)

In addition, a total of \$Nil (2023 - \$37,410) was paid out to consultants during the fiscal year, who assisted with the unemployment benefit process.

There are separate financial statements for the Insurance Fund to which readers should refer for further information. The amounts disclosed are unaudited. Fiscal year 2020 was the last audit of the Fund.

8. Compensated Absences

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

An actuarial valuation of the Government’s obligation for retirement leave was performed at March 31, 2023. An extrapolation was performed to March 31, 2024 using similar various long term assumptions as the Public Service Superannuation Fund (the “PSSF”).

The closing discount rate used for pre-retirement leave benefits calculations was changed to 5.50% (2023 - 5.25%) following a review and validation of the assumptions used for the March 31, 2024 valuation of the Government’s benefits obligation.

This change in discount rate is consistent with the rate of interest for the period committed by the Government on the amounts indebted under these plans. The change in the closing discount rate has resulted in a decrease in the liabilities reported in the Statement of Financial Position for the financial year ended March 31, 2024.

The valuation determined that the liability for compensated absences at March 31, 2024 is \$36,756,238 (2023 - \$37,274,771), as detailed in the table below.

For the year ended March 31	2024	2023
	\$	\$
Liability for Compensated Absences		
Accrued Benefit Obligation	28,319,614	28,342,270
Net Unamortized Experience Gain ^(a)	8,436,624	8,932,501
	36,756,238	37,274,771

(a) Under Public Sector Accounting Standards, gains and losses are amortized over the expected average remaining service life of the members of each plan, which is thirteen years.

Government of Bermuda – Consolidated Fund
Notes to the Financial Statements
March 31, 2024

8. Compensated Absences (Cont'd)

For the year ended March 31	2024	2023
	\$	\$
Liability for Compensated Absences, beginning of year	37,274,771	36,143,955
Amortization of experience gain	(1,048,144)	(308,171)
Current period benefit cost	1,490,094	2,063,912
Interest accrued	1,463,456	1,549,868
Benefit payments	(2,423,939)	(2,174,793)
Liability for Compensated Absences, end of year	36,756,238	37,274,771

9. Pensions and Retirement Benefits

(a) Contributory Defined Benefit Pension Plans

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

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

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

Effective July 27, 2020, the Ministers and Members of the Legislature (Salaries and Pension) Act 1975 was amended to add a life insurance benefit equal to year’s basic salary of the Member at the date of his death. The cost associated with this death benefit provision have been included in the pension liabilities to be disclosed in the March 2024 financial statements.

Employees contribute 8.0% of their basic salary to the PSSF and ministers and members contribute 12.5% of their salary to the MMLPF. The Government matches the participants’ contribution in each plan.

Government of Bermuda – Consolidated Fund
Notes to the Financial Statements
March 31, 2024

9. Pensions and Retirement Benefits (Cont'd)

(a) Contributory Defined Benefit Pension Plans (Cont'd)

Government made contributions to each plan during the year as follows: PSSF - \$30,816,339 (2023 - \$30,206,279), MMLPF - \$471,137 (2023 - \$485,582). The Public Service Superannuation Act 1981 and the Ministers and Members of the Legislature (Salaries and Pensions) Act 1975, as amended, provide that if at any time the funds are insufficient to meet the payments chargeable against them, the deficiency shall be made up out of the Fund.

(b) Pension Liability

The pension liability is calculated on an actuarial basis. Actuarial valuations are performed triennially using the projected benefit method, pro-rated on services. An actuarial valuation was performed for both the PSSF and the MMLPF at March 31, 2023. The results were then extrapolated to March 31, 2024 using the same assumptions to produce the estimates included in the financial statements.

Actuarial valuations are based on a number of assumptions about future events, such as inflation, interest rates, wage and salary increases, employee turnover and mortality. The actuarial assumptions were reviewed for March 2023 valuation, and this review resulted changes to the closing discount rate for the PSSF and MMLPF. This review also resulted in changes to the assumptions relating to, inflation rate, retirement age, termination rates, salary increase rates and marital status at retirement. A mortality review was conducted which showed that the mortality experience for the PSSF was closer to the CPM2014 aggregate mortality table. Accordingly, the mortality assumptions were changed to reflect the aggregate CPM2014 mortality table. The discount rate for the MMLPF was changed to 5.5% (2023 - 5.25%) following a review and validation of the assumptions to be used for the March 2024 extrapolation.

All assumptions reflect Government's best estimates of expected long-term rates and short-term forecasts.

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

The market-related value of assets for the PSSF was \$614,757,037 as at March 31, 2024 (2023 - \$606,045,946) compared to a real market value of \$633,074,791 (2023 - \$599,937,017).

For the MMLPF, there is no difference between the market value of plan assets and the market-related value. As at March 31, 2024 the value was \$7,057,801 (2023 - \$7,817,274). The actual return on plan assets during the year was 13.02% (2023 - 1.91%) for the PSSF and 3.46% (2023 - 3.46%) for the MMLPF.

At March 31, 2024, \$6,032,405 was due from the PSSF (2023 - \$12,077,256) in respect of benefits paid in excess of contributions received by the Fund (Schedule 3). At March 31, 2024 \$7,152,444 (2023 - \$8,191,397) was due to the MMLPF in respect of contributions received in excess of benefits paid by the Fund (Schedule 3(a)).

Government of Bermuda – Consolidated Fund
Notes to the Financial Statements
March 31, 2024

9. Pensions and Retirement Benefits (Cont'd)

(b) Pension Liability (Cont'd)

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

For the year ended March 31	2024	2023
	\$	\$
Pension Liability		
Accrued Benefit Obligation		
PSSF	1,686,574,000	1,632,342,000
MMLPF	36,265,000	36,176,000
	<u>1,722,839,000</u>	<u>1,668,518,000</u>
Net Fund Assets		
PSSF	(614,757,000)	(606,046,000)
MMLPF	(7,058,000)	(7,817,000)
	<u>(621,815,000)</u>	<u>(613,863,000)</u>

For the year ended March 31	2024	2023
	\$	\$
Net Unamortized Experience (Loss)/Gain^a		
PSSF	182,770,000	192,218,000
MMLPF	(1,586,000)	(2,627,000)
	<u>181,184,000</u>	<u>189,591,000</u>

For the year ended March 31	2024	2023
	\$	\$
Pension Liability		
PSSF	1,254,587,000	1,218,514,000
MMLPF	27,621,000	25,732,000
Carried Forward to Note 9(g)	<u>1,282,208,000</u>	<u>1,244,246,000</u>

**Government of Bermuda – Consolidated Fund
Notes to the Financial Statements
March 31, 2024**

9. Pensions and Retirement Benefits (Cont'd)

(b) Pension Liability (Cont'd)

**Accrued Benefit Obligation
For the year ended March 31**

	2024			2023
	PSSF \$	MMLPF \$	Total \$	\$
Accrued benefit obligation at beginning of year	1,632,342,000	36,176,000	1,668,518,000	1,764,631,000
Current Period Benefit Cost	46,348,000	1,484,000	47,832,000	49,601,000
Interest Accrued on benefits	105,928,000	1,916,000	107,844,000	110,356,000
Benefit payments	(98,044,000)	(2,315,000)	(100,359,000)	(97,074,000)
Expected accrued benefit obligation at end of year	1,686,574,000	37,261,000	1,723,835,000	1,827,514,000
Actual accrued benefit obligation at end of year	(1,686,574,000)	(36,265,000)	(1,722,839,000)	(1,668,518,000)
Experience Gain /(loss)	-	996,000	996,000	158,996,000

^(a) Under Public Sector Accounting Standards, gains and losses are amortized over the expected average remaining service life of the members of each plan, which ranges from nine to thirteen years.

(c) Pension-Related Expenses

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

Government of Bermuda – Consolidated Fund
Notes to the Financial Statements
March 31, 2024

9. Pensions and Retirement Benefits (Cont'd)

(c) Pension-Related Expenses (Cont'd)

For the year ended March 31	2024	2023
	\$	\$
Pension Expense		
Cost of Pension Benefits	47,832,000	49,601,000
Employee Contributions	(31,287,000)	(30,692,000)
Interest on Pension Liability	69,248,000	73,091,000
Amortization of Experience (Gains) & Losses		
2015 Experience Gain	(293,000)	(293,000)
2016 Experience Loss	1,777,000	1,777,000
2017 Experience Gain	(6,337,000)	(6,337,000)
2018 Experience Loss	539,000	539,000
2019 Experience Loss	824,000	824,000
2020 Experience Loss	2,001,000	2,001,000
2021 Experience Gain	(914,000)	(914,000)
2022 Experience Gain	(1,079,000)	(1,079,000)
2023 Experience Gain	(12,619,000)	-
Pensions Expense excluding Employer Contribution	<u>69,692,000</u>	<u>88,518,000</u>

(d) Value of Obligations Relating to Benefits for the Pension Plans

The value of the accrued benefit obligation (“ABO”) relating to the pension plans at a given date is determined using the actuarial projections prorated on service, taking into account, among other things, the most probable long-term economic assumptions made by the Government.

Government of Bermuda – Consolidated Fund
Notes to the Financial Statements
March 31, 2024

9. Pensions and Retirement Benefits (Cont'd)

(d) Value of Obligations Relating to Benefits for the Pension Plans (Cont'd)

Actuarial Assumptions – PSSF

Economic Assumptions		
Investment rate	6.50% per annum	
Inflation Rate	2.75% per annum	
Interest credited on employee contributions	4.00% per annum	
Salary increase rates	Age band	% per annum
	20-25	5.75
	25-30	5.75
	30-35	4.85
	35-40	4.15
	40-45	3.90
	45-50	3.85
	50-55	3.65
	55-60	3.40
60-70	3.20	

Actuarial Assumptions – MMLPF

Economic Assumptions	
Investment rate	5.50% per annum
Inflation Rate	2.75% per annum
Salary increase rate	3.25 % per annum

Changes in these assumptions may lead to a material increase or decrease in the value of the ABO relating to vested benefits. The following tables, which take the main assumptions into account, show the potential impact of a difference of 1.00% in the value of the ABO for the two pension plans, PSSF and MMLPF. The tables also show the impact of a one-year difference in life expectancy, considering that, according to current assumptions, the life expectancy of beneficiaries aged 60 is 27.3 years for men and 29.7 years for women.

Government of Bermuda – Consolidated Fund
Notes to the Financial Statements
March 31, 2024

9. Pensions and Retirement Benefits (Cont'd)

(d) Value of Obligations Relating to Benefits for the Pension Plans (Cont'd)

Impact of changes on the main assumptions on the value of the ABO relating to PSSF benefits at March 31, 2024:

Assumption	Change	(Reduction) Increase in ABO	
		\$	%
Discount rate	1.0% increase	(172,600,000)	(10.2)
	1.0% decrease	211,439,000	12.5
Salary increase rate	1.0% increase	62,911,000	3.7
	1.0% decrease	(55,555,000)	(3.3)
Life expectancy	1 year increase	28,186,000	1.7
	1 year decrease	(29,085,000)	(1.7)

Impact of changes on the main assumptions on the value of the ABO relating to MMLPF benefits as at March 31, 2024:

Assumption	Change	(Reduction) Increase in ABO	
		\$	%
Discount rate	1.0% increase	(3,626,000)	(10.0)
	1.0% decrease	4,376,000	12.1
Salary increase rate	1.0% increase	954,000	2.6
	1.0% decrease	(883,000)	(2.4)
Life expectancy	1 year increase	1,019,000	2.8
	1 year decrease	(1,037,000)	(2.9)

(e) Contributory Pension Fund

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

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

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

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

The Government maintains a health insurance scheme, for substantially all of its current and retired employees, some ministers and members of the Legislature and some QUANGO employees. The Government Employees Health Insurance Fund (the “GEHI Fund”) pays for expenses incurred by insured persons and their enrolled dependants. Every insured person contributes to the GEHI Fund, with the Government matching those contributions.

An actuarial calculation of the Government’s ABO for retirement benefits other than pensions was performed for accounting purposes at March 31, 2024, using various long-term assumptions to produce the estimates included in the financial statements.

The closing discount rate used in determining the accumulated post-retirement benefit obligation was revised to 6% (2023 - 5.75%) following a review and validation of the assumptions used for the March 31, 2024 extrapolation of the Government’s benefits obligation. This change in discount rate is consistent with the rate of interest for the period committed by the Government on the amounts indebted under these plans.

The assumed healthcare cost trend rate used was 5.50% (2023 - 5.75%). This trend rate decreases by 0.25% per annum to reach an ultimate rate of 4.0%. Where relevant, the other assumptions used are the same as those used for the PSSF.

Aggregate information about the health insurance scheme is in the following table:

	2024	2023
	\$	\$
Accrued benefit obligation at beginning of year	738,491,792	965,413,796
Current period benefit cost	24,332,012	34,931,663
Interest accrued	42,855,152	41,542,820
Benefit payments	(10,701,622)	(10,803,009)
	<hr/>	<hr/>
Accrued benefit obligation at end of year	794,977,334	1,031,085,270
	<hr/>	<hr/>
Expected accrued benefit obligation at end of year	794,977,334	1,031,085,270
Actual accrued benefit obligation at end of year	822,467,125	738,491,792
	<hr/>	<hr/>
Experience (loss) /gain	(27,489,791)	292,593,478
	<hr/>	<hr/>

Government of Bermuda – Consolidated Fund
Notes to the Financial Statements
March 31, 2024

9. Pensions and Retirement Benefits (Cont'd)

(f) Retirement Benefits Other than Pensions – Employee Health Insurance Scheme (Cont'd)

	2024	2023
Expected average remaining service life	14 years	14 years
Annual (gain) loss amortization	(1,963,557)	20,899,534

Liability for retirement benefits recorded in the statement of financial position

	2024	2023
	\$	\$
Accrued benefit obligation, end of year	822,467,125	738,491,792
Unamortized experience gain	18,675,330	44,266,549
Liability for retirement benefits (Note 9(g))	<u>841,142,455</u>	<u>782,758,341</u>

Expenses recorded in the statement of operations and accumulated deficit

	2024	2023
	\$	\$
Current period benefit cost	24,332,012	34,931,663
Amortization of experience gains	1,898,572	20,668,779
Retirement benefit expense	26,230,584	55,600,442
Retirement benefit interest expense	42,855,152	41,542,820
Total expenses related to retirement benefits	<u>69,085,736</u>	<u>97,143,262</u>

(g) Pensions and Retirement Benefits Liability and Expense Summary

	2024	2023
	\$	\$
Pensions (Note 9(b))	1,282,208,000	1,244,246,000
Retirement Benefits other than Pensions – Health Insurance Scheme (Note 9(f))	841,142,455	782,758,341
Total Pensions and Retirement Benefits Liability	<u>2,123,350,455</u>	<u>2,027,004,341</u>

Government of Bermuda – Consolidated Fund
Notes to the Financial Statements
March 31, 2024

9. Pensions and Retirement Benefits (Cont'd)

(g) Pensions and Retirement Benefits Liability and Expense Summary (Cont'd)

	2024			2023
	Pension Plans	Other Benefits	Total	Total
	\$	\$	\$	\$
Current period benefit cost	47,832,000	25,822,106	73,654,106	86,596,575
Amortization of experience gains (losses)	(16,101,000)	850,428	(15,250,572)	16,878,608
Employee contributions	(31,287,000)	-	(31,287,000)	(30,692,000)
Interest on accrued benefits	69,248,000	44,318,608	113,566,608	116,183,688
Employer contributions	(31,730,000)	(13,125,561)	(44,855,561)	(44,150,802)
Pensions and retirement benefits expense	37,962,000	57,865,581	95,827,581	144,816,069

10. Contingent Liabilities

(a) Guarantees

(i) Hotel Bermuda Holdings Ltd. (“HBH”) Guarantee

The Government has a Master Development Agreement (“MDA”) with HBH, a part of the Desarrollos Hotel Co. Group, the developers of the proposed St. Regis Luxury Hotel, Casino, Spa and Golf Resort in St. George’s. On May 12, 2017, the Minister of Finance announced the Government’s willingness to support the financing of this project by committing to provide a guarantee of up to \$25 million for an estimated project cost of \$150 million. The guarantee provides that the Government cannot be legally required to fund more than \$25 million to repay the lender if HBH is unable to meet their obligations to the lender. The financing being guaranteed is provided under a loan facility maturing in fifteen years. The outstanding balance of the loan as at March 31, 2024 amounted to \$25,000,000 (2023 - \$25,000,000).

The Government made a further commitment to the project, via an amendment to the MDA, to support the development on a number of infrastructure-related matters, including drilling a water well, installing a back-up generator, constructing a new realigned public road and provision of free metered water. The total value of these additional commitments is not to exceed \$2.7 million. Pursuant to the provision of section 3 of the St George’s Resort Act 2015, in June 2017 the Government entered into various land lease agreements with the developer for a period of 262 years.

10. Contingent Liabilities (Cont'd)

(a) Guarantees (Cont'd)

(ii) Bermudiana Development Company Limited (the “BDCL”)

On June 16, 2021, the Government provided a letter of comfort on behalf of the BDCL supporting a \$10 million term loan facility at a 3.5% interest rate. The loan, which has a final repayment date of June 30, 2024, is to support the transition of the Grand Atlantic to the Bermudiana Beach Resort Development. The balance on the loan at March 31, 2024 was \$10,000,000 (2023 - \$10,000,000).

The Ministry of Finance guaranteed to make good any default on the part of the BDCL in the payment of the loan to Clarien Bank Limited (“Clarien”) and all related interest fees and charges due as a result of default by the BDCL until all indebtedness to Clarien has been fully discharged.

On August 17, 2023, the Government provided a letter of comfort to Clarien supporting an aggregate \$25 million, multi-currency facility agreement between Clarien and BDCL. The facility is split equally into a Bermuda dollar facility of up to BD\$12,500,000 and a United States dollar facility of up to US\$12,500,000. At 31 March 2024, there were balances of BD\$10,887,803 and US \$10,887,803 on the multi-currency facility.

On August 30, 2024, the facility agreement between BDCL and Clarien was amended to adjust the interest rate and to extend the maturity date by 12 months. The Ministry of Finance confirmed its consent to the amendments of the facility agreement and reiterated that the Guarantee shall continue in full force and effect.

(iii) Bermuda Commercial Bank

Effective October 12, 2022, the Government partnered with the Bermuda Commercial Bank (BCB) for the rollout of a three-phase pilot program to assist Bermudian citizens with acquiring first time properties and/or necessary renovations.

Under this initiative, the Government will provide an aggregate guarantee to the BCB of up to a maximum amount of BMD \$50,000,000 to be applied in accordance with the terms of the Agreement and Program requirements. In turn, the BCB will offer reduced interest rates and reduced down payment terms to the successful applicants of the program.

10. Contingent Liabilities (Cont'd)

(a) Guarantees (Cont'd)

(iii) Bermuda Commercial Bank (Cont'd)

The scope of the agreement details that the government guarantee per loan will be up to 25% of the purchase price or transfer amount, but no more than BMD \$250,000 maximum, for which each Government Guarantee will be a separate and independent obligation in respect of each loan. This guarantee shall remain in force until the earliest of:

- i. All sums due under the loan having been repaid; or
- ii. The Government has paid to the BCB the full amount of the guarantee set out in the relevant facility letter in respect of the relevant Government Guarantee; or
- iii. When the loan to value ratio (LTV) of the loan falls below 80%, save that the guarantee shall remain in place for a minimum of five years regardless of the LTV falling below 80% during the first five years of a loan; or ten years.

The maximum term for loans under this Program will be 360 months (30 years) and loan holders will benefit from a discounted interest rate which is a floating interest rate of the BCB base rate plus 2%, and a reduced down payment of 10% of the purchase price in cash.

As at March 31, 2024 there were 18 loans issued under this Program (2023- zero). The total government guarantee for all the loans for the period from April 2023 to March 2024 was \$4,076,375 (2023- \$Nil).

(iv) Approved Residential Scheme Kickstart Programme Guarantees

On March 7, 2024 the Government signed a Memorandum of Understanding with three banks, HSBC Bank Bermuda Limited, Clarien and Bermuda Commercial Bank Limited, in relation to a maximum \$50 million guarantee against loans to be made to developers meeting the relevant credit and related requirements, who will build affordable housing units within the Economic Empowerment Zones. The Government's commitment will be limited to a period of six years after completion of the construction and is intended to achieve lower interest costs for borrowers in the scheme, stimulate economic activity and provide much needed housing units.

(v) Non-Binding Heads of Terms Agreement

In September 2022, the Government of Bermuda entered into a Non-Binding Heads of Terms Agreement with Gencom Acquisition LLC (Sponsor) and Westend Properties Limited (Property Owner). This non – binding agreement sets out the proposed terms and conditions for the provision of a US\$75,000,000 Tax Increment Financing loan guarantee to Clarien. The guarantee when issued will form part of a financing package for the renovation of the Fairmont Southampton Hotel.

10. Contingent Liabilities (Cont'd)

(b) Claims and Potential Claims

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

The total of specific amounts claimed or potential settlements which are under litigation or possible litigation as at March 31, 2024 is \$26,851,377 (2023 - \$24,780,063).

(c) Base Lands Clean Up

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

A liability of \$27,978,344 (Restated 2023 (Note 19) - \$26,693,661) has been accrued, which is an estimate of the remaining costs of the clean-up and remediation at two former major base land sites.

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

Clean-up of Morgan's Point is estimated at \$26.9 million to remove environmental hazards and fuel storage tanks, removal and remediation of asbestos, as well as demolition of derelict buildings.

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

Article 6 of the Morgan's Point Land Development Agreement, states the Government is still responsible for the remediation of the Morgan's Point property to international standards deemed reasonably acceptable to the Developer.

(d) Hotels Concession Act 2000, Tourism Investment Act 2017, Memorandum of Understanding for Bars and Restaurant and Bermuda Hotel Association Relief

As a result of revenue loss related to closure of businesses in response to the COVID-19 pandemic in 2020, the Government entered into a Memorandum of Understanding ("MoU") with the Restaurant Division of the Bermuda Chamber of Commerce and bars to provide payroll tax relief to eligible businesses for both employee and employer portions. The relief was originally provided for June, July and August 2020 and was subsequently extended to March 2023.

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10. Contingent Liabilities (Cont'd)

(d) Hotels Concession Act 2000, Tourism Investment Act 2017, Memorandum of Understanding for Bars and Restaurant and Bermuda Hotel Association Relief (Cont'd)

The Government entered into a similar MoU with the Bermuda Hotel Association to provide payroll tax relief to qualifying hotels for the employee and employer portions of payroll tax for October, November and December 2020 and was subsequently extended to March 2023.

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

- to benefit the tourism industry and the economy generally;
- to create employment and entrepreneurial opportunities for Bermudians; and
- to encourage local investment.

The concessions are granted at the discretion of the Minister of Tourism and Transport with the written agreement of the Minister of Finance for those hotels that apply for the concessions. The concessions afforded to the hotels are non-refundable.

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

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

The total of the hotel concessions granted as at March 31, 2024 was \$4,192,418 (2023 - \$4,230,420), which may be applied against any future payroll tax or hotel occupancy tax incurred by the applicable hotels.

In addition to this amount, \$19,302,000 (2023 - \$45,304,500) is available for use but has not yet been granted by the Ministry of Tourism and Transport as per the terms and conditions of the individual orders.

In March 2014, with an operative date of February 27, 2015, the Morgan's Point Resort Act 2014, which includes hotel concessions was tabled and later approved in the House of Assembly. The total value of concessions to be applied in the future against payroll, hotel occupancy and land taxes under this Act cannot be determined at this time.

The Tourism Investment Act 2017 became operative on November 10, 2017. As a result, the Hotel Concession Act 2000 has been discontinued and several hotel concessions were revoked.

The total of the Tourism Investment Order relief granted as at March 31, 2024 was \$12,339,592 (2023- \$6,134,324).

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10. Contingent Liabilities (Cont'd)

(e) St. George's Resort Act 2018

In July 2018, with an operative date of August 31, 2018, the St. George's Resort Act 2018 was approved. The St. George's Resort Act 2015 was simultaneously repealed. A Hotel Concession embedded in the 2015 Resort Act was amended to be a Tourism Investment Order. The total value of concessions to be applied in the future against payroll and hotel occupancy taxes under this act is conservatively estimated to be \$20,000,000 over a period of ten years and is not capped. The land tax concession in this act is not capped.

The total relief applied as at March 31, 2024 was \$4,476,080 (2023 - \$2,201,029).

(f) Tourism Investment (Bermudiana Beach Resort) Order 2018

In February 2019, with an operative date of February 21, 2019, the Tourism Investment (Bermudiana Beach Resort) Order 2018 was approved. The total value of concessions to be applied in the future against payroll and hotel occupancy taxes under this act is conservatively estimated to be \$5,000,000 over a period of ten years and is restricted to the actual tax due. The land tax concession cannot be determined until the valuation of the property is completed and will be applied over a period of 5 years. The value of these concessions is not capped but is restricted to the tax due.

(g) Rosewood Tucker's Point

In August 2020, with an operative date of August 7, 2020, the Tourism Investment (Rosewood Bermuda) Order 2020 was approved. The Hotels Concession (Tucker's Point Hotel and Resort) Order 2016 was simultaneously repealed. The total relief applied as at March 31, 2024 was \$4,819,453 (2023 - \$2,816,040).

(h) St. George's Club

In August 2020, with an operative date of August 7, 2020, the Tourism Investment (St. George's Club) Order 2020 was approved. The total estimated relief resulting from this order has not been determined.

(i) Nautilus Hotel

In August 2021, with an operative date of August 9, 2021, the Tourism Investment (Nautilus Hotel) Order 2021 was approved. The total estimated relief resulting from this order has not been determined.

**Government of Bermuda – Consolidated Fund
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10. Contingent Liabilities (Cont'd)

(j) The Loren Pink Beach

In January 2022, with an operative date of January 14, 2022, the Tourism Investment (The Loren at Pink Beach) Order 2022 was approved. The total relief applied as at March 31, 2024 was \$2,031,651 (2023 - \$1,066,706).

(k) Cambridge Beaches Resort and Spa

In August 2022, with an operative date of August 11, 2022, the Tourism Investment (Cambridge Beaches Resort and Spa) Order 2022 was approved. The total relief applied as at March 31, 2024 was \$1,012,408 (2023 - \$50,549).

(l) Ariel Sands

In March 2024 with an operative date of March 14, 2024, the Tourism Investment (Ariel Sands) Order 2023 was approved. The total estimated relief resulting from this order has not been determined.

11. Non-Contractual Operational Obligations

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

Program	Total Non-Contractual Obligations	2025	2026
	\$	\$	\$
Economic Development	37,101	3,175	33,926
Health	259,690	259,690	-
Total	296,791	262,865	33,926

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12. Contractual Obligations

(a) Capital Leases

The average period of capitalized leased office machines is 3 years. The lease payments period of capitalized leased LED street lights (luminaires) is over 10 years. The useful life of the capitalized LED street lights (luminaries) is 20 years. Leases are capitalized based on the discounted rate of 6.04% and amortized on a straight-line basis over the period of the lease. Interest expense for leased capital assets were \$435,929 for the year (2023 - \$421,181).

The following is an analysis of the leases:

	2024	2023
	\$	\$
Present value of lease cost	7,721,096	7,636,625
Less: Accumulated amortization	<u>(5,508,636)</u>	<u>(5,421,727)</u>
Present value of lease obligations	<u>2,212,460</u>	<u>2,214,898</u>

The following is a schedule of discounted future minimum lease payments under leases expiring up to March 21, 2028:

	\$
2025	263,443
2026	44,243
2027	18,317
2028	<u>1,886,457</u>
Present value of lease obligations	<u>2,212,460</u>

(b) Contractual Obligations

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

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

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12. Contractual Obligations (Cont'd)

(b) Contractual Obligations (Cont'd)

Program	Total Contractual Obligations	2025	2026	2027	2028 and Subsequent
	\$	\$	\$	\$	\$
Economic Development	31,638,470	28,213,265	2,276,546	605,054	543,605
National Security	3,277,135	2,806,132	471,003	-	-
Education	2,369,693	1,638,334	516,253	215,106	-
Other General Government Services	1,386,506	1,037,166	278,690	70,650	-
Health	329,150	329,150	-	-	-
Total	39,000,954	34,024,047	3,542,492	890,810	543,605

(c) Operating Leases

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

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

	\$
2025	4,414,369
2026	3,183,293
2027	2,785,222
2028	2,532,477
2029	1,641,950
2030 and subsequent	2,185,891
Total Future Minimum Operating Lease Payments	16,743,532

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13. Supplementary Estimates and Virements (Transfers)

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

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

During the year, \$32,922,514 (2023 - \$51,312,129) in Supplementary Estimates were approved and spent which consisted of \$29,962,514 (2023 - \$39,562,129) for current expenditure and \$2,960,000 (2023 - \$11,750,000) for capital expenditure.

During the year \$21,169,679 (2023 - \$22,612,312) in virements were approved and transferred which consisted of \$3,172,303 (2023 - \$13,830,294) for current expenditure and \$17,997,376 (2023 - \$8,782,018) for capital expenditure.

Additional expenditures of \$16,759,803 (2023 - \$6,723,609) were incurred in excess of amounts appropriated by the Ministry and will require final approval, which consisted of \$16,241,638 (2023 - \$6,723,609) for current expenditure and \$460,165 (2023 - \$Nil) for capital expenditure.

Additional virements of \$8,632,694 (2023 - \$8,516,979) require final approval and transfer, which consisted of \$3,889,695 (2023 - \$6,531,089) for current expenditure and \$4,742,999 (2023 - \$1,985,890) for capital expenditure.

14. Related Party Transactions

(a) Funds

The Fund is related to the GEHI Fund, the CPF, the MMLPF, the PSSF, the Confiscated Assets Fund (CAF), the Insurance Fund, the GBSF, the Health Insurance Fund, the Mutual Re-insurance Fund, the FutureCare Fund and the Government Reserves Fund.

14. Related Party Transactions (Cont'd)

(a) Funds (Cont'd)

The financial activities of these funds are reported separately in each fund's financial statements. The Fund provides accounting and certain administrative services to these funds. These transactions are in the normal course of operations and are measured at the appropriate exchange amount. The other activities represent the net position of contributions payable to the funds and expenses paid out of the Fund on behalf of the funds. Schedules 3 and 3(a) display details of unpaid balances due from and due to the funds, which have arisen from normal operating activities. The 3.5% per annum rate of interest accruing on the balances is the statutory rate as fixed by the Interest and Credit Charges (Regulation) Act 1975 (2023 – 3.5% per annum). The exceptions to this interest charge allocation are the GEHI and CAF Fund balances, for which no interest is accrued.

(b) QUANGOs and Other Government-Related Organizations

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

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

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

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

a) On December 1, 2010, the Minister of Finance provided an irrevocable Guarantee to Paget Health Services Limited (“PHS”) on behalf of the BHB to facilitate the completion of the new acute care wing (the “New Facility”) of the King Edward VII Memorial Hospital in Paget. The Annual Service Payments commenced from June 12, 2014, the Service Commencement date, for a period of approximately thirty years, consisting of principal, interest, lifecycle and hard facilities management. A portion of the Annual Service Payment is indexed over the thirty year period to allow for changes in the cost of living and other related facility costs. The current year's Annual Service Payment was \$31.3 million (2023 – \$29.5 million). The Guarantee agreement guarantees the payment obligations of the BHB to Paget Health Services Limited by the Government, including principal, interest, life cycle and hard facilities' maintenance expenses, as required by the lenders. The total of BHB's remaining contractual obligation, which is to March 2044, to PHS at March 31, 2024 is \$696.6 million (2023 – \$727.9 million).

b) On February 17, 2021, the Minister of Finance approved for the BHB to enter into a credit facility of up to \$30 million with Clarien for purposes of supporting the BHB's cash flow requirements.

14. Related Party Transactions (Cont'd)

(b) QUANGOs and Other Government-Related Organizations (Cont'd)

(i) Bermuda Hospitals Board (the “BHB”) Guarantee (Cont'd)

On June 7, 2022, the Government provided a letter of comfort to Clarien, approving the BHB's extension of an overdraft facility of up to \$20 million. The purpose of this extension to the facility is to support BHB in sustaining its cash flow requirements. As at March 31, 2024, BHB had an outstanding balance of \$17,770,795 on the facility (2023- \$11,775,305).

The Ministry of Finance acknowledged BHB's obligations in connection with the overdraft facility and the Government's intentions to cause BHB to continue operating and be in a financial position to discharge its obligations to Clarien.

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

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

While the Government settles defaulted loans as required, there is no liability recorded and no provision for loans in default is included in the financial statements of the Fund. The total of specific amounts deemed contingent liabilities of the Government, as determined by the BEDC, as at March 31, 2024 is \$1,425,581 (2023 - \$1,763,741).

In April 2020, the Government announced it would provide the BEDC with a grant of \$12 million to fund their COVID-19 Business Sustainability & Continuity Funding Programme to provide relief in response to the significant impact of COVID-19 on Bermuda's small and medium-sized businesses. As of March 31, 2023 BEDC is no longer offering the COVID-19 Business Sustainability & Continuity Funding Programme product; however, the residual balance of \$5,598,232 under the programme has been channeled towards direct funding offered to the beneficiaries through BEDC's existing financial products. For the year ended March 31, 2024, \$384,014 (2023 - \$808,339) in financial support has been deployed in a combination of grants, loans, and guarantees.

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

In accordance with Section 8(3) of the Bermuda Monetary Authority Act 1969, the BMA pays the remaining portion of its net profit (historically 50%) to the Fund after contributions to the BMA General Reserve and the paid up capital of the Authority. The BMA reported a net loss as of December 31, 2023, and no transfer was made to the Consolidated Fund subsequent to March 31, 2024 (2023 - \$1,000,000).

14. Related Party Transactions (Cont'd)

(b) QUANGOs and Other Government-Related Organizations (Cont'd)

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

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

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

On March 18, 2021, the Government provided a letter of comfort to Clarien on behalf of BLDC supporting a \$30 million term loan facility for the development of a water and sewage treatment system for the parish of St. George’s. The balance outstanding on the loan facility as at March 31, 2024 was \$29,532,944 (2023-\$29,005,371).

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

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

To the extent that the BHC operates programmes which do not break even, the Government appropriates annual grants which enable BHC to comply with its legislation. The annual grant awarded for the year ended March 31, 2024 was \$17,840,158 (2023 - \$17,750,000).

(vi) WEDCO Guarantee

- a) On February 13, 2019, the Minister of Finance consented to a new credit facility comprising of a term loan and a project loan. The loan facility is for a term of seven years, maturing on February 28, 2026.

The term loan is a consolidation of two existing facilities:

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

14. Related Party Transactions (Cont'd)

(b) QUANGOs and Other Government-Related Organizations (Cont'd)

(vi) WEDCO Guarantee (Cont'd)

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

Under the new credit facility, the WEDCO loans are secured by one guarantee in the amount of \$71,850,000. The Ministry of Finance further guarantees and will make good any default on the part of WEDCO in the payment of these loans to BNTB and all related interest fees and charges due as a result of default by WEDCO until all indebtedness to BNTB has been fully discharged.

The project loan - The \$15 million project loan was to facilitate the payment of the King's Wharf project. The Government initiated an accelerated replacement program of King's Wharf in October 2018 due to major deterioration and structural and safety issues. King's Wharf is owned by WEDCO.

On August 9, 2022, the Minister of Finance provided a guarantee for WEDCO's term loan facility with Clarien for an amount up to \$60,275,042 for the purpose of re-financing existing indebtedness with BNTB.

The Ministry of Finance guaranteed, up to a maximum liability of \$60,205,042 to make good any default on the part of WEDCO, in the payment of the loan to Clarien and all related interest fees and charges due as a result of default by WEDCO until all indebtedness to Clarien has been fully discharged. The notional amortization period of the loan is 18 years. As at March 31, 2024, WEDCO had a balance of \$56,224,072 on the facility (\$2023 - \$58,178,673).

- b) On May 25, 2020, the Ministry of Finance granted approval for WEDCO to enter into a credit facility of up to \$1,000,000 with Clarien for purposes of financing the proposed Utility Improvements Project at the Boaz Island Village, Sandy's, and to provide up to \$50,000 for interest capitalization for the first twelve months of the term of the loan.

On July 13 2020, WEDCO secured a term loan of \$1.05M at 5% with a final repayment date of December 1, 2038. WEDCO is obligated to make monthly payments of \$7,382 which cover both principal and interest for an amortization period of 216 months. As at March 31, 2024, WEDCO had a balance of \$957,509 (2023- \$996,997) on the facility.

(vii) BHC Guarantee

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

14. Related Party Transactions (Cont'd)

(b) QUANGOs and Other Government-Related Organizations (Cont'd)

(vii) BHC Guarantee (Cont'd)

On July 20, 2021 the Minister of Finance granted his consent for the BHC to enter into a facility agreement with Clarien for an amount up to \$29,300,000 for the purpose of re-financing existing indebtedness with BNTB. The final repayment date of this facility will be July 31, 2036. The balance outstanding as at March 31, 2024 was \$25,121,194 (2023 - \$26,781,212).

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

(viii) Regulatory Authority (the “RA”)

On February 25, 2019, the Government provided a letter of comfort to Clarien on behalf of the RA supporting a revolving line of credit of \$2 million. A line of credit for \$1.5 million at Clarien was finalized on September 9, 2019.

On October 24, 2019, the Ministry of Finance issued a letter of comfort to Clarien approving the borrowing of \$1,500,000 by RA to assist with short term working capital requirements. On November 25, 2019, the RA established a two year Revolving Line of Credit with Clarien in the amount of \$1,500,000 at a fixed interest of 5.0% per annum. This facility expired on December 20, 2021 and was renewed for another two years under similar terms and conditions noted above. The facility came to an end in December 2023 and was not renewed.

In accordance with Section 41 (1) (a) of the Regulatory Authority Act 2011, the RA will pay 50% of its net surplus to the Fund. The Fund's share of RA's net surplus for the year ended March 31, 2024 was \$Nil (2023 - \$Nil).

(ix) L.F. Wade International Airport Redevelopment

After several assessments commissioned by the Government, it was concluded that the useful life of the existing airport terminal was nearing expiration. The Government agreed to redevelop the airport by using a government-to-government contracting model with the Canadian Commercial Corporation (“CCC”) which is wholly owned by the Government of Canada. Since mid-2014 the Government has engaged with the CCC and its selected project partner Aecon Group Inc. (collectively the "Project Partner" or "Concessionaire"). The model involved an incremental contract development process that began when the parties entered into a Memorandum of Understanding on November 10, 2014, which led to the execution of a series of Letters of Agreement.

14. Related Party Transactions (Cont'd)

(b) QUANGOs and Other Government-Related Organizations (Cont'd)

(ix) L.F. Wade International Airport Redevelopment (Cont'd)

A further interim agreement, called the Airport Development Agreement (“ADA”), which was entered into on August 31, 2015, sets out and describes the scope, principles and high level terms (“Heads of Agreement”) of the Project's final and definitive arrangements.

After detailed negotiations, the Government and the Project Partners reached agreement on all material aspects of the Project, and a set of definitive core project agreements and associated schedules (collectively referred to as “the Agreement”) were prepared and signed by the Minister of Tourism, Transport and Municipalities and the Minister of Finance on March 15, 2017 (“Financial Close”) for the transaction.

The Agreement stipulates that the Government will enter into a 30-year concession agreement with a Special Purpose Entity, Bermuda Skyport Corporation Limited (“Skyport”). Skyport is owned by Aecon, who will hold at least 35% of the equity, and other third party shareholders. The Agreement will include both construction of the new airport as well as operations and maintenance of the airport for the concession term, except for operations that Bermuda will retain, being air traffic control operations, meteorological services, airport fire and rescue services and ground electronics (“the Retained Government Services”).

Under the Agreement, Government will provide Skyport with limited financial support and assistance, including:

- the accumulated Airport Improvement Fees revenue;
- guaranteed minimum regulated revenue; and
- the amount in respect of annual energy consumption for the airport.

All airport charges will be deregulated and governed by the terms of the Agreement. Skyport will have the sole right to charge and enforce all airport-related fees.

The Airport Redevelopment Concession Act 2017, effective March 9, 2017, resulted in a number of concessions and exemptions to Skyport and its affiliates, CCC, Aecon and the finance parties. The concessions include relief from certain taxes and environmental exemptions. The value of these concessions is not able to be determined, as they are not capped.

The Government created a QUANGO, the Bermuda Airport Authority (the “BAA”), under the Bermuda Airport Authority Act 2017, to administer the Airport Development Agreement 2015 and provide the Retained Government Services. All airport property, excluding airport lands, and all liabilities and contracts were transferred to the BAA at the vesting date.

14. Related Party Transactions (Cont'd)

(b) QUANGOs and Other Government-Related Organizations (Cont'd)

(ix) L.F. Wade International Airport Redevelopment (Cont'd)

On October 19, 2018 an Assignment and Transfer Agreement (“ATA”) was made between the BAA and the Government of Bermuda. This ATA re-assigned and re-transferred certain assets and liabilities obligation accrued and appropriated back to the Government with an effective date of March 16, 2017. These assets and liabilities should have remained with the Government even though they formed part of the Airport property at financial close.

The Government has leased existing airport land and facilities to Skyport for the 30-year term of the Agreement. The Agreement provides that the lease, and the transfer of the airport assets, labour force and responsibility for airport operations to Skyport, occurred at Financial Close. The Agreement does not have any extension options, so at the end of the term, the airport and all airport assets will revert to the BAA subject to the Agreement’s hand-back standards.

Skyport reported a shortfall in the first quarter 2022 Senior Debt payment and as a result the Minimum Revenue Guarantee provisions of the Airport Project Agreement were triggered requiring a payment from BAA. In April 2022, the BAA paid \$2.22 million to Skyport by way of a supplemental operating grant from the Fund. In July 2022, December 2022 and January 2023, the Fund transferred additional amounts of \$3.47 million, \$3.38 million and \$362,751, respectively, to BAA for payment to Skyport, by way of supplemental operating grants from the Fund. No payments of this nature were required for fiscal year 2023/2024.

(x) Bermuda Shipping and Maritime Authority

On July 12, 2016, the Bermuda Shipping and Maritime Authority (the “BSMA”) was established by the Bermuda Shipping and Maritime Authority Act 2016 (the “BSMA Act”). At March 31, 2024, the BSMA had a loan of \$1,090,000 (2023 - \$1,090,000) from the Fund. This balance is included in the Due from Government Funds and Agencies (Schedule 3) and is fully provided for.

In accordance with Section 19(1) (a) of the BSMA Act, the BSMA will transfer a percentage of its net surplus, if any, to the Fund. The 2018 net position of the BSMA provided for an operating surplus of \$1,873,166. However, in May 2020, the BSMA received approvals from the Minister of Finance and the Minister of Tourism and Transport for the surplus to be utilized to recoup anticipated net losses for the 2019 and 2020 years. The BSMA reported net deficits for the years ended March 31, 2024 and 2023.

In August 2023, the Ministry of Finance approved a deferral of an \$850,000 loan repayment to the Bermuda Government by BSMA. The loan was set to be repaid by the end of June 2022 and the repayment date was extended for a further 24 months until the end of June 2024.

14. Related Party Transactions (Cont'd)

(b) QUANGOs and Other Government-Related Organizations (Cont'd)

(x) Bermuda Shipping and Maritime Authority (Cont'd)

On August 25, 2023, the Ministry of Finance issued a Letter of Comfort to BSMA to formally show its support for the Quango. The letter noted that BSMA presently has an annual deficit which is forecasted to continue, and the Government is working on progressing the recommendations from a review it conducted on the BSMA and BCAA current structure. The Government stated its commitment to the success of BSMA noting the Quango's importance to the economic recovery of Bermuda. The Government further noted its support to BSMA both strategically and financially to ensure the Quango meets its financial obligations for a period of at least 12 months from the date of the letter.

(xi) Bermuda Civil Aviation Authority

In accordance with Section 18(1)(a) of the Bermuda Civil Aviation Authority Act 2016 (the "BCAA Act"), the Bermuda Civil Aviation Authority (the "BCAA") will transfer a percentage of its net surplus to the Fund. The BCAA reported a net loss for the year ended March 31, 2024 of approximately \$1.5 million (2023 – a net loss of \$1,903,723). The prior year amounts to be transferred to the Fund are included in Due from Government Funds and Agencies (Schedule 3) at March 31, 2024.

On September 5, 2023, the Ministry of Finance issued a Letter of Comfort to BCAA to formally show its support for the Quango. The letter noted that BCAA currently has an annual deficit which is forecasted to continue until new revenue streams can be found to replace revenue lost from international sanctions on Russian Aircraft Operators. To support BCAA's ongoing work of turning the current deficit into a surplus, the Government is working on progressing the recommendations from a review it conducted on the BCAA and BSMA current structure. The Government stated its commitment to the success of BCAA noting the Quango's importance to the economic recovery of Bermuda. The Government further noted its support to BCAA both strategically and financially to ensure the Quango meets its financial obligations for a period of at least 12 months from the date of the letter.

(xii) Bermuda Gaming Commission

On April 4, 2017, the Government authorized the transfer of \$1.6 million from the Fund to the Bermuda Gaming Commission (formerly the Bermuda Casino Gaming Commission) (the "BGC") in the form of an interest-free loan. In July 2018, the Government transferred a further \$500,000 to the BGC. As at March 31, 2024, \$2.1 million (2023- \$2.1 million) is outstanding from the loan.

On January 5, 2019, the Government signed a guarantee on behalf of the BGC supporting an overdraft facility with BNTB of \$1.2 million, which was increased to \$2.7 million by March 31, 2020.

14. Related Party Transactions (Cont'd)

(b) QUANGOs and Other Government-Related Organizations (Cont'd)

(xii) Bermuda Gaming Commission (Cont'd)

On May 14, 2020, the Minister of Finance consented to a \$700,000 increase in the BGC's existing overdraft facility with BNTB to \$3.4 million, with expiry on February 28, 2021. On March 24, 2021, the Minister of Finance consented to a \$3,875,000 increase in the BGC's existing overdraft facility with BNTB to \$8,175,000, with expiry on May 31, 2022. In June 2022, the expiry date was further extended to September 30, 2022. On October 31, 2022, the Minister of Finance further consented to an extension of the credit facility to January 31, 2023 under the existing terms and conditions of the facility.

On December 19, 2022, the acting Minister of Finance approved an increase of BGC's overdraft facility from \$8,175,000 to \$9,800,000. Additionally, an Amendment Letter was endorsed by BGC, BNTB and the Minister of Finance on March 27, 2023. This letter formally increased the overdraft facility from \$8,175,000 to \$9,800,000 and extended the credit facility until June 30, 2023.

The Ministry of Finance guaranteed to make good any default on the part of BGC until all indebtedness to BNTB has been fully discharged.

In June 2023, the Ministry of Finance and BGC paid BNTB \$9,675,000 and \$33,138, respectively, in full settlement of the BGC loan balance due to BNTB. This loss on guarantees was recognized in the Statement of Operations and Accumulated Deficit as at March 31, 2023.

(xiii) Bermuda Tourism Authority

On May 18, 2020, the Minister of Finance consented to the \$2 million increase in borrowing on an existing fixed rate loan facility by the Bermuda Tourism Authority (the "BTA") with BNTB. The maximum principal amount of the 5 year 4.75% fixed interest rate loan is \$9,666,667. The loan was used to facilitate the repayment in full of the outstanding project capital costs and accrued interest on the widening of the North Channel to permit Quantum Class cruise ships passage to Bermuda.

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

The final repayment of the loan was made on March 31, 2024 and all liabilities were fully discharged (2023 – \$3,000,000).

14. Related Party Transactions (Cont'd)

(b) QUANGOs and Other Government-Related Organizations (Cont'd)

(xiv) National Sports Centre (the “NSC”)

On May 26, 2021, the Government provided a letter of comfort to HSBC on behalf of the NSC supporting a \$3.235 million term loan facility. The loan is to support NSC's Solar Initiative to provide a solar energy source for the facilities. As at March 31, 2024 the balance on the loan is \$2,557,500 (2023- \$2,707,670).

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

(c) Provision for Doubtful Accounts – Due from Government Funds & Agencies

A provision for doubtful accounts is recorded when there is no reasonable assurance of collection of the carrying amounts of a loan or receivable balance. Due to this uncertainty, a provision of \$107.2 million (2023 - \$75.7 million) has been made for balances owed to the Fund by various Government Funds and Agencies (see also Schedule 3).

15. Debt

(a) Debt issuance and payments

In August 2020, the Government raised \$1.35 billion with the issuance of a \$675 million 2.375% Note due 2030 and a \$675M 3.375% Note due 2050. With the proceeds, the following short term borrowings were paid off: a \$200 million combined loan facility with HSBC and BNTB, a \$150 million combined loan facility with HSBC and Clarien, and a \$55 million overdraft facility with Clarien. In addition, principal payments were made on the following outstanding Senior Notes: \$121,095,000 on the \$475 million 4.138% Note due 2023, \$147,797,000 on the \$750 million 4.854% Note due 2024, \$60,376,000 on the \$665 million 3.717% Note due 2027, and \$170,732,000 on the \$620 million 4.750% Note due 2029. The remainder deposited in the GBSF is to be used to fund anticipated deficits. During the year, \$3,766,097 was utilised for the payment of Early Tender Premium on repurchased debt.

In July 2022, the Government raised \$496,740,000 with a new issuance of \$500 million 5% Senior Notes due in 2032. The proceeds were utilised to finance the early principal payment of the \$354 million 4.138% Senior notes due in January 2023, and \$1,915,658 was utilised for the facility charges and other ancillary fees related to the notes refinancing. The remainder was deposited in the Sinking Fund and utilised to pay off the \$140 million 5.73 % Senior Notes due in December 2022.

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Notes to the Financial Statements
March 31, 2024

15. Debt (Cont'd)

(a) Debt issuance and payments (Cont'd)

On August 15, 2022, the Government raised an additional \$405,190,066 which represented an additional issuance of \$390 million 5% Senior Notes due in 2032. The proceeds were inclusive of accrued interest of \$2,004,167 and purchase premium of \$13,185,900 and were used to early retire the \$402 million of 4.854% Senior notes due 2024.

There are separate financial statements for the GBSF to which readers should refer for further information. The amounts disclosed are unaudited.

(b) Discount on Bonds

In November 2018, Government issued debt of \$620 million of 4.750%, 10 year bonds, due February 2029 at an issue price of \$615 million, resulting in a discount of \$4,619,000. The discount has been amortized by \$2,248,978 to date using the effective interest method.

In August 2020, the Government issued debt of two \$675 million bonds of 2.375% and 3.375%, respectively. The 2.375% bond is due August 2030 and was issued at a price of \$673 million, resulting in a discount of \$1,336,500. The discount has been amortized by \$432,015 to date using the effective interest method. The 3.375% bond is due August 2050 and was issued at a price of \$673 million, resulting in a discount of \$1,336,500. The discount has been amortized by \$95,890 to date using the effective interest method.

In July 2022, the Government issued debt of \$500 million of 5%, 10 year bonds at a discount of \$3,260,000. The discount has been amortized by \$391,017 to date using the effective interest method.

(c) Premium on Bond

In August 2022, Government issued debt of \$390 million of 5%, 10 year bonds at a premium of \$13,185,900. The premium has been amortized by \$1,618,446 to date using the effective interest method.

(d) Debt Repayment

In December 2023, the Government redeemed in full its outstanding \$50 million 4.75% Senior notes due on December 16, 2023. Additionally, \$1,187,500 and \$1,000 was paid in interest and bank charges, respectively.

(e) Limit on the Public Debt

In August 2020, section 2A (1) of the Government Loans Act 1978 was amended to raise the debt ceiling to \$3.50 billion.

Government of Bermuda – Consolidated Fund
Notes to the Financial Statements
March 31, 2024

16. Deferred Revenue

(a) Insurance Claims

Monies not yet spent for the purpose specified are accounted for as deferred revenue. During the year, the Fund received proceeds from insurance claims to be used to cover financial losses due to specific events. At year end, \$1,727,033 (2023 - \$3,251,342) of these funds remained, and were due to various insurance claims.

(b) Tugboats / NCL Primary Berthing Rights

In December 2019, the Government executed an amendment to an existing berthing and operating agreement with Norwegian Cruise Lines (NCL), whereby that entity provided \$15,000,000 in exchange for primary berthing rights for NCL ships during the cruise season until December 2028. As per the amended agreement, the Government has restricted the use of the funds for the purchase of two new Azimuth Stern Drive tugboats.

The \$15 million dollars has been recorded as deferred revenue, which will be recognised over a period of time to 2028.

The two new tugboats arrived in Bermuda on September 26, 2020 and were officially handed over to the Government on October 16, 2020.

At March 31, 2024, \$1,663,005 (2023 - \$1,642,508) has been recognised as revenue in the Statement of Operations and Accumulated Deficit and the deferred revenue remaining totalled \$7,920,200 (2023 - \$9,580,220). As of that date \$58,244 of the funds remain unspent for staff training and additional tugboat parts.

17. Morgan's Point / Caroline Bay

(a) Certificate Purchase Agreements

On March 14, 2016, the Minister of Finance provided irrevocable Guarantee Agreements to lenders, replacing a letter of comfort issued August 2013, providing certain credit facilities on behalf of Morgan's Point Limited ("MPL") for use in the construction of a new hotel and condominium project at Morgan's Point to be branded and managed as a member of the Ritz Carlton hotel and residences brands. The guarantees provide that the Government cannot be legally required to fund more than US\$165 million to repay the lenders if the borrowers are unable to perform their obligations. George's Bay Limited ("GBL"), a subsidiary of MPL, entered into a number of transactions to obtain financing for the project. The financing guaranteed was provided under separate groups of loans – US\$85 million senior secured debt ("Tranche B") and US\$75 million unsecured debt ("Tranche C"), each maturing in five years with two one year options to extend.

17. Morgan’s Point / Caroline Bay (Cont’d)

(a) Certificate Purchase Agreements (Cont’d)

MPL and GBL were unsuccessful in securing funding to meet the financial obligations to the lenders, resulting in defaults of those obligations. As a result of the defaults, the Tranche B lenders demanded repayment of the outstanding loans in full. In September 2019, the Government proactively exercised its rights under the Intercreditor Agreement, to purchase the lenders’ rights and interests under the Tranche B Loan Agreement, at a cost of US\$88.5 million. In October 2019, the Government again proactively exercised its rights under the Intercreditor Agreement, purchasing the lenders’ rights under the Tranche C Loan Agreement at a cost of US\$80 million. The Government also purchased an aggregate 1,500 Class B Non-Voting Participating Common Shares, \$0.01 par value of GBL, pursuant to the loan and share purchase agreements between the Government and the Tranche C Lenders. In December 2019, the Government undertook to settle \$11.1 million outstanding contractors’ balances owed by GBL for work performed.

In March 2020, the Government successfully petitioned the Supreme Court to wind up GBL and appoint provisional liquidators to implement a corporate restructuring.

(b) Recognition of Asset

An independent assessment of the value of the assets in respect of its secured and unsecured claims against GBL was done. The Government has a secured claim against the assets of GBL as recourse for the Tranche B debt and an unsecured claim relating to the Tranche C debts. The Government also acquired the various outstanding contractor balances due from GBL. The loans and equity acquired in the Certificate Purchase Agreement totalled \$168,472,958, and the outstanding contractors balance acquired was \$11,051,438. The acquired loans, equity and various contractor balances would normally be considered to meet the definition of an asset, however there are a number of factors that create significant measurement uncertainty in the valuation of the amounts expected to be ultimately recovered by the Government. While it has not been concluded that the asset has nil value, as there a number of GBL tangible assets that have value, the Government deems it appropriate to provide a valuation allowance of \$168,471,958 for the asset, such that its carrying value in the financial statements is \$1,000.

The contractors balances along with legal advisory and consulting cost totalling \$14,814,279 were added to the valuation allowance presented in the March 31, 2020 Statement of Operations and Accumulated Deficit.

The amount recognised as recoverable could change materially in the future, dependent on the outcome of future events, including the prospective use of the development site, future investment decisions by the Government and others, and future operations of GBL.

(c) Morgan’s Point Guarantee

There is currently no counterparty to whom the Government has any obligation under the guarantee, as the Government acquired the loans for which it acts as guarantor. Although owned by the Government, the Tranche B and Tranche C debts still exist and have the potential to be disposed of at a future date. As a result, the Government’s guarantee has not been formally extinguished.

Government of Bermuda – Consolidated Fund
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March 31, 2024

17. Morgan’s Point / Caroline Bay (Cont’d)

(c) Morgan’s Point Guarantee (Cont’d)

On June 19, 2020, the Government submitted a claim to GBL’s provisional liquidators in the amount of \$217.5 million. The Government paid \$2,234,033 (2023 - \$4,133,499) for contractor’s balances, joint provisional liquidator, and consulting, advisory and legal services for the year ended March 31, 2024, with \$916,818 included as being due from Morgan’s Point Development Company (MPDC). In addition, Government also paid out interest on the facility used to pay the Caroline Bay/Morgan’s Point amounting to \$3.1 million. See also Note 22(a).

18. WEDCO / Moresby House

On August 30, 2016, the Government of Bermuda approved a grant of \$3 million to WEDCO for the redevelopment and refurbishment of Moresby House, located at 26 Pender Road, Sandys, Bermuda. Although initially provided by way of a grant to expedite the refurbishment works, WEDCO was required to repay the Government in full, with specific terms and conditions to be agreed.

In April 2018, WEDCO entered into a lease agreement with the Government, wherein WEDCO would lease Watford House, located at 35 Malabar Road, Sandys, Bermuda, to the Government for 21 years, commencing May 1, 2018 and expiring on April 29, 2039.

The rent amount under the terms of lease is \$nil. At the end of the lease period, the amount owed to the Government is deemed to be zero.

The balance remaining at March 31, 2024 is \$2,166,667 (2023 - \$2,309,524).

19. Prior period adjustments

Certain 2023 comparative balances have been changed as a result of the application of prior period adjustments necessitated to the 2023 audited financial statements. Prior period adjustments are being made when errors impacting previously reported financial years are discovered in the current reporting year.

i) Asset Retirement Obligations (ARO)

The Government’s adoption of PS3280 with the modified retroactive application for the fiscal year ended March 31, 2024, with restatement of 2023 figures represents a correction of a prior period error. The correction resulted in an increase in prior period ARO of \$37.9 million, an increase in Tangible Capital Assets of \$264,724 and a corresponding increase of \$37.7 million in the Accumulated Deficit.

ii) Recognition of environmental liability associated with disposal of containers filled with asbestos

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Notes to the Financial Statements
March 31, 2024

19. Prior period adjustments (Cont'd)

An environmental liability of \$2.4 million for the safe disposal of 350 containers filled with asbestos has been recorded. This liability arose from past renovation activities on the Island that resulted in asbestos byproducts. The booking of this liability reflects the Government's obligation dictated by prior practices and reinforces the dedication to addressing environmental concerns responsibly. The correction of the omission resulted in an increase in prior period liabilities of \$2.4 million, with a resultant increase of \$2.4 million in the accumulated deficit. This amount has been reflected in Accounts Payable and Accrued Liabilities: Trade Accounts Payable on Schedule 5.

iii) Receivables for legal fees

It was determined that \$1.9 million in legal fees which were incurred during the prior year were to be recovered. The correction of the omission of this receivable had the resultant effect of an increase in prior period Financial Assets: Accounts Receivable of \$1.9 million and a decrease in the accumulated deficit of \$1.9 million.

iv) Clean up Costs

\$2.9 million relating to the inflation increases in Base Land clean-up costs was omitted during the prior year. The correction of this omission resulted in an increase in liabilities of \$2.9 million and an increase in the accumulated deficit of \$2.9 million.

v) Depreciation for fixed assets

\$377,889 relating to incorrectly calculated depreciation on assets was included in the final amortization amount in the prior year. The correction of this error had the resultant effect of an increase in prior period Tangible Capital Assets of \$377,889 and a decrease in the accumulated deficit of \$377,889.

Condensed Statement of Financial Position as at March 31 2023:

	Previously Reported Balance	ARO adjustment	Correction Of Errors Environmental Liability	Receivable for legal fees	Accrual for clean up fees	Depreciation for Fixed Assets	Restated Balance
	\$	\$	\$	\$	\$		\$
<u>Liabilities</u>							
Asset Retirement Obligations	-	37,933,502	-	-	-	-	37,933,502
Accounts Payable and Accrued Liabilities	180,742,730	-	2,400,000	-	2,950,196	-	186,092,926
Total Liabilities	5,394,345,518	37,933,502	2,400,000	-	2,950,196	-	5,437,629,216
<u>Financial Assets</u>							
Accounts Receivable	222,799,563	-	-	1,981,935	-	-	224,781,498
Total Financial Assets	326,528,795	-	-	1,981,935	-	-	328,510,730

Government of Bermuda – Consolidated Fund
Notes to the Financial Statements
March 31, 2024

19. Prior period adjustments (Cont'd)

Condensed Statement of Financial Position as at March 31 2023 (Cont'd):

	Previously Reported Balance	ARO adjustment	Correction Of Errors				Restated Balance
			Environmental Liability	Receivable for legal fees	Accrual for clean up fees	Depreciation for Fixed Assets	
	\$	\$	\$	\$	\$		\$
Net Debt	5,067,816,723	37,933,502	2,400,000	-1,981,935	2,950,196	-	5,109,118,486
<u>Non-Financial Assets</u>							
Tangible Capital Assets	596,502,695	264,724	-	-	-	377,889	597,145,308
Total Non-Financial Assets	649,397,053	264,724	-	-	-	377,889	650,039,666
<u>Accumulated Deficit</u>	4,418,419,670	37,668,778	2,400,000	-1,981,935	2,950,196	-377,889	4,459,078,820

Condensed Statement of Operations and Accumulated Deficit as at March 31,2023:

	Previously Reported Balance	ARO adjustment	Correction Of Errors				Restated Balance
			Environmental Liability	Receivable for legal fees	Accrual for clean up fees	Depreciation for Fixed Assets	
	\$	\$	\$	\$	\$		\$
<u>Revenue</u>							
Other Revenue	47,089,900	-	-	1,981,935	-	-	49,071,835
Total Revenue	1,129,101,294	-	-	1,981,935	-	-	1,131,083,229
<u>Expenses</u>							
Economic Development	358,743,389	37,668,778	2,400,000	-	2,950,196	-377,889	401,384,474
Annual Deficit	229,866,179	37,668,778	2,400,000	-1,981,935	2,950,196	-377,889	270,525,329
Accumulated Operating Deficit,							
End Of Year	4,420,183,653	37,668,778	2,400,000	-1,981,935	2,950,196	-377,889	4,460,842,803

Government of Bermuda – Consolidated Fund
Notes to the Financial Statements
March 31, 2024

19. Prior period adjustments (Cont'd)

Condensed Statement of Cash Flow as at March 31, 2023:

		Correction Of Errors					
	Previously Reported Balance	ARO adjustment	Environmental Liability	Receivable for legal fees	Accrual for clean up fees	Depreciation for Fixed Assets	Restated Balance
	\$	\$	\$	\$	\$	\$	\$
Annual Deficit	229,866,179	37,668,778	2,400,000	1,981,935	2,950,196	377,889	270,525,330
Amortization of Tangible Capital Assets	46,028,186	-	-	-	-	377,889	45,650,297
Loss on Disposal or Impairment of Tangible Capital Assets and Adjustments	16,410,159	-264,724	-	-	-	-	16,145,435
Increase in Non-Cash Working Capital	63,844,000	37,933,502	2,400,000	1,981,935	2,950,196	-	22,542,237

20. Asset Retirement Obligations

The Government's asset retirement obligations consist of asbestos remediation and fuel tank decommissioning:

Asbestos and fuel tank obligation:

The Government owns and operates several buildings that are known or likely to have asbestos, which represents a health hazard upon demolition of the building and there is a legal obligation to remove it.

Following the adoption of PS 3280 Asset Retirement Obligations, the Government recognized an obligation relating to the removal and post-removal care of the asbestos in these building as estimated at April 1, 2021.

Additionally, the Government is in possession of 23 underground fuel tanks of varying sizes and capacities which were deemed in-scope for PS 3280 because of their cost, complexity and Asbestos Regulation 1969.

Government of Bermuda – Consolidated Fund
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20. Asset Retirement Obligations (Cont'd)

The transition and recognition of asset retirement obligations involved an accompanying increase to the buildings tangible capital assets and the restatement of prior year balances (see notes 3(n) and 19).

Changes to the asset retirement obligation in the year are as follows:

Asset retirement obligation	Asbestos removal decommission of fuel tanks \$	Balance & March 2024 \$	at March 31,
Opening balance	37,933,502	37,933,502	
Accretion expense	-	-	
Closing balance	37,933,502	37,933,502	

Asset retirement obligation	Asbestos removal decommission of fuel tanks \$	Balance & March 2023 \$	at March 31,
Opening balance	-	-	
Adjustment on adoption of asset retirement obligation standard	37,933,502	37,933,502	
Opening balance, as restated	37,933,502	37,933,502	
Accretion expense	-	-	
Closing balance	37,933,502	37,933,502	

21. Cyber Incident

In September 2023, the Government of Bermuda experienced a cyber incident that resulted in a significant disruption to Government IT systems. The incident was discovered on September 20, 2023 and the Government took immediate action to contain the incident and investigate its impact.

Critical services, such as healthcare and emergency services, remained operational during this time and online payment systems and digital applications were restored in phases.

A total of \$4,632,885 has been expended to date on fortifying the IT infrastructure to reduce the likelihood of similar incidents in the future. The Government has committed to a comprehensive review and upgrade of its cybersecurity protocols and infrastructure, including the adoption of more robust threat detection and prevention systems.

21. Cyber Incident (Cont'd)

Alongside public awareness campaigns to educate citizens and businesses about cybersecurity best practices and how to recognise potential threats, the Government saw the need to review its existing cybersecurity policies and pursue the exploration of legislative changes to strengthen the protection of public and private sector information in the evolving digital landscape.

As part of these efforts, the Cybersecurity Act 2024 was tabled in May 2024 to support the Government's aims through formally establishing a Cybersecurity Advisory Board, designation of Critical National Information Infrastructures and the designation of the Cybersecurity Unit within the Ministry of National Security Headquarters as the National Cybersecurity Incident Response Team. The Computer Misuse Act 2024 was also introduced in May 2024 to update and amend existing legislation, ensuring Bermuda meets the requirements of the Budapest Convention on Cybercrime. Further amendments to other laws are being developed to strengthen Bermuda's laws on cybercrime and to provide the executive arm with the legislative tools needed to effectively investigate and prosecute cybercrimes.

22. Subsequent Events

(a) Caroline Bay/ Morgan's Point Guarantee

On March 30, 2023, Morgan's Point Development Company (MPDC) was established as a local company, with Government as its sole shareholder. The aim of the Company is to complete the development project, recover costs and build value for the people of Bermuda. The Board was fully established in April 2024 with the JPL continuing to run the site until the legal transfer of assets takes place. All costs that have been incurred by Government since MPDC was established have been recharged to the Company.

In June and November 2024, \$500,000 and \$2,500,0000 respectively, were paid to the Joint Provisional Liquidators (JPL) in relation to the ongoing financial support and redevelopment of Morgan's Point/Caroline Bay project.

(b) Investment in Affordable Housing

In June 2024, the Cabinet took note of a proposed investment with Bermuda Commercial Bank in support of a \$10 million revolving credit facility between the Bank and Bermuda Housing Corporation (BHC). Prior to establishing the facility, \$10 million from the Government Borrowing Sinking Fund was invested in a 12-month term deposit at the BCB as collateral for the loan.

The facility will allow the BHC to accelerate the provision of affordable housing and enable a significant expansion of the private sector rental programme. The revolving loan is expected to provide flexibility for BHC to make repayments as and when income is received and allow BHC to borrow the funds as and when they are needed. Interest earned on the Term Deposit is expected to be used to cover BHC's interest expense incurred from the credit facility.

22. Subsequent Events (Cont'd)

(c) BHC Grant for the completion of Bermudiana Beach Resort Development Project

In October 2024, the Government approved the conversion of the Bermudiana Beach Resort Development Project from hotel units into residential rental apartments in line with the most viable option arising from a financial assessment of the development project. A grant of \$5 million was awarded to the Bermuda Housing Corporation (BHC) for the expenses to be incurred to bring the project to completion.

(d) BSMA loan deferral

In August 2024, the Ministry of Finance approved the extension of the \$850,000 loan from BSMA due June 2024 to the new repayment date of March 31, 2025.

(e) Merger of BLDC and WEDCO

On 30 July 2024 (with an operative date of 1 September 2024), the assets, liabilities and functions of the BLDC were transferred to WEDCO and WEDCO was renamed Bermuda Land Management Corporation (BLMC).

(f) Hamilton Princess and Beach Club Tourism Investment Order

In May 2024, signed by the Minister of Tourism, Culture and Sport, the Tourism Investment (Hamilton Princess and Beach Club) Order 2024 was approved. The total estimated relief resulting from this order has not been determined.

(g) Rosedon Hotel Tourism Investment Order

In December 2024, with an operative date of December 13, 2024, the Tourism Investment (Rosedon Hotel) Order 2024 was approved. The total estimated relief resulting from this order has not been determined.

(h) Swan Pyrotechnics Limited Tourism Investment Order

In December 2024, with an operative date of December 13, 2024, the Tourism Investment (Swan Pyrotechnics Limited) Order 2024 was approved. The total estimated relief resulting from this order has not been determined.

(i) Fairmont Southampton

- (i) In April 2023, with an operative date of September 2024, the Fairmont Southampton Hotel Act 2023 was approved. The total estimated relief resulting from this order has not been determined. The Act refers to rebate as opposed to concessions. Rebates will be granted to the developer.

22. Subsequent Events (Cont'd)

(i) Fairmont Southampton (Cont'd)

(ii) In September 2024, the Government provided a guarantee for a \$75 million US dollar credit facility which was entered into between Westend Properties Ltd and Clarien and FirstCaribbean International Bank (Cayman) Limited for the completion of the Fairmont Southampton Princess Hotel. In the letter the Government guarantees repayment of the principal amount under the facility agreement to the security agents on and as limited by the terms of such guarantee. The loan will be disbursed in two tranches as follows:

- The first tranche of up to \$60 million to be utilised solely to repay existing indebtedness, to fund the construction period reserve account, to fund the government fee account with an amount equal to the Government fee amount, to pay amounts due to the Agent ;
- The second tranche of up to US \$15 million to be utilised solely to pay approved project costs incurred from time to time by the Borrower.

(iii) In accordance with the signed Heads of Terms agreement dated September 10, 2022, the Property Owner will reimburse the Government for reasonable attorneys' fees, incurred in connection with the closing of the Tax Increment Financing (TIF) loan. At 31 March 2024, \$3.9 million was due to the Government in unreimbursed legal fees. Clause 8.7 of the TIF Credit Facility Agreement dated 19 September 2024 further outlined that \$2 million of legal fees remained outstanding to the Government and provided for them to be reimbursed over a period of five years at \$400,000 in each instalment.

(j) Letter of Comfort to BCAA

On 24 April 2024, the Government provided a letter of comfort to the BCAA as a formal show of support for the Quango. The BCAA currently has an annual deficit which is predicted to continue until new revenue can be found to replace those lost by the international sanctions on Russian Aircraft operators. The BCAA, prior to these sanctions, had an annual surplus, and the Government is cognizant of the ongoing work to return the Quango to this position.

The letter noted that the Government will work with the agency to provide appropriate financial and strategic support so that the Quango can meet its obligations as they fall due in the normal course of business for a period of at least twelve months from the date of the letter.

22. Subsequent Events (Cont'd)

(k) Bermuda Hospitals Board (BHB)

- (i) On 4 July 2024, the Ministry of Finance approved a request for an extension of the waivers for the employer portion of Payroll Tax and Customs Duties for the importation of Hospital Operating Supplies for the BHB. The extension period covers 12 months from April 1, 2024 to March 31, 2025. Additionally, the approval covered the request for a waiver of Immigration fees. The approval letter affirmed that the waivers have been granted to assist BHB in meeting its savings objectives.

- (ii) For fiscal year 2024/2025, the BHB renewed its overdraft facility with Clarien Bank and increased the limit from \$20 million to \$25 million to cover its cash flow requirements.

23. Comparative Figures

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

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

	2024	2023
	Actual ¹	Restated ¹
	\$	\$
Office of the Tax Commissioner	376,081,499	334,696,867
Registrar of Companies	26,074,902	16,373,878
Works & Engineering	17,899,464	17,968,002
Customs	6,435,519	6,727,024
Judicial Department	5,056,123	4,661,389
Public Lands & Buildings	4,712,986	3,899,241
Accountant General	4,339,108	4,325,188
Ministry of Finance HQ (Note 19 (iii))	3,703,421	1,981,935
Airport Operations	2,921,565	2,921,565
Department of Health	1,915,899	2,006,569
Post Office	1,820,999	2,635,722
Environment & Natural Resources	1,308,157	1,302,693
Department of Education	1,203,681	1,323,506
Marine & Ports	985,398	1,507,806
Ministry of Transport HQ	778,204	778,204
Financial Assistance	545,243	507,203
Other Departments	346,772	386,453
Public Transportation	324,783	270,715
Ministry of Health HQ	238,756	238,756
Energy	202,741	221,361
Office of the Auditor General	195,632	129,000
Police	144,022	187,097
Immigration	133,625	133,625
Defence	129,066	129,066
Department of Human Resources	70,018	70,018
Registry General	6,872	7,627
	457,574,455	405,390,510
Less: Provision for Doubtful Accounts	192,351,217	180,609,012
	265,223,238	224,781,498

The age of a receivable is an indicator of its collectability. The aging of these receivables is as follows:

	0-30 days	>30-90 days	> 90 days	Total
Accounts Receivable	168,804,598	15,466,953	273,302,904	457,574,455

¹ Totals may not add due to rounding

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

	2024	2023
	Actual ¹	Actual ¹
	\$	\$
Ministry of Public Works HQ	3,810,388	1,768,360
Works & Engineering	3,513,654	4,094,869
Marine & Ports	2,671,377	2,512,474
Public Transportation	2,012,602	2,738,527
Police	1,138,422	1,178,960
Department of Education	362,956	394,891
Department of Corrections	331,004	575,285
Post Office	99,040	88,488
Environment & Natural Resources	78,582	63,064
Defence	75,298	75,298
Immigration	12,936	16,535
	14,106,259	13,506,751
Less: Provision for Obsolescence	2,964,829	2,884,919
	11,141,430	10,621,832

¹ Totals may not add due to rounding

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

	2024	2023
	Actual ¹	Actual ¹
	\$	\$
Government Employees Health Insurance Fund	98,609,228	67,927,538
Bermuda Civil Aviation Authority	18,110,855	18,108,733
Contributory Pension Fund	10,234,465	-
Regulatory Authority	8,999,482	7,651,956
Public Service Superannuation Fund (Note 9(b))	6,032,405	12,077,265
West End Development Corporation	5,213,034	6,886,334
Bermuda Monetary Authority	3,537,008	3,709,256
Bermuda Hospitals Board	2,947,629	2,808,240
Bermuda Casino Gaming Commission	2,114,528	2,127,200
Bermuda Land Development Company	1,916,442	2,777,045
Bermuda Shipping and Maritime Authority	1,111,524	1,115,554
Confiscated Assets Fund	970,662	1,026,355
Morgan's Point Development Company	916,818	-
Golf Courses	856,522	787,722
Bermuda Housing Corporation	601,149	559,629
Bermuda College	516,092	493,103
CedarBridge Academy	406,351	23,094
National Sports Centre	353,149	287,208
Bermuda Airport Authority	264,410	16,322
Whitney Institute	146,905	126,697
Corporation of Hamilton	143,876	165,925
Bermuda Tourism Authority	102,012	49,659
Pembroke Parish Council	99,852	99,852
Berkeley Institute	46,666	47,170
Bermuda Business Development Agency	42,741	37,807
Bermuda Health Council	35,508	27,225
Bermuda Economic Development Corporation	30,745	23,659
Financial Intelligence Agency	30,419	30,331
Pension Commission	22,408	16,560
Government Reserves Fund	19,301	19,481
Parish Councils	12,816	17,380
St. George's Preparatory School	5,188	5,498
Bermuda Sport Anti-Doping Agency	3,910	4,103
Sandys Secondary Middle School	2,733	3,161
Bermuda Housing Trust	731	943
Bermuda Deposit Insurance Corporation	-	2,969
	164,457,564	129,060,974
Less: Provision for Doubtful Accounts	(107,162,102)	(75,732,073)
	57,295,462	53,328,901

¹ Totals may not add due to rounding

The age of a receivable from Government Funds and Agencies is an indicator of its collectability. The aging of these receivables is as follows:

	0-30 days	>30-90 days	> 90 days	Total
Due from Government Funds and Agencies	15,579,404	2,049,897	146,828,263	164,457,564

Government of Bermuda - Consolidated Fund
Schedule 3(a): Due to Government Funds and Agencies
As at March 31

	2024	2023
	Actual ¹	Actual ¹
	\$	\$
Ministers and Members of the Legislature		
Pensions Fund (Note 9(b))	7,152,444	8,191,397
West End Development Corporation	5,246,745	6,981
Bermuda Hospitals Board	2,120,528	277,263
Bermuda Housing Corporation	560,178	723,161
Golf Courses	250,000	-
Bermuda Airport Authority	217,343	-
Corporation of St. George's	64,033	46,795
Bermuda Land Development Company	5,142	5,142
Bermuda Economic Development Corporation	3,800	563,488
Unemployment Insurance Fund (Note 7)	3,340	640
Bermuda College	1,672	329,832
Contributory Pension Fund	-	224,718
	15,625,225	10,369,417

¹Totals may not add due to rounding

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

	2024	2023
	Actual ¹	Actual ¹
	\$	\$
Student Loans and Teacher Training Awards	449,982	421,014
Customs Duty	11,966	34,982
	461,948	455,996

¹ Totals may not add due to rounding

Government of Bermuda - Consolidated Fund
Schedule 5: Accounts Payable and Accrued Liabilities
As at March 31

	2024	2023
	Actual ¹	Restated ¹
	\$	(Note 19) \$
Deposits Held	66,674,333	48,872,333
Trade Accounts Payable (Note 19 (ii))	47,882,725	50,570,256
Base Lands Clean Up (Notes 10(c)) and 19(iv)	27,978,344	26,693,661
Employees' Leave Entitlements	25,520,817	27,490,939
Interest on Debt	20,494,684	20,834,263
Teachers' Salaries & Leave Entitlements	8,551,049	9,124,452
Leases Payable	2,690,248	2,214,898
Salaries, Wages and Benefits	449,650	292,124
	200,241,850	186,092,926

¹ Totals may not add due to rounding

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

	2024	2023
	Actual ¹	Actual ¹
	\$	\$
Ministry of Tourism & Transport HQ (Note 16)	7,920,200	9,580,220
Office of the Tax Commissioner	553,350	553,350
Post Office	301,105	260,800
Ministry of National Security HQ	225,525	-
Privacy Commissioner's Office	209,709	-
Ministry of Home Affairs HQ	171,818	312,895
Public Lands & Buildings	91,116	91,116
Department of Health	84,510	75,849
Information Commissioner's Office	59,750	-
Youth, Sport & Recreation	42,564	42,564
Fire Services	11,767	-
Environment & Natural Resources	1,825	1,825
Accountant General	835	836
	9,674,074	10,919,455

¹ Totals may not add due to rounding

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

	2024 Actual			2023 Actual		
	Face value ¹	Discount / (Premium) ¹	Net Debt ¹	Face value ¹	Discount / (Premium) ¹	Net Debt ¹
	\$	\$	\$	\$	\$	\$
Senior Notes Due 2023 - BMD\$						
Issue Date: December 16, 2013						
Interest: 4.75% payable semi-annually						
June 16 and December 16						
Notes Due: December 16, 2023	-	-	-	50,000,000	-	50,000,000
Senior Notes Due 2027 - US\$						
Issue Date: October 19, 2016						
Interest: 3.717% payable semi-annually						
January 25 and July 25						
Notes Due: January 25, 2027	604,624,000	-	604,624,000	604,624,000	-	604,624,000
Senior Notes Due 2029 - US\$						
Issue Date: November 15, 2018						
Interest: 4.750% payable semi-annually						
February 15 and August 15						
Notes Due: February 15, 2029	449,268,000	(2,370,022)	446,897,978	449,268,000	(2,779,363)	446,488,637
Senior Notes Due 2030 - US\$						
Issue Date: August 17, 2020						
Interest: 2.375% payable semi-annually						
February 20 and August 20						
Notes Due: August 17, 2030	675,000,000	(904,485)	674,095,515	675,000,000	(1,031,616)	673,968,384
Senior Notes Due 2050 - US\$						
Issue Date: August 17, 2020						
Interest: 3.375% payable semi-annually						
February 20 and August 20						
Notes Due: August 17, 2050	675,000,000	(1,240,610)	673,759,390	675,000,000	(1,269,166)	673,730,834
Senior Notes Due 2032 - US\$						
Issue Dates: July 11, 2022 (\$500m) and August 15, 2022 (\$390m)						
Interest: 5% payable semi-annually						
January 15 and July 15						
Notes Due: July 15, 2032	890,000,000	8,698,470	898,698,470	890,000,000	9,525,653	899,525,653
	3,293,892,000	4,183,354	3,298,075,354	3,343,892,000	4,445,508	3,348,337,508
Less: Sinking Fund (Note 5)	93,929,675	-	93,929,675	223,554,047	-	223,554,047
	3,199,962,325	4,183,354	3,204,145,679	3,120,337,953	4,445,508	3,124,783,461

¹ Totals may not add due to rounding

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

	2024	2024	2023
	Original Estimates ¹	Actual ¹	Restated (Note 19) Actual ¹
	\$	\$	\$
Taxes & Duties			
Payroll Tax	512,500,000	537,004,313	488,141,500
Customs Duty	227,264,000	227,647,550	225,055,077
Land Tax	87,195,000	88,728,988	85,877,910
Passenger Tax	27,305,000	22,780,350	18,754,455
	854,264,000	876,161,201	817,828,942
Other Taxes & Duties			
Foreign Currency Purchase Tax	30,800,000	31,352,160	30,217,353
Stamp Duty	32,254,000	24,140,352	28,827,161
Financial Services Tax	14,539,000	13,585,125	13,924,264
Transport Infrastructure Tax	11,805,000	10,648,200	8,939,825
Hotel Occupancy Tax	6,496,000	7,146,271	2,779,489
Non-Bermudian Land Acquisition Tax	6,500,000	5,339,904	6,667,737
Corporate Services Tax	5,250,000	5,315,052	5,057,774
Timesharing Tax	-	32,570	30,088
Betting Tax	15,000	-	1,500
	107,659,000	97,559,634	96,445,191
Total Taxes & Duties	961,923,000	973,720,835	914,274,133
Fees, Permits & Licences			
International Companies	71,639,000	68,518,568	61,586,874
Vehicle Licences & Registration	30,000,000	30,175,794	30,141,658
Telecommunications	17,098,000	18,782,734	18,756,802
Immigration	19,766,000	17,655,274	18,532,219
Solid Waste Services	4,867,000	5,081,240	4,345,622
Bus Transportation	3,307,000	4,215,148	3,746,925
Services to Seaborne Shipping	3,599,000	4,166,097	3,581,255
Rentals	2,765,000	3,254,141	2,713,688
Local Companies	3,300,000	2,886,023	2,876,366
Other Customs Fees & Charges	2,163,000	2,167,144	2,038,486
Trade and Service Marks	1,580,000	1,968,656	2,003,443
Postal Services	3,263,000	1,928,870	2,414,391
Planning Fees and Searches	1,255,000	1,565,777	1,555,301
Water	4,436,000	1,402,671	2,800,634
Liquor Licences	850,000	974,865	473,070
Wharfage	874,000	929,391	921,065
Companies Licences	1,460,000	857,313	898,399
Ferry Services	1,098,000	637,845	522,942
Plant Production and Marketing Centre	216,000	210,232	181,859
Civil Aviation (Note 14(b)(xi))	-	-	(389,483)
	173,536,000	167,377,783	159,701,516
Other Revenue			
Other (Note 19 (iii))	16,086,000	22,325,978	46,313,944
Fines & Forfeitures	3,230,000	2,136,554	2,757,891
	19,316,000	24,462,532	49,071,835
Investment Income	750,000	11,141,731	8,035,745
	20,066,000	35,604,263	57,107,580
TOTAL REVENUE	1,155,525,000	1,176,702,881	1,131,083,229

¹ Totals may not add due to rounding

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

	2024	2024	2023
	Original	Actual ¹	Restated (Note 19)
	Estimates	Actual ¹	Actual ¹
	\$	\$	\$
Non-Ministry Departments			
05 Office of the Auditor General	828,000	558,347	415,385
63 Parliamentary Registrar	250,000	274,242	261,320
101 Privacy Commissioner's Office	-	161,079	-
92 Internal Audit	-	648	-
85 Ombudsman's Office	-	10	-
	1,078,000	994,326	676,705
Cabinet Office Departments			
13 Post Office	3,176,000	1,886,930	2,470,085
09 Cabinet Office	588,000	308,151	491,680
61 Department of Employee & Organizational Development	-	-	125,297
43 Department of Information and Digital Technologies	-	-	80,595
	3,764,000	2,195,081	3,167,657
Ministry of Legal Affairs & Constitutional Reform			
03 Judicial Department	5,527,000	3,492,656	4,971,572
74 Department of Court Services	-	5,786	-
75 Department of Public Prosecutions	-	3,040	3,913
87 Ministry of Legal Affairs & Constitutional Reform HQ	17,000	2,813	-
04 Attorney General's Chambers	-	-	28,482
	5,544,000	3,504,295	5,003,967
Ministry of Finance			
38 Office of the Tax Commissioner	726,659,000	739,551,670	680,412,173
12 Customs	231,855,000	232,277,444	229,521,880
39 Registrar of Companies	76,648,000	73,304,581	66,562,823
11 Accountant General	750,000	11,196,885	8,407,756
10 Ministry of Finance HQ (Note 19 (iii))	-	2,677,748	3,064,982
28 Social Insurance	-	22,956	-
	1,035,912,000	1,059,031,284	987,969,614
Ministry of Education			
17 Department of Education	248,000	101,439	96,372
18 Libraries & Archives	10,000	6,983	6,573
	258,000	108,422	102,945
Ministry of Health			
22 Department of Health	3,606,000	3,661,984	3,749,671
21 Ministry of Health HQ	55,000	47,959	23,850,190
91 Health Insurance	-	7,634	-
	3,661,000	3,717,577	27,599,861
Ministry of Economy & Labour			
27 Immigration	19,784,000	17,658,454	18,542,245
94 Department of Economic Development	6,800,000	5,641,335	6,847,090
44 Ministry of Economy & Labour HQ	-	12,258	10,500
60 Workforce Development	-	8,795	42,324
	26,584,000	23,320,842	25,442,159
Ministry of Transport			
34 Transport Control Department	29,994,000	30,189,957	30,134,481
30 Marine & Ports	6,052,000	6,685,986	5,562,869
35 Public Transportation	3,322,000	4,496,014	3,759,379
48 Ministry of Transport HQ	-	1,953,794	1,265,062
	39,368,000	43,325,751	40,721,791

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

	2024	2024	2023
	Original	Actual ¹	Restated
	Estimates	Actual ¹	(Note 19)
	\$	\$	Actual ¹
	\$	\$	\$
Ministry of Public Works			
82 Works & Engineering	11,918,000	8,860,413	9,912,220
81 Public Lands & Buildings	2,423,000	2,724,958	2,492,887
36 Ministry of Public Works HQ	16,000	831,490	369,840
68 Parks	142,000	216,679	146,978
	14,499,000	12,633,540	12,921,925
Ministry of Youth, Culture & Sports			
20 Youth, Sport & Recreation	750,000	792,006	678,699
52 Department of Culture	1,000	530	84
71 Ministry of Youth, Culture & Sports HQ	-	180	90
	751,000	792,716	678,873
Ministry of National Security			
83 Ministry of National Security HQ	450,000	916,915	505,370
07 Police	698,000	650,395	709,986
45 Fire Services	320,000	103,080	279,896
06 Defence	-	19,527	-
25 Department of Corrections	-	-	1,280
	1,468,000	1,689,917	1,496,532
Ministry of Social Development & Seniors			
23 Child and Family Services	207,000	198,717	163,541
86 Ministry of Social Development & Seniors HQ	5,000	500	-
	212,000	199,217	163,541
Ministry of Home Affairs			
89 Energy	17,282,000	18,890,272	18,888,998
29 Registry General	1,792,000	2,227,944	2,223,373
32 Department of Planning	1,555,000	1,942,565	1,912,429
79 Environment & Natural Resources	1,280,000	1,651,668	1,508,024
97 Land Title & Registration	499,000	461,085	535,235
93 Ministry of Home Affairs HQ	12,000	16,380	69,600
49 Land Valuation	6,000	-	-
	22,426,000	25,189,914	25,137,659
TOTAL REVENUE	1,155,525,000	1,176,702,882	1,131,083,229

¹ Totals may not add due to rounding

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

	2024 Interdepartmental Revenue ¹	2024 Gross Revenue Actual ¹	2024 Net Revenue ¹
	\$	\$	\$
Non-Ministry Departments			
05 Office of the Auditor General	-	558,347	558,347
63 Parliamentary Registrar	846	274,242	273,396
101 Privacy Commissioner's Office	-	161,079	161,079
92 Internal Audit	-	648	648
85 Ombudsman's Office	-	10	10
98 Information Commissioner's Office	200,000	-	(200,000)
	200,846	994,326	793,480
Cabinet Office Departments			
13 Post Office	-	1,886,930	1,886,930
09 Cabinet Office	-	308,151	308,151
51 Department of Communications	7,656	-	(7,656)
61 Department of Employee & Organizational Development	1,463	-	(1,463)
	9,119	2,195,081	2,185,962
Ministry of Legal Affairs & Constitutional Reform			
03 Judicial Department	9,382	3,492,656	3,483,274
74 Department of Court Services	-	5,786	5,786
75 Department of Public Prosecutions	-	3,040	3,040
87 Ministry of Legal Affairs & Constitutional Reform HQ	-	2,813	2,813
88 National Drug Control	615	-	(615)
	9,997	3,504,295	3,494,298
Ministry of Finance			
38 Office of the Tax Commissioner	-	739,551,670	739,551,670
12 Customs	1,042,488	232,277,444	231,234,956
39 Registrar of Companies	-	73,304,581	73,304,581
11 Accountant General	1,152	11,196,885	11,195,734
10 Ministry of Finance HQ	-	2,677,748	2,677,748
28 Social Insurance	-	22,956	22,956
	1,043,640	1,059,031,284	1,057,987,645
Ministry of Education			
17 Department of Education	-	101,439	101,439
18 Libraries & Archives	1,500	6,983	5,483
	1,500	108,422	106,922
Ministry of Health			
22 Department of Health	45,215	3,661,984	3,616,769
21 Ministry of Health HQ	-	47,959	47,959
91 Health Insurance	-	7,634	7,634
	45,215	3,717,577	3,672,362
Ministry of Economy & Labour			
27 Immigration	871	17,658,454	17,657,583
94 Department of Economic Development	8,000	5,641,335	5,633,335
44 Ministry of Economy & Labour HQ	-	12,258	12,258
60 Workforce Development	-	8,795	8,795
	8,871	23,320,842	23,311,971
Ministry of Transport			
34 Transport Control Department	-	30,189,957	30,189,957
30 Marine & Ports	6,804	6,685,986	6,679,182
35 Public Transportation	-	4,496,014	4,496,014
48 Ministry of Transport HQ	86	1,953,794	1,953,708
	6,890	43,325,751	43,318,861

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

	2024 Interdepartmental Revenue ¹	2024 Gross Revenue Actual ¹	2024 Net Revenue ¹
	\$	\$	\$
Ministry of Public Works			
82 Works & Engineering	241,879	8,860,413	8,618,534
81 Public Lands & Buildings	61,063	2,724,958	2,663,895
36 Ministry of Public Works HQ	-	831,490	831,490
68 Parks	585	216,679	216,094
	303,527	12,633,540	12,330,013
Ministry of Youth, Culture & Sports			
20 Youth, Sport & Recreation	4,980	792,006	787,026
52 Department of Culture	-	530	530
71 Ministry of Youth, Culture & Sports HQ	-	180	180
	4,980	792,716	787,736
Ministry of National Security			
83 Ministry of National Security HQ	-	916,915	916,915
07 Police	9,177	650,395	641,218
45 Fire Services	3,146	103,080	99,934
06 Defence	13,739	19,527	5,788
	26,061	1,689,917	1,663,856
Ministry of Social Development & Seniors			
23 Child and Family Services	2,000	198,717	196,717
86 Ministry of Social Development & Seniors HQ	-	500	500
	2,000	199,217	197,217
Ministry of Home Affairs			
89 Energy	-	18,890,272	18,890,272
29 Registry General	5,565	2,227,944	2,222,379
32 Department of Planning	2,070	1,942,565	1,940,495
79 Environment & Natural Resources	4,670	1,651,668	1,646,998
97 Land Title & Registration	-	461,085	461,085
93 Ministry of Home Affairs HQ	630	16,380	15,750
	12,935	25,189,914	25,176,979
TOTAL REVENUE	1,675,582	1,176,702,882	1,175,027,301

¹ Totals may not add due to rounding

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

	2024 Capital Development ¹	2024 Capital Acquisition ¹	2024 Current Expenses ¹	2024 Total Actual ¹	2023 Total Restated ¹ (Note 19)
	\$	\$	\$	\$	\$
Economic Development					
11 Accountant General	-	132,193	112,249,084	112,381,277	99,103,066
82 Works & Engineering (Notes 19 (ii))	11,729,812	-	55,034,990	66,764,802	57,250,259
81 Public Lands & Buildings	4,067,677	(48,359)	40,700,218	44,719,536	43,943,170
30 Marine & Ports	7,446,552	858,758	23,457,291	31,762,601	21,324,671
35 Public Transportation	576,845	(217,437)	25,920,631	26,280,039	25,136,506
48 Ministry of Transport HQ	1,597,102	-	15,582,633	17,179,735	24,283,477
10 Ministry of Finance HQ	-	59,955	15,108,692	15,168,647	19,075,251
36 Ministry of Public Works HQ (Notes 19 (iv))	7,261,650	304,195	7,280,723	14,846,568	15,269,114
43 Department of Information and Digital Technologies	-	3,199,326	10,541,193	13,740,519	11,057,237
13 Post Office	-	17,104	9,180,750	9,197,854	9,810,099
39 Registrar of Companies	-	-	8,817,210	8,817,210	9,404,640
94 Department of Economic Development	-	-	7,276,551	7,276,551	6,797,546
34 Transport Control Department	-	183,676	4,989,869	5,173,545	4,699,662
32 Department of Planning	-	-	3,043,432	3,043,432	3,026,680
58.2 Caroline Bay/Morgan's Point (Note 17)	-	-	2,234,033	2,234,033	4,133,499
29 Registry General	-	-	1,691,703	1,691,703	1,677,316
97 Land Title & Registration	-	-	1,416,018	1,416,018	1,287,083
93 Ministry of Home Affairs HQ	-	-	1,072,799	1,072,799	1,690,694
89 Energy	-	250,307	699,209	949,516	764,742
49 Land Valuation	-	2,240	850,005	852,245	835,605
80 Project Management & Procurement	-	5,760	642,612	648,372	592,869
100 Asset Retirement Obligation (Notes 19 (i))	-	-	19,500	19,500	37,668,778
38 Office of the Tax Commissioner	-	351,010	(3,866,590)	(3,515,580)	2,552,510
	32,679,638	5,098,728	343,942,556	381,720,922	401,384,475
Health					
24 Hospitals	4,675,425	-	171,553,389	176,228,814	162,456,163
22 Department of Health	399,037	91,814	29,405,400	29,896,251	29,083,182
21 Ministry of Health HQ	-	-	9,681,459	9,681,459	22,915,414
28 Social Insurance	-	-	3,020,094	3,020,094	3,378,518
91 Health Insurance	-	-	2,855,948	2,855,948	2,645,295
	5,074,462	91,814	216,516,290	221,682,566	220,478,572
National Security					
07 Police	-	19,807	63,952,779	63,972,586	60,786,615
25 Department of Corrections	212,143	20,859	27,462,200	27,695,202	26,207,361
45 Fire Services	67,004	(165,482)	20,430,086	20,331,608	17,227,619
12 Customs	-	(597)	18,020,066	18,019,469	17,811,093
06 Defence	131,627	188,603	8,534,006	8,854,236	8,148,948
03 Judicial Department	-	10,578	8,817,635	8,828,213	8,828,271
27 Immigration	-	365,798	5,981,544	6,347,342	5,947,121
87 Ministry of Legal Affairs & Constitutional Reform HQ	-	56,844	5,941,541	5,998,385	5,598,792
04 Attorney General's Chambers	1,495	-	5,070,979	5,072,474	4,436,763
74 Department of Court Services	5,781	-	3,662,829	3,668,610	3,984,527
75 Department of Public Prosecutions	-	(5,385)	2,972,979	2,967,594	2,746,395
83 Ministry of National Security HQ	(8,055)	11,180	2,409,431	2,412,556	1,805,681
	409,995	502,205	173,256,075	174,168,275	163,529,186
Education					
17 Department of Education	673,470	777,740	115,485,964	116,937,174	118,103,052
41 Bermuda College	75,000	-	14,653,901	14,728,901	14,828,900
16 Ministry of Education HQ	-	-	5,053,455	5,053,455	5,511,761
	748,470	777,740	135,193,320	136,719,530	138,443,713

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

	2024 Capital Development ¹	2024 Capital Acquisition ¹	2024 Current Expenses ¹	2024 Total Actual ¹	2023 Total Restated ¹ (Note 19)
	\$	\$	\$	\$	\$
Public Debt					
58 Interest on Debt	-	-	129,236,442	129,236,442	136,514,640
Early Tender Premium on Repurchased Debt (Note 15(a))	-	-	-	-	3,766,097
	-	-	129,236,442	129,236,442	140,280,737
Social Services & Assistance					
55 Financial Assistance	-	28,749	53,030,721	53,059,470	51,438,929
23 Child and Family Services	69,290	-	18,704,667	18,773,957	17,127,334
53 Bermuda Housing Corporation Ministry of Social Development &	10,100,000	-	6,550,000	16,650,000	16,600,000
86 Seniors HQ	-	89,400	6,879,716	6,969,116	7,085,633
88 National Drug Control	-	-	4,356,429	4,356,429	4,369,205
60 Workforce Development	-	-	3,842,246	3,842,246	3,481,637
52 Department of Culture	-	-	1,619,483	1,619,483	1,614,168
44 Ministry of Economy & Labour HQ	-	-	1,400,819	1,400,819	1,399,659
71 Ministry of Youth, Culture & Sports HQ	-	-	946,185	946,185	1,027,669
	10,169,290	118,149	97,330,266	107,617,705	104,144,234
Other General Government Services					
09 Cabinet Office	-	-	30,265,237	30,265,237	30,628,070
20 Youth, Sport & Recreation	417,443	51,852	9,917,711	10,387,006	9,872,135
68 Parks	(123,947)	(41,486)	8,752,714	8,587,281	8,950,458
79 Environment & Natural Resources Department of Employee &	173,144	(10,825)	8,234,729	8,397,048	8,034,338
61 Organizational Development	-	26,656	7,415,479	7,442,135	6,644,249
02 Legislature	209,783	-	4,998,724	5,208,507	5,328,386
05 Office of the Auditor General	-	10,975	3,689,167	3,700,142	3,090,378
51 Department of Communications	-	27,402	3,207,035	3,234,437	2,862,473
18 Libraries & Archives	-	-	3,093,011	3,093,011	3,029,633
14 Department of Statistics	-	-	2,044,557	2,044,557	2,060,061
01 Governor & Staff	550,208	-	1,474,981	2,025,189	2,054,168
101 Privacy Commissioner's Office	(18,910)	-	1,981,469	1,962,559	954,841
56 Human Rights Commission	-	-	1,288,216	1,288,216	1,190,707
98 Information Commissioner's Office	-	3,860	1,093,821	1,097,681	1,178,469
85 Ombudsman's Office	-	-	984,828	984,828	958,654
92 Internal Audit	-	-	840,927	840,927	981,196
63 Parliamentary Registrar	-	-	703,405	703,405	713,357
	1,207,721	68,434	89,986,011	91,262,166	88,531,573
Pensions and Other Employee Future Benefits					
Pensions and Retirement Benefits					
11a Expense	-	-	95,827,581	95,827,581	144,816,069
	-	-	95,827,581	95,827,581	144,816,069
TOTAL EXPENSES	50,289,576	6,657,070	1,281,288,541	1,338,235,187	1,401,608,559

¹ Totals may not add due to rounding

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

	2024 Original Estimates ¹	2024 Actual	2023 Restated (Note 19)
	\$	\$	\$
Employees			
Salaries	321,768,000	319,834,435	316,412,814
Pensions and Retirement Benefits Expense	-	96,346,114	143,685,253
Wages	69,792,000	81,972,997	78,515,602
Employer Overhead	75,885,000	76,590,724	75,701,068
Other Personnel Costs	5,702,000	7,771,548	5,148,770
Training	4,268,000	2,708,481	2,162,197
Compensated Absences	-	(518,533)	1,130,816
	477,415,000	584,705,766	622,756,520
Operations			
Grants & Contributions	325,298,000	337,911,863	328,994,473
Interest on Debt	129,995,000	129,236,442	136,514,640
Professional Services	64,361,000	57,555,429	59,894,128
Amortization (Note 4(b)(v)) and (Note 19 (v))	-	47,889,727	83,319,076
Bad Debt Expense (Note 14(c))	-	27,915,821	28,527,588
Materials & Supplies	24,172,000	21,980,778	22,969,614
Repairs & Maintenance	21,575,000	19,328,037	18,234,432
Energy	17,467,000	15,003,876	14,742,508
Rentals	13,478,000	10,729,163	10,648,290
Insurance	9,455,000	8,730,918	7,514,230
Communications	7,384,000	6,686,643	6,481,500
Travel	3,214,000	2,988,348	2,037,792
Other	3,448,000	1,312,615	6,127,627
Bank Charges & Commissions	-	2,266,289	2,295,222
Morgan's Point / Caroline Bay (Note 17)	-	2,234,033	4,133,499
Transport	2,131,000	1,613,723	1,838,870
Clothing & Uniforms	1,253,000	1,347,040	1,066,763
Advertising & Promotion	1,825,000	1,175,826	925,040
Equipment	561,000	693,010	463,266
(Gain) / Loss on Disposal of Tangible Capital Assets	-	(16,806)	32,556
Investment Loss (Note 5)	-	-	703,117
Early Tender Premium on Repurchased Debt (Note 15(a))	-	-	3,766,097
	625,617,000	696,582,775	741,230,328
TOTAL CURRENT EXPENSES	1,103,032,000	1,281,288,541	1,363,986,848

¹ Totals may not add due to rounding

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

	2024 Original Estimates ¹	2024 Actual ¹	2023 Restated ¹ (Note 19)
	\$	\$	\$
Non-Ministry Departments			
02 Legislature	5,374,000	4,998,724	5,219,831
05 Office of the Auditor General	4,196,000	3,689,167	3,090,378
101 Privacy Commissioner's Office	1,861,000	1,981,469	953,158
01 Governor & Staff	1,362,000	1,474,981	1,647,709
56 Human Rights Commission	1,347,000	1,288,216	1,190,707
98 Information Commissioner's Office	1,078,000	1,093,821	1,178,469
85 Ombudsman's Office	1,017,000	984,828	974,509
92 Internal Audit	1,170,000	840,927	981,196
63 Parliamentary Registrar	1,255,000	703,405	713,357
	18,660,000	17,055,538	15,949,314
Cabinet Office Departments			
09 Cabinet Office	31,763,000	30,265,237	30,614,747
43 Department of Information and Digital Technologies	8,218,000	10,541,193	8,808,739
13 Post Office	9,285,000	9,180,750	9,796,217
61 Department of Employee & Organizational Development	7,598,000	7,415,479	6,598,360
51 Department of Communications	3,308,000	3,207,035	2,838,544
80 Project Management & Procurement	840,000	642,612	592,869
	61,012,000	61,252,306	59,249,476
Ministry of Legal Affairs & Constitutional Reform			
03 Judicial Department	9,392,000	8,817,635	8,543,837
87 Ministry of Legal Affairs & Constitutional Reform HQ	6,006,000	5,941,541	5,629,830
04 Attorney General's Chambers	5,544,000	5,070,979	4,436,763
88 National Drug Control	4,064,000	4,356,429	4,363,429
74 Department of Court Services	4,590,000	3,662,829	3,984,527
75 Department of Public Prosecutions	3,625,000	2,972,979	2,744,805
	33,221,000	30,822,392	29,703,191
Ministry of Finance			
58 Interest on Debt	130,400,000	129,236,442	136,514,640
11 Accountant General	82,209,000	112,249,084	99,042,023
11a Pensions and Retirement Benefits Expense	-	95,827,581	144,816,069
10 Ministry of Finance HQ	6,790,000	15,108,692	18,978,974
39 Registrar of Companies	9,540,000	8,817,210	9,404,640
28 Social Insurance	3,532,000	3,020,094	3,378,518
58.2 Caroline Bay/Morgan's Point (Note 17)	-	2,234,033	4,133,499
38 Office of the Tax Commissioner	3,901,000	(3,866,590)	2,549,865
58.1 Early Tender Premium on Repurchased Debt (Note 15(a))	-	-	3,766,097
	236,372,000	362,626,546	422,584,325
Ministry of Education			
17 Department of Education	114,872,000	115,485,964	116,589,424
41 Bermuda College	14,654,000	14,653,901	14,653,900
16 Ministry of Education HQ	7,236,000	5,053,455	5,511,761
18 Libraries & Archives	3,085,000	3,093,011	3,026,138
	139,847,000	138,286,331	139,781,223
Ministry of Health			
24 Hospitals	155,159,000	171,553,389	162,336,163
22 Department of Health	30,429,000	29,405,400	28,903,392
21 Ministry of Health HQ	10,309,000	9,681,459	22,933,414
91 Health Insurance	3,343,000	2,855,948	2,645,295
	199,240,000	213,496,196	216,818,264
Ministry of Economy & Labour			
55 Financial Assistance	54,121,000	53,030,721	51,436,924
94 Department of Economic Development	8,394,000	7,276,551	6,797,546
27 Immigration	6,138,000	5,981,544	5,941,600
60 Workforce Development	4,114,000	3,842,246	3,481,637
14 Department of Statistics	2,360,000	2,044,557	2,060,061
44 Ministry of Economy & Labour HQ	2,044,000	1,400,819	1,403,556
	77,171,000	73,576,438	71,121,324

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

	2024 Original Estimates	2024 Actual ¹	2023 Restated (Note 19) ¹
	\$	\$	\$
Ministry of Transport			
35 Public Transportation	21,977,000	25,920,631	24,892,310
30 Marine & Ports	22,054,000	23,457,291	21,075,966
48 Ministry of Transport HQ	23,114,000	15,582,633	23,014,088
34 Transport Control Department	5,206,000	4,989,869	4,669,737
	72,351,000	69,950,424	73,652,101
Ministry of Public Works			
82 Works & Engineering	31,114,000	55,034,990	49,760,314
81 Public Lands & Buildings	21,762,000	40,700,218	39,532,770
68 Parks	9,726,000	8,752,714	8,512,824
36 Ministry of Public Works HQ (Notes 19 (iv))	6,139,000	7,280,723	8,809,697
53 Bermuda Housing Corporation	6,550,000	6,550,000	6,050,000
100 Asset Retirement Obligation	-	19,500	37,668,778
	75,291,000	118,338,145	150,334,383
Ministry of Youth, Culture & Sports			
20 Youth, Sport & Recreation	10,659,000	9,917,711	9,622,135
52 Department of Culture	1,891,000	1,619,483	1,612,932
71 Ministry of Youth, Culture & Sports HQ	1,168,000	946,185	1,027,669
	13,718,000	12,483,379	12,262,736
Ministry of National Security			
07 Police	62,625,000	63,952,779	60,698,517
25 Department of Corrections	24,892,000	27,462,200	25,987,137
45 Fire Services	14,880,000	20,430,086	17,227,618
12 Customs	17,696,000	18,020,066	17,812,184
06 Defence	8,558,000	8,534,006	8,025,068
83 Ministry of National Security HQ	2,683,000	2,409,431	1,805,214
	131,334,000	140,808,568	131,555,738
Ministry of Social Development & Seniors			
23 Child and Family Services	18,814,000	18,704,667	16,968,921
86 Ministry of Social Development & Seniors HQ	7,625,000	6,879,716	7,085,631
	26,439,000	25,584,383	24,054,552
Ministry of Home Affairs			
79 Environment & Natural Resources	8,475,000	8,234,729	7,861,090
32 Department of Planning	3,596,000	3,043,432	3,026,680
29 Registry General	1,660,000	1,691,703	1,677,316
97 Land Title & Registration	1,380,000	1,416,018	1,287,443
93 Ministry of Home Affairs HQ	1,918,000	1,072,799	1,672,694
49 Land Valuation	865,000	850,005	835,605
89 Energy	482,000	699,209	559,392
	18,376,000	17,007,895	16,920,220
TOTAL CURRENT EXPENSES	1,103,032,000	1,281,288,541	1,363,986,848

¹ Totals may not add due to rounding

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

	2024 Interdepartmental Expense ¹	2024 Actual Gross Expense ¹	2024 Net Expense ¹
	\$	\$	\$
Non-Ministry Departments			
02 Legislature	6,328	4,998,724	4,992,396
05 Office of the Auditor General	130	3,689,167	3,689,037
101 Privacy Commissioner's Office	65	1,981,469	1,981,404
01 Governor & Staff	-	1,474,981	1,474,981
56 Human Rights Commission	3,129	1,288,216	1,285,087
98 Information Commissioner's Office	65	1,093,821	1,093,756
85 Ombudsman's Office	65	984,828	984,763
92 Internal Audit	-	840,927	840,927
63 Parliamentary Registrar	2,680	703,405	700,725
	12,462	17,055,538	17,043,076
Cabinet Office Departments			
09 Cabinet Office	-	30,265,237	30,265,237
43 Department of Information and Digital Technologies	-	10,541,193	10,541,193
13 Post Office	4,122	9,180,750	9,176,628
61 Department of Employee & Organizational Development	-	7,415,479	7,415,479
51 Department of Communications	-	3,207,035	3,207,035
80 Project Management & Procurement	-	642,612	642,612
	4,122	61,252,306	61,248,184
Ministry of Legal Affairs & Constitutional Reform			
03 Judicial Department	749	8,817,635	8,816,886
87 Ministry of Legal Affairs & Constitutional Reform HQ	-	5,941,541	5,941,541
04 Attorney General's Chambers	200,265	5,070,979	4,870,714
88 National Drug Control	1,864	4,356,429	4,354,565
74 Department of Court Services	4,085	3,662,829	3,658,744
75 Department of Public Prosecutions	-	2,972,979	2,972,979
	206,962	30,822,392	30,615,430
Ministry of Finance			
58 Interest on Debt	-	129,236,442	129,236,442
11 Accountant General	-	112,249,084	112,249,084
11a Pensions and Retirement Benefits Expense	-	95,827,581	95,827,581
10 Ministry of Finance HQ	-	15,108,692	15,108,692
39 Registrar of Companies	-	8,817,210	8,817,210
28 Social Insurance	45,250	3,020,094	2,974,844
58.2 Caroline Bay/Morgan's Point (Note 17)	-	2,234,033	2,234,033
38 Office of the Tax Commissioner	-	(3,866,590)	(3,866,590)
	45,250	362,626,546	362,581,296
Ministry of Education			
17 Department of Education	27,576	115,485,964	115,458,388
41 Bermuda College	-	14,653,901	14,653,901
16 Ministry of Education HQ	-	5,053,455	5,053,455
18 Libraries & Archives	-	3,093,011	3,093,011
	27,576	138,286,331	138,258,755
Ministry of Health			
24 Hospitals	-	171,553,389	171,553,389
22 Department of Health	95,437	29,405,400	29,309,963
21 Ministry of Health HQ	21,958	9,681,459	9,659,501
91 Health Insurance	-	2,855,948	2,855,948
72 Environmental Protection	165	-	(165)
	117,559	213,496,196	213,378,637
Ministry of Economy & Labour			
55 Financial Assistance	1,603	53,030,721	53,029,118
94 Department of Economic Development	65	7,276,551	7,276,486
27 Immigration	40	5,981,544	5,981,504
60 Workforce Development	3,310	3,842,246	3,838,936
14 Department of Statistics	65	2,044,557	2,044,492
44 Ministry of Economy & Labour HQ	-	1,400,819	1,400,819
	5,083	73,576,438	73,571,355

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

	2024 Interdepartmental Expense ¹	2024 Actual Gross Expense ¹	2024 Net Expense ¹
	\$	\$	\$
Ministry of Transport			
35 Public Transportation	150,414	25,920,631	25,770,217
30 Marine & Ports	165	23,457,291	23,457,126
48 Ministry of Transport HQ	4,409	15,582,633	15,578,224
34 Transport Control Department	1,827	4,989,869	4,988,042
	156,815	69,950,424	69,793,609
Ministry of Public Works			
82 Works & Engineering	3,820	55,034,990	55,031,170
81 Public Lands & Buildings	-	40,700,218	40,700,218
68 Parks	4,971	8,752,714	8,747,743
36 Ministry of Public Works HQ	872,693	7,280,723	6,408,030
53 Bermuda Housing Corporation	-	6,550,000	6,550,000
100 Asset Retirement Obligation	-	19,500	19,500
	881,485	118,338,145	117,456,660
Ministry of Youth, Culture & Sports			
20 Youth, Sport & Recreation	74,079	9,917,711	9,843,632
52 Department of Culture	11,831	1,619,483	1,607,652
71 Ministry of Youth, Culture & Sports HQ	-	946,185	946,185
	85,911	12,483,379	12,397,468
Ministry of National Security			
07 Police	37,886	63,952,779	63,914,893
25 Department of Corrections	33,093	27,462,200	27,429,107
45 Fire Services	435	20,430,086	20,429,651
12 Customs	11,944	18,020,066	18,008,122
06 Defence	130	8,534,006	8,533,876
83 Ministry of National Security HQ	1,755	2,409,431	2,407,676
	85,243	140,808,568	140,723,325
Ministry of Social Development & Seniors			
23 Child and Family Services	10,626	18,704,667	18,694,041
86 Ministry of Social Development & Seniors HQ	-	6,879,716	6,879,716
	10,626	25,584,383	25,573,757
Ministry of Home Affairs			
79 Environment & Natural Resources	35,750	8,234,729	8,198,979
32 Department of Planning	615	3,043,432	3,042,817
29 Registry General	56	1,691,703	1,691,647
97 Land Title & Registration	-	1,416,018	1,416,018
93 Ministry of Home Affairs HQ	-	1,072,799	1,072,799
49 Land Valuation	65	850,005	849,940
89 Energy	-	699,209	699,209
	36,486	17,007,895	16,971,409
TOTAL CURRENT EXPENSES	1,675,582	1,281,288,541	1,279,612,959

¹ Totals may not add due to rounding

Government of Bermuda - Consolidated Fund
Schedule 11: Schedules of Tangible Capital Assets and Assets Under Construction
As at March 31, 2024

	Estimated Useful Life	COST				ACCUMULATED AMORTIZATION				31-Mar-24 Net Book Value ¹	31-Mar-23 Net Book Value Restated (Note 19) ¹
		Opening Balance ¹	Additions ¹	Disposals & Adjustments ¹	Closing Balance ¹	Opening Balance ¹	Amortization Expense ¹	Disposals & Adjustments ¹	Closing Balance ¹		
		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Tangible Capital Assets											
Land	Indefinite	45,649,928	500,000	-	46,149,928	-	-	-	-	46,149,928	45,649,928
Buildings & Betterments	2 - 40 years	707,799,567	1,898,372	303,753	710,001,693	(383,505,114)	(18,195,892)	-	(401,701,006)	308,300,686	324,294,453
Infrastructure	10 - 40 years	268,664,234	4,618,761	(341,031)	272,941,964	(138,732,879)	(10,047,864)	-	(148,780,743)	124,161,221	129,931,355
Vehicles & Heavy Equipment	5 - 7 years	108,280,227	10,521,708	(79,164)	118,722,772	(96,922,696)	(5,132,110)	146,766	(101,908,040)	16,814,732	11,357,531
Boats & Vessels	5 - 10 years	69,926,477	-	-	69,926,477	(47,980,543)	(2,771,331)	-	(50,751,874)	19,174,603	21,945,934
Computer Software	10 years	66,317,635	56,148	-	66,373,783	(46,652,084)	(2,947,216)	-	(49,599,300)	16,774,483	19,665,551
Office Equipment	5 years	25,662,627	1,103,254	-	26,765,881	(21,826,260)	(1,543,393)	-	(23,369,654)	3,396,228	3,836,367
Computer Hardware	3 - 7 years	31,940,863	1,181,007	(4,850)	33,117,020	(30,690,698)	(1,130,247)	-	(31,820,945)	1,296,075	1,250,165
Capital Leases	3 - 20 years	7,655,920	105,034	-	7,760,954	(5,003,144)	(259,447)	-	(5,262,591)	2,498,363	2,652,776
Furniture & Fixtures	7 years	10,315,215	747,692	2,660	11,065,567	(7,945,287)	(724,023)	3,349	(8,665,961)	2,399,606	2,369,928
Plant, Machinery & Equipment	10 - 30 years	149,801,482	2,517,171	-	152,318,653	(115,610,163)	(5,138,204)	-	(120,748,367)	31,570,286	34,191,319
Total Tangible Capital Assets		1,492,014,176	23,249,148	(118,632)	1,515,144,692	(894,868,869)	(47,889,727)	150,115	(942,608,481)	572,536,211	597,145,307
Assets Under Construction		38,110,353	34,543,685	(14,402,630)	58,251,409	-	-	-	-	58,251,409	38,110,353

¹ Totals may not add due to rounding

Government of Bermuda - Consolidated Fund
Schedule 12: Current Expenditure - Estimates Compared to Expenditures
For the year ended March 31, 2024

	Expenses	Expenditure ¹	Adjusted Estimates ²	Under (Over) Spent	
	\$	\$	\$	\$	
Non-Ministry Departments					
02	Legislature	4,998,724	4,985,659	5,373,909	388,250
05	Office of the Auditor General	3,689,167	3,675,580	4,179,759	504,179
92	Internal Audit	840,927	836,712	1,170,000	333,288
56	Human Rights Commission	1,288,216	1,291,313	1,347,268	55,955
01	Governor & Staff	1,474,981	1,471,036	1,361,880	(109,156)
98	Information Commissioner's Office	1,093,821	1,072,837	1,102,734	29,897
85	Ombudsman's Office	984,828	975,195	992,350	17,155
63	Parliamentary Registrar	703,405	700,097	1,254,519	554,422
101	Privacy Commissioner's Office	1,981,469	1,970,252	1,861,497	(108,755)
		17,055,538	16,978,681	18,643,916	1,665,235
Cabinet Office Departments					
09	Cabinet Office	30,265,237	30,268,318	31,763,083	1,494,765
13	Post Office	9,180,750	9,880,884	9,284,765	(596,119)
43	Department of Information and Digital Technologies	10,541,193	9,642,289	9,567,950	(74,339)
61	Department of Employee & Organizational Development	7,415,479	7,413,134	7,598,323	185,189
51	Department of Communications	3,207,035	3,191,565	3,308,104	116,539
80	Project Management & Procurement	642,612	642,612	839,675	197,063
		61,252,306	61,038,802	62,361,900	1,323,098
Ministry of Transport					
48	Ministry of Transport HQ	15,582,633	15,270,244	18,114,371	2,844,127
35	Public Transportation	25,920,631	22,668,207	21,977,000	(691,207)
30	Marine & Ports	23,457,291	20,570,645	22,054,132	1,483,487
34	Transport Control Department	4,989,869	4,937,086	5,206,197	269,111
		69,950,424	63,446,182	67,351,700	3,905,518
Ministry of Legal Affairs & Constitutional reform					
03	Judicial Department	8,817,635	8,705,011	9,446,007	740,996
	Ministry of Legal Affairs & Constitutional Reform HQ	5,941,541	5,892,929	6,031,118	138,189
04	Attorney General's Chambers	5,070,979	5,070,739	5,803,477	732,738
88	National Drug Control	4,356,429	3,757,672	3,958,373	200,701
74	Department of Court Services	3,662,829	3,645,411	4,356,862	711,451
75	Department of Public Prosecutions	2,972,979	2,963,098	3,625,303	662,205
		30,822,392	30,034,860	33,221,140	3,186,280
Ministry of Finance					
11a	Pension and Retirement Benefits Expense	95,827,581	-	-	-
58	Interest on Debt	129,236,442	129,236,442	133,000,000	3,763,558
58.1	Early Tender Premium on Repurchased Debt	-	-	-	-
11	Accountant General	112,249,084	80,717,487	82,208,660	1,491,173
10	Ministry of Finance HQ	15,108,692	12,314,090	13,581,936	1,267,846
38	Office of the Tax Commissioner	(3,866,590)	3,691,209	3,901,207	209,998
39	Registrar of Companies	8,817,210	5,321,839	7,540,226	2,218,387
28	Social Insurance	3,020,094	3,010,585	3,532,430	521,845
58.2	Caroline Bay/Morgan's Point (Note 17)	2,234,033	2,234,033	-	(2,234,033)
		362,626,546	236,525,685	243,764,459	7,238,774

¹ Adjusted for Non-Cash, Non-Budget Items

² Includes all Approved Supplementary amounts during the year

Government of Bermuda - Consolidated Fund
Schedule 12: Current Expenditure - Estimates Compared to Expenditures (cont'd)
For the year ended March 31, 2024

	Expenses	Expenditure ¹	Adjusted Estimates ²	Under (Over) Spent
	\$	\$	\$	\$
Ministry of Education				
17 Department of Education	115,485,964	114,385,060	119,790,378	5,405,318
41 Bermuda College	14,653,901	14,653,901	14,653,901	-
16 Ministry of Education HQ	5,053,455	5,050,861	7,213,973	2,163,112
18 Libraries & Archives	3,093,011	3,076,060	3,084,750	8,690
	138,286,331	137,165,882	144,743,002	7,577,120
Ministry of Health				
24 Hospitals	171,553,389	171,553,389	171,481,738	(71,651)
22 Department of Health	29,405,400	29,013,093	30,428,893	1,415,800
21 Ministry of Health HQ	9,681,459	9,667,847	10,309,008	641,161
91 Health Insurance	2,855,948	2,853,417	3,343,444	490,027
	213,496,196	213,087,746	215,563,083	2,475,337
Ministry of Economy & Labour				
55 Financial Assistance	53,030,721	53,029,469	54,120,973	1,091,504
94 Department of Economic Development	7,276,551	7,276,551	8,393,575	1,117,024
27 Immigration	5,981,544	5,599,171	6,137,838	538,667
60 Workforce Development	3,842,246	3,830,459	4,114,009	283,550
14 Department of Statistics	2,044,557	2,012,378	2,359,898	347,520
44 Ministry of Economy & Labour HQ	1,400,819	1,396,891	2,044,267	647,376
	73,576,438	73,144,919	77,170,560	4,025,641
Ministry of Social Development & Seniors				
86 Ministry of Social Development & Seniors HQ	6,879,716	6,878,416	7,624,526	746,110
23 Child and Family Services	18,704,667	18,657,940	18,813,970	156,030
	25,584,383	25,536,356	26,438,496	902,140
Ministry of Youth, Culture & Sports				
20 Youth, Sport & Recreation	9,917,711	9,893,253	10,658,761	765,508
52 Department of Culture	1,619,483	1,619,483	1,890,745	271,262
71 Ministry of Youth, Culture & Sports HQ	946,185	908,430	1,167,714	259,284
	12,483,379	12,421,166	13,717,220	1,296,054
Ministry of National Security				
07 Police	63,952,779	63,790,956	62,625,388	(1,165,568)
25 Department of Corrections	27,462,200	26,785,899	24,891,757	(1,894,142)
12 Customs	18,020,066	17,850,563	17,695,635	(154,928)
45 Fire Services	20,430,086	20,033,488	14,879,933	(5,153,555)
06 Defence	8,534,006	8,445,007	8,557,869	112,862
83 Ministry of National Security HQ	2,409,431	2,000,848	2,683,417	682,569
	140,808,568	138,906,761	131,333,999	(7,572,762)
Ministry of Home Affairs				
79 Environment & Natural Resources	8,234,729	8,204,764	8,475,425	270,661
32 Department of Planning	3,043,432	2,924,591	3,596,165	671,574
93 Ministry of Home Affairs HQ	1,072,799	1,071,592	1,731,465	659,873
97 Land Title & Registration	1,416,018	1,378,174	1,380,351	2,177
29 Registry General	1,691,703	1,692,103	1,659,905	(32,198)
49 Land Valuation	850,005	839,368	865,074	25,706
89 Energy	699,209	710,759	669,001	(41,758)
	17,007,895	16,821,351	18,377,386	1,556,035
Ministry of Public Works				
82 Works & Engineering	55,034,990	36,303,073	31,113,936	(5,189,138)
81 Public Lands & Buildings	40,700,218	22,203,476	21,761,955	(441,521)
36 Ministry of Public Works HQ	7,280,723	10,546,696	6,139,397	(4,407,299)
68 Parks	8,752,714	8,357,385	9,726,466	1,369,081
53 Bermuda Housing Corporation	6,550,000	6,550,000	6,550,000	-
Amortization	19,500	-	-	-
	118,338,145	83,960,630	75,291,754	(8,668,876)
TOTAL CURRENT	1,281,288,541	1,109,069,021	1,127,978,615	18,909,594

¹ Adjusted for Non-Cash, Non-Budget Items

² Includes all Approved Supplementary amounts during the year

³ Totals may not add due to rounding

Government of Bermuda - Consolidated Fund
Schedule 13: Commitments - Legislated
For the year ended March 31, 2024

	2024	2023
	Actual	Actual
	\$	\$
Unspent Capital Appropriations		
In accordance with Section 6 of the Appropriations Act 2023, unspent capital appropriations for incomplete capital projects to be carried forward to future years are as follows:		
Capital Development	811,167	8,772,254
Capital Acquisition	2,168,391	5,101,442
	2,979,558	13,873,696
Total Authorized Funding		
Total Authorized Funding represents the estimated total cost of capital development projects and is subject to the voting of supply by the Legislature. Estimated future expenditure for continuing capital development projects is as follows:		
Total Authorized Funding	1,244,517,375	1,136,912,375
Projects Completed during the year	(29,245,000)	(29,245,000)
Supplementary Estimate	2,960,000	11,250,000
Revised Total Authorized Funding	1,218,232,375	1,118,917,375
Appropriated Capital Development	(581,913,293)	(526,407,802)
Unappropriated Capital Development Commitments	636,319,082	592,509,573

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

	2024	2023
	Actual	Actual
	\$	\$
Debt (Schedule 7)	3,293,892,000	3,343,892,000
Less:		
Sinking Fund (Schedule 7)	93,929,675	223,554,047
Public Debt	3,199,962,325	3,120,337,953
Legislated Limit (Note 15 (e))	3,500,000,000	3,500,000,000
Available Limit	300,037,675	379,662,047